# A RESTRICTED APPRAISAL REPORT

**OF**

**THREE MULTI-FAMILY RESIDENTIAL BUILDINGS
CONTAINING 9 UNITS WITH A TOTAL of 5,432 SQUARE FEET
OF GROSS BUILDING AREA
SITUATED ON A 0.79 ACRE SITE
LOCATED AT
977 MINER ROAD
IN
UNINCORPORATED LAKE WORTH,
PALM BEACH COUNTY,
FLORIDA 33462**

**PREPARED FOR**

**MR. KEN BEST
BROKER/OWNER
MEMBERS REALTY GROUP LLC
TOTAL PROPERTY MANAGEMENT AND INVESTMENTS LLC
3009 EXCHANGE COURT,
WEST PALM BEACH, FLORIDA 33409**

**AS OF**

**February 25, 2025**

**PREPARED BY**

**PALM BEACH APPRAISERS & CONSULTANTS
511 MARLIN ROAD
NORTH PALM BEACH, FL 33408**

**Marc S. Bertrand
Certified General Appraiser #RZ3221**

# PALM BEACH APPRAISERS & CONSULTANTS

**Main Office:**
**511 Marlin Road**
**North Palm Beach, Florida 33408**
**PH: (561) 689-8608**
**FAX: (561) 684-8709**

March 13, 2025

Mr. Ken Best
Broker/Owner
Members Realty Group LLC
Total Property Management and Investments LLC
3009 Exchange Court
West Palm Beach, Fl. 33409

**Re: File No. C25C0040**

Dear Mr. Best:

In accordance with your request, we have made an inspection, analysis, and a restricted appraisal report of the following:

> **A nine unit multi-family residential property comprised of two, one-story buildings and one SFR on a 0.79 acre site located at 977 Miner Road in Unincorporated Lake Worth, FL 33462.**

As a result of our investigation and analysis of the information outlined in the report, we hereby submit that our opinion of Market Value of the Fee Simple Estate in the Subject Property, as of February 25, 2025, is as follows:

**ONE MILLION FIVE HUNDRED NINETY THOUSAND DOLLARS**

**$1,590,000**

A brief description of the property appraised, together with an explanation of the valuation procedures utilized, is contained within the body of the report. This letter is made a part of and subject to the Limiting Conditions as set forth in the report herein.

**This is a restricted appraisal report of the Subject Property utilizing the Sales Comparison Approach. This report is intended to comply with Federal reporting standards and the standards and reporting requirements of Financial Institutions Reform Recovery and Enforcement Act (FIRREA), and the Uniform Standards of Professional Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation. This report is for the client's use only. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. The appraiser is not responsible for unauthorized use of this report. The appraiser's opinions and conclusions set forth in the report may not be understood properly without additional information in the appraisers' work file.**

Sincerely,

Marc S. Bertrand
Certified General Appraiser #RZ3221

# SPECIAL LIMITING CONDITIONS

1. The Subject site has not been inspected for environmental contaminations such as underground storage tanks, drums of unknown contents, evidence of waste disposal such as sludge, paints chemical residues, oil spillage, asbestos, etc. No environmental contamination is known to exist by the appraisers. If such contaminants were found to be present, the values stated herein would be subject to review and modification. Our value estimate contained herein assumes no significant contamination to the Subject Site.

2. No survey was provided to the appraiser. The site size of 0.79 acres was based on Palm Beach County Property Appraiser Records and appears to be reasonable. The building size was based on calculations from measurements taken by the appraiser at the time of our viewing which agreed with recorded public records. If a survey becomes available with site size which differs from the size used in this report, we reserve the right to amend our appraisal.

3. The appraiser has viewed the Subject site and the interior of several units, the SFR and exterior of the Subject buildings. The owner told us that all of the units had been similarly updated recently and we are assuming they are in average condition. We do recommend a roof inspection by a qualified roofing company, however. The appraiser is not a qualified engineer or building inspector and has viewed only those areas, which were readily accessible. The appraiser has assumed that the buildings are structurally sound and no environmental concerns exist with the buildings or site such as toxic mold or subsurface contamination. Should any structural or environmental problems exist, our value conclusion would be subject to review and revision.

4. We were unable to provide leased fee value because the Subject is leased on a month to month basis therefore, at the request of the client only a Fee Simple value will be provided.

# CERTIFICATION

We hereby 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 or bias with respect to the parties involved.

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

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. 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.

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

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

9. Marc S. Bertrand have viewed the property that is the subject of this report.

10. No one provided significant professional assistance other than the person(s) signing this report.

11. Our analyses, opinions, or conclusions that were developed in this report have been prepared in conformity with the requirements of the State of Florida for the State Certified Appraisers.

## CERTIFICATION (CONT'D)

12. The use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.

13. We have not performed services, as appraisers regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment

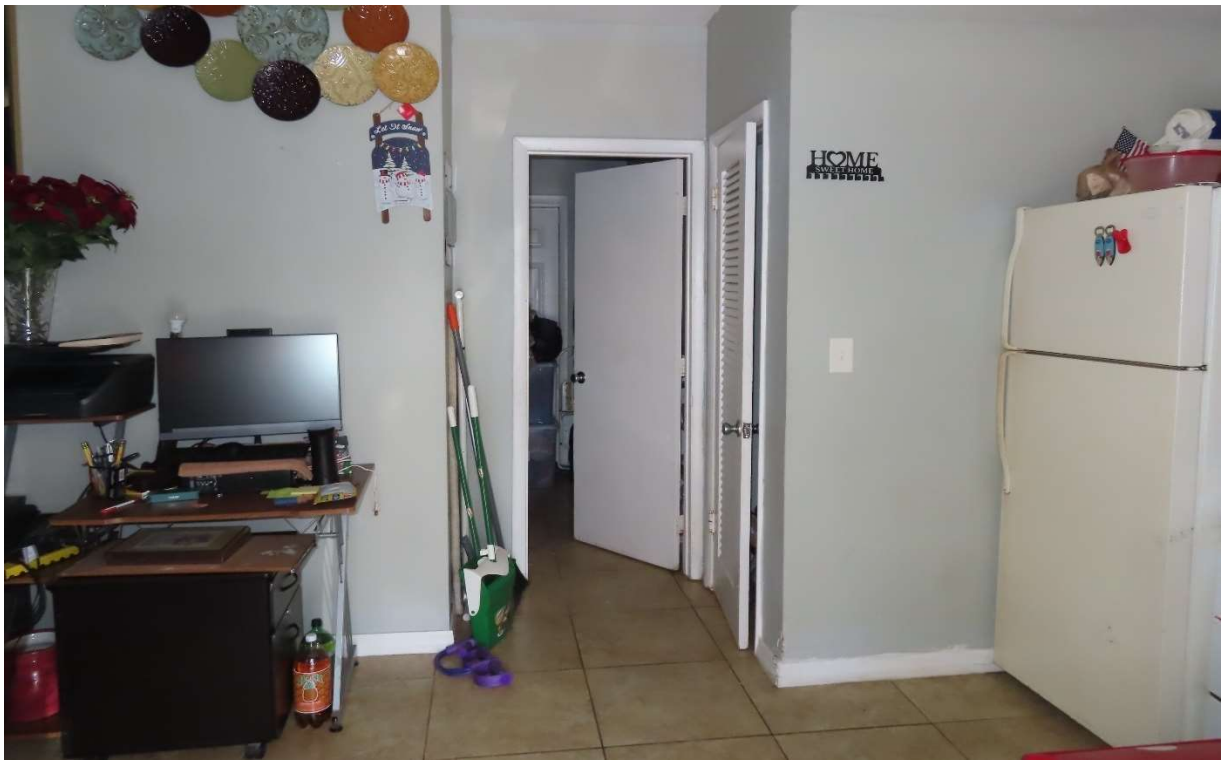
Marc S. Bertrand
Certified General Appraiser #RZ3221

**FRONT OF SUBJECT BUILDING**

**REAR OF SUBJECT BUILDING**

**FRONT VIEW OF SFR**

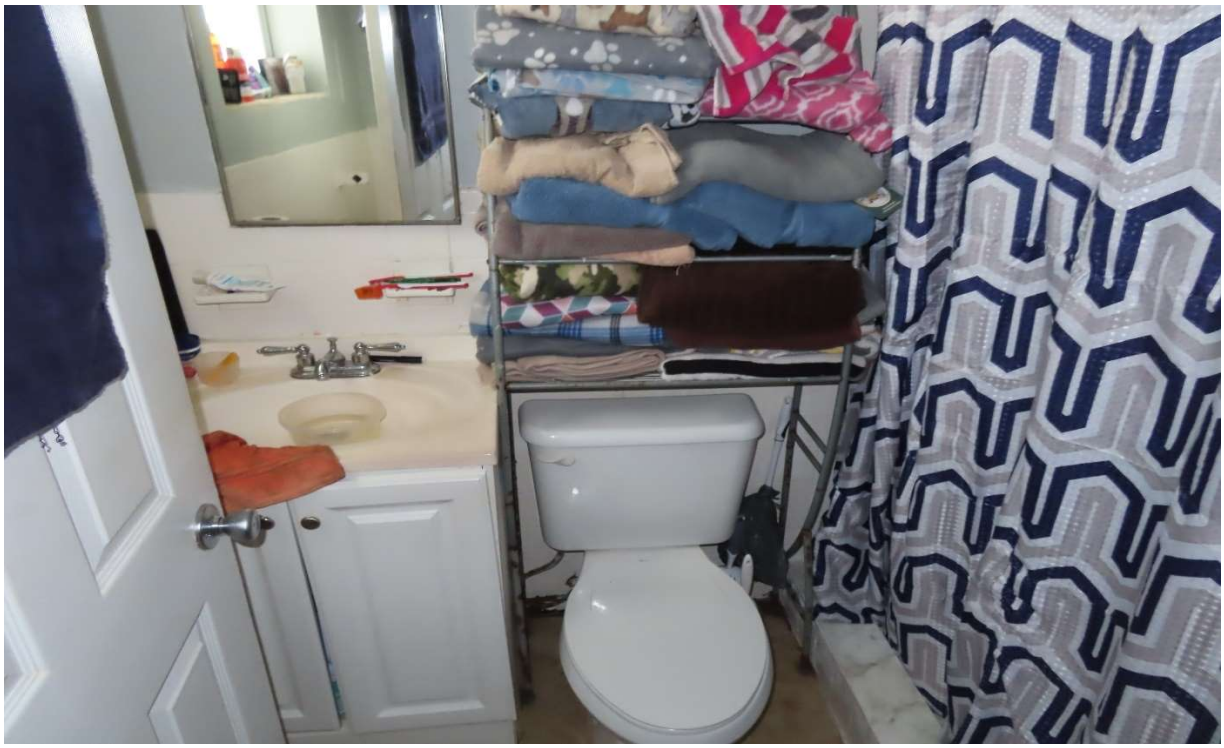
**REAR VIEW OF SFR**




**LIVING ROOM (TYPICAL UNIT)**

**KITCHEN**

**BEDROOM**



**BATHROOM**

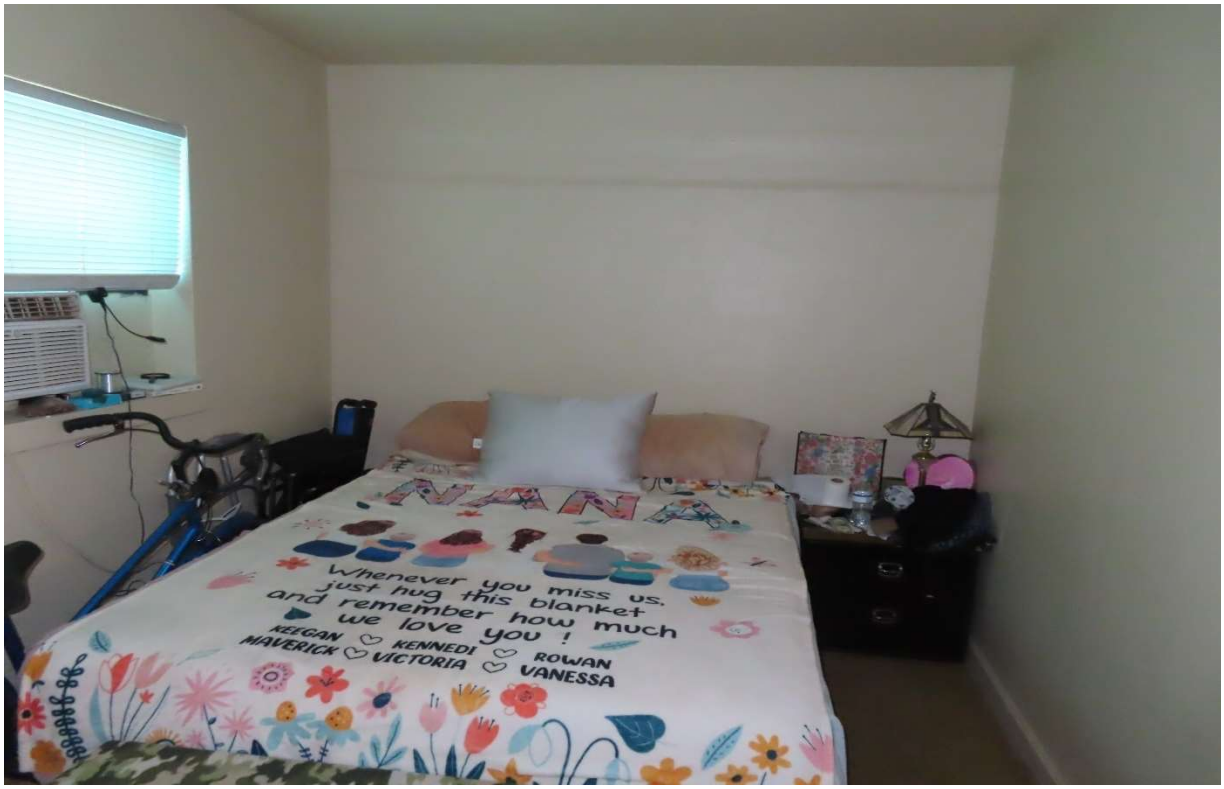
**BATHROOM**

**KITCHEN**

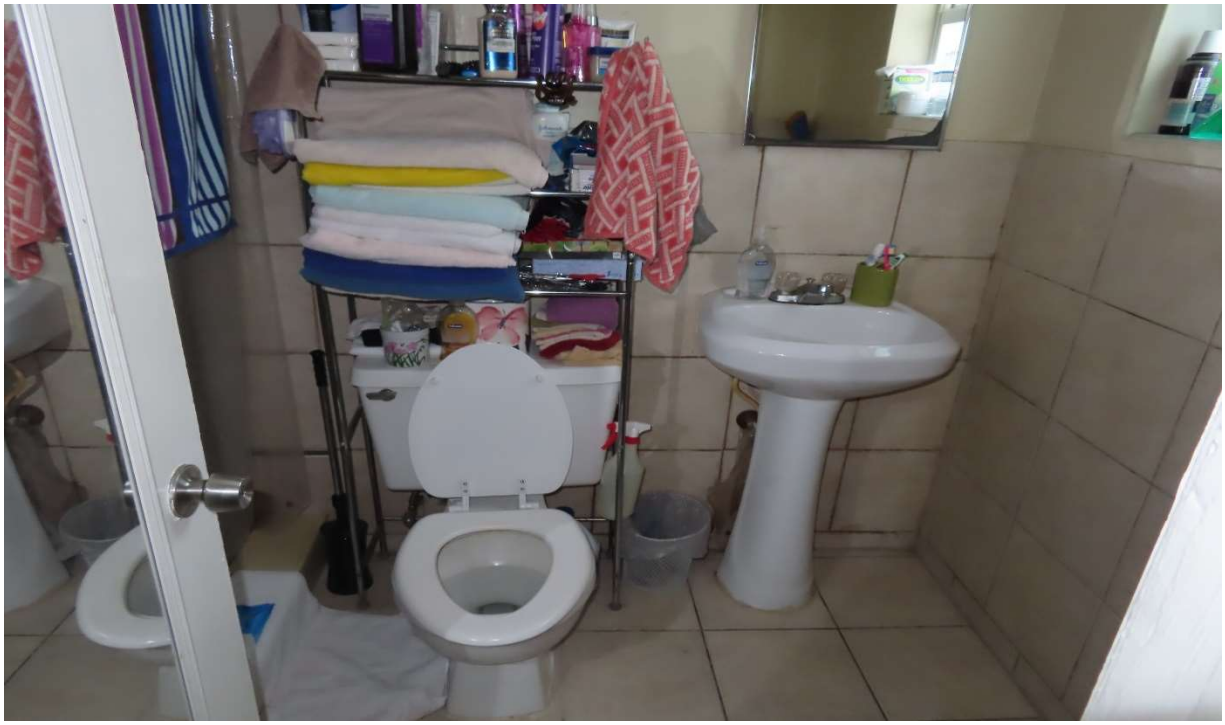
**BATHROOM**

**UPGRADED ELECTRICAL PANEL**

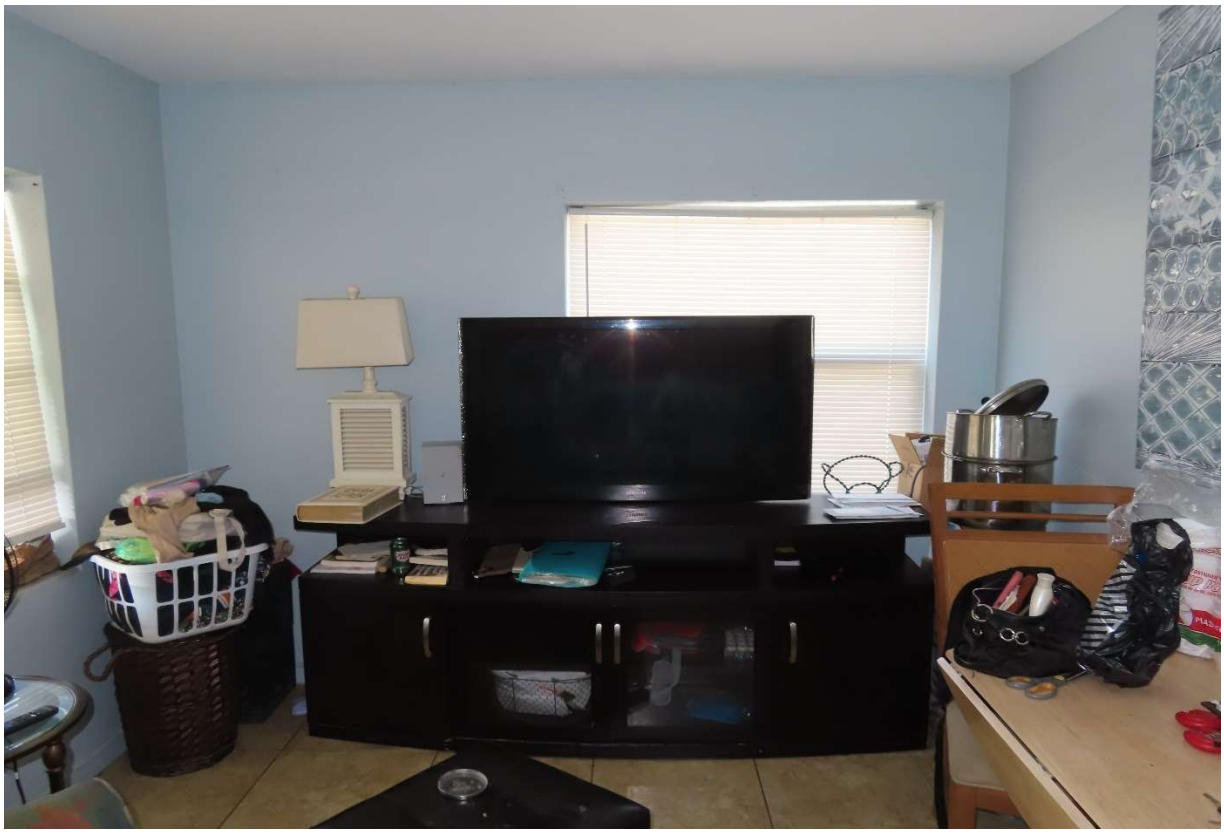
**KITCHEN (NOT UPDATED)**




**BEDROOM**



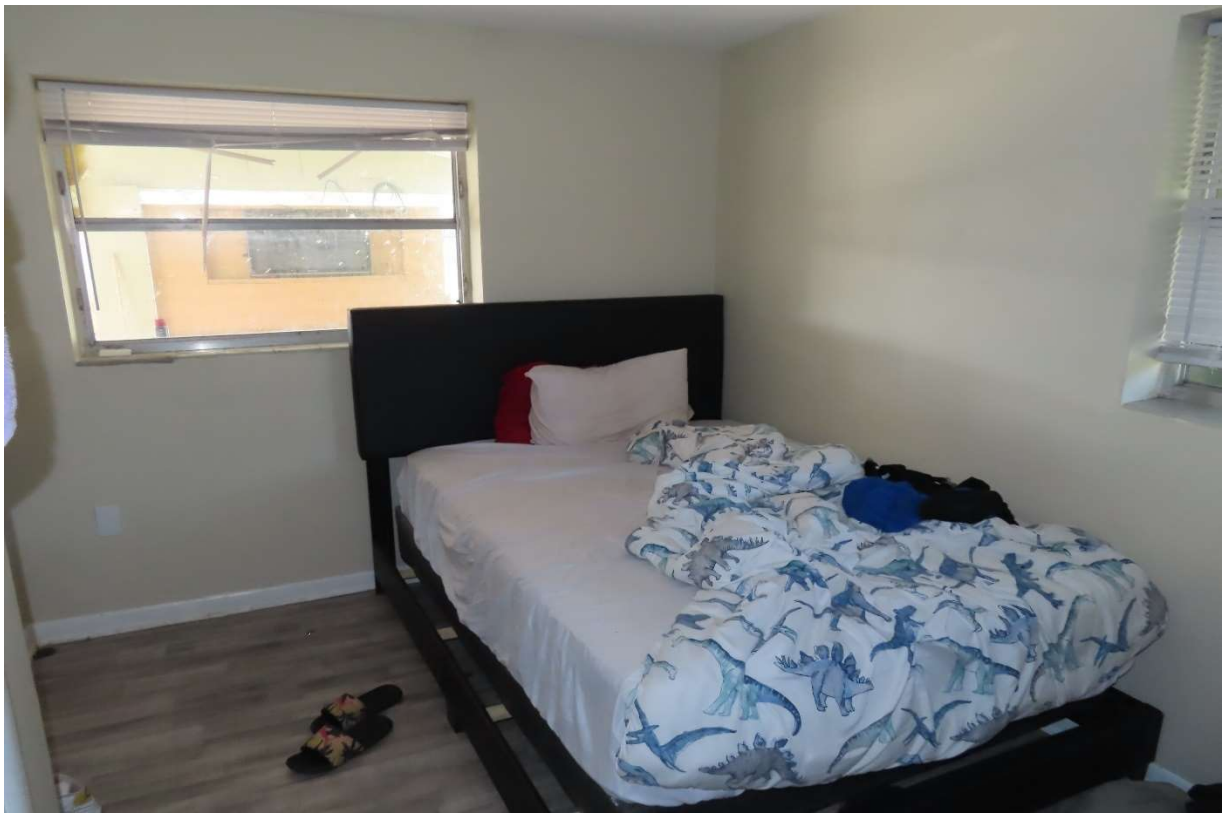
**BATH**



**BEDROOM**

**KITCHEN**

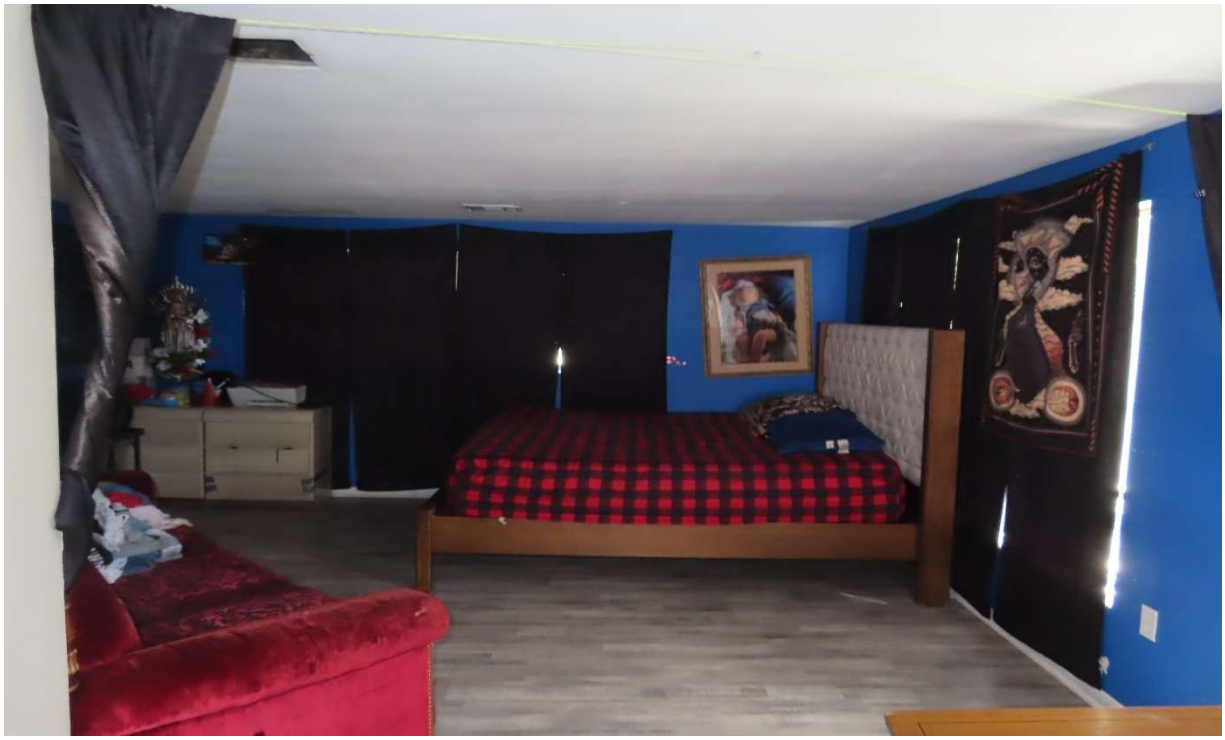
**CARPORT SFR**



**BEDROOM SFR**

**BATHROOM SFR**

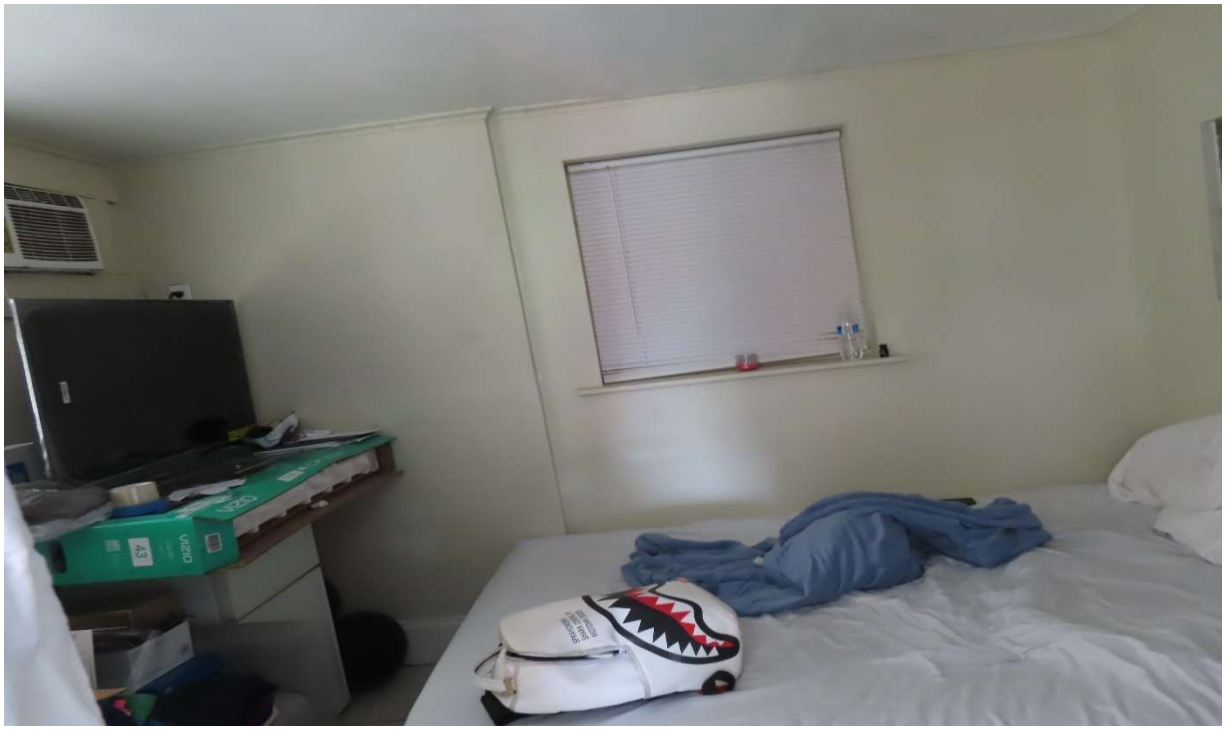
**BEDROOM SFR**



**BEDROOM SFR**

**KITCHEN**

**LIVING ROOM**




**FLEX ATTACHED ROOM**

**FLEX BATHROOM**

**STORAGE**

**REAR YARD SFR**

**MINER ROAD FACING EAST**

**MINER ROAD FACING EAST**

# RESTRICTED APPRAISAL REPORT

This is a Restricted Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it presents no discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is stated herein and/or retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. The appraiser is not responsible for unauthorized use of this report. The Subject has been physically viewed by the appraiser and photographs are provided herein. The appraiser has also viewed the comparable properties utilized in valuation of the Subject.

**FILE REFERENCE:** File #**C25C0040**

**CLIENT:**
Mr. Ken Best
Broker/Owner
Members Realty Group LLC
Total Property Management and Investments LLC
3009 Exchange Court
West Palm Beach, Fl. 33409

**APPRAISER:**
Marc S. Bertrand
Certified General Appraiser #RZ3221
Palm Beach Appraisers & Consultants
511 Marlin Road
North Palm Beach, FL 33408

**SUBJECT PROPERTY OWNER:**
KLS HOLDINGS LLC
107 Via Escobar Place
Palm Beach Gardens, FL 33418

**REAL ESTATE APPRAISED:**

Property Location:

The Subject Property is located on the east side of Overlook Road, north side of Miner Road and the west side of Griswold Street, in Unincorporated Lake Worth, FL

Legal Description:

Folio **# 00-43-45-10-07-000-0010**

**TROPICAL TERRACE LTS 1 & 2, S 1/2 OF LT 46 & LTS 47 TO 50 INC**

Source: Palm Beach County Property Appraiser

**INTENDED USE AND USER OF REPORT:**

The intended use of this appraisal is for internal usage including, but not limited to, rendering a decision on buying out the interests of a partner. The intended user of this report is Mr. Ken Best. The client has not advised us of any intended subsequent user of this report.

**PURPOSE OF THE APPRAISAL:**

The purpose of this restricted appraisal is to provide an opinion of the market value in Fee Simple of the Subject Property, as of the effective date of the valuation.

**INTEREST APPRAISED:**

The property interests being appraised is the Fee Simple Estate.

**Fee Simple,** which is defined as "An absolute fee; a fee without limitation to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation. An inheritable estate.

**EFFECTIVE DATE OF VALUE:**

February 25, 2025

**DATE OF THE REPORT:**

March 13, 2025

**DATE OF INSPECTION:** February 25, 2025

**ESTIMATED MARKETING EXPOSURE / TIME:** 9-12 +/- Months

**FIVE YEAR SALES HISTORY:** A search of Palm Beach County public records revealed no transactions in the past five years. The last recorded transaction was on 11/20/2017 for a $10 transfer. The Subject is not known to be for sale or for contract.

# DEFINITION OF MARKET VALUE

The regulatory required market value definition is:

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

1. Buyer and seller are typically motivated;

2. Both parties are well informed or well advised and each acting in what they consider their own best interests;

3. A reasonable time is allowed for exposure in the open market;

4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

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

**Source:**

*Uniform Standards of Professional Appraisal Practice,
Page I-7
*Federal Reserve System, 12 CFR Parts 208 and 225,
Sec. 225.62
*Office of the Comptroller of the Currency, 12 CFR Part 34,
Sec. 34.42
*FDIC, 12 CFR Part 323, Sec. 323.2
*Office of Thrift Supervision, 12 CFR Part 564, Sec. 564.2
*NCUA, 12 CFR Part 722, Sec. 722.2
*RTC, 12 CFR Part 1608, Sec. 1608.2
*FIRREA, Title XI

# SCOPE OF APPRAISAL

Per the Appraisal Institute, a Restricted Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it presents no discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is stated herein and/or retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. The appraiser is not responsible for unauthorized use of this report.

The purpose of the appraisal is to provide an opinion of the Market Value of the Subject is for internal decision making purposes or rendering a decision on buying out the interests of a partner. This report will provide an opinion of the “As Is” market value of the Subject Property as of February 25, 2025 and will be in a restricted format, with more detailed data maintained in our files. This report will contain a chart summarizing the applicable sales. In preparing this report, the appraiser personally viewed the Subject Property. Sale data was verified with an interested party such as the buyer, seller, real estate agent or closing attorney. The search for data was extended to all of Lake Worth and adequate data was found.

Our opinion of the Market Value will be derived by considering the three standard approaches to value that are summarized as follows:

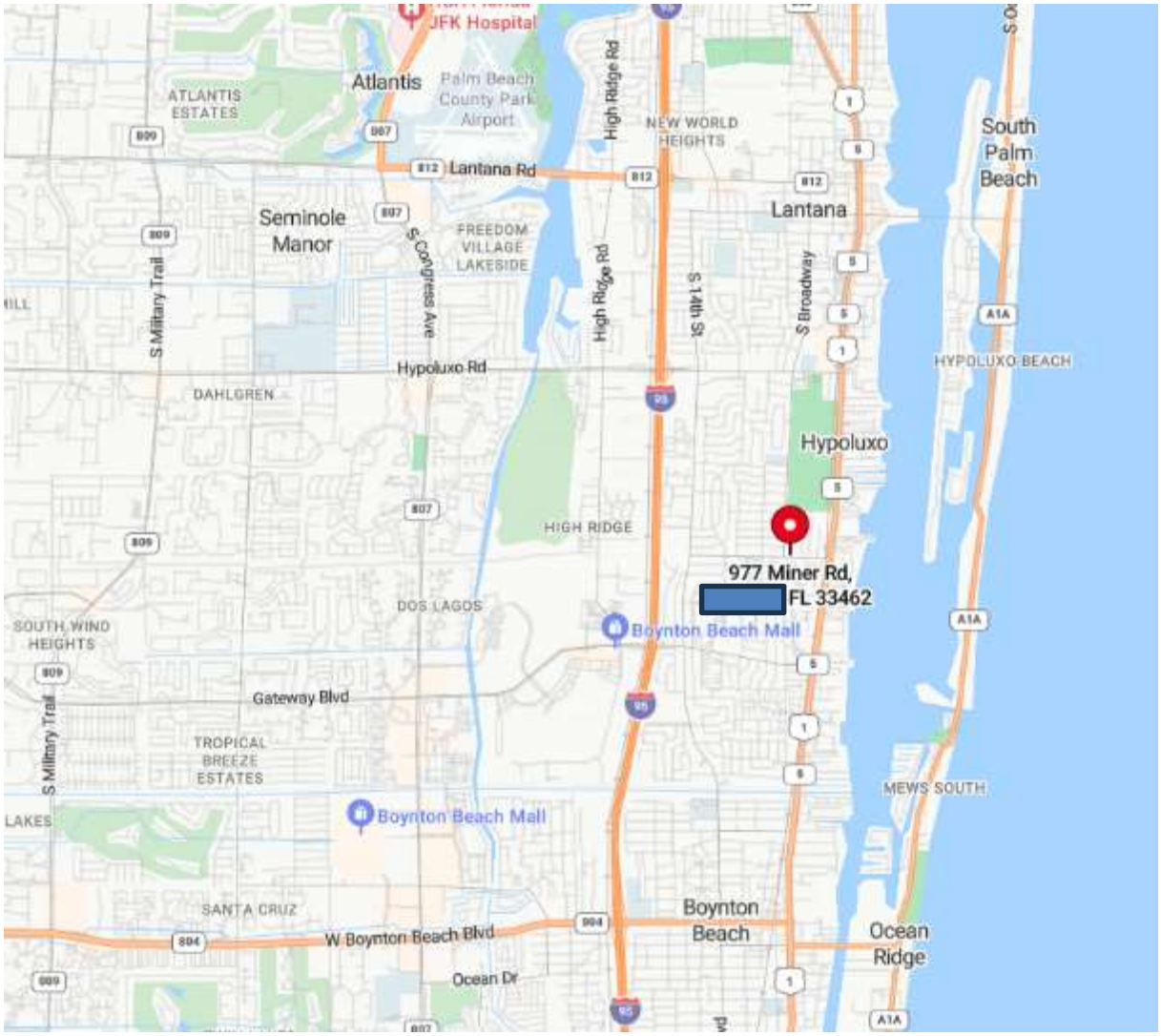
**COST APPROACH** - The Cost Approach has been considered but will not be utilized because the Subject Property building was built in 1959. Estimating depreciation on buildings of this age would be difficult and make this approach an un-reliable indicator of value. Therefore, the Cost Approach, although considered, has not been used in valuing the Subject.

**SALES COMPARISON APPROACH** - A process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the property being appraised.

**INCOME APPROACH** – That procedure in appraisal analysis, which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate.

The Subject is 100% occupied.

In completing this assignment, the appraiser has engaged in original research. Data has been gathered from various sources, including public records, area brokers, appraisers, property owners, and published sources. Additionally, we have used original research performed in preparation of other appraisals by this office which is considered to be appropriate for the Subject Property. The product of this research and analysis is the valuation conclusion contained herein.




**LOCATION MAP**

# AREA/NEIGHBORHOOD ANALYSIS

The Subject Property is located on the east side of Overlook Road, north side of Miner Road and the west side of Griswold Street, Florida. The neighboring municipalities are the City of West Palm Beach on the north, the City of Boynton Beach and Lake Worth Beach and unincorporated areas of Palm Beach County to the south and west. The city of Lake Worth Beach has an estimated 43,472 persons as of 2024. The Subject is located in proximity to the Palm Beach International airport, I-95 and Palm Beach (island).

The neighborhood boundaries are considered to be Boynton Beach Boulevard to the south, Lake Worth Road to the north, Dixie Highway to the east, and Military Trail to the west. The Subject is located in the southeast section of the City of Lake Worth Beach.

The primary east/west roadways in the Subject area consist of 10th Avenue N, Lantana Road, and Forest Hill Boulevard, each have interchanges at Interstate 95. The primary north/south arteries in the Subject area include Interstate 95, Congress Avenue, and Dixie Highway.

The land uses within this described area consists primarily residential uses. Some marine uses were noted east of S Federal Highway. The marine uses consist of marinas and boat storage facilities. Supporting retail uses can also be found on S Federal Highway strip centers and single user buildings of average quality. A Winn Dixie shopping center is located on the NW corner of Hypoluxo Road and S Federal Highway. West Marine, Subway, Mr Hibachi and American Beauty Supply & Salon. New Life Christian Academy is located on the corner as well. Super 8 Wyndham, Holiday Inn Express & Suites and Comfort Inn & Suites of Lantana. There are restaurants and fast food restaurants on S Federal Highway. A Home Depot is located on the SE corner of Hypoluxo Road and I-95. A Publix super market is located on E Gateway Boulevard just west of I-95. The Boynton Beach mall is located on this area of E Gateway Boulevard and Congress Avenue.

The Hypoluxo Scrub Natural Area is located just north of the Subject. High Ridge Country Club is located just west of I-95 on the south side of Hypoluxo Road. Southwest Park and Lantana Scrub Natural area just north of 10th Avenue.

Some schools in the area include but not limited to: Lantana Community Middle School, Lantana Elementary School, South Palm Academy, New Life Christian Academy, Dowling Private School, Rolling Green Elementary School,

# AREA/NEIGHBORHOOD (CONT'D)

Last Update: 8/26/24

## PALM BEACH COUNTY PROFILE

COUNTY SEAT: West Palm Beach
INCORPORATED: 1909
METRO. AREA: Miami-Fort Lauderdale-West Palm Beach MSA

LAND AREA: 1,977 SQ MILES
APPROX. 45 MILES N-S
APPROX. 53 MILES E-W

2024 POPULATION:
1,545,905 (Year round)

| MUNICIPALITIES | POPULATION (Permanent Residents) 1990 Census | 2000 Census | 2010 Census | 2020 Census | 2024 BEBR | 2030 Projected** | 2020 Estimated Additional Seasonal Population* | Land Area* (in sq. miles) |
|---|---|---|---|---|---|---|---|---|
| ATLANTIS | 1,653 | 2,005 | 2,005 | 2,142 | 2,135 | 2,176 | 485 | 1.38 |
| BELLE GLADE | 16,177 | 14,906 | 17,467 | 16,698 | 17,468 | 19,535 | 206 | 6.94 |
| BOCA RATON | 61,492 | 74,764 | 84,392 | 97,422 | 100,560 | 108,891 | 11,384 | 28.95 |
| BOYNTON BEACH | 46,194 | 60,389 | 68,217 | 80,380 | 82,393 | 87,639 | 8,153 | 15.67 |
| BRINY BREEZES | 400 | 411 | 601 | 502 | 498 | 522 | 504 | 0.06 |
| CLOUD LAKE | 121 | 167 | 135 | 134 | 137 | 136 | 13 | 0.05 |
| DELRAY BEACH | 47,181 | 60,020 | 60,522 | 66,846 | 68,096 | 77,409 | 8,612 | 15.47 |
| GLEN RIDGE | 207 | 276 | 219 | 217 | 214 | 225 | 15 | 0.16 |
| GOLF | 234 | 230 | 252 | 255 | 287 | 326 | 99 | 0.79 |
| GREENACRES | 18,683 | 27,569 | 37,573 | 43,990 | 45,439 | 45,889 | 3,851 | 5.63 |
| GULF STREAM | 690 | 716 | 786 | 954 | 956 | 973 | 487 | 0.76 |
| HAVERHILL | 1,058 | 1,454 | 1,873 | 2,187 | 2,188 | 2,373 | 0 | 0.63 |
| HIGHLAND BEACH | 3,209 | 3,775 | 3,539 | 4,295 | 4,287 | 4,275 | 2,375 | 0.60 |
| HYPOLUXO | 830 | 2,015 | 2,588 | 2,687 | 2,672 | 2,687 | 980 | 0.80 |
| JUNO BEACH | 2,121 | 3,262 | 3,176 | 3,858 | 3,871 | 3,891 | 1,476 | 2.04 |
| JUPITER | 24,986 | 39,328 | 55,156 | 61,047 | 61,215 | 65,582 | 10,262 | 21.91 |
| JUPITER INLET COLONY | 405 | 368 | 400 | 405 | 412 | 413 | 283 | 0.19 |
| LAKE CLARKE SHORES | 3,364 | 3,451 | 3,376 | 3,564 | 3,545 | 3,556 | 126 | 0.94 |
| LAKE PARK | 6,704 | 8,721 | 8,155 | 9,047 | 9,014 | 9,265 | 360 | 2.43 |
| LAKE WORTH BEACH | 28,564 | 35,133 | 34,910 | 42,219 | 43,472 | 45,352 | 2,916 | 6.80 |
| LANTANA | 8,392 | 9,404 | 10,423 | 11,504 | 12,239 | 12,992 | 1,288 | 2.92 |
| LOXAHATCHEE GROVES | | | 3,180 | 3,355 | 3,374 | 3,634 | 138 | 12.42 |
| MANALAPAN | 312 | 321 | 406 | 419 | 416 | 448 | 317 | 1.05 |
| MANGONIA PARK | 1,453 | 1,283 | 1,888 | 2,142 | 2,511 | 2,609 | 10 | 0.74 |
| NORTH PALM BEACH | 11,343 | 12,064 | 12,015 | 13,162 | 13,101 | 13,757 | 2,334 | 5.08 |
| OCEAN RIDGE | 1,570 | 1,636 | 1,786 | 1,830 | 1,810 | 1,830 | 918 | 0.90 |
| PAHOKEE | 6,822 | 5,985 | 5,649 | 5,524 | 5,666 | 5,879 | 19 | 4.98 |
| PALM BEACH | 9,814 | 9,676 | 8,348 | 9,245 | 9,212 | 9,258 | 6,537 | 7.67 |
| PALM BEACH GARDENS | 22,965 | 35,058 | 48,452 | 59,182 | 62,469 | 69,294 | 7,115 | 56.72 |
| PALM BEACH SHORES | 1,040 | 1,269 | 1,142 | 1,330 | 1,283 | 1,318 | 687 | 0.42 |
| PALM SPRINGS | 9,763 | 11,699 | 18,928 | 26,890 | 27,312 | 29,232 | 1,456 | 4.13 |
| RIVIERA BEACH | 27,639 | 29,884 | 32,488 | 37,604 | 39,390 | 42,024 | 5,555 | 9.51 |
| ROYAL PALM BEACH | 14,589 | 21,523 | 34,140 | 38,932 | 40,430 | 43,415 | 921 | 10.99 |
| SOUTH BAY | 3,558 | 3,859 | 4,876 | 4,860 | 4,984 | 5,564 | 0 | 2.10 |
| SOUTH PALM BEACH | 1,480 | 1,531 | 1,171 | 1,471 | 1,465 | 1,474 | 1,116 | 0.12 |
| TEQUESTA | 4,499 | 5,273 | 5,629 | 6,158 | 6,093 | 6,112 | 1,015 | 2.25 |
| WELLINGTON | 20,670 | 38,216 | 56,508 | 61,637 | 61,794 | 65,387 | 4,476 | 42.40 |
| WEST PALM BEACH | 67,643 | 82,103 | 99,919 | 117,415 | 125,401 | 138,075 | 8,692 | 53.81 |
| WESTLAKE | | | | 906 | 6,419 | 14,689 | 0 | 6.44 |
| **TOTAL INCORPORATED** | 477,825 | 609,744 | 732,290 | 842,415 | 874,228 | 948,106 | 95,181 | 336.80 |
| **TOTAL UNINCORPORATED** | 385,540 | 521,447 | 587,844 | 649,776 | 671,677 | 695,707 | 63,695 | 1,639.76 |
| **TOTAL COUNTY** | **863,365** | **1,131,191** | **1,320,134** | **1,492,191** | **1,545,905** | **1,643,813** | **158,876** | **1,976.56** |

Residential statistical results below are for the area north of Miner Road, east of S Federal Highway, N Seacrest Boulevard to the east and south of Hypoluxo Road in the immediate area.

## Statistical Market Analysis

| Status | # Listings | List Volume | Sold Volume | | List Price | Sold Price | Sale/List Price | SqFt - Living | List Price Per SqFt - Living |
|---|---|---|---|---|---|---|---|---|---|
| Active | 9 | 3,881,275 | 0 | Low | 225,000 | 0 | 0.00 | 528 | 250.29 |
| | | | | Avg | 342,364 | 0 | 0.00 | 963 | 378.82 |
| | | | | High | 440,000 | 0 | 0.00 | 1,398 | 816.07 |
| Closed | 24 | 7,864,598 | 7,599,930 | Low | 164,900 | 170,000 | 0.71 | 544 | 167.92 |
| | | | | Avg | 327,692 | 316,662 | 0.96 | 957 | 362.78 |
| | | | | High | 454,900 | 454,900 | 1.07 | 1,356 | 536.71 |
| Overall | 33 | 10,945,873 | 7,599,930 | Low | 164,900 | 170,000 | 0.71 | 528 | 167.92 |
| | | | | Avg | 331,693 | 316,662 | 0.96 | 959 | 369.88 |
| | | | | High | 454,900 | 454,900 | 1.07 | 1,398 | 816.07 |

Selection Criteria for Comparable Properties

Specified listings from the following search: Property type Residential; Inside the map search Rectangle (-80066092,26571165,-80053156,26555667); Status of 'Active', 'Closed'; City of 'Lake Worth', 'Lak

# AREA/NEIGHBORHOOD (CONT'D)

## Conclusion

The Subject's immediate area can be characterized as being a moderate income area. E Gateway Boulevard is a busy east/west road with a mix of retail, office, and residential uses. In summary, the Subject neighborhood is anticipated to remain relatively stable over the long term, however, several years of federal hikes in the interest rate has significantly slowed the market. The Federal Reserve have slightly lowered interest rates for the first time in 3.5 + years however, it is not enough to stimulate the market and more cuts will be needed. This will benefit all sectors of the market as conventional buyers can re-enter the buyer pool.

Highland Rd
RIDGE GROVE IN
B22P008
0043450908
Ridge Rd
PAR A
1561
0.57 ac
0043451007
Terrace Rd
Miner Rd
QUADRILLE
OR3126P0028
2643451624
Waterside Dr
Waterside Dr
PH IV
OR6009
P1699
Waterside Dr

**PLAT MAP**

Ridge Rd
Overlook Rd
Overlook Rd
Griswold St
Terrace Rd
Miner Rd
Miner Rd

**AERIAL MAP**

# PROJECT SITE DATA

**Size and Shape:**

No survey was provided to the appraisers. The Palm Beach County Property Appraiser indicates a site size of 0.79 acres, or 34,412 sf. The site is irregularly shaped, with approximately 207 feet of frontage along the north side of Miner Road, approximately 117 feet of frontage on the east side of Overlook Road and approximately 235 feet of west side of Griswold Street.

**Site Improvements:**

There is chain link fencing and grassy areas and mature trees. The landscaping is typical for the neighborhood.

**Location and Accessibility:**

The Subject Property is located on the east side of the Overlook Road, north side on Miner Road and the west side of Griswold Street. The location is considered to be above average and access is considered good.

**Topography and Drainage**

No standing water was observed at the time of our viewing. The Subject is above road grade and the SFR is level at road grade.

**Easements and Encroachments:**

Based on a visual inspection the Subject does not appear to have any adverse easements and encroachments however, a current survey would be recommended to verify this.

**Utilities:**

Palm Beach County Utilities provide water and the Subject has septic. Florida Power & Light provides electric service. Communication services are provided by private contractors.

**Zoning/Land Use:**

The zoning is “CN” Neighborhood Commercial. Property use code Multifamily 10 units or more.

**Parking:**

There is on site parking for 15 +/- autos for the multi family buildings on the north side of Miner Road and 2 + in the SFR driveway.

# SITE DESCRIPTION (CONT'D)

**Flood Zone**:

The Subject site is located within Flood Zone "X" as indicated by Community Panel Map 12099C 0791G, dated December 20, 2024. This Flood Zone classification typically does not require federal flood insurance.

**CENSUS TRACT**

Address: 977 Miner Rd, Lantana, Florida, 33462

MSA-State-County-Tract: 48424-12-099-0056.01

Census | Income | Population | Housing

| | |
|---|---|
| Tract Income Level | Moderate |
| Underserved or Distressed Tract | No |
| 2024 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income | $104,000 |
| 2024 Estimated Tract Median Family Income | $54,059 |
| 2020 Tract Median Family Income | $41,480 |
| Tract Median Family Income % | 51.98 |
| Tract Population | 5444 |
| Tract Minority % | 80.12 |
| Tract Minority Population | 4362 |
| Owner-Occupied Units | 887 |
| 1- to 4- Family Units | 1851 |

**Assessed Valuation and Taxes:**

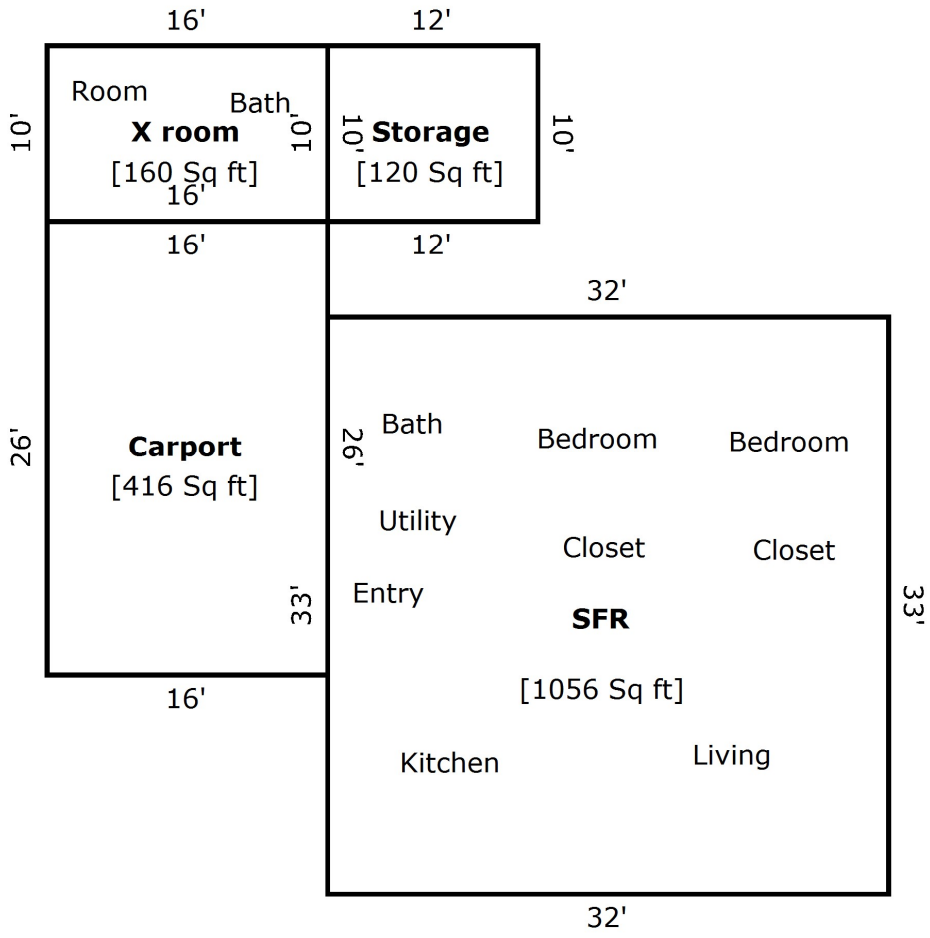
The Subject Property was assessed for 2024 taxes as follows:

Property Control #: **00-43-45-10-07-000-0010**

| | |
|---|---|
| Land Value: | $ 270,000 |
| Improvements: | $ 366,166 |
| Total Value: | $ 636,166 |
| 2024 Tax: | $ 12,313 |

The 2024 taxes have not been paid and are due. According to the Palm Beach County Tax Collectors Office, there are no prior year's delinquent taxes noted. Based on our market value conclusion the assessment and taxes appear low.

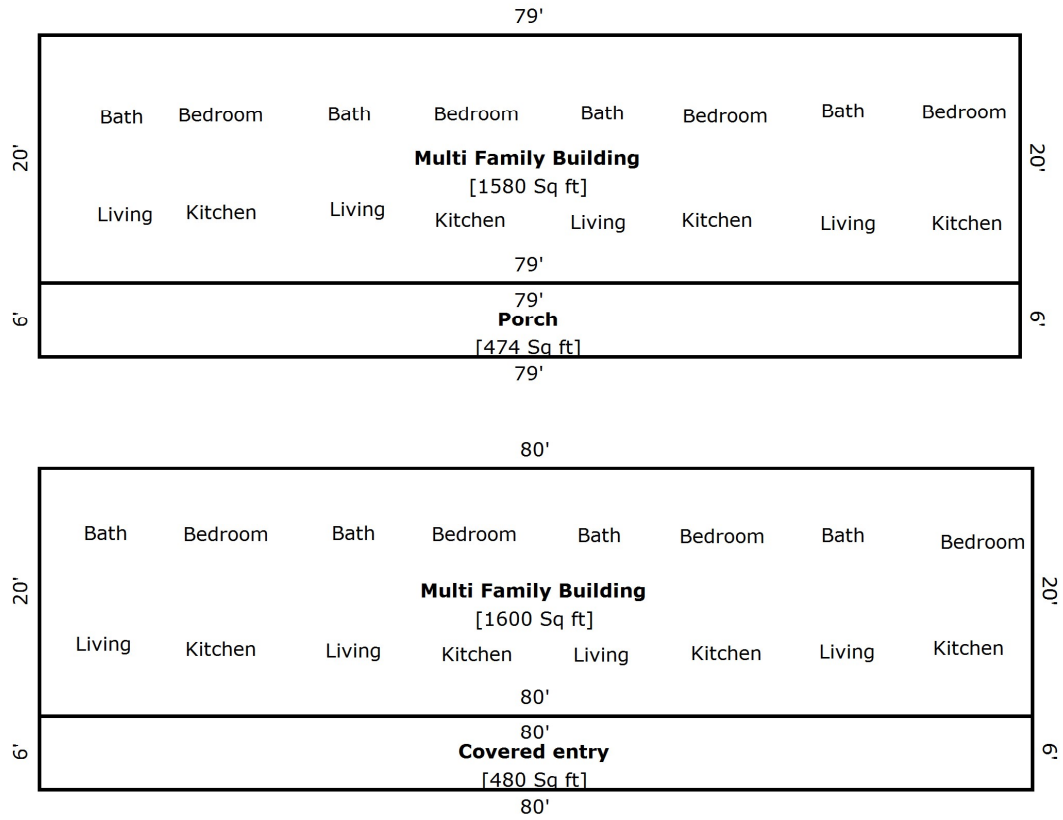
# SINGLE FAMILY RESIDENCE




TOTAL Sketch by a la mode

**Area Calculations Summary**

| **Living Area** | | **Calculation Details** |
|---|---|---|
| X room | 160 Sq ft | 10 × 16 = 160 |
| SFR | 1056 Sq ft | 33 × 32 = 1056 |
| **Total Living Area (Rounded):** | **1216 Sq ft** | |
| **Non-living Area** | | |
| Carport | 416 Sq ft | 16 × 26 = 416 |
| Storage | 120 Sq ft | 10 × 12 = 120 |




TOTAL Sketch by a la mode

**Area Calculations Summary**

| **Living Area** | | **Calculation Details** |
|---|---|---|
| Multi Family Building | 1600 Sq ft | 20 × 80 = 1600 |
| Multi Family Building | 1580 Sq ft | 20 × 79 = 1580 |
| **Total Living Area (Rounded):** | **3180 Sq ft** | |
| **Non-living Area** | | |
| Covered entry | 480 Sq ft | 6 × 80 = 480 |
| Porch | 474 Sq ft | 6 × 79 = 474 |

# BUILDING IMPROVEMENTS

The Subject Property is improved with two, one-story CBS multi tenant residential buildings measuring a total of 3,160 square feet of gross living area; Each building contains 4 units and have the same floor plan. All units are 1 bedroom, 1 bath units. There is also a SFR that measures approximately 1,056 SF and an attached 160 SF room with a bathroom. The SFR is a 2 bedroom 1 bath with a 416 SF carport, and attached room with a bathroom and 120 sf of storage.

The units we viewed had been updated 10-12 years ago (one not updated at this time), including tile flooring throughout, wood kitchen cabinets, standard appliances, Formica covered counter tops, updated bathrooms and considered to be in average condition. Window wall A/C units have been updated over the years. The roof has been repaired.

# HIGHEST AND BEST USE

Highest and Best Use is defined by The Appraisal Institute in the publication Real Estate Appraisal Terminology as follows (abbreviated):

A proper analysis of the Highest and Best Use of a site is to examine each segment of the definition.

> ***Highest and Best Use:*** *That reasonable and probable use that will support the present value as of the effective date of the appraisal. Alternatively, that use, from among the reasonable, probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value.*

## AS VACANT

The Subject is zoned "NC" Neighborhood Commercial – Palm Beach County. The Property Use is Multi Family Residential. The Subject is considered to be a grand fathered in use. If developed "As Vacant" the zoning would have to be changed to develop with a multi family use.

## AS IMPROVED

The improvements on the Subject site are considered to represent the Highest and Best Use of the site "as improved". As noted earlier, the current zoning does not allow multi or single family residential development. We are assuming that multi-family uses are grandfathered in.

# VALUATION METHODS

In providing an opinion of the market value of the Subject Property, the two Approaches to Value – Sales Comparison and Income - were deemed most applicable therefore, were analyzed. The Approaches are defined as follows:

**SALES COMPARISON APPROACH** - The Sales Comparison Approach is based on a direct market comparison of sales with similar uses and income potential. Our approach will be to research sales of similar type properties and analyze these sales using an appropriate unit of comparison.

**INCOME APPROACH** - That procedure in appraisal analysis, which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. Buyers typically are purchasing these properties based upon their income potential. For this reason the Income Approach was utilized.

(FROM: Real Estate Appraisal Terminology, (The Appraisal Institute)

# SALES COMPARISON ANALYSIS

To estimate the market value of the Subject Property via the Sales Comparison Approach, a sales search was conducted to locate and analyze sales data and compare it to the Subject via appropriate units of comparison. These sales were analyzed on a price per unit basis.

The Sales Comparison Approach is based upon the principle of substitution, which states that a prudent purchaser would pay no more for a property than the cost of acquiring a substitute property on the open market. Substitution may assume purchase of an existing property, with equal utility, or of acquiring an investment which will produce an income stream of similar size with similar risk, as the Subject Property.

Adjustments are made to the sales to account for physical or economic differences as compared to the Subject Property. An adjusted sales price indication is derived from each comparable analyzed. These are then weighted according to their relative comparability and then applied to the Subject Property to indicate a value.

A search of the Palm Beach County, including the Regional Multiple Listing Service and discussions with brokers and other appraisers produced the information and analysis shown on the following page.

# Improved Apartment Sales Summary Chart

| Sale # | Sale Date OR BK/PG Verification | Location | Sale Price | Bedroom/ Bath | # of Units | Unit Size SF | Total Bldg Area (SF) | Price/Unit Price/SF | / Unit / SF | Comments |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Aug-23<br>34497<br>216 | 901 N F Street<br>Lake Worth Beach | $2,400,000 | 1BR/1BA | 16 | 454 Avg | 7,268 | $150,000<br>$330 | / Unit<br>/ SF | A two story CBS apartment building was built in 1967. There are 16 1BR/1BA units. Each unit is separately metered for electric and water/sewer service. Each unit has window wall A/C. On site parking is available for 16 +/-. Units have been renovated including tile floors, baths and new kitchens. It was sold at a 9.1% cap rate. |
| 2 | Feb-24<br>34881<br>1610 | 1001 S Federal Highway<br>Lake Worth Beach | $1,300,000 | 1 BR/1BA<br>Efficiency | 6<br>2<br>8 | 500 Avg<br>309 Avg | 3,618 | $162,500<br>$359 | / Unit<br>/ SF | This property consists of three, one story, CBS apartment building built in 1958. There are six 1BR/1BA units and 2 efficeincy units. Each unit has central A/C units. The property is mostly original was in average condition. On site washer/dryer room. On site parking available for 9 +/- autos. A sellers concession of $40,000 for repairs. RMLS #RX-10843839 DOM 329 days. |
| 3 | Oct-24<br>35365<br>574<br>. | 1230 18th Avenue N<br>Lake Worth Beach | $1,825,000 | 1 BR/1BA | 10 | 556 Avg | 5,563 | $182,500<br>$328 | / Unit<br>/ SF | Three,one story CBS apartment buildings built in 1962 & 1965. Improvements were built in 1962 & 1965 and are in good condition. Units have been renovated. Electrical has been updated and impact windows installed. Roof was replaced in 2021. On site parking is available for 10 +/- autos. 100% occupied at the time of sale. Window wall A/C. Based on owner P&E CAP rate was 6.5%. RMLS RX-11012054 DOM 20 days. |
| 4 | Nov-24<br>35426<br>641 | 1118 N H Street<br>Lake Worth Beach | $2,625,000 | 1 BR/1BA | 16 | 483 Avg | 7,728 | $164,063<br>$340 | / Unit<br>/ SF | A two story, CBS apartment buildings built in 1965. Improvements were built in 1965 and are in good condition. Units have been renovated. Electrical has been updated. Roof was replaced in 2024. 100% occupied at the time of sale. Window wall A/C. On site parking is available for 16 +/- autos. Based on owner P&E CAP rate was 6.4%. RMLS RX-11012035 DOM 54 days. |
| 5 | May-24<br>35087<br>1214 | 1741-1747 4th Avenue<br>Lake Worth Beach | $1,975,000 | 1 BR/1 BA<br>2 BR/1 BA | 8<br>2<br>10 | 500 Avg<br>800 Avg | 7,276 | $197,500<br>$271 | / Unit<br>/ SF | Two one story, CBS apartment buildings built in 1964. Improvements were built in 1964 and are in above average condition. Units have been updated. Window wall A/C. On site parking is available for 11 +/- autos. Average occupancy was reported to be 80%. |
| 6 | Current<br>Listing | 1406 Barton Road<br>Lake Worth Beach | $3,250,000<br>(Listing) | 1 BR/1BA<br>2 BR/1 BA | 19<br>1<br>20 | 687 Avg | 13,050 | $162,500<br>$249 | / Unit<br>/ SF | A two story, CBS apartment building built in 1971. Units have been updated and in average condition. 90% occupied and all units are month to month @ $1,500 per month (1bd/1ba's). On site laundry. Parking is availabe for 30 +/- autos. Window wall A/C. Based on owner P&E CAP rate was 5.8%. |
| SUBJECT | | 977 Miner Road<br>Lake Worth Beach | | 1 BR/1BA<br>2 BR/1 BA | 8<br>1 | 395 Avg<br>1,056 | 4,376<br>1,056<br>5,432 | N/A<br>N/A | / Unit<br>/ SF | A two-story CBS apartment building It is 100% occupied. The building was constructed in 1959. Most of the units have been updated approximately 10-12 years ago. Units have ceramic tile floors, wood cabinets, Formica countertops. On site parking is available for 17 +/- autos. Window wall A/C. The property is considered to be in average condition. |

C25C0040

## SALES CHART

# VALUE CONCLUSION

The sales chosen for analysis are considered to be the best available.

The comparable sales used to estimate the value of the Subject Property are shown on the Summary Sales Chart. The comparables were analyzed on a price per square foot of gross building area and price per unit. These units of comparison best interpreted the available data. Note:

All of the comparables were located in Lake Worth or Lake Worth Beach and considered in the final value opinion.

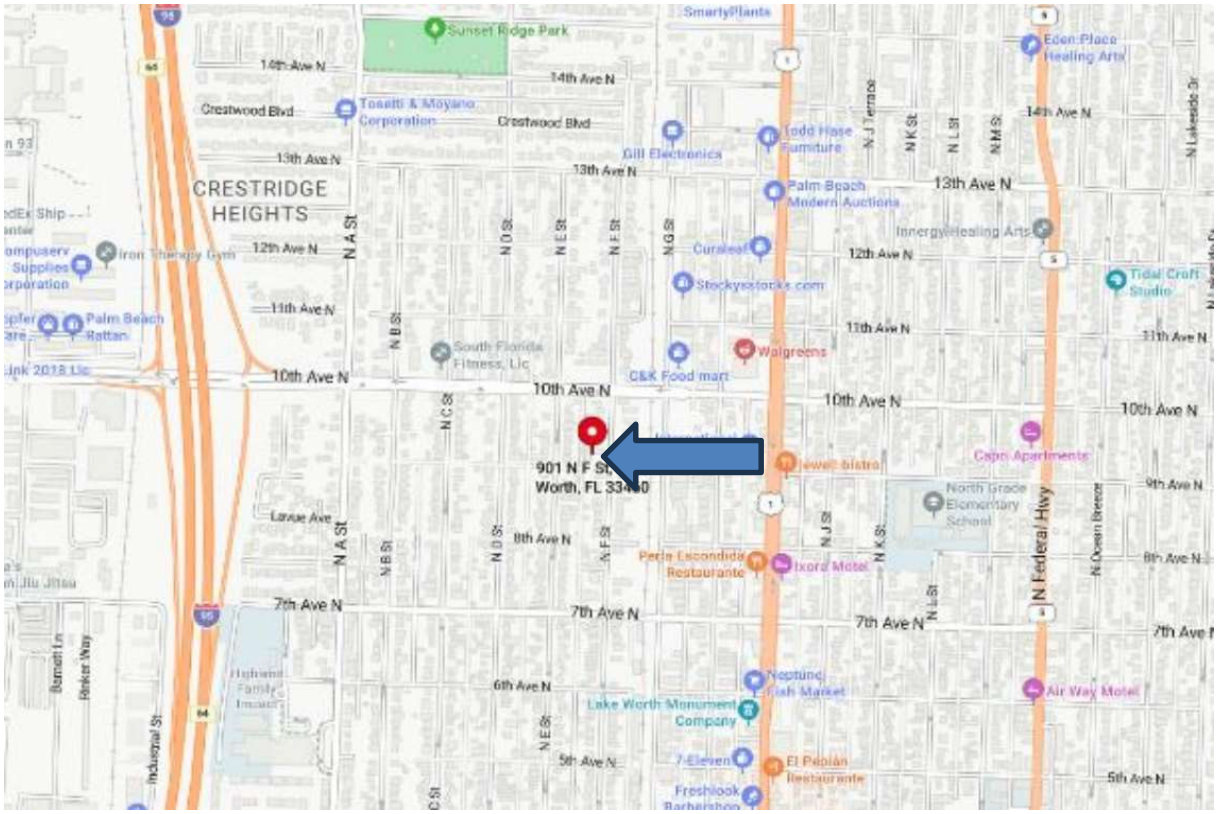
**CONCLUSION**

After adjustments for significant differences, the comparables ranged from $173,250 to $187,625 per unit with a mean of $178,703. A conclusion of $178,000 per unit is considered reasonable and well supported for the Subject Property. Therefore, our opinion of the market value by the Sales Comparison Approach, is as follows:

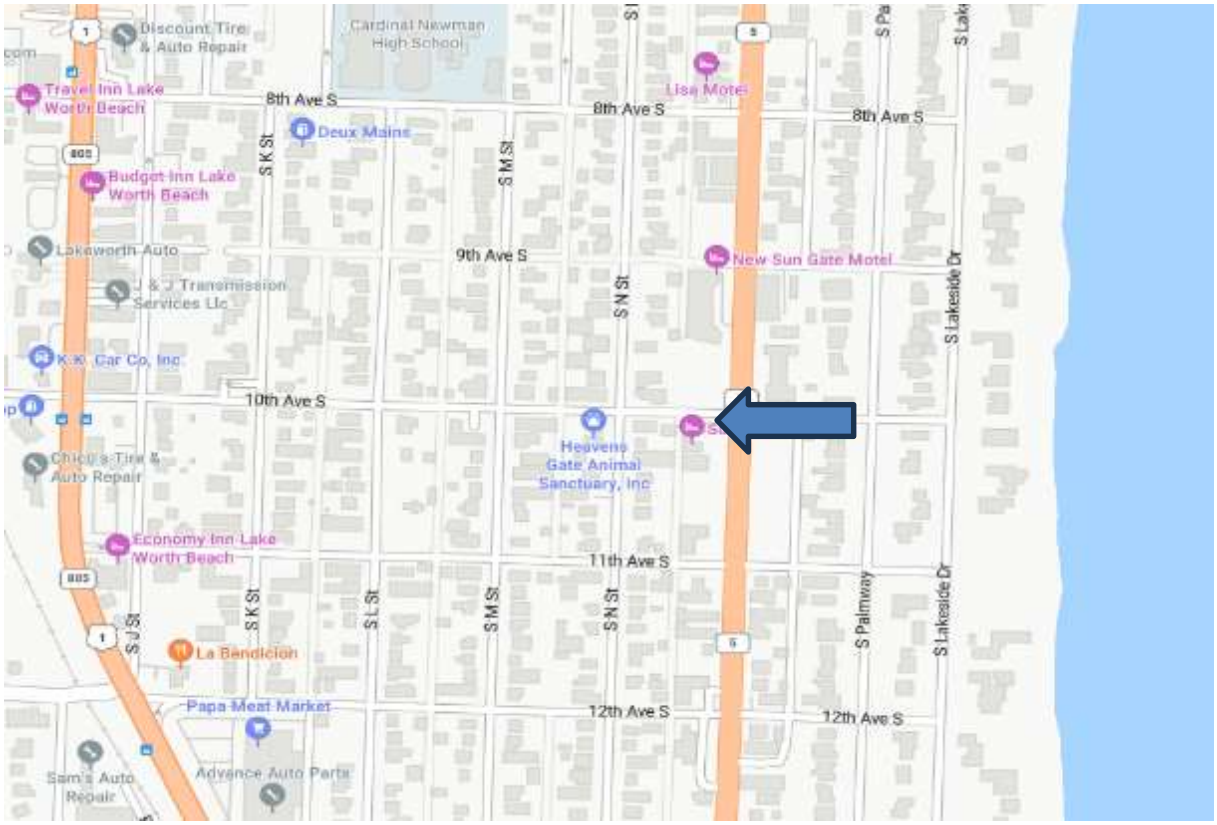
**9 Units X $178,000 = $1,608,328**

**ONE MILLION SIX HUNDRED TEN THOUSAND DOLLARS (Rounded)**

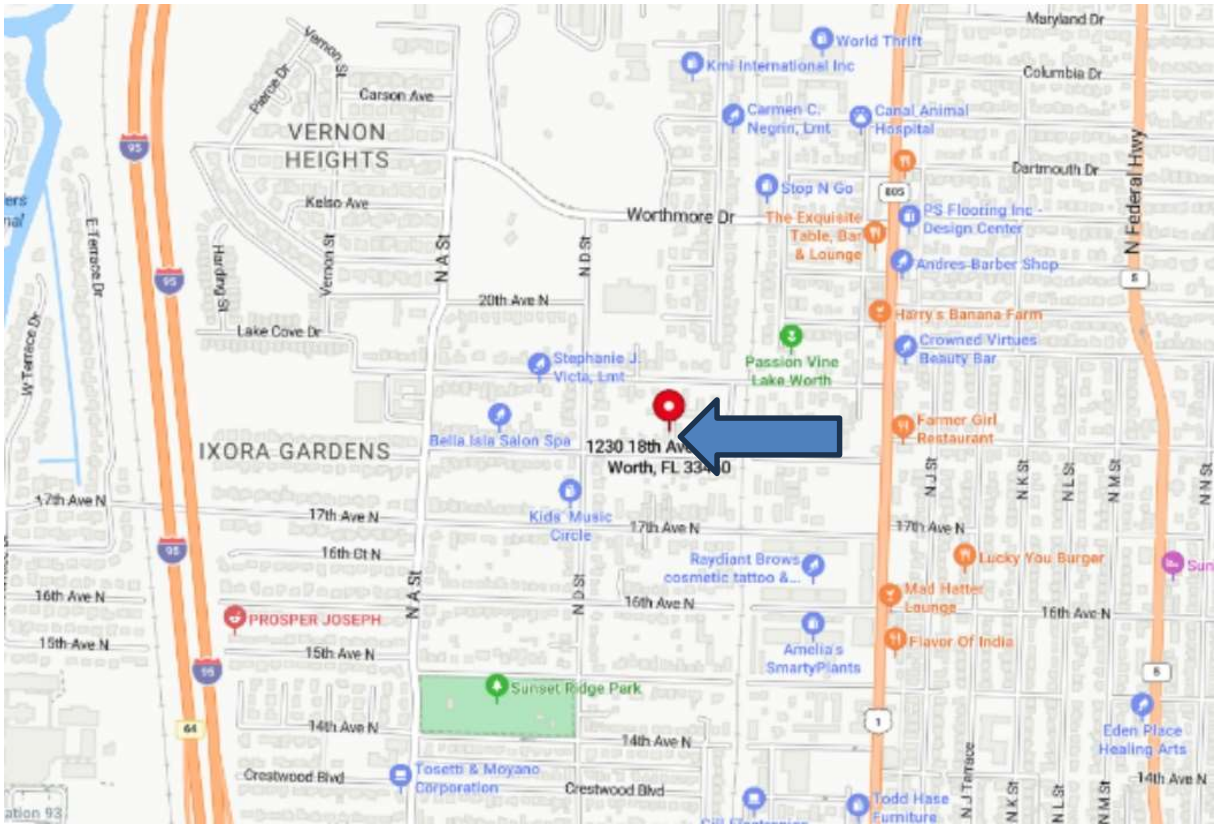
**$1,610,000 (ROUNDED)**


Sunset Ridge Park
SmartyPlants
Eden Place Healing Arts
14th Ave N
Crestwood Blvd
Toselli & Moyano Corporation
Gill Electronics
Todd Hase Furniture
13th Ave N
CRESTRIDGE HEIGHTS
Palm Beach Modern Auctions
Innergy Healing Arts
12th Ave N
N A St
N D St
N E St
N F St
N G St
Curaleaf
Stockyestocks.com
Tidal Craft Studio
Iron Therapy Gym
Palm Beach Rattan
11th Ave N
N B St
South Florida Fitness, Llc
Walgreens
C&K Food mart
10th Ave N
N C St
901 N F St
Worth, FL 33460
Jewel bistro
Cabin Apartments
North Grade Elementary School
9th Ave N
Larue Ave
8th Ave N
Perla Escondida Restaurante
Ixora Motel
N J St
N K St
N L St
N Federal Hwy
7th Ave N
Highland Family Dental
6th Ave N
Neptune Fish Market
Lake Worth Monument Company
Air Way Motel
5th Ave N
7-Eleven
El Peplan Restaurante
Freshlook Barbershop
Industrial St
Barnett Ln
Biker Way

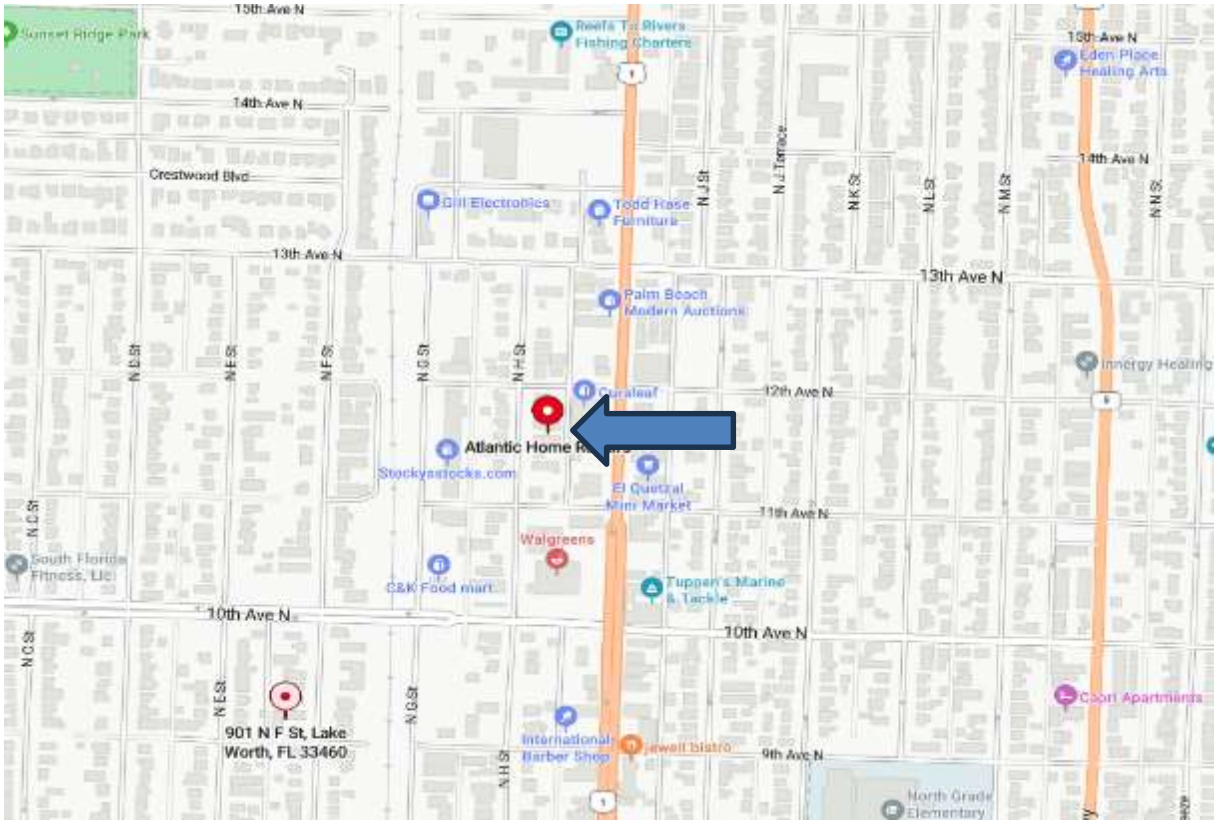
**SALE #1**


Discount Tire & Auto Repair
Cardinal Newman High School
Travel Inn Lake Worth Beach
8th Ave S
Deux Mains
Lisa Motel
8th Ave S
8th Ave S
Budget Inn Lake Worth Beach
S K St
S M St
Lakeworth Auto
9th Ave S
New Sun Gate Motel
J & J Transmission Services Llc
S N St
S Lakeside Dr
K.K. Car Co, Inc
10th Ave S
Heavens Gate Animal Sanctuary, Inc
Chico's Tire & Auto Repair
Economy Inn Lake Worth Beach
11th Ave S
S J St
S K St
S L St
S M St
S N St
S Palmway
S Lakeside Dr
La Bendicion
Papa Meat Market
12th Ave S
12th Ave S
Sam's Auto Repair
Advance Auto Parts

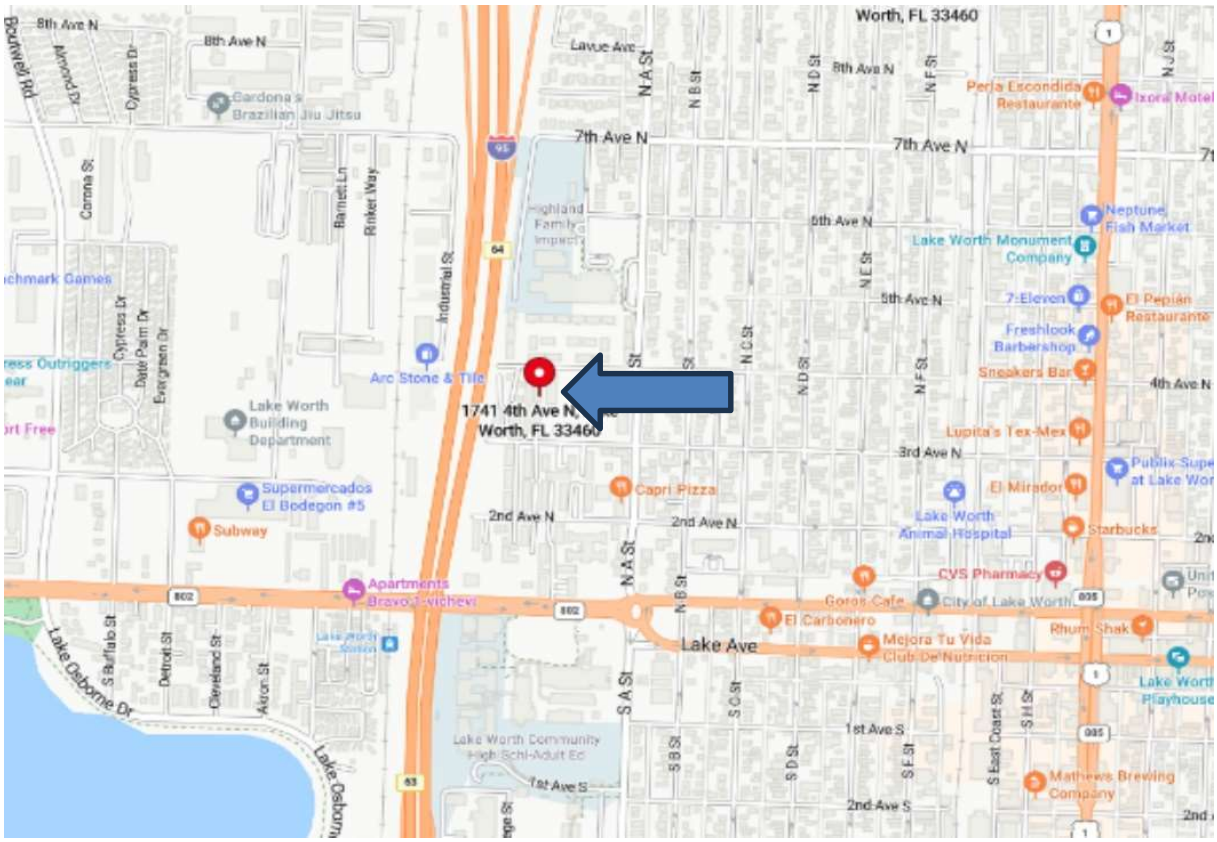
**SALE #2**


VERNON HEIGHTS
IXORA GARDENS
Carson Ave
Kelso Ave
Lake Cove Dr
20th Ave N
17th Ave N
16th Ct N
16th Ave N
15th Ave N
14th Ave N
Crestwood Blvd
Worthmore Dr
Maryland Dr
Columbia Dr
Dartmouth Dr
N Federal Hwy
N A St
N D St
N J St
N K St
N L St
N M St
N N St
E Terrace Dr
W Terrace Dr
Vernon St
Pierce Dr
Harding St
N J Terrace
World Thrift
Kmi International Inc
Carmen C. Negrin, Lmt
Canal Animal Hospital
Stop N Go
The Exquisite Table, Bar & Lounge
PS Flooring Inc - Design Center
Andres Barber Shop
Harry's Banana Farm
Crowned Virtues Beauty Bar
Passion Vine Lake Worth
Stephanie J. Victa, Lmt
Bella Isla Salon Spa
1230 18th Ave
Worth, FL 33460
Farmer Girl Restaurant
Kids' Music Circle
Raydiant Brows cosmetic tattoo &...
Lucky You Burger
Mad Hatter Lounge
Flavor Of India
Amelia's SmartyPlants
PROSPER JOSEPH
Sunset Ridge Park
Eden Place Healing Arts
Tosetti & Moyano Corporation
Todd Hase Furniture

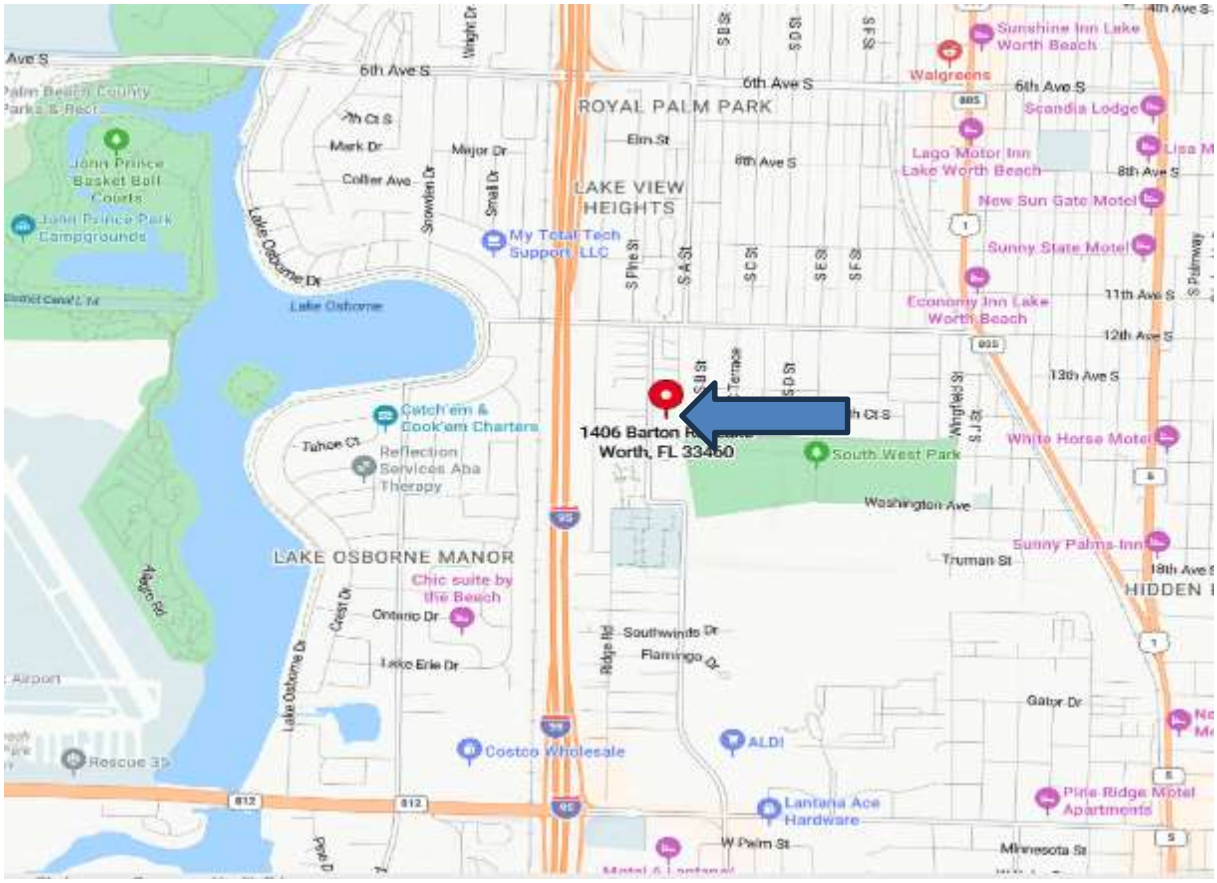
**SALE #3**


15th Ave N
Sunset Ridge Park
Reefs To Rivers Fishing Charters
14th Ave N
Crestwood Blvd
Gill Electronics
Todd Rose Furniture
N J St
N J Terrace
N K St
N L St
N M St
N N St
13th Ave N
Palm Beach Modern Auctions
N D St
N E St
N F St
N G St
N H St
Curaleaf
12th Ave N
Atlantic Home
Stockyasstocks.com
El Quetzal Mini Market
11th Ave N
Walgreens
South Florida Fitness, Llc
C&K Food mart
Tupper's Marine & Tackle
10th Ave N
901 N F St, Lake Worth, FL 33460
International Barber Shop
Jewell bistro
9th Ave N
North Grade Elementary
Eden Place Healing Arts
Innergy Healing
Coori Apartments

**SALE #4**


Worth, FL 33460
8th Ave N
Lavue Ave
7th Ave N
6th Ave N
5th Ave N
4th Ave N
3rd Ave N
2nd Ave N
1st Ave S
2nd Ave S
Lake Ave
Lake Osborne Dr
Industrial St
N A St
N B St
N C St
N D St
N E St
N F St
S A St
S B St
S C St
S D St
S E St
S East Coast St
S H St
Perla Escondida Restaurante
Ixora Motel
Neptune Fish Market
Lake Worth Monument Company
7-Eleven
El Pepián Restaurante
Freshlook Barbershop
Sneakers Bar
Lupita's Tex-Mex
El Mirador
Starbucks
CVS Pharmacy
Goros Cafe
City of Lake Worth
El Carbonero
Mejora Tu Vida Club De Nutricion
Rhum Shak
Lake Worth Playhouse
Mathews Brewing Company
Lake Worth Animal Hospital
Capri Pizza
Publix Supe at Lake Wor
Arc Stone & Tile
1741 4th Ave N
Worth, FL 33460
Lake Worth Building Department
Supermercados El Bodegon #5
Subway
Apartments Bravo1-vichev
Gardona's Brazilian Jiu Jitsu
Lake Worth Community High Schl-Adult Ed

**SALE #5**



**SALE #6 (Listing)**

# INCOME APPROACH ANALYSIS

# INCOME APPROACH TO VALUE

The Income Approach to Value considers the relationship between income and value. This approach analyzes the anticipated future benefits that the property is expected to generate and what a prudent purchaser would pay to receive these benefits.

The appraiser employs the following steps in formulating a value estimate via the Income Approach.

1. Estimate the potential gross income that the Subject Property could reasonably generate (Done by Rental Comparison of similar properties).

2. Estimate the vacancy and rent loss typically occurring to properties such as the Subject.

3. Deduct the projected expenses from effective gross income in order to arrive at a net operating income.

4. Develop an appropriate capitalization rate according to the availability of data.

5. Apply the appropriate capitalization rate to the projected net income to arrive at an estimated value via the Income Approach.

In order to estimate the value of the Subject Property via the Income Approach, the gross potential income and operating expenses were estimated. This involved investigating similar properties to determine their net operating income (rent less vacancy and expenses before debt service).

To process the Net Income into a value estimate, an overall capitalization rate is needed. This rate can be market abstracted by dividing the sale price of a sold property into the net income of that property. This market extraction procedure requires sales of improved properties similar to the Subject, which were rented at the time of the sale. Comparable rents of other facilities are briefly discussed on the following pages.

The Income Approach will be presented in chart format, with complete rental data retained in our files.

# RENT COMPARISON CHART

| RENT | NAME/LOCATION | YEAR BUILT | DATE (VERIF) | UNIT TYPE | NUMBER OF UNITS | Livable A/C SF | RENT PER MONTH | RENT / SF / YEAR | COMMENTS |
|---|---|---|---|---|---|---|---|---|---|
| 1 | **7804 Overlook Road N**<br>Lake Worth | 1955 | Oct-24 | 1 BR/1 BTH | 1 | 495 | $1,450 | $35.15 | A one-story CBS duplex building. Tenant pays electric and water/sewer. The unit has older updates. Window wall A/C. Located just north of the Subject. |
| 2 | **727-731 N 5th Street**<br>Lantana | 1978 | Oct-24 | 1 BR/1 BTH<br>2 BR/1.5 BTH | 2<br>2 | 700<br>700 | $1,500<br>$1,650 | $25.71<br>$28.29 | A CBS quadaplex built in 1978. Air conditioning is provided by a central a/c unit. One unit is renovated the other 3 have old updates. Tenant pays cable, insurance, electric and water. |
| 3 | **127 Lakeview**<br>Lantana | 1956 | May-24 | 1 BR/1 BTH | 1 | 670 | $1,300 | $23.28 | A two-story CBS quadaplex building built in 1977. There are 4 - 2BR/2BA units. Each unit has window/wall A/C units. Unit was rented furnished. The property is in average condition. |
| 4 | **515 S D Street**<br>Lake Worth Beach | 1955 | Feb-25 | 1 BR/1 BTH | 1 | 500 | $1,700 | $40.80 | A one-story CBS duplex building. Building was constructed in 1955 and is in good condition. Unit is renovated. Features include: impact windows, wood look vinyl tile floors, above average quality kitchen cabinets, quartz counter tops in the kitchen and baths. |
| 5 | **1214 Highview Road**<br>Lake Worth Beach | 1951 | Dec-24 | 3 BR/2 BTH | 1 | 720 | $2,500 | $41.67 | A one-story SFR. Located just west of the Subject. Building was constructed in 1951. It has a fenced in back yard and a metal shed. New appliances. Ceramic tiled floors. Property is in average condition. |
| 6 | **1125 Peak Road**<br>Lake Worth | 1955 | Dec-24 | 3 BR/2 BTH | 1 | 1,068 | $2,800 | $31.46 | A one-story SFR. Located just west of the Subject. Building was constructed in 1955. It has a completely fenced yard. New appliances. New kitchen, new floors, impact glass, complete interior outside painted and new roof. Property is in good condition. |
| SUBJECT | **977 Miner Road**<br>Lake Worth | 1959 | Mar-24 | 9 BR/1 BTH | 8 | 395<br>Avg. | $981<br>Avg. | $29.80 | Two, one-story CBS apartment buildings containing 8 units; all units are 1 Br/1 Ba units. The building was constructed in 1959. Per the owner, all of the units have been updated approximately 10 years ago. The SFR is a 2br/2ba (including attached extra room with bath). The SFR was updated as well 10 + years a ago. THe SFR has a carport and a 120 SF attached storage area as well. The back yard is fenced. |
| | | | Mar-24 | 2br/2ba | 1 | 1,216<br>total | $2,500 | $24.67 | |

A20W0019

# RENT COMPARISON ANALYSIS

The Subject Property as is currently exists consists of 2, one-story CBS multi family buildings (8 units) containing a total of 5,432 gross square feet. The Subject also have a SFR with an attached bonus room with a bath, a carport and storage area. The Subject currently and historically was 100% occupied with long term tenants. The improvements are situated on an irregularly shaped parcel containing approximately 0.79 acres located on the east side of the Overlook Road, north side on Miner Road and the west side of Griswold Street. The Subject units have been updated approximately 10 + years ago, flooring replaced with ceramic tile, average quality kitchen cabinets, Formica counter tops, bathroom updates, and newly painted. Based on our rent research, we feel the Subject's current rent ($981/month/unit or $29.80/SF) is well supported.

## Conclusion

Several properties were surveyed in order to estimate the current market rent for apartment units and SFRs similar to the Subject. The rent comparables utilized are shown on the chart on the preceding page. In order to arrive at an estimated rent for the Subject, we have considered the relevant differences between the Subject Property and the comparable properties, such as location, age/condition, finish/quality, and amenities.

Therefore:

**PROJECTED GROSS INCOME**

| | | |
|---|---|---|
| **8 x $1,100 x 12 months/year** | **=** | **$105,600** |
| **1 x $2,500 x 12 months/year =** | | **$ 31,200** |
| **Total Gross Income** | | **$136,800** |

# EXPENSE ANALYSIS AND RECAP

## VACANCY/COLLECTION LOSS

The Subject Property (9 units) is 100% occupied. Based on a visual inspection of the neighborhood few vacancies were noted. Historically the Subject has been 100% occupied.

Cushman & Wakefield noted that demand for rental is unprecedented and is expected to remain that way for the foreseeable future as home ownership has declined and the population has increased in South Florida. "Over the next 3 years, South Florida is expected to see a positive net migration of 5.3% or 328,930 people." With 20,971 units under construction almost all of it is Class A.

Considering the above, and that the Subject is historically and currently 100% occupied it is concluded that a 0% vacancy and collection loss factor is a reasonable expectation for stabilized income projections for the Subject Property under the Hypothetical Condition that the units are under individual leases and typical terms.

INCOME AND EXPENSES

| | | | | | |
|---|---|---|---|---|---|
| **PROPERTY:** | | | **977 Miner Road<br>Lake Worth, FL** | | |
| **DESCRIPTION:** | | | MULTIFAMILY BUILDING CONTAINING | | |
| | | | Apt. UNITS: | 8 | |
| | | | SFR | 1 | |
| ***INCOME*** | | | | | |
| Rental Income - | | $136,800 | | | |
| Vac/Collections Loss | 0% | $0 | 100% occupied | | |
| **EFFECTIVE GROSS INCOME:** | | | | | **$136,800** |
| ***EXPENSES*** | | | **$/Per Unit** | **%/EGI** | |
| RE Taxes | | $12,313 | 1,539.13 | 9.00% | |
| Insurance | | $8,000 | 1,000.00 | 5.85% | |
| Utilities | | $21,000 | 2,625.00 | 15.35% | |
| Repairs & Maintenance | | $6,600 | 825.00 | 4.82% | |
| Management (5%) | | $1,923 | 240.38 | 1.41% | |
| | | | $6,229.50 | 36.43% | |
| **TOTAL EXPENSES:** | | | | | **($49,836)** |
| **NET OPERATING INCOME:** | | | | | **$86,964** |

# INCOME ANALYSIS (CONT'D)

## EXPENSES

The expenses attributable to ownership and operation of the Subject Property are deducted from the effective gross income in order to project a net operating income.

The Subject's expenses were provided to the appraiser and illustrated on the expense chart on the previous page.

## CONCLUSION

Based on the information provided and assuming a management fee of 5% of EGI expenses are estimated to be $49,836; 36.43% of EGI.

**INCOME ANALYSIS (CONT'D)**

# CAPITALIZATION

"The process of converting into present value a series of anticipated future, periodic installments of net income".

(Source: Real Estate Terminology Handbook)

To facilitate this process, several techniques of capitalization are available to the appraiser. He may not choose the technique of his preference, but rather the technique that is most applicable to the income stream developed from the Subject Property. The property characteristics and market data available dictate to the appraiser which technique to use.

The easiest technique to understand, as well as to apply, is known as the Direct Capitalization. In this technique, an overall rate is abstracted from comparable sales and used to discount the income stream of the Subject Property into an indication of value. It is preferred when comparables are similar. No allocation is made for return on or return of investments, return to land, or return to both the mortgage and equity position. All these factors are built into the rate itself.

For the Direct Capitalization technique to have any validity, the income streams of the comparable properties analyzed must be similar, and data must be available to the appraiser.

# OVERALL RATE SELECTION

The overall rate of return is that return which expresses the relationship between net income and value. It is the rate, which reflects the property's ability to attract investment capital. It considers land and building as one unit, and combines the return "on" and return "of" an investment. Specifically, the weight combines the investment return by way of a return on the land plus a return on and of the deteriorating improvements on the land.

Various methods of deriving overall rate indications are available. The most widely used and understood method is the abstraction of a market derived overall rate which is a result of similar investment properties.

The following chart shows the indicated recent overall rates from comparable sales of apartment buildings which were purchased for continued use as rental projects.

| Project | Sale Date | Overall Rate |
|---|---|---|
| 1230 18th Avenue N | 10/24 | 6.5% |
| 1118-1122 N H Street | 05/24 | 6.4% |
| 727-731 N 5th Street | 10/24 | 5.6% |
| 1406 Barton Road (Listing) | 03/25 | 5.8% |
| | **Average** | **= 6.075%** |

The Marcus & Millichap 4nd Quarter 2024 Multifamily Market Report for South Florida (including Palm Beach County) predicted a continued strong rental market caused in part by an unaffordable housing market because of interest rates.

Note: These surveys are most applicable to larger, institutionally owned apartment rental projects and do not reflect overall rates for small rental Class C properties similar to the Subject's locally owned rental building which would typically command a higher overall rate.

**CONCLUSION:**

Based on the above analysis and giving greatest weight to the actual sales from the local market, an overall rate conclusion for the Subject of 5.5% is considered reasonable based on the Subject's historical 100% occupied.

The overall rate is applied to the stabilized net operating income to estimate the market value of the Subject Property in fee simple in the Income Approach Summary on the following page.

# INCOME APPROACH SUMMARY

(9- Units)

STABILIZED OPERATING INCOME STATEMENT

**Potential Gross Income:**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 8 | Units | X | $1,100.00 / Month | X | 12 | = | $105,600 |
| 1 | SFR | X | $2,600.00 / Month | | | | $31,200 |
| | | | | | TOTAL | | $136,800 |

Less Vacancy & Collection Loss 100% occupied 0.00% $0

**Effective Gross Income:** $136,800

Less Operating Expenses

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 9 | Units | X | $461.00 /Unit/Month | X | 12 | = | ($49,836) * |

**Net Operating Income** $86,964

**CAPITALIZATION INTO VALUE:**

**N.O.I. DIVIDED BY O.A.R. = VALUE**

**N.O.I. DIVIDED BY 5.5%** Cap Rate = **$1,581,164**

**VALUE VIA THE INCOME APPROACH = (Rounded) $1,580,000**

**ONE MILLION FIVE HUNDRED EIGHTY THOUSAND DOLLARS**

**$1,580,000 DOLLARS**

# RECONCILIATION

The two applicable approaches to value yielded the following indications:

| | |
|---|---|
| **VALUE VIA COST APPROACH:** | **N/A** |
| **VALUE VIA SALES COMPARISON APPROACH:** | **$1,610,000** |
| **VALUE VIA INCOME APPROACH:** | **$1,580,000** |

The purpose of the reconciliation is to examine the strengths and weaknesses of each approach to determine which approach is most indicative of value for the Subject Property.

The Cost Approach in appraisal analysis, which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the Subject Property. As previously discussed, the Cost Approach is not considered to be a relevant approach for this appraisal assignment due to the age of the improvements and the fact that the Subject is a legal non conforming use of the site. If the site were vacant a similar number of units could not be constructed on the site given the site's current zoning. Consequently, the Cost Approach was not considered to be a relevant approach and was not utilized.

The Sales Comparison Approach is considered to be a relevant approach in valuing apartment complexes and was used in our analysis. The most relevant unit of comparison for valuing apartment complexes is the sales price per unit. The sales price per unit for the comparables was analyzed and adjusted based on relevant differences between the Subject and the sales which in the opinion of the appraiser have an effect on value. This approach is considered to provide a good indication of value when adequate sales data is available. Adequate sales data was available therefore, this approach will be given consideration in the reconciliation, and it will be given equal weight.

The Income Approach typically best reflects the value of income producing properties. This approach is considered an excellent indicator of value in the case of properties, which are typically purchased for their income producing capabilities. In the Income Approach, market rents were analyzed on a rent per unit basis. Expenses were obtained from property owners and were also estimated by the appraiser. These rents were located in the Subject's market area and the Income Approach is considered to be a good indicator of value for an income producing property, since an investor would purchase an apartment complex based on the income potential.

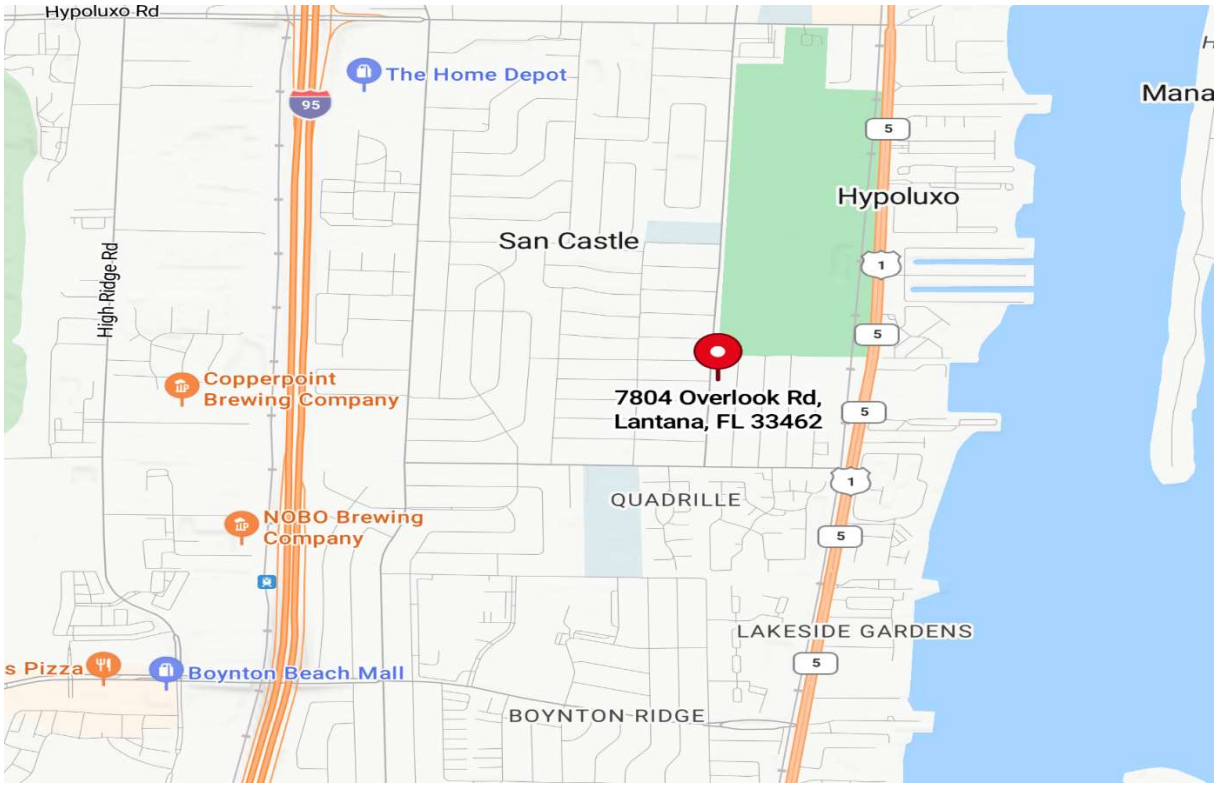
# RECONCILIATION (CONT'D)

As a result of our investigation and analysis of the information outlined in the report and giving more weight to the Income Approach, we hereby submit that the Market Value of the unencumbered Fee Simple Estate of the Subject Property, as of February 25, 2025, is as follows:

**FINAL VALUE CONCLUSION**

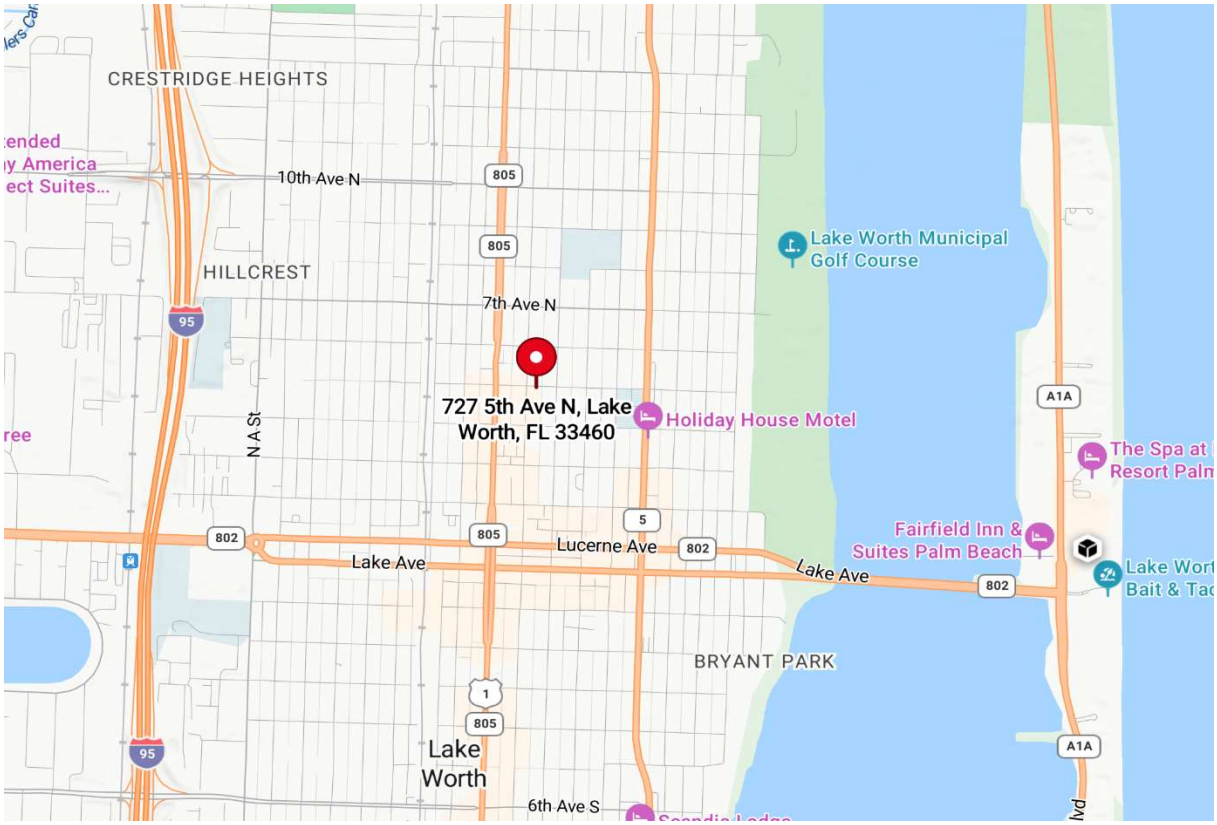
**ONE MILLION FIVE HUNDRED NINETY THOUSAND DOLLARS**

**$1,590,000**

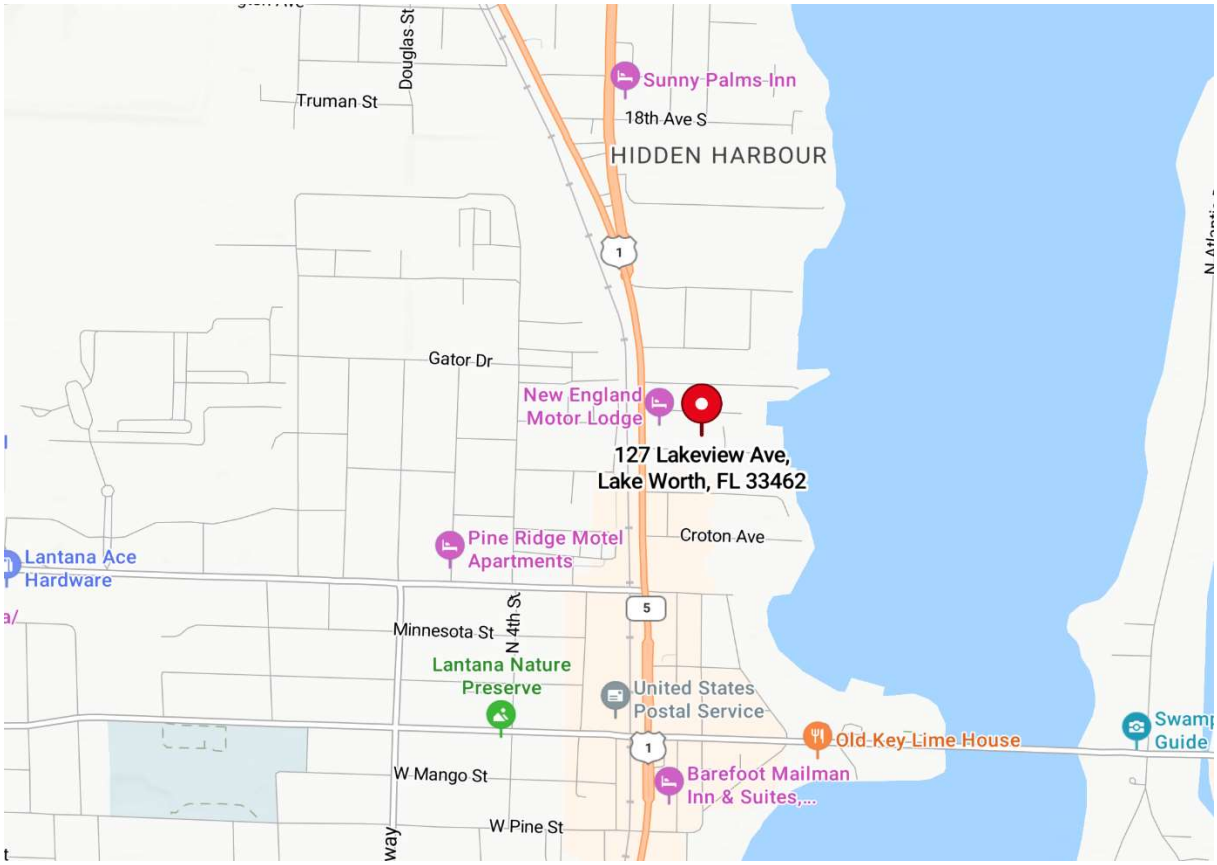

Hypoluxo Rd
The Home Depot
95
Mana
5
Hypoluxo
San Castle
1
High Ridge Rd
5
Copperpoint
Brewing Company
7804 Overlook Rd,
Lantana, FL 33462
5
1
QUADRILLE
NOBO Brewing
Company
5
LAKESIDE GARDENS
s Pizza
Boynton Beach Mall
5
BOYNTON RIDGE

N

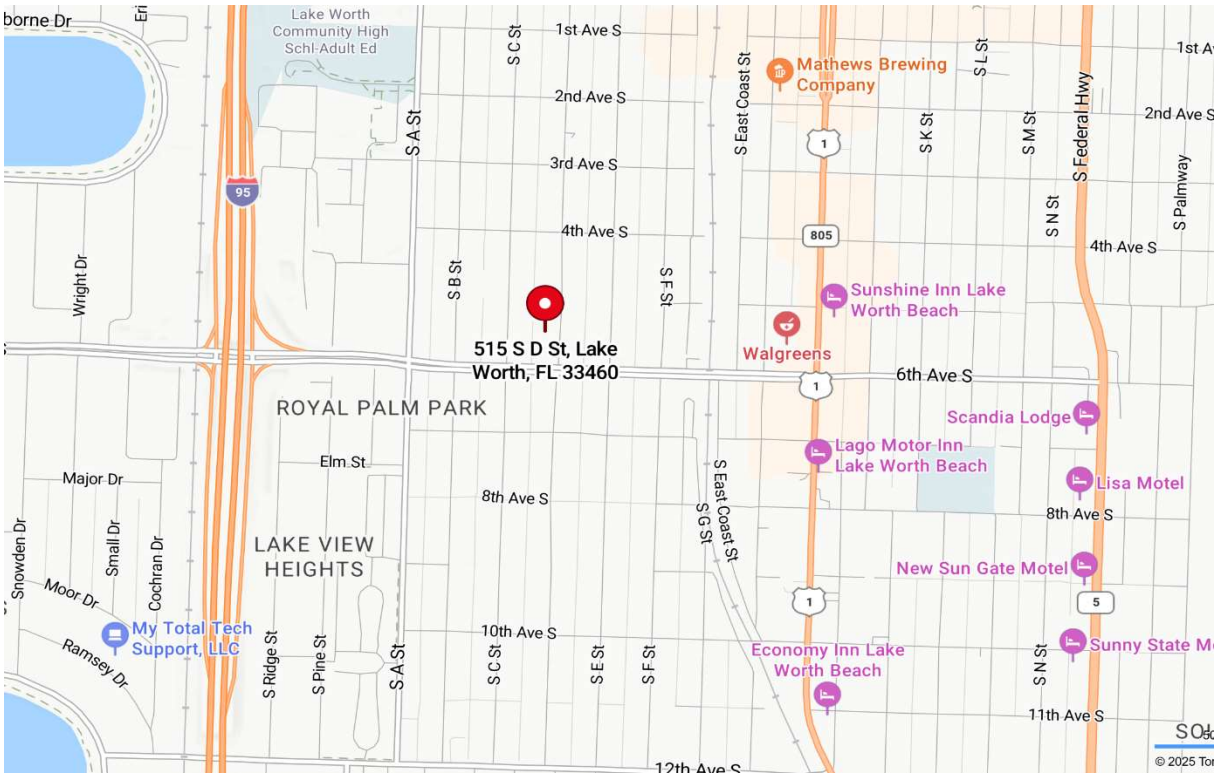
**RENT #1**

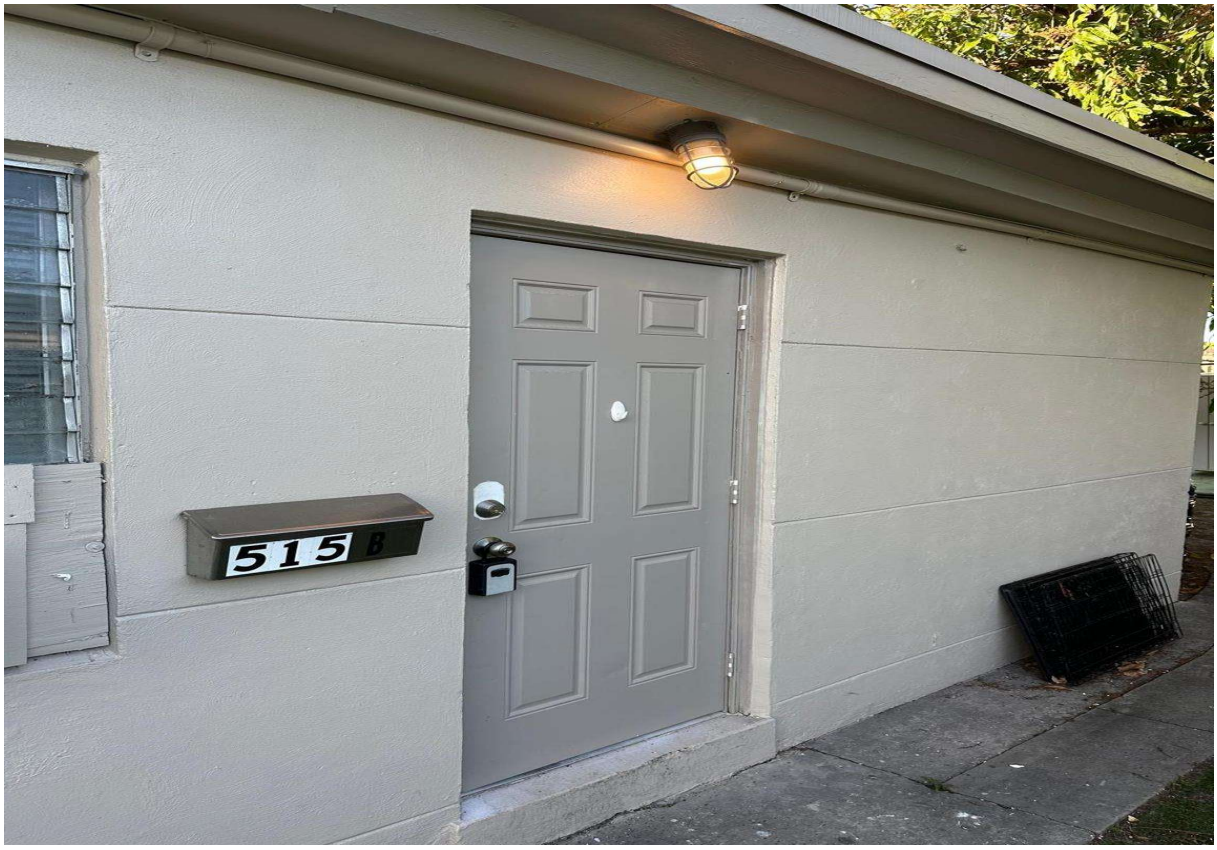

CRESTRIDGE HEIGHTS
10th Ave N
805
HILLCREST
7th Ave N
95
Lake Worth Municipal Golf Course
727 5th Ave N, Lake Worth, FL 33460
Holiday House Model
N A St
A1A
The Spa at Resort Palm
802
Lake Ave
Lucerne Ave
5
Fairfield Inn & Suites Palm Beach
BRYANT PARK
1
Lake Worth
6th Ave S

**RENT #2**

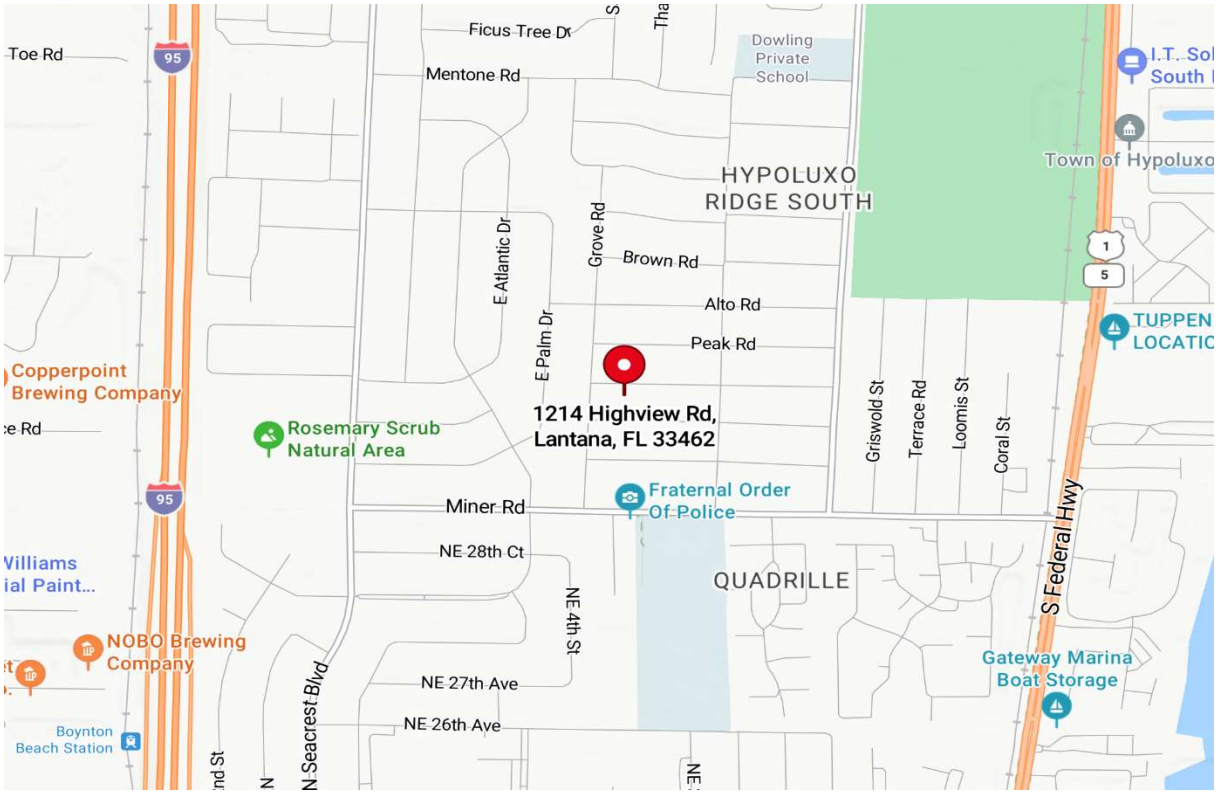

Douglas St
Truman St
Sunny Palms Inn
18th Ave S
HIDDEN HARBOUR
1
Gator Dr
New England Motor Lodge
127 Lakeview Ave,
Lake Worth, FL 33462
Pine Ridge Motel Apartments
Croton Ave
Lantana Ace Hardware
5
Minnesota St
N 4th St
Lantana Nature Preserve
United States Postal Service
Old Key Lime House
1
W Mango St
Barefoot Mailman Inn & Suites,...
W Pine St

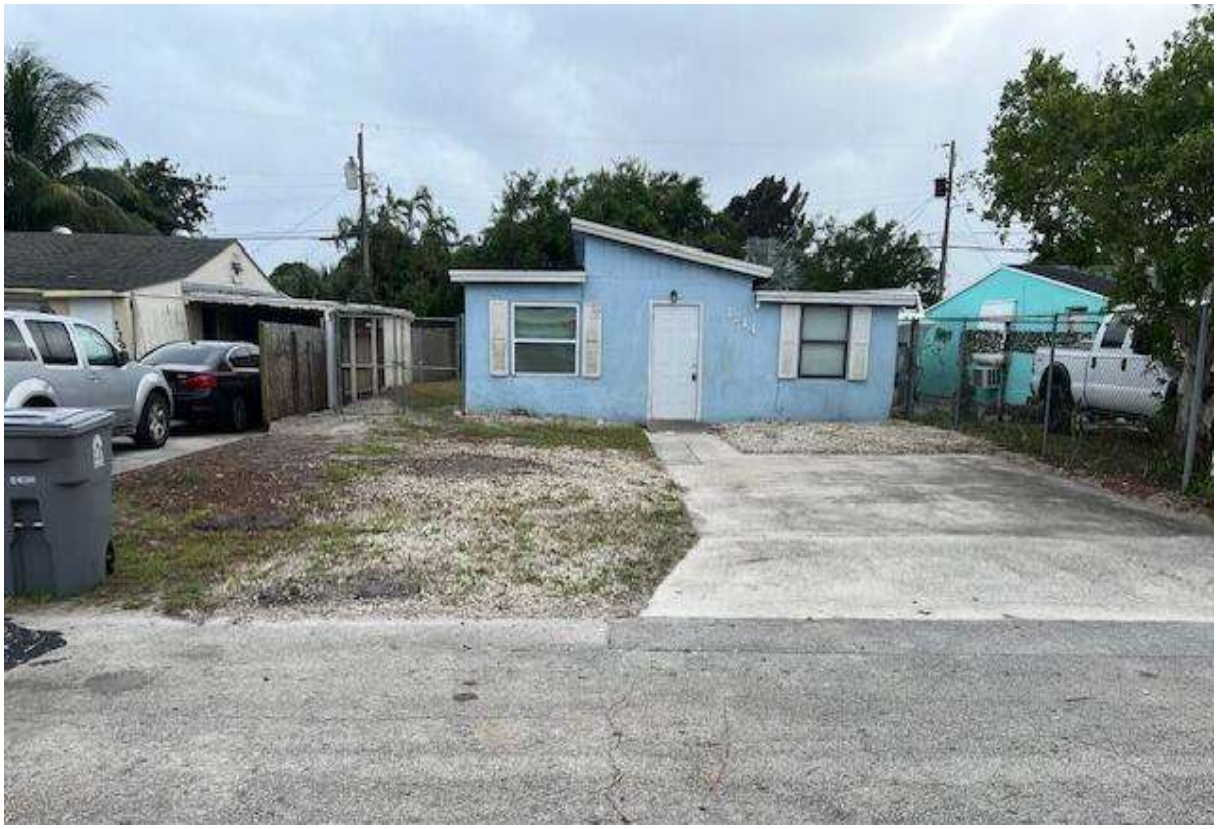
**RENT #3**


Lake Worth Community High Schl-Adult Ed
1st Ave S
2nd Ave S
3rd Ave S
4th Ave S
6th Ave S
8th Ave S
10th Ave S
11th Ave S
12th Ave S
S C St
S A St
S B St
S F St
S G St
S E St
S East Coast St
S L St
S K St
S M St
S N St
S Federal Hwy
S Palmway
Mathews Brewing Company
Sunshine Inn Lake Worth Beach
Walgreens
515 S D St, Lake Worth, FL 33460
ROYAL PALM PARK
Scandia Lodge
Lago Motor Inn Lake Worth Beach
Lisa Motel
New Sun Gate Motel
Economy Inn Lake Worth Beach
Sunny State M
LAKE VIEW HEIGHTS
My Total Tech Support, LLC
Wright Dr
Major Dr
Elm St
Snowden Dr
Small Dr
Cochran Dr
Moor Dr
Ramsey Dr
S Ridge St
S Pine St
95
805
1
5

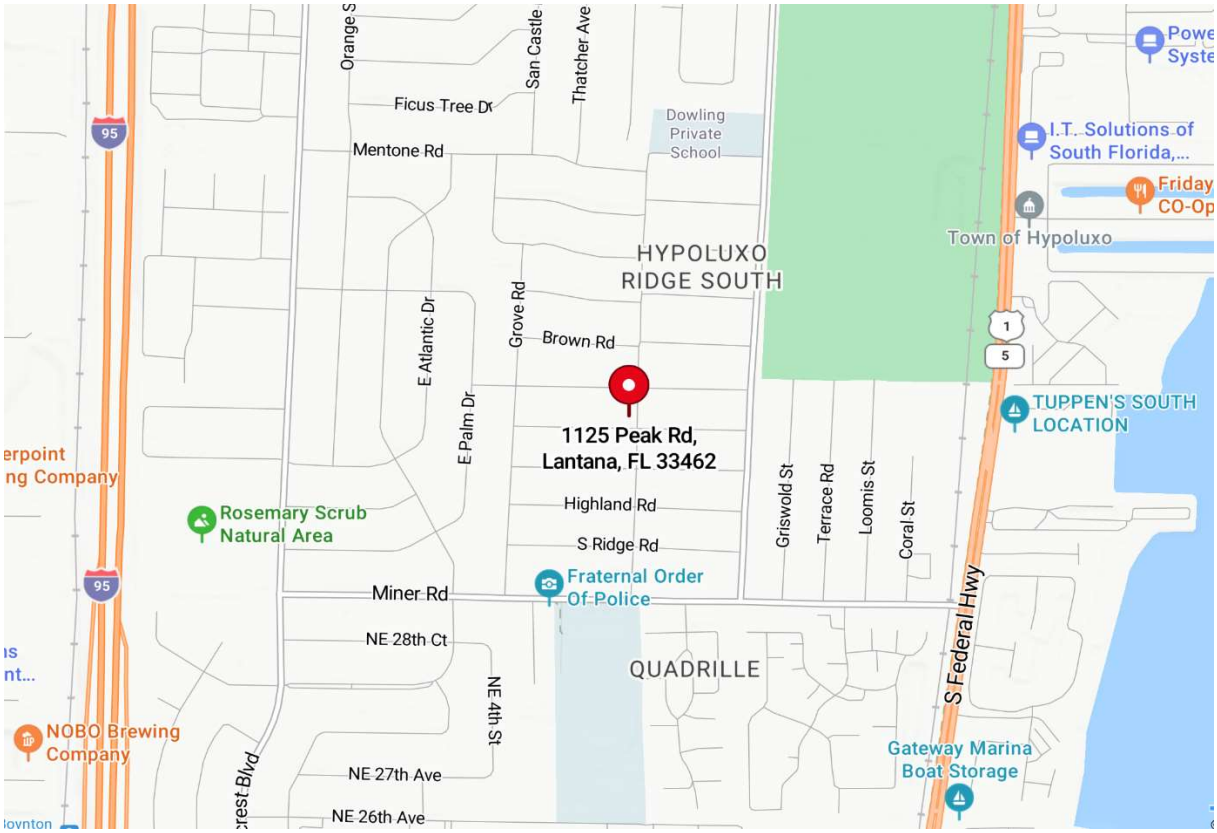

515 B

**RENT #4**


Ficus Tree Dr
Mentone Rd
Dowling Private School
HYPOLUXO RIDGE SOUTH
Town of Hypoluxo
Toe Rd
95
E Atlantic Dr
Grove Rd
Brown Rd
Alto Rd
Peak Rd
E Palm Dr
1214 Highview Rd, Lantana, FL 33462
Copperpoint Brewing Company
Rosemary Scrub Natural Area
Griswold St
Terrace Rd
Loomis St
Coral St
Fraternal Order Of Police
Miner Rd
NE 28th Ct
QUADRILLE
S Federal Hwy
NE 4th St
NOBO Brewing Company
Gateway Marina Boat Storage
NE 27th Ave
NE 26th Ave
N Seacrest Blvd
Boynton Beach Station



**RENT #5**


Orange S
San Castle
Thatcher Ave
Ficus Tree Dr
Mentone Rd
Dowling Private School
I.T. Solutions of South Florida,...
Friday CO-Op
Town of Hypoluxo
HYPOLUXO RIDGE SOUTH
Grove Rd
E Atlantic Dr
Brown Rd
E Palm Dr
1125 Peak Rd, Lantana, FL 33462
TUPPEN'S SOUTH LOCATION
Rosemary Scrub Natural Area
Highland Rd
S Ridge Rd
Griswold St
Terrace Rd
Loomis St
Coral St
Fraternal Order Of Police
Miner Rd
NE 28th Ct
QUADRILLE
S Federal Hwy
NE 4th St
NOBO Brewing Company
Gateway Marina Boat Storage
NE 27th Ave
NE 26th Ave
95
1
5

**RENT #6**

**TABLE 6.4-1**
**USE REGULATIONS SCHEDULE**

| Use Type | Zoning District | | | | | | | | | | | | | | | | | | | | | | | NOTE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Agriculture/ Conservation | | | | | Residential | | | | | | | | | Commercial | | | | | | Indust/ Public | | | |
| | PC | AGR | AP | SA | RSER | AR | CRS | RE | RT | RTS | RTU | RS | RM | RH | CN | CO | | O | | E | | | | |
| **Residential uses[1]** | | | | | | | | | | | | | | | | | | | | | | | | |
| Single-family | | P | | | | P | P | P | P | P | P | P | P | P | | | | | | | | | | 88 |
| Zero lot line home | | | | | | | | | | | D | D | D | D | | | | | | | | | | 103 |
| Townhouse | | | | | | | | | | | D | D | D | D | | | | | | | | | | 95 |
| Multi-family | | | | | | | | | | | | | P | P | | | | | | | | | | 65 |
| Mobile home dwelling | | | | | | S | S | | | | | | | | | | | | | | | | | 62 |
| Accessory dwelling | | S | S | S | | S | S | S | S | S | S | S | S | S | | | | | | | | | | 1 |
| Congregate living facility, Type 1 | | | | | | P | P | P | P | P | P | P | P | P | | | | | | | | | | 24 |
| Congregate living facility, Type 2 | | | | | D | A | A | | | | | A | B | B | B | | | | | | | | | 24 |
| Congregate living facility, Type 3 | | | | | | | | | | | | A | A | A | A | | A | | B | | | | | 24 |
| Farm residence | | P | P | P | | | | | | | | | | | | | | | | | | | | 36 |
| Farm tenant quarters | | P | P | P | | | | | | | | | | | | | | | | | | | | 37 |
| Garage sale | | P | P | P | | P | P | P | P | P | P | P | P | P | | | | | | | | | | 44 |
| Home occupation | | P | P | P | | P | P | P | P | P | P | P | P | P | | | | | | | | | | 50 |
| Migrant farm labor quarters | | D | D | D | | | | | | | | | | | | | | | | | | | | 61 |
| Nursing or convalescent facility | | | | | A | | | | | | A | A | A | A | A | | A | | B | | | | | 67 |
| Security or caretaker quarters | | S | S | S | S | S | | | | | | | | | | | S | | S | S | S | S | S | 86 |

[1] New construction which creates development exceeding thresholds set forth in Tables 6.4-2 and 6.4-3 shall be required to be reviewed pursuant to the processes described in the applicable table.

P = Permitted S = Special Use D = Permitted Subject to DRC Site Plan
B = Conditional Use, Class B (ZC Approval) A = Conditional Use, Class A (BCC Approval)
NOTE = Supplementary Use Regulations, Sec. 6.4.D.(Note Number)

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

**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

**BERTRAND, MARC STEPHEN**

1280 N CONGRESS AVENUE SUITE 208
WEST PALM BEACH FL 33409

**LICENSE NUMBER: RZ3221**

**EXPIRATION DATE: NOVEMBER 30, 2026**

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