
**APPRAISAL REPORT
OF
PINES PLACE APARTMENT COMPLEX
LOCATED AT
8103 SOUTH PALM DRIVE
8210 FLORIDA DRIVE
8203 SOUTH PALM DRIVE
PEMBROKE PINES, FLORIDA**

BY
G. ADRIAN GONZALEZ, JR., ASA, MRICS
State-Certified General Real Estate Appraiser No. RZ1555

PREPARED FOR



Mr. Michael Stamm, Jr.
Assistant City Manager/Director
Planning and Economic Development Department
601 City Center Way
Pembroke Pines, FL 33025

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PART ONE - INTRODUCTION

ADRIAN GONZALEZ & ASSOCIATES, P.A.

REAL ESTATE APPRAISERS • CONSULTANTS • LICENSED BROKER

May 26, 2026

Michael Stamm, Jr.
Assistant City Manager/Director, Planning and Economic Development City of Pembroke Pines
601 City Center Way
Pembroke Pines, Florida 33025

**RE: Pines Place Apartment Complex
8103 South Palm Drive
8210 Florida Drive
8203 South Palm Drive
Pembroke Pines, Florida**

Dear Mr. Stamm:

I have completed an appraisal of the above-captioned parcel in accordance with your Appraisal Request dated April 6, 2026. The purpose of the appraisal is to determine the client's leasehold interest in the subject property for internal decision-making purposes. The report was prepared in compliance with the *Uniform Standards of Professional Appraisal Practices (USPAP)*, January 1, 2024, Edition.

The subject is located just west of University Drive between Pines Boulevard on the north and Pembroke Road on the south. The property consists of three residential towers containing 614 apartment units. It is within the *Howard C. Foreman Human Services Campus* in the City of Pembroke Pines, Florida. The definition of market value and legal description for the subject property can be found in the body of the report.

I respectfully submit that in my opinion the market value via a 10-year term and an 11th year reversion of the leasehold interest of the subject property, both *including real estate taxes* and *excluding real estate taxes*, as of May 15, 2026, is as follows:

**NINETY TWO MILLION THREE HUNDRED THOUSAND DOLLARS
(\$92,300,000)
ONE HUNDRED NINE MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$109,400,000)**

Submitted with this letter is an appraisal report containing information and exhibits pertinent to the subject property. Thank you for the opportunity to serve you. Should you have any questions, please call.

Respectfully submitted,
ADRIAN GONZALEZ & ASSOCIATES, P.A.



G. Adrian Gonzalez, Jr., ASA, MRICS
President
State-certified general real estate appraiser RZ1555



CERTIFICATION

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

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 my personal, unbiased, professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have not performed services, as an appraiser or otherwise, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
6. My analyses, opinions, or conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice and the provisions of Chapter 475, Part II, Florida Statutes.
7. 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.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the State of Florida for state-certified appraisals.
9. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers, Standard of Practice and Codes of Ethics of the Royal Institution of Chartered Surveyors, which include International Valuation Standards (IVS), as well as in conformity with USPAP as prepared by the Appraisal Standards Board and published by the Appraisal Foundation.
10. The use of this report is subject to the requirements of the American Society of Appraisers and the Royal Institution of Chartered Surveyors, relating to review by their duly authorized representatives.
11. I have made a personal inspection of the property that is the subject of this report. I have also made a personal field inspection of the comparable sales relied upon in making this appraisal. The subject and the comparable sales relied upon in making this appraisal were as represented by the photographs contained in this appraisal.

CERTIFICATION (continued)

12. Significant professional assistance in the preparation of this report was rendered by Bruce Ownby, State Certified General Real Estate Appraiser No. RZ988 in the preparation of this report.
13. As of the date of this report, G. Adrian Gonzalez, Jr. has completed the requirements of the continuing education program of the American Society of Appraisers. The undersigned appraiser currently holds the appropriate state certification (State-Certified General Real Estate Appraiser No. RZ1555, expiration date November 30, 2024), allowing the performance of real estate appraisals in connection with federally related transactions in the state in which the subject property is located.



May 26, 2026

Date

G. Adrian Gonzalez, Jr., ASA, MRICS
State-Certified General Real Estate Appraiser RZ1555

TABLE OF CONTENTS

INTRODUCTION AND PREMISE OF THE APPRAISAL

LETTER OF TRANSMITTAL
CERTIFICATE OF VALUE
TABLE OF CONTENTS.....3
QUALIFYING AND LIMITING CONDITIONS.....4
SUMMARY OF SALIENT FACTS AND CONCLUSIONS 7
TYPE OF APPRAISAL AND REPORT FORMAT 8
PURPOSE, INTENDED USE, AND INTENDED USER OF THE APPRAISAL8
DEFINITION OF MARKET VALUE 8
PROPERTY RIGHTS (INTEREST) APPRAISED8
SCOPE (EXTENT OF PROCESS OF COLLECTING, CONFIRMING,
AND REPORTING DATA).....9
APPRAISAL PROBLEM..... 10

PRESENTATION OF DATA

IDENTIFICATION OF PROPERTY AND LEGAL DESCRIPTION12
DESCRIPTION OF AREA AND NEIGHBORHOOD..... 13
DESCRIPTION OF PROPERTY, PHOTOGRAPHS, AND SKETCHES24
ZONING, LAND USE PLANNING, AND CONCURRENCY 38
ASSESSED VALUE, TAXES, SPECIAL ASSESSMENTS..... 38
HISTORY OF PROPERTY39
EXPOSURE TIME 39

ANALYSIS OF DATA AND CONCLUSION

HIGHEST AND BEST USE ANALYSIS.....41
APPROACHES TO VALUE USED AND EXCLUDED43
INCOME APPROACH44
RECONCILIATION OF VALUE INDICATIONS AND FINAL VALUE ESTIMATE..... 57

ADDENDA

QUALIFICATIONS OF THE APPRAISER

QUALIFYING ASSUMPTIONS AND LIMITING CONDITIONS

1. The appraisers assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership. The legal description and property description used in this report is assumed to be correct.
2. Market value as estimated under the definition established in the Uniform Standards of Professional Appraisal Practice (USPAP).
3. This appraisal is an estimate of the total value for purposes of condemnation and is prohibited for any other use.
4. The building plans and/or property sketches in this report are included to assist the reader to visualize the subject property and we assume no responsibility for their accuracy. Unless otherwise stated in this report, we have assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass. The appraiser has relied upon the maps prepared by the Public Records of Broward County.
5. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, the appraiser assumes no responsibility for its accuracy.
6. The appraiser, by reasons of this report, is not required to give testimony in court with reference to the property herein appraised, nor is he obligated to appear before any governmental body, board or agent except those previously made.
7. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Professional Appraisal Organizations with which the appraisers are affiliated.
8. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, 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 does not have knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If present, such substances including asbestos, urea-formaldehyde foam insulation, or other potentially hazardous substances or environmental conditions may affect the value of the property. The value estimate is predicated on the assumption no such condition exists on or in the property or in such proximity thereto to cause a loss in value. Responsibility is not assumed for any such conditions and not for any expertise or engineering knowledge required to discover them.

9. Sub-surface rights (minerals, oil, or water) were not considered in this report.
10. The value estimate herein is predicated upon the assumption the improvements comply with or are exempt from compliance with Title III of the Americans with Disabilities Act. We have not been provided with information, which would identify compliance with or exemption from the public accommodations' requirement of the Act. Should an analysis of the property reveal compliance with the Act is required, and should the property require modification for compliance, the value estimate herein may be invalid.
11. Employment in and compensation for making the appraisal are in no manner contingent upon the value reported.
12. All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within the report.
13. We have not inspected or tested the soil or subsoil. We are therefore unable to report that any such part of the subject property is free of defects or in such condition as to render the subject property less valuable. For this report, we have assumed that no inadequacies, insufficiencies, or faults in the subject property that is not easily detectable. We assume no responsibility for such conditions or any inspection which might be required to discover such conditions.
14. The appraiser shall not be held liable for errors, omissions, breach of contract or warranty, unfair trade practice, gross or ordinary negligence, and non-malicious torts in acquiring, compiling, assessing, analyzing, adjusting and/or evaluating any of the information included or excluded in this appraisal report and/or resulting in the opinion included herein.
15. Neither all, nor any part of the content of this report or copy thereof (including conclusions as to the property value, the identity of the appraisers, professional designations, reference to any professional organizations, or the firm with which the appraisers are connected), shall be used for any purposes by anyone but the client specified in the report, the mortgagee or its successors and assignees, mortgage insurers, consultants, professional appraisal organizations, any provincial or federally approved financial institution, any department, agency or instrumentality of the federal government or any state without the previous written consent of the appraisers; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without written consent and approval of the appraisers.
16. The appraiser enforcing the herein set forth contingent conditions against any entity, person or persons claiming damages because of reliance upon or use of this appraisal report or opinion, shall be entitled to all reasonable attorney's fees, costs and expenses incurred by the appraiser enforcing the contingent conditions set forth in this appraisal report, defending this contract, or collecting the fees and expenses due for this report and testimony in support thereof, including that incurred without suit, with suit, during all trials and appeals thereof.

- 17.** The appraiser reserves the right to consider and evaluate additional data that becomes available between the date of this report and the date of trial, if applicable, and to make any adjustments to the value opinions that may be required.
- 18.** This report is prepared for the sole use of the client, the City of Pembroke Pines.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Owner's Name & Address:	City of Pembroke Pines 601 City Center Way Pembroke Pines, Florida 33025
Client:	Michael Stamm, Jr. Director, Planning and Economic Development City of Pembroke Pines 601 City Center Way Pembroke Pines, Florida 33025
Purpose & Function of Report:	The purpose of this appraisal is to estimate the market value of Pembroke Pines' leasehold interest in the subject property as of May 15, 2026. The <i>Intended Use</i> is to assist the City of Pembroke Pines, the <i>Intended User</i> , for internal decision making/disposal purposes.
Property Location:	The west side of University Drive lying between Pines Boulevard on the north and Pembroke Road on the south. The common street addresses are 8103 South Palm Drive, 8210 Florida Drive and 8203 South Palm Drive. It is within the <i>Howard C. Foreman Human Services Campus</i> in the City of Pembroke Pines, Florida.
Site Size:	The total site size is 25.92± acres
Present Use:	Improved with three (3) five-story apartment towers which contain a total of 614 units
Highest and Best Use:	Continued use as currently improved.
Effective Date of Value:	May 15, 2026
Dates of Inspection:	The appraiser performed a complete inspection of the subject of the three buildings and took photographs of the property on April 15, 2026. Only three units were physically inspected. One in Tower I, one in Tower II and one in Tower III, which represent typical rental units. A cursory inspection from the street was provided on May 15, 2026.
Income Approach: (Leasehold Value)	\$92,300,000 (with RE taxes) \$109,400,000 (no RE taxes)
Cost Approach (Improved):	N/A
Sales Comparison Approach (Improved):	N/A
Market Value Opinion:	\$92,300,000 (with RE taxes) \$109,400,000 (no RE taxes)

TYPE OF APPRAISAL AND REPORT FORMAT

In accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), as of January 1, 2024, there are two types of appraisal formats: *Appraisal Report* and *Restricted Appraisal Report*. The appraisal of the subject was done in conformance with USPAP. This is an Appraisal Report format.

PURPOSE, INTENDED USE, AND INTENDED USER OF THE APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property, which is the same as the intended use. The client and intended user are the City of Pembroke Pines.

DEFINITION OF MARKET VALUE

For the purposes of this analysis, market value is defined as follows:

The most probable price, as of a specified date, in cash or in terms equivalent to cash or other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under conditions requisite to a fair sale with the buyer and seller each acting prudently, knowledgeably and for self-interest and assuming that neither is under duress. [Appraisal Institute's Dictionary of Real Estate, Appraisal, Seventh Edition]

PROPERTY RIGHTS (INTEREST) APPRAISED

Property Interest Appraised: Fee Simple, subject to easements of record, if any.

The property rights appraised involve the "Fee Simple" interest of the subject property. "Fee Simple Estate" is defined in *The Dictionary of Real Estate Appraisal*, Seventh Edition, Appraisal Institute, as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

The definitions below are as defined by the Appraisal Institute's *Dictionary of Real Estate Appraisal*, Seventh Edition.

Leased Fee Interest - The ownership interest held by the lessor includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

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

The subject apartment complex is built on a site that is sub leased from the State of Florida. It is being considered for possible sub sublease of the leasehold interest by the City of Pembroke Pines. The interest appraised will be the **Pembroke Pines' Leasehold Value or Interest**.

Encumbrances: The individual encumbrances or easements are detailed later in this report.

Non-Realty Items Appraised: None.

**SCOPE OF WORK
(EXTENT OF PROCESSING, CONFIRMING, AND REPORTING OF DATA)**

The appraisal process is an orderly program in which the data used in estimating the value of the subject property is gathered, analyzed and presented in report form. The scope of the appraisal is the extent of the process of collecting, confirming and reporting data. The extent to which the market is researched is contingent upon the type of property included in the appraisal assignment.

The appraiser undertook this appraisal assignment under the following scope of work:

- ◆ The purpose of the appraisal is to determine the client’s sub leasehold interest in the subject property for internal decision-making purposes;
- ◆ The subject property was inspected and photographed on April 15, 2026, with a cursory inspection on May 15, 2026, from the street.
- ◆ The physical characteristics of the subject property were considered;
- ◆ The various laws and governmental policies regulating the use of the subject property will be considered;
- ◆ Information provided by the client was reviewed;
- ◆ The subject property’s Highest and Best Use was formulated;
- ◆ A search for rental market data in the general market area was conducted;
- ◆ The terms and conditions of market data discovered was verified;
- ◆ Market data was analyzed with respect to market trends and market values. All comparable rentals used were confirmed. Public records will be utilized to check the market data;
- ◆ The appropriate approach to value was developed, only the Income Approach to Value was considered since the subject is improved with three apartment buildings located on leased land, using a Discounted Cash Flow Analysis;
- ◆ The current leasehold value of the subject was estimated.

APPRAISAL PROBLEM

Since entering into a land lease sub-lease agreement with the Department of Children and Family Services of the State of Florida on March 15, 2001, Pembroke Pines has improved the property with three, five-story apartment buildings consisting of a 614-unit complex named Pines Place. The appraisal problem involves properly analyzing the factors that create value in Pembroke Pines' leasehold interest.

As outlined above under Scope of the Appraisal, the appraiser has considered and analyzed historic income/expense information pertaining to Pines Place as well as market related information from similar apartment developments. This information is relied upon in estimating annual cash flows from apartment rents over the remaining lease term. The cash flows, not including loan (bond) repayments are then discounted to provide a present leasehold value. With the actual historic and market derived data outlined and considered, the appraisal problem is solved by properly analyzing all available data and accurately estimating future income streams so that a reliable estimate of Pembroke Pines' sub leasehold interest can be provided.

In appraising the subject property, the Income Approach to Value using the Discounted Cash Flow Analysis will be developed.

PRESENTATION OF DATA

IDENTIFICATION OF PROPERTY AND LEGAL DESCRIPTION

IDENTIFICATION OF PROPERTY

This site is leased from the Department of Children and Family Services of the State of Florida by the City of Pembroke Pines and was developed with two apartment buildings in 2005 and a third building in 2008. Collectively these buildings are known as “Pines Place” and are operated the city of Pembroke Pines. There are no income requirements for individuals renting the units.

LEGAL DESCRIPTION

As mentioned above, the subject is a portion of Parcel “A” of the plat known as The Pembroke Pines Health Park as recorded in Plat Book 174, Page 179 of the Public Records of Broward County, Florida. The legal description is three pages long and was provided by the client. It is presented in the addenda of this report.



BROWARD COUNTY MAP

AREA DATA AND ANALYSIS

General

A general geographic, economic and demographic overview of the county is helpful in gaining a proper perspective of those factors that influence real estate values.

Broward County is located in the center of the tri-county area that comprises the “Gold Coast” of Florida. These three counties have extensive Atlantic Ocean shorelines with excellent beaches. The waters are warm and the climate is greatly affected by the proximity of the Gulf Stream. The Gold Coast enjoys a semitropical climate because of the warming effect of this ocean river, which is approximately one mile from shore. Dade County, whose principal city is Miami, borders Broward to the south and Palm Beach County, with the principal city being West Palm Beach, to the north.

Broward County, whose principal city and county seat is Fort Lauderdale, contains 1,224.7 square miles. The county is roughly rectangular in configuration, measuring about 25 miles from north to south and 50 miles from east to west. The western two-thirds, encompassing 796.9 square miles, consists of both a water conservation area and an Indian Reservation, leaving approximately 427.8 square miles of Urban areas or developable land.

Broward County was formed in 1915 from portions of Dade and Palm Beach Counties. Although established many years earlier, Fort Lauderdale, the county seat, was not incorporated until 1915. Currently, there are 31 municipalities within the County, along with an area referred to as “BMSD” (Broward Municipal Service District), which is not within an incorporated municipality. These areas, along with Tribal Lands, cover 11.3 square miles within the urban area.

The following pages include information obtained from the Florida Office of Economic & Demographic Research.

Broward County

Florida's 2nd most populous county
with 8.5% of Florida's population



Population

	Broward County	Florida
Census Population		
1980 Census	1,018,257	9,748,961
1990 Census	1,255,531	12,938,071
2000 Census	1,623,018	15,962,624
2010 Census	1,748,066	18,901,332
2020 Census	1,944,375	21,538,187
% change 2010-2020	11.2%	14.6%
Age		
% Under 18 years of age	20.5%	19.5%
% Aged 65 and over	17.2%	21.2%
% Median age	41.4	43.0
Gender		
% Male	48.3%	48.6%
% Female	51.7%	51.4%
Race (alone) & Ethnicity		
% Not Hispanic-White	33.1%	51.5%
% Not Hispanic-Black or African American	26.6%	14.5%
% Not Hispanic-American Indian and Alaska Native	0.2%	0.2%
% Not Hispanic-Asian	3.0%	2.9%
% Not Hispanic-Native Hawaiian and Other Pacific Islander	0.0%	0.1%
% Not Hispanic-Some Other Race	1.1%	0.6%
% Not Hispanic-Two or More Races	3.0%	3.7%
% Hispanic or Latino (of any race)	31.3%	28.5%

Real GDP

(Thousands of Chained 2017 Dollars)

	Broward County	Florida
2017 GDP	104,703,408	1,014,886,863
Percent of the State	10.3%	
2018 GDP	107,817,123	1,050,433,812
Percent of the State	10.3%	
2019 GDP	111,883,640	1,084,913,903
Percent of the State	10.3%	
2020 GDP	109,872,453	1,072,481,562
Percent of the State	10.2%	
2021 GDP	120,024,526	1,172,666,328
Percent of the State	10.2%	
2022 GDP	127,700,081	1,245,927,559
Percent of the State	10.2%	
2023 GDP	133,360,002	1,309,392,241
Percent of the State	10.2%	
2024 GDP	136,649,542	1,352,275,106
Percent of the State	10.1%	

Real Gross Domestic Product

Population by Housing Type

	Broward County	Florida
Household Population	1,929,434	21,073,604
Household Population per Occupied Housing Unit	2.55	2.47
Group Quarters Population	14,941	464,583

Population Estimates

	Broward County	Florida
2021 Estimate	1,955,375	21,898,946
% change 2020-2021	0.6%	1.7%
2022 Estimate	1,969,099	22,276,132
% change 2020-2022	1.3%	3.4%
2023 Estimate	1,973,579	22,634,867
% change 2020-2023	1.5%	5.1%
2024 Estimate	1,981,888	23,014,551
% change 2020-2024	1.9%	6.9%
2025 Estimate	1,993,535	23,379,261
% change 2020-2025	2.5%	8.5%
Based on 2025 Estimate		
2030	2,059,178	24,909,028
2035	2,104,015	26,074,611
2040	2,134,898	26,967,897
2045	2,161,571	27,664,885
2050	2,184,724	28,250,130

Housing

Housing Units, 2020 Census

Occupied

Vacant

Units Permitted

2000

2010

2020

2021

2022

2023

2024

2025

Persons per square mile

2000

2010

2020

2025

Households and Family Households

Households

Total households, 2000 Census

Family households, 2000 Census

% with own children under 18

Total households, 2010 Census

Family households, 2010 Census

% with own children under 18

Average Household Size, 2010 Census

Average Family Size, 2010 Census

Total households, 2020 Census

Family households, 2020 Census

% with own children under 18

Population Characteristics

	Broward County	Florida
(% of total persons aged 5 and over)		
Speak only English	56.2%	59.4%
Speak a language other than English	43.8%	39.6%
Speak English "very well"	26.9%	18.1%
Place of birth		
Foreign born	36.9%	21.9%
Veteran status		
Children population 18 and over	3.9%	7.4%

Migration

	Broward County	Florida
Residence 1 Year Ago		
Persons aged 1 and over		
Same house	87.1%	86.3%
Different house in the U.S.	11.5%	12.6%
Same county in Florida	7.2%	6.6%
Different county in Florida	2.6%	3.1%
Different county in another state	1.8%	2.9%
Abroad	1.4%	1.1%

Population Density

	Broward County	Florida
2000	1,346.5	296.4
2010	1,444.9	350.6
2020	1,616.6	401.4
2025	1,657.6	436.8

According to Census definitions, a household includes all of the people who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated people who share living quarters. A family includes a householder and all persons who live in the same household who are related to the householder by birth, marriage, or adoption.
Census tracts may be compared for Census County Statistics (CCS).

Employment and Labor Force

Establishments 2024	Broward County	Florida	Establishments % of All Industries	Broward County	Florida
All Industries	81,809	881,700	All Industries	81,809	881,700
Natural Resource & Mining	178	5,872	Natural Resource & Mining	0.2%	0.7%
Construction	8,583	84,932	Construction	8.0%	9.8%
Manufacturing	2,223	26,842	Manufacturing	2.7%	3.0%
Trade, Transportation and Utilities	14,861	151,230	Trade, Transportation and Utilities	18.2%	17.2%
Information	1,857	20,233	Information	2.0%	2.3%
Financial Activities	8,922	95,614	Financial Activities	10.9%	10.8%
Professional & Business Services	22,325	225,541	Professional & Business Services	27.3%	25.6%
Education & Health Services	10,123	104,515	Education & Health Services	12.4%	11.9%
Leisure and Hospitality	8,221	68,016	Leisure and Hospitality	7.6%	7.7%
Other Services	5,968	60,954	Other Services	7.3%	6.9%
Government	316	5,886	Government	0.4%	0.7%

Average Annual Employment % of All Industries, 2024	Broward County	Florida	Average Annual Wage 2024	Broward County	Florida
All Industries	864,568	9,837,263	All Industries	\$71,491	\$69,492
Natural Resource & Mining	0.1%	0.7%	Natural Resource & Mining	\$50,756	\$49,698
Construction	6.2%	6.6%	Construction	\$75,527	\$70,271
Manufacturing	3.6%	4.3%	Manufacturing	\$80,547	\$81,956
Trade, Transportation and Utilities	22.2%	20.1%	Trade, Transportation and Utilities	\$66,077	\$61,291
Information	1.9%	1.6%	Information	\$126,191	\$121,266
Financial Activities	7.6%	6.9%	Financial Activities	\$88,701	\$108,740
Professional & Business Services	17.5%	15.5%	Professional & Business Services	\$98,219	\$87,036
Education & Health Services	13.5%	15.5%	Education & Health Services	\$64,567	\$66,009
Leisure and Hospitality	11.3%	13.4%	Leisure and Hospitality	\$36,243	\$37,261
Other Services	3.4%	3.0%	Other Services	\$50,427	\$51,306
Government	12.5%	11.3%	Government	\$76,484	\$71,045

Information may not add to the total due to rounding and not available.

Labor Force as Percent of Population Aged 18 and Older	Broward County	Florida	Unemployment Rate	Broward County	Florida
2000	69.6%	64.1%	2000	3.7%	3.7%
2010	69.2%	62.5%	2010	10.2%	11.3%
2020	66.5%	58.0%	2020	9.3%	8.0%
2021	66.9%	59.0%	2021	5.0%	4.7%
2022	67.0%	59.8%	2022	2.9%	3.0%
2023	66.4%	60.6%	2023	2.9%	2.9%
2024	66.4%	60.1%	2024	3.2%	3.4%
2025	67.1%	59.2%	2025	3.7%	3.9%

(2025 is based on 11 months – no data for October 2025)

Personal Income (\$000s)	Broward County	Florida	Per Capita Personal Income	Broward County	Florida
2000	\$51,104,226	\$471,586,082	2000	\$31,341	\$29,387
2010	\$71,969,263	\$730,690,146	2010	\$41,067	\$38,779
% change 2000-2010	40.8%	54.9%	% change 2000-2010	31.0%	32.0%
2020	\$110,540,131	\$1,222,063,372	2020	\$66,878	\$66,597
% change 2010-2020	53.6%	67.2%	% change 2010-2020	38.5%	45.9%
2021	\$122,685,263	\$1,367,061,863	2021	\$63,362	\$62,617
% change 2020-2021	11.0%	11.9%	% change 2020-2021	11.4%	10.6%
2022	\$131,407,027	\$1,464,261,012	2022	\$66,642	\$65,429
% change 2021-2022	7.1%	7.1%	% change 2021-2022	5.5%	4.5%
2023	\$143,380,838	\$1,604,650,325	2023	\$71,582	\$70,057
% change 2022-2023	9.1%	9.6%	% change 2022-2023	7.1%	7.1%
2024	\$151,804,008	\$1,706,305,733	2024	\$74,506	\$73,006
% change 2023-2024	5.9%	6.3%	% change 2023-2024	4.1%	4.2%

Earnings by Place of Work (\$000s)	Broward County	Florida	Median Income	Broward County	Florida
2000	\$30,894,485	\$308,751,767	Median Household Income	\$77,633	\$74,568
2010	\$46,234,808	\$439,036,383	Median Family Income	\$92,109	\$89,891
% change 2000-2010	49.7%	42.2%			
2020	\$68,378,656	\$664,772,318	Percent in Poverty, 2024		
% change 2010-2020	47.9%	56.0%	All ages in poverty	11.7%	12.1%
2021	\$77,753,561	\$771,864,702	Under age 18 in poverty	14.9%	15.7%
% change 2020-2021	13.7%	12.7%	Related children age 5-17 in families in poverty	13.5%	14.8%
2022	\$84,146,056	\$845,179,678			
% change 2021-2022	8.2%	9.5%			
2023	\$89,800,214	\$915,351,168			
% change 2022-2023	6.7%	8.3%			
2024	\$94,322,463	\$972,525,321			
% change 2023-2024	5.0%	6.2%			

Workers Aged 18 and Over Place of Work in Florida	Broward County	Florida	Personal Bankruptcy Filing Rate (per 1,000 population)	Broward County	Florida
Worked outside county of residence	20.6%	17.0%	12-Month Period Ending September 30, 2024	1.62	1.46
Travel Time to Work			12-Month Period Ending September 30, 2025	1.98	1.71
Mean travel time to work (minutes)	29.1	28.0	State Rank	8	NA

NonBusiness Chapter 7 & Chapter 13

Employment and Labor Force

Establishments 2024	Broward County		Florida		Establishments 2024	Broward County		Florida	
	All industries	% of All Industries	All industries	% of All Industries		All industries	% of All Industries	All industries	% of All Industries
All industries	81,809		881,780		All industries	81,809		881,780	
Natural Resource & Mining	178		5,872		Natural Resource & Mining	0.2%		0.7%	
Construction	6,583		84,932		Construction	8.0%		9.6%	
Manufacturing	2,223		26,842		Manufacturing	2.7%		3.0%	
Trade, Transportation and Utilities	14,861		151,230		Trade, Transportation and Utilities	18.2%		17.2%	
Information	1,657		20,233		Information	2.0%		2.3%	
Financial Activities	8,922		95,614		Financial Activities	10.9%		10.8%	
Professional & Business Services	22,325		225,541		Professional & Business Services	27.3%		25.6%	
Education & Health Services	10,123		104,515		Education & Health Services	12.4%		11.9%	
Leisure and Hospitality	6,221		68,016		Leisure and Hospitality	7.6%		7.7%	
Other Services	5,998		60,954		Other Services	7.3%		6.9%	
Government	318		5,886		Government	0.4%		0.7%	

Average Annual Employment % of All Industries, 2024	Broward County		Florida		Average Annual Wage 2024	Broward County		Florida	
	All industries	% of All Industries	All industries	% of All Industries		All industries	Average Annual Wage	All industries	Average Annual Wage
All industries	864,568		9,837,283		All industries	\$71,491		\$69,492	
Natural Resource & Mining	0.1%		0.7%		Natural Resource & Mining	\$50,756		\$49,698	
Construction	8.2%		6.6%		Construction	\$75,527		\$70,271	
Manufacturing	3.6%		4.3%		Manufacturing	\$80,547		\$81,958	
Trade, Transportation and Utilities	22.2%		20.1%		Trade, Transportation and Utilities	\$66,077		\$61,291	
Information	1.9%		1.6%		Information	\$126,191		\$121,266	
Financial Activities	7.6%		6.9%		Financial Activities	\$98,701		\$108,740	
Professional & Business Services	17.5%		16.5%		Professional & Business Services	\$86,219		\$87,036	
Education & Health Services	13.5%		15.5%		Education & Health Services	\$64,587		\$66,009	
Leisure and Hospitality	11.3%		13.4%		Leisure and Hospitality	\$38,243		\$37,261	
Other Services	3.4%		3.0%		Other Services	\$50,427		\$51,308	
Government	12.5%		11.3%		Government	\$76,484		\$71,045	

Industries may not add to the total due to confidentiality and unclassified.

Labor Force as Percent of Population Aged 18 and Older	Broward County		Florida		Unemployment Rate	Broward County		Florida	
	Year	% of Population	Year	% of Population		Year	% of Population	Year	% of Population
2000	69.6%		64.1%		2000	3.7%		3.7%	
2010	69.2%		62.5%		2010	10.2%		11.3%	
2020	65.5%		58.0%		2020	9.3%		8.0%	
2021	65.9%		59.0%		2021	5.0%		4.7%	
2022	67.0%		59.8%		2022	2.9%		3.0%	
2023	68.4%		60.8%		2023	2.9%		2.9%	
2024	68.4%		60.1%		2024	3.2%		3.4%	
2025	67.1%		59.2%		2025	3.7%		3.9%	

(2025 is based on 11 months -- no data for October 2025)

Income and Financial Health

Personal Income (\$000s)	Broward County		Florida		Per Capita Personal Income	Broward County		Florida	
	Year	\$000s	Year	\$000s		Year	\$000s	Year	\$000s
2000	\$51,104,226		\$471,588,082		2000	\$31,341		\$29,387	
2010	\$71,969,263		\$730,690,145		2010	\$41,067		\$38,779	
% change 2000-2010	40.8%		54.9%		% change 2000-2010	31.0%		32.0%	
2020	\$110,543,131		\$1,222,053,372		2020	\$66,878		\$66,567	
% change 2010-2020	53.6%		67.2%		% change 2010-2020	38.5%		45.9%	
2021	\$122,685,293		\$1,367,061,883		2021	\$63,382		\$62,817	
% change 2020-2021	11.0%		11.9%		% change 2020-2021	11.4%		10.6%	
2022	\$131,427,027		\$1,484,251,012		2022	\$68,842		\$65,429	
% change 2021-2022	7.1%		7.1%		% change 2021-2022	5.5%		4.5%	
2023	\$143,383,838		\$1,604,650,325		2023	\$71,592		\$70,057	
% change 2022-2023	9.1%		9.6%		% change 2022-2023	7.1%		7.1%	
2024	\$151,804,008		\$1,706,305,733		2024	\$74,506		\$73,006	
% change 2023-2024	5.9%		6.3%		% change 2023-2024	4.1%		4.2%	

Earnings by Place of Work (\$000s)	Broward County		Florida		Median Income	Broward County		Florida	
	Year	\$000s	Year	\$000s		Year	\$000s	Year	\$000s
2000	\$30,884,485		\$308,751,767		Median Household Income	\$77,633		\$74,568	
2010	\$46,234,808		\$439,036,383		Median Family Income	\$92,109		\$89,891	
% change 2000-2010	49.7%		42.2%						
2020	\$68,378,656		\$684,772,318						
% change 2010-2020	47.9%		56.0%						
2021	\$77,753,561		\$771,994,702						
% change 2020-2021	13.7%		12.7%						
2022	\$84,146,056		\$845,179,676						
% change 2021-2022	8.2%		9.5%						
2023	\$89,800,214		\$915,351,168						
% change 2022-2023	6.7%		8.3%						
2024	\$94,322,493		\$972,525,321						
% change 2023-2024	5.0%		6.2%						

Workers Aged 16 and Over Place of Work in Florida	Broward County		Florida		Personal Bankruptcy Filing Rate (per 1,000 population)	Broward County		Florida	
	Year	% of Population	Year	% of Population		Year	Rate	Year	Rate
Worked outside county of residence	20.6%		17.0%		12-Month Period Ending September 30, 2024	1.62		1.48	
Travel Time to Work					12-Month Period Ending September 30, 2025	1.98		1.71	
Mean travel time to work (minutes)	29.1		28.0		State Rank	8		NA	

NonBusiness Chapter 7 & Chapter 13

Reported County Government Revenues and Expenditures (Includes all Custodial Fund reporting)

Revenue 2022-23	Broward County	Florida*	Expenditures 2022-23	Broward County	Florida*
Total - All Revenue Account Codes (\$000s)	\$9,935,647.0	\$117,776,640.8	Total - All Expenditure Account Codes (\$000s)	\$9,394,017.75	\$110,894,156.90
Per Capita \$	\$5,034.33	\$5,456.77	Per Capita \$	\$4,759.89	\$5,137.89
% of Total	100.0%	100.0%	% of Total	100.0%	100.0%
General Government Taxes (\$000s)	\$6,141,909.9	\$48,947,738.5	General Government Services** (\$000s)	\$5,289,058.40	\$56,597,761.19
Per Capita \$	\$3,112.07	\$2,267.82	Per Capita \$	\$2,679.93	\$2,622.26
% of Total	61.8%	41.8%	% of Total	56.3%	51.0%
Permits, Fee, and Special Assessments (\$000s)	\$63,380.7	\$5,231,889.8	Public Safety (\$000s)	\$1,207,448.31	\$14,143,806.21
Per Capita \$	\$32.11	\$242.39	Per Capita \$	\$611.81	\$655.30
% of Total	0.6%	4.4%	% of Total	12.9%	12.8%
Intergovernmental Revenues (\$000s)	\$452,451.4	\$8,250,822.1	Physical Environment (\$000s)	\$193,589.68	\$6,602,230.32
Per Capita \$	\$229.25	\$382.27	Per Capita \$	\$98.09	\$305.89
% of Total	4.6%	7.0%	% of Total	2.1%	6.0%
Charges for Services (\$000s)	\$1,846,331.3	\$28,150,407.9	Transportation (\$000s)	\$959,811.84	\$6,383,904.27
Per Capita \$	\$935.52	\$1,304.25	Per Capita \$	\$486.33	\$295.78
% of Total	18.6%	23.9%	% of Total	10.2%	5.6%
Judgments, Fines, and Forfeits (\$000s)	\$54,575.2	\$1,880,041.8	Economic Environment (\$000s)	\$70,006.43	\$2,413,716.53
Per Capita \$	\$27.65	\$87.11	Per Capita \$	\$35.47	\$111.83
% of Total	0.5%	1.6%	% of Total	0.7%	2.2%
Miscellaneous Revenues (\$000s)	\$443,265.5	\$12,799,887.1	Human Services (\$000s)	\$238,504.01	\$5,303,244.59
Per Capita \$	\$224.60	\$593.04	Per Capita \$	\$120.85	\$245.71
% of Total	4.5%	10.9%	% of Total	2.5%	4.8%
Other Sources (\$000s)	\$833,733.1	\$12,516,053.5	Culture / Recreation (\$000s)	\$194,495.84	\$2,195,932.65
Per Capita \$	\$473.12	\$579.89	Per Capita \$	\$98.55	\$101.74
% of Total	8.4%	10.6%	% of Total	2.1%	2.0%
			Other Uses and Non-Operating (\$000s)	\$898,348.29	\$13,256,605.85
			Per Capita \$	\$455.19	\$614.20
			% of Total	9.6%	12.0%
			Court-Related Expenditures (\$000s)	\$342,754.95	\$3,996,955.30
			Per Capita \$	\$173.67	\$185.18
			% of Total	3.6%	3.6%

* All County Governments Except Duval - The consolidated City of Jacksonville / Duval County figures are included in municipal totals rather than county government totals.

** (Not Court-Related)

Quality of Life

	Broward County	Florida
Crime		
Crime rate, 2020 (index crimes per 100,000 population)	2,434.8	2,158.0
Admissions to prison FY 2024-25	1,259	27,171
Admissions to prison per 100,000 population FY 2024-25	63.2	116.2

Health Insurance Status

	Broward County	Florida
Percent Insured by Age Group		
Under 65 years	87.1%	86.6%
Under 19 years	92.4%	92.7%
18 to 64 years	85.1%	84.5%

Education

	Broward County	Florida
Public Education Schools		
Traditional Setting (2025-26)		
Total (state total includes special districts)	315	3,798
Elementary	164	1,847
Middle	47	561
Senior High	53	736
Combination	51	652
Educational attainment		
Persons aged 25 and older		
% HS graduate or higher	90.4%	89.9%
% bachelor's degree or higher	36.7%	34.1%

State and Local Taxation

	Broward County	
	County-Wide	Not County-Wide*
2025		
County	5.6658	0.0242
School	6.4845	
Municipal		6.0473
Special Districts	0.7071	0.9349

*MSTU included in Not County-Wide "County" category

State Infrastructure

	Broward County	Florida
Transportation		
State Highway		
Centerline Miles	449.9	12,265.7
Lane Miles	2,592.1	46,013.4
Conservation Land (CL land acres only)		
State or Regionally Owned (includes partially-owned)	476,671	5,863,289
% of Total Conservation Land (including private)	98.9%	53.6%
% of Total Area Land	61.9%	17.1%
% of Florida State or Regionally Owned CL	8.1%	

Other County Profiles
Criminal Justice County Profiles
School District Profiles

Prepared in May 2025 by: Florida Legislative
Office of Economic and Demographic Research
111 W. Madison Street, Suite 574
Tallahassee, FL 32399
(850) 487-1402 <http://edr.state.fl.us>



NEIGHBORHOOD ANALYSIS

A neighborhood can be described as “a portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest. Neighborhood boundaries may consist of well-defined natural or man-made barriers; or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants.”

The subject neighborhood can be described as a portion of southwestern Broward County that is comprised of the Pembroke Pines Health Park on the west side of University Drive along with North Perry Airport and Broward College South located on east side of the Airport. The boundaries of the subject neighborhood are considered to be Pines Boulevard (Hollywood Boulevard) on the north, Pembroke Road on the south, SW 89 Avenue (aka Douglas Road) on the west and SW 72 Avenue on the east. These approximate neighborhood boundaries describe land that is within the City of Pembroke Pines and which is bordered to the south by the City of Miramar. These manmade boundaries effectively isolate the Health Park and airport along with other publicly owned located land in the northeast corner from the single family and multi-family residential neighborhoods to the east and west.

The subject property is located within the *Howard C. Foreman Human Services Campus*, which was once the site of a state-owned mental health facility. This facility was built in 1957 and located on a 300± acre site located at the northwest corner of Pembroke Road and University Drive. In 2001 the state-owned hospital was being phased out and being replaced with new health related facilities operated by for profit and some non-profit organizations. Additionally, the site has a parcel used by Broward County School as a bus parking lot. There is also a state driver’s license facility and a juvenile detention facility. In early 2001, the site was managed by the state Department of Children and Family Services (DCF) and it was decided that approximately 161 acres would be leased to the City of Pembroke Pines to develop and manage a 161± acre health park. The lease was executed in 2001 and the site was platted as “The Pembroke Pines Health Park” and recorded in the public records in 2005. In 2001, the state legislature named the park after State Senator Howard C. Foreman.

The city built two of the subject buildings in 2005 and the third in 2008 and has operated them a low-income housing since they were built. According to information provided by the city, Bond financing was used to construct these buildings. “The total estimated construction cost of the project was Tower I at \$17,800,000 and Tower II at \$13,500,000. Tower I project costs included the planning, financial, development, design, engineering and construction of a five-story building of approximately 170,000 square feet, comprising 208 one bedroom residential units, together with the site development costs of approximately 25.92 acres, related off-site improvements including concurrency costs and perimeter roadway improvements, fuel depot installation, installation of off-site utilities, furniture, fixtures and equipment for 208 residential units included in Tower I as well as mobile safety equipment consisting of a fire ladder truck and other related equipment). Tower I project costs also included the engineering and permitting costs related to the Project. Tower II project costs include the cost of planning, designing, constructing and equipping Tower II, included furniture, fixtures and equipment for 186 residential units to be installed in Tower Two.”

“The 2007 Project consisted of the design and construction of capital improvements relating to Tower III which included, without limitation: (i) the design, construction, and equipping of approximately 220 residential units to become part of the City's senior housing facilities to be owned and operated by the City, to be located on the Senator Howard C. Forman Human Services Campus and related subordinate facilities, and (ii) renovations to existing senior housing facilities owned and operated by the City.”

The large health park in which the subject is located is a portion of other major publicly owns complexes within this area. North Perry Airport, owned and operated by Broward County is located on the east side of University Drive along with the South Campus of Broward College.

The N. Perry Airport land was purchased by the US Navy from Mr. Perry, a dairy farmer during World War II in 1943. Broward County took ownership of the airport between 1950 and 1957. The Broward County Aviation Department (BCAD) operates and maintains the airport, which includes four runways, a control tower, BCAD administrative office, two fixed base operations and a variety of tenants and sub-tenants. Airport related services provided by the tenants include fuel sales, repair and maintenance, aircraft storage, parts and sales, flight training, charter services and banner towing. Non-aviation related uses include the Paul J. Maxwell Park along the east boundary and accessed from SW 72 Avenue, Pines recreation Center (occupied as Pembroke Pines Optimist Club) at the northeast corner along Pines Blvd., State of Florida Department of Health (on subject property) at the southwest corner, US Border Patrol at the southeast corner and Village Shopping Center at the northwest corner. Besides the Broward County Aviation Department (BCAD), other government related uses include Mosquito Control along the western side and Pembroke Pines Fire Department station at the northeast corner along SW 72 Avenue.

The northeast corner of the subject neighborhood, not within the airport boundaries, includes other institutional type uses. The South Regional Library is at the signalized McArthur Parkway entrance and Broward College South Campus extends to SW 72 Avenue.

University Drive, Pembroke Road and Pines Boulevard are all six-lane, divided thoroughfares. SW 72 Avenue is a local, two-lane road that forms a T- intersection at Pembroke Road and extends for about 2.25 miles north of Pines Blvd. to where it merges with Davie Road Extension. Douglas Rd. is four lanes and becomes Pine Island Rd approximately 1.5 miles north of Pines Blvd. at Sheridan St. The four corners of the defined neighborhood are signalized intersections with the University Drive intersections in the middle being the most prominent.

The subject property is located near the middle of the subject neighborhood and the roadways influencing it most is the Pembroke Road / University Drive intersection. Improvements at this intersection corner include The Broward County Health Department at the northeast corner, Division of Driver's Licenses at the northwest corner, gas-mart at the southwest corner and attached one story residences at the southeast corner. Wal-Mart and Sam's Club surround the southwest corner gas-mart.

The defined neighborhood is virtually built out and in the stability stage of the neighborhood life cycle. While there is no commercial development trend, there is also virtually no available land along the immediate neighborhood corridors. This is with the exception of the obsolete or underutilized land in the Howard C. Foreman Human Services Campus and North Perry Airport. BCAD has entertained allowing private development near and along its perimeter and there have been plans for a Perimeter Road relocation at the airports southwest corner. This indicates that new development is possible and that Pembroke Road/University drive intersection may experience some revitalization in the foreseeable future.

Stages of a Neighborhood

- (1) Growth - a period during which the neighborhood gains public favor and acceptance.
- (2) Stability - a period of equilibrium without marked gains or losses.
- (3) Decline - a period of diminishing demand.
- (4) Revitalization - a period of renewal, modernization, and increasing demand.

The subject neighborhood is considered to be in a period of stability with some growth while some vacant land is available.

LOCATION MAP



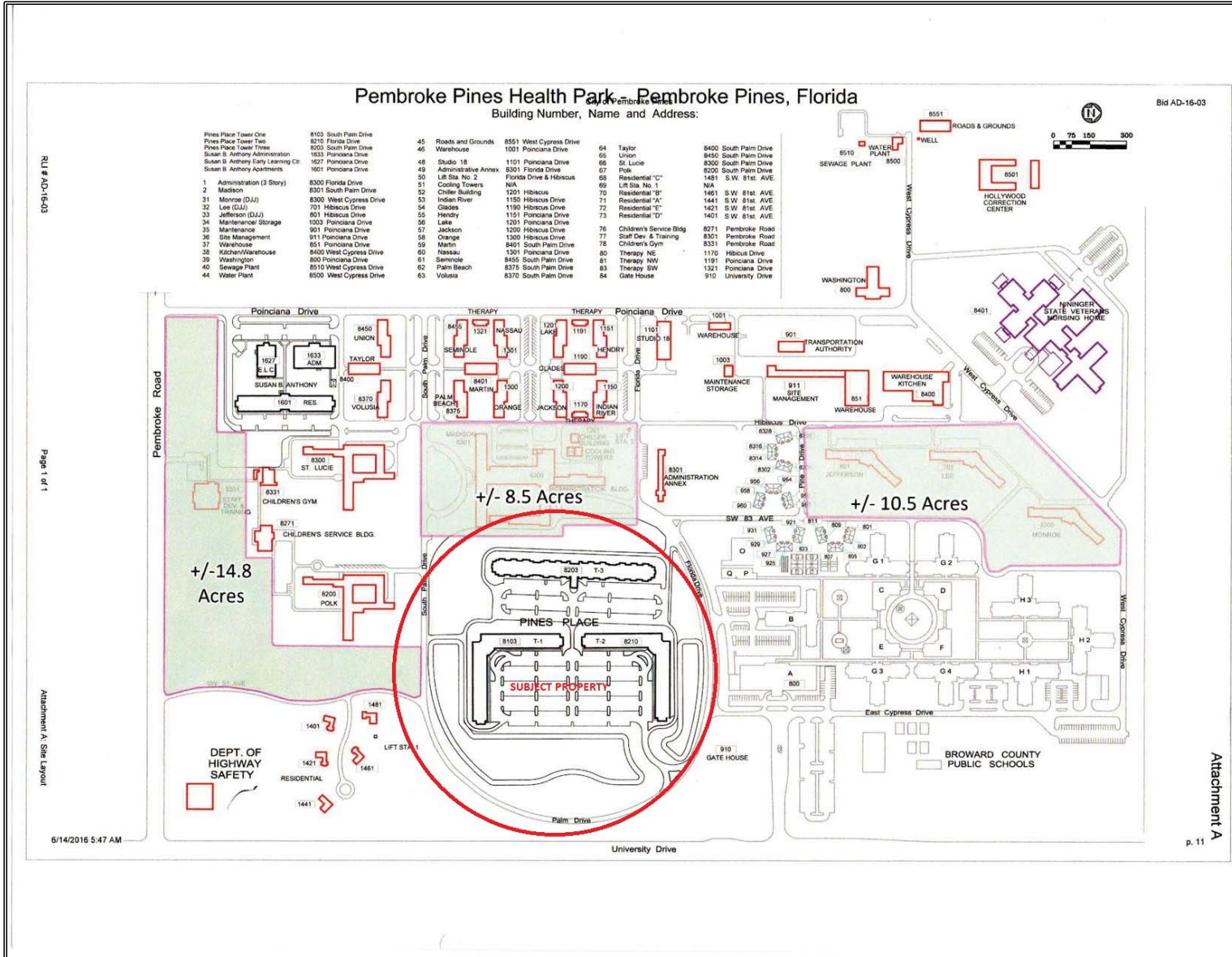
AERIAL SITE PLAN OF THE SUBJECT



- ABBREVIATIONS**
- P.B. = PLAT BOOK
 - PG. = PAGE
 - L.B. = LICENSED BUSINESS
 - P.O.B. = POINT OF BEGINNING
 - P.O.C. = POINT OF COMMENCEMENT
 - B.C.B. = BROWARD COUNTY RECORDS
 - COR. = CORNER

	Calvin, Giordano & Associates, Inc. EXCEPTIONAL SOLUTIONS™ 1800 Eller Drive, Suite 600, Fort Lauderdale, Florida 33316 Phone: 954.921.7781 • Fax: 954.921.8807	PINES PLACE APARTMENTS PEMBROKE PINES HEALTH PARK	SCALE 1"=200' DATE 05/31/2018	PROJECT No. 91-0134.6 CAD FILE	SHEET 4 4
	Certificate of Authorization 6791				

PROPERTY SKETCH



PROPERTY DESCRIPTION

Property Type: The subject property is a multi-family apartment complex It located at the NW quadrant of University Drive and Pembroke Road in the *Senator Howard C. Foreman Human Services Campus*. The site is improved with the three subject buildings with associated open parking lots and on-site storm-water drainage areas.

Existing Use: The subject consists of three, five-story building apartment complex containing 614 apartments known as Pines Place.

Land: The subject property is generally an irregular parcel of land. The site was zoned CF – Community Facility, by the city of Pembroke Pines; The subject parcel has unity of ownership, unity of use and contiguity.

Area: The total subject site is composed of 25.92± acres.

Shape: The overall subject property is generally irregular in shape.

Ingress/Egress: The site fronts along the west side of University Drive. Access is provided by South Palm Drive, which wraps around the subject's north and south. This road provides access from University Drive. The University drive entrance is signalized and is also the entrance to the Senator Howard C. Foreman Human Services Campus. A second ingress/egress is at the southwest corner of the campus at Poinciana Dr. Ingress/egress to the subject site is considered to be adequate for current development.

Topography: Generally flat topography near road grade.

Drainage: Drainage appears to be adequate.

Soil Characteristics: Being beyond the scope of the appraiser's duties, no soil samples were taken or analyzed by the appraiser. The underlying soil type appears to be **UR - Urban Land**. This is the map unit delineation according to the Soil Survey of Broward County Area prepared by the U.S. Department of Agriculture, Natural Resources Conservation Service. This is land that is more than 85% covered with streets, buildings, parking lots, shopping centers, lawns, playgrounds etc. to such an extent that the former soils cannot be easily recognized.

Utilities on Site: Electric, telephone, sewer and water.

Utilities Available: Utilities are readily available to the subject property including water and sewage disposal, telephone and electricity.

Flood Hazard Area

The subject property lies within the Flood Zone AE designations. This description is according to the FEMA Flood Insurance Rate Map Control Panel No. **12011C0563J** dated July 31, 2024. This flood zone classification states that mandatory flood insurance purchase is required.

Drainage – Ground percolation and sheet flow runoff into the lakes that surround the buildings.

Site Improvements – Surrounding paved and landscaped parking areas. Ample parking is available and all spaces are lined and bumpered. Adequate light poles are on concrete stanchions throughout the site. Concrete walkways surround the buildings; metal guard rails protect driveways from the lakes and fire hydrants are protected and served by steel bollards. Landscaping includes well-manicured lawns, mature palms, medium sized shade trees and maintained shrubbery.

Easements, encroachments or restrictions and their effect or limitation – Based on a review of lease, there does not appear to be any adverse easements related to the subject property.

Environmental – An Environmental Site Assessment Report on the subject property was not provided. During the appraiser’s inspection there were no readily apparent items such as containers, hazardous chemical usage or spillage that would give an indication of environmental considerations that might possibly adversely affect the property's marketability, its value or its highest and best use.

Building Description - The subject is improved with three (3) five-story, combination CBS and other, apartment buildings, two of which were built in 2005 and one in 2008. The mix of units in these three buildings is summarized as follows:

Tower I @ 8103 S. Palm Drive - This building has 138 small one-bedroom / one bath units which are reported to be 575 square feet. There are also 70 large one bedroom / one bath units that are reported to have a living area of 750 square feet. Tower I has a total of 208 units.

Tower II @ 8210 S. Florida Drive - This building has 78 small one-bedroom / one bath units which are reported to be 575 square feet. There are also 108 two-bedroom one bath units that are reported to have a living area of 750 square feet. Tower II has a total of 186 units.

Tower III @ 8203 S. Palm Drive - This building has 210 small one-bedroom / one bath units which are reported to be 575 square feet. There are also 10 large one-bedroom /one bath units that are reported to have a living area of 750 square feet. Tower III has a total of 220 units.

The three buildings contain a total of 614 units.

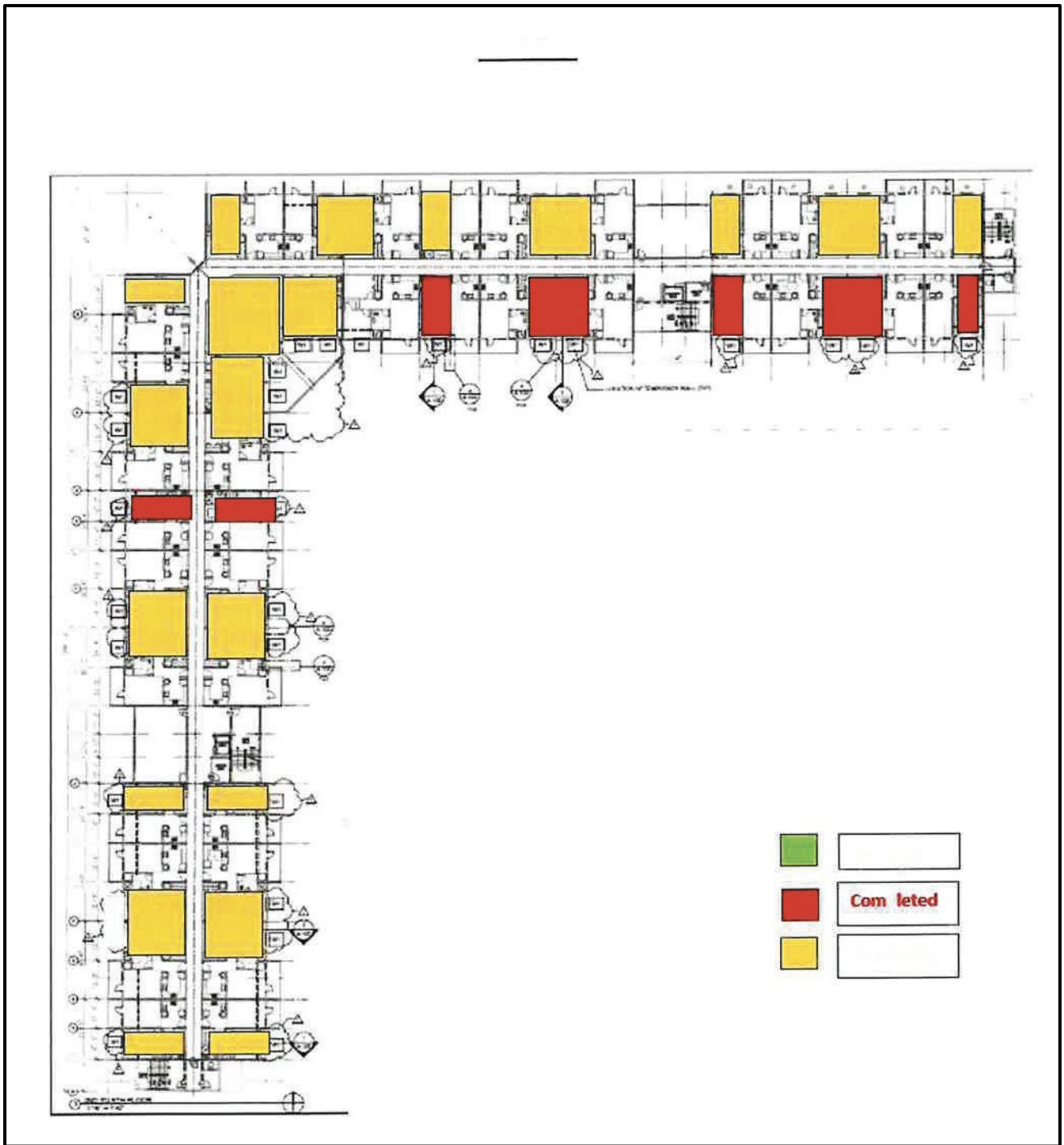
The representative apartments inspected all appeared to be in average condition. When long time tenants move out the apartments are renovated with new vinyl flooring and new kitchen counter tops. Each kitchen is furnished with a complete kitchen including garbage disposal. The smaller apartments have through-the-wall HVAC units while the larger units have central HVAC. The apartments also have stacked washer/dryer combinations, and a wall mounted de-humidifier. The older apartments have commercial grade carpets and vinyl flooring.

- a. Construction – Towers I & II are five-story buildings which were constructed in 2005. These buildings have exterior framing with concrete walls on the sides with corrugated metal panels gypsum wallboard, an asphalt-impregnated moisture-resistant barrier, metal lathe plaster, and 3two-coat stucco finish at the fill-in walls. All exterior walls are covered with cementitious stucco. Tower III is built with concrete block and stucco which is typical in the South Florida area.
- b. Quality – Average
- c. Condition – Average

- d. Physical age – 18 for Tower I and II. 15 years for Tower III.
- e. Effective age – 10 to 15 years
- f. Remaining economic life – the effective for Towers I and II is 15 years and the effective for Tower III is 10 years. With an expected life of 45 to 50 years for similar Towers, I & II and 55-60 for Tower III. Thus, the remaining economic life of Towers I & II is 45 (with the major capital improvement underway) and 50 years for Tower III.

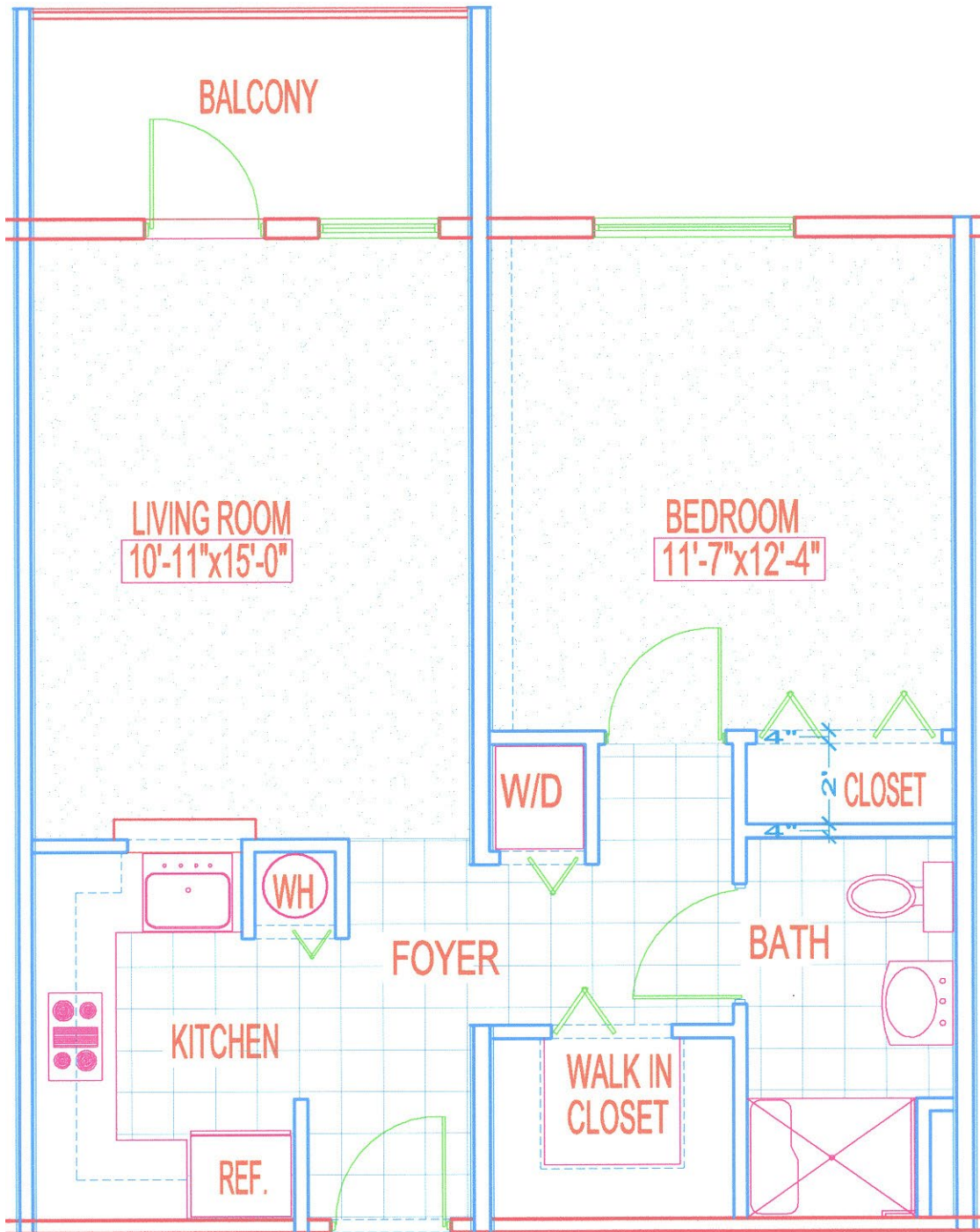
It should be noted that the client provided a **Structural Evaluation Report** of the subject buildings provided by Rimkus Consulting Group, Inc. dated October 2016 in a prior valuation. This report indicated that Towers I and II had mold and moisture damages due to their construction. The cure plan was established and capital improvements plan was underway on Tower II. We have utilized the capitalized costs provided by the client to assist in developing Reserves and Replacement Allowance in the Income Approach.

There has been an ongoing project for the last three years repairing the stucco on Tower I and II. There is tile work to be done on Tower I which was estimated by the client to cost \$1,100,000. The following diagram shows the work progress.



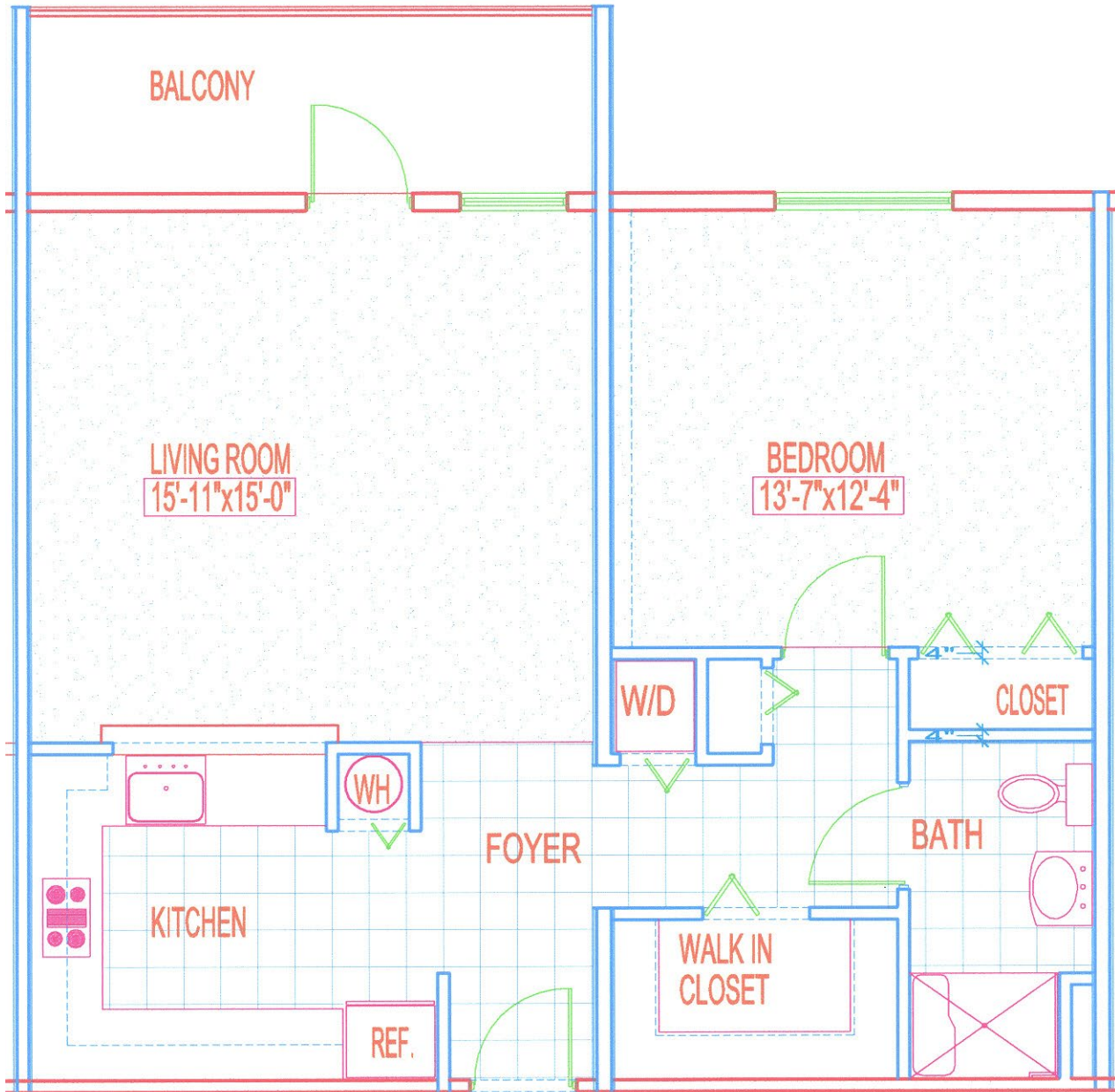
The following pages contain floor plans of the different unit type found in the subject buildings. On the pages after the floor plans are photographs of the subject.

Small One Bedroom Floorplan



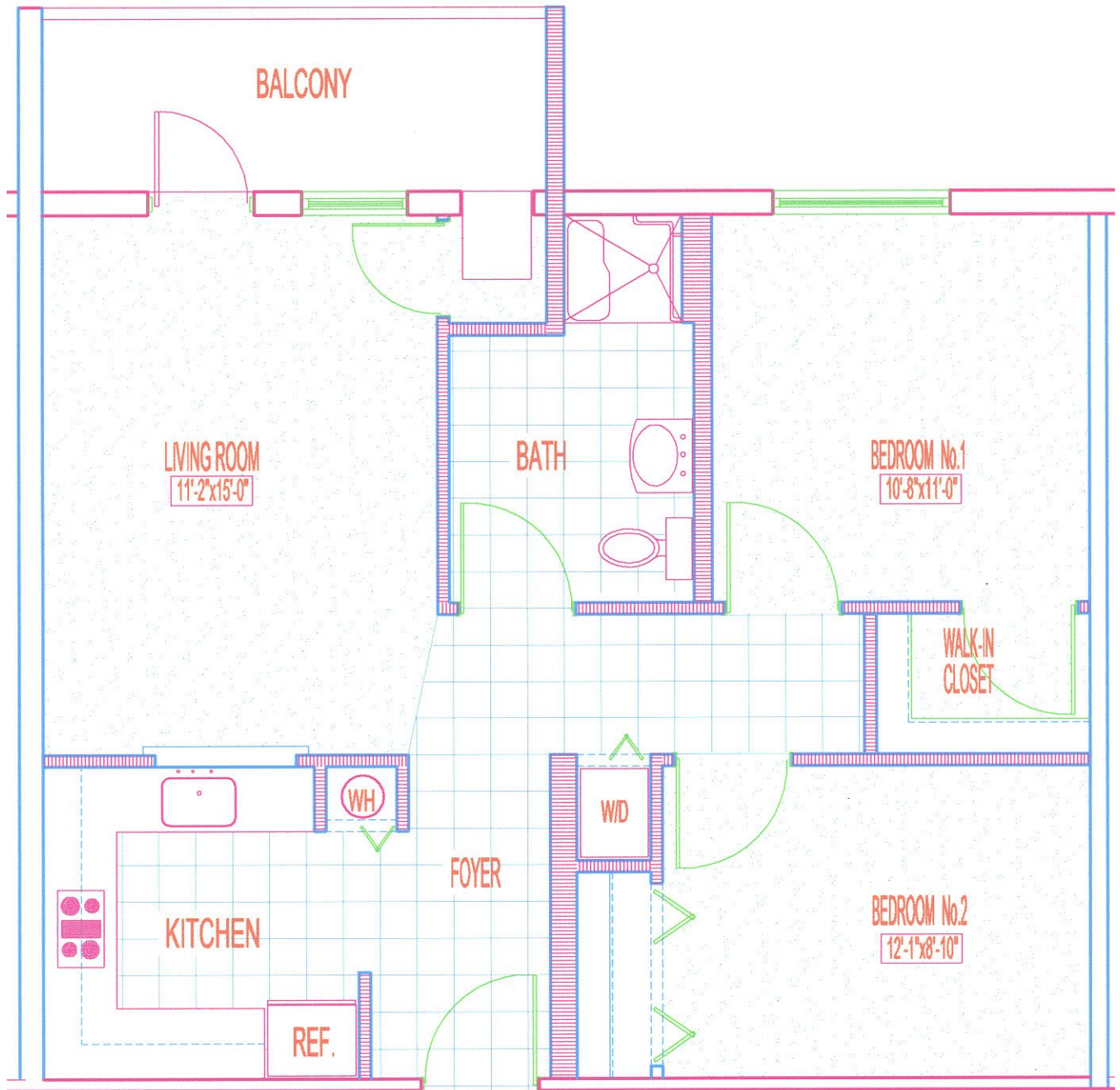
TYPE "B" - 1BR UNIT FLOOR PLAN (575 SF.)

Large One Bedroom Floorplan



TYPE "A" - 1BR UNIT FLOOR PLAN (750 SF.)

Two Bedroom Floorplan



TYPE 'E' - 2BR UNIT FLOOR PLAN (750 SF)

Subject Photographs

View NW at Entrance to Complex



View east at the Entrance Gate to Complex



View NW along Palm Dr. near entrance



View S along Palm Dr. near entrance Drive



View S along Palm Dr. at NEC of Complex



View E along Palm Dr. N of Tower III



View SE at Palm Dr. near NWC of Complex- Tower III on right



View W along Palm Dr. at SEC of Complex



View SW along Palm Dr. showing Tower I



View S along Palm Dr. near Entrance Drive



View N along Palm Dr. near SEC of Complex



View NW of Porte Couchere to Tower II



Subject Photographs (Continued)

View S of completed renovations to Tower II



View W of NEC of Tower II-renovated portion



View N of Tower II-Southerly Elevation



View SW of Tower II-Northerly Elevation



View SE at NWC of Tower II



View S across parking showing Tower II (L) & Tower III (R)



Subject Photographs (Continued)

View SW at NEC of Tower III



View S along W side of Tower III



View S along W side of Tower III



View SE at NWC of Tower III



View W at SWC of Tower III showing W side of Tower I



View NW of SEC of Tower III



Subject Photographs (Continued)

View W of Porte Couchere to Tower III



View W between Towers I & II with Tower III



View S along near NEC of Tower I



View N showing Tower II near NEC of Tower I



View SW of Tower I from NE parking area



View N of Tower II near NE parking area of Tower I



Subject Photographs-Sample of Interior-Tower II

Typical Lobby View - Bldg. 8210



Typical View Lobby Building II



Unit 112 view looking towards Living Room



Unit 112 view in Kitchen



Unit #112 Bedroom



Unit #112-Bathroom



**Subject Photographs-Sample of Interior-
Tower I & III(Continued)**

Bldg. I Unit #236 Living Room



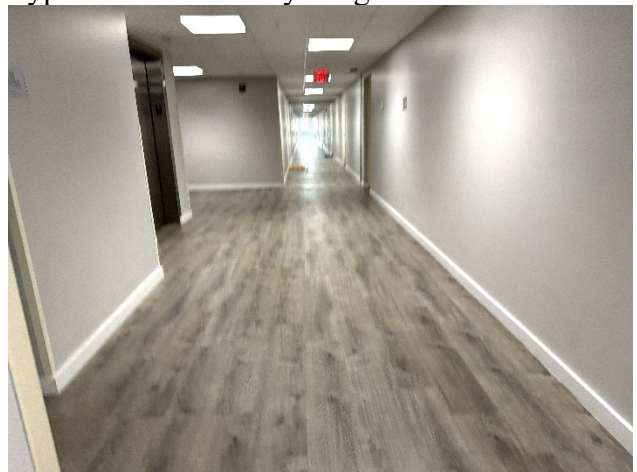
Bldg. I Unit #236 Kitchen



Unit # 236 Balcony



Typical View Hallway Bldg. I



Bldg. III Unit # 518 Kitchen



Bldg. III Unit # 518 Living Room



ZONING - LAND USE

The current Zoning is CF, Community Facility, by the City of Pembroke Pines. CF zoning allows a variety of community related uses and the subject use is not specifically listed. The subject is a legally permitted use by virtue of it being developed and owned by the city. According to the plat the current use is regarded as a Special Residential Facility Category 3. The zoning is in conformity, and identical to, the Community Facilities Future Land Use designation.

CONCURRENCY - PLATTING - IMPACT FEES

The subject property is acceptably platted as Parcel A of Pembroke Pines Health Park and does not have concurrency issues.

ASSESSED VALUE AND TAXES

In Florida, the assessed values for real and commercial personal properties are established each year as of January 1 by the Property Appraiser's Office. Under the Florida Constitution and Statutes, the assessment is to be based on market value. A millage rate is then applied to the assessed value to establish annual taxes. Amendment 10 effective in 1993, capped annual increases on "Homestead" properties to 3% or the rate of inflation, whichever is less. This ceiling applies as long as the home is owned by the same person. Effective January 2008 a constitutional amendment passed overwhelmingly which set a 10% cap on assessment increases for non-homesteaded properties. The subject property is owned by the State of Florida and leased to the City of Pembroke Pines and no taxes are paid.

The subject property is a developed 25.92± acre parcel as described in other sections of this report. The subject property is currently part of one folio number that includes other buildings operated by non-profit and for-profit organizations. As a result, the current assessment does not break out the various properties for assessment purposes. The following assessment information includes all properties in Parcel "A" under one folio number. This subject property is part of Folio No. 51-41-21-25-0010. The underlying land is owned by the State of Florida and the land is not taxed. The subject improvements are owned by the City of Pembroke Pines and also are not taxed. If the subject improvements were sub-leased to another entity, they could be taxed depending on the structure of the entity owning the improvements. Given that the subject is comprised of a large, three-building apartment complex containing 614 units it seems likely that it would be purchased by a sophisticated operator who will know how such a deal should be structured to minimize taxes. However, at this time the improvements are being valued *As Is*, or as a leasehold interest of the city so taxes were not calculated or applied. If they are taxed, the taxing authority for the parent tract is Broward County.

The property’s real estate assessment for all properties under this folio are as follows:

Year	Land Value	Building/ Improvements	Just/Market Value	Assessed/SOH Value	Taxe
2026	\$22,605,240	\$88,217,010	110,822,20	\$110,822,250	Unk
2025	\$22,605,240	\$139,930	110,822,20	\$110,822,250	Unk
2024	\$22,605,240	\$139,930	110,822,20	\$110,822,250	Unk

Again, the subject is owned by the city of Pembroke Pines and is tax exempt. The above listed tax information is based on the 2024, 2025 and 2026 tax assessment and is the most recent year for which recorded tax data is available. There are no current or known anticipated Special Assessments levied on the property.

HISTORY OF PROPERTY

The subject site is leased from the State of Florida which has owned the site for more than 50 years. In March 2001 the City of Pembroke Pines entered into Inter-local Agreement with the Florida Department of Children & Families (DCF), to develop, operate and maintain the 157-acre site. The agreement specifies that the City will sublease the site from DCF for a 50-year period from July 1, 2001, to June 30, 2051, for a \$300 annual administration fee and is subject to other terms and conditions relating to the City’s management of the site. Two rental apartment towers were constructed in 2005, and a third tower was constructed in 2008 for a total of 614-units (subject property). This project was financed the construction with various bonds. On September 22, 2020, at a meeting of the Florida Cabinet, the Board of Trustees approved an extension of the term of the DCF Lease, and the City’s Sublease with the DCF, to January 3, 2090. The proposed Amendment 5 would amend Sublease 2628-14 between the City and the DCF to extend the term of the City’s Sublease to January 3, 2090. This will provide a remaining term of approximately 64 years.

There have been no arm’s length transfers of title within the past five years. There are no current listings or contracts for the subject property. I was, however, provided a Letter of Intent from Reliant Group Management to purchase the property for a price of \$90,250,000. There are certain conditions which the City would have to meet for this transaction to take place.

EXPOSURE TIME

Exposure time may be defined as follows:

The estimated 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.

Source: *The Uniform Standards of Professional Appraisal Practice*, January 1, 2024, Edition, the Appraisal Foundation.

Exposure time required for comparable properties have ranged from two (2) to twelve (12) months. I have concluded that up to twelve (12) months is a reasonable estimate of exposure time for the subject, as of the date of valuation.

ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE ANALYSIS

Definition

The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, defines highest and best use as:

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

In determining the highest in the best use of the subject property, it is important to first analyze the site as though vacant and then to analyze the property as currently improved.

Legally Permissible - Zoning and land use principally govern legally permissible uses for the subject property. The CF zoning allows various public related uses and also Special Residential Facilities. The plat permits the existing use as a Special Residential Facility and it is a legally permissible use.

Physically Possible - The subject improvements have an actual age between 15 and 18 years old but slightly lower effective ages. They are positioned on the site in a manner that tends to maximize the 25.92± acres. The development provides for ample parking, is aesthetically pleasing and is readily accessible off of two primary thoroughfares. The complex is designed in a manner that provides security and isolation from neighboring uses. It is well maintained and has no apparent physical deficiencies that would hinder its continued rental apartment use as improved.

Financially Feasible - The determination of financial feasibility involves analyzing the supply and demand and the cost of development with the potential benefit. After eliminating the possible uses of the site, which are not physically possible or legally permissible, it is necessary to analyze the remaining possibilities to determine which are likely to produce a positive return.

In the existing situation, the subject property is already improved with an appropriate and legally permissible use. Historical income records over before the health pandemic was between the past five years show that it has been from 85 - 95% occupied, with the most recent year data indicating an overall 92% occupied. It also appears to be generating a substantial income. This is consistent with surrounding apartment buildings in southwest Broward County which are purchased and managed by investors for their rental income generating potential.

The financial feasibility of the subject property for continued apartment use is supported by demand in the extended subject neighborhood. Multi-story apartment use is common in the southwest Broward market and the subject's successful operating history supports continued apartment use. These facts and opinions all support the financial feasibility of the existing use.

Maximally Productive - In addition to being legally permissible, physically possible, and financially feasible, the highest and best use of the site as though vacant must represent the maximally productive use. The maximally productive use is the use that returns the highest value to the land from among those uses which are legally permissible, physically possible and financially feasible.

The subject improvements tend to maximize the site and while the subject has an expanded front (east side) yard, this area is used for water retention and as a buffer from University Dr. and N. Perry Airport. Expanding the existing use or developing new improvements in this area is not practical. There is no indication in the current market that demolition and redevelopment is a viable option. In the appraiser's opinion, no alternative use would result in a higher value to the subject property.

Highest & Best Use Conclusion-As Improved

In the appraiser's opinion, the highest and best use of the subject property is continued apartment use as currently improved.

APPROACHES TO VALUE USED AND EXCLUDED

There are three generally recognized approaches that provide indications of market value in the appraisal process, which are summarized below.

Cost Approach - This approach is premised upon the concept that a purchaser will pay no more for a property than would be spent producing a comparable substitute property. This theory is based on the cost of production. A value indication via the Cost Approach is derived by estimating the cost new of the improvements, minus any loss of accrued (physical, functional and/or external or economic) depreciation. Using sales comparison approach techniques, the appraiser develops a value opinion of the site and adds it to the depreciated value of the improvements. The addition of entrepreneurial profit, if any, completes this process.

The Cost Approach will not be utilized in estimating the market value of the subject property. The Cost Approach is most applicable when used in estimating the value of new improvements, or in situations where depreciation is low and can be estimated with a reliable degree of accuracy. This approach starts losing its validity as a property gets older and its condition deteriorates. This is due to the lack of available market evidence from which to derive reliable estimates of physical, functional and locational obsolescence. Also, buyers and sellers do not typically make decisions based on the cost new less depreciation when the improvements are old.

Sales Comparison Approach - This approach is based on a theory that a typical purchaser is only willing to pay for a substitute property of equal utility. This approach compares the subject property to similar properties and adjusts for such factors as date of sale, conditions of sale, age, physical characteristics, and market conditions. Adjustments are applied to the comparable sales to reflect the subject features.

Income Approach - The Income Approach converts the anticipated income to be derived from the ownership of property into a value estimate. Under this approach, the relationship of income is compared to the sale's price.

The subject site is improved 614-apartment complex consisting of three, 5-story towers. The buildings were constructed by the lease holder. The Cost and Sales Comparison Approaches to Value will not be utilized in this appraisal. The Income Approach will be relied upon solely in providing an estimate of the subject's market leasehold value.

THE INCOME CAPITALIZATION APPROACH

The Income Capitalization Approach per is defined as:

A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

The income approach is based on the principle of anticipation with value reflected as the present worth of the right to future benefits. The future benefits which accrue to ownership are based on the income generating potential of the subject property. The process of income capitalization requires the following analysis:

1. *An estimate of potential gross income based on market rents.*
2. *An estimate and deduction for vacancy and collection losses, resulting in effective gross income (gross receipts or revenues).*
3. *An estimate and deduction of the operating and fixed expenses and reserves for replacement in order to arrive at net operating income (before debt service or recapture).*
4. *An estimate of the durability of the projected income stream.*
5. *The development and selection of an appropriate capitalization rate and technique.*
6. *Application of the estimated capitalization rate to the estimated net income, resulting in an indication of value.*

Gross income estimates should be based on economic rent, which is the amount the rental space would currently bring in the open market. Economic rent is also often termed "market rent."

Market rent is defined in *The Dictionary of Real Estate Appraisal-Seven Edition* as: *The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).*

The gross income estimate, therefore, is the amount the rental space would bring in the open market, on the date of the appraisal.

Market Rent Conclusion - In estimating the subject's income generating potential, rent per apartment unit provides the best unit of comparison. As can be seen by the provided comparable rentals, the rents being received are within the range provided by the market comparables. The current asking rents at the subject are being achieved and are also supported by the market. In the appraiser's opinion, the subject's actual and asking rents are supported by the market.

Based on the past six months income for the subject and putting emphasis on the past months income I have developed the opinion that the current years estimated income will be **\$9,723,765** (rounded). This amount is considered the total operating income, which includes vacancy rate.

To develop an estimate of the current leasehold value for the 10-year term with an 11th year reversion. In year two (2) until the end of the term, the annual income will be increased by 2.5%. This conclusion is based on the CPI history.

Other Income

Based on discussions with the property managers, along with a review of the income statements, I have concluded that an additional 1.25% of Potential Gross Rental Income (PGRI) should be added to account for additional income.

Rent Concessions

According to our market study, significant rental concessions were not common in the subject market. The common practice is to provide the new tenant a few free weeks to move in or to transition from a prior location. The surrounding market generally displays stabilized occupancies and landlords are reported to be in control of rates as the supply and demand for apartments tends to be in balance.

VACANCY and RENT COLLECTION LOSS

A vacancy and collection loss is an appropriate item to include in estimating effective gross income. Although the subject has an ultimate income generating potential based on complete occupancy, periods of vacancy and uncollectible rent have the effect of reducing the amount actually received in rental income. The amount that can be expected differs from a property's potential and is referred to as Effective Gross Income. In estimating effective gross income, the potential gross income is reduced for periods of vacancy and uncollectible rent. Observation of existing multi-family apartment buildings within the subject neighborhood and the surrounding local market revealed relatively high occupancies in the 90% - 100% range. The following chart shows the estimated vacancy for the subject over the past four years:

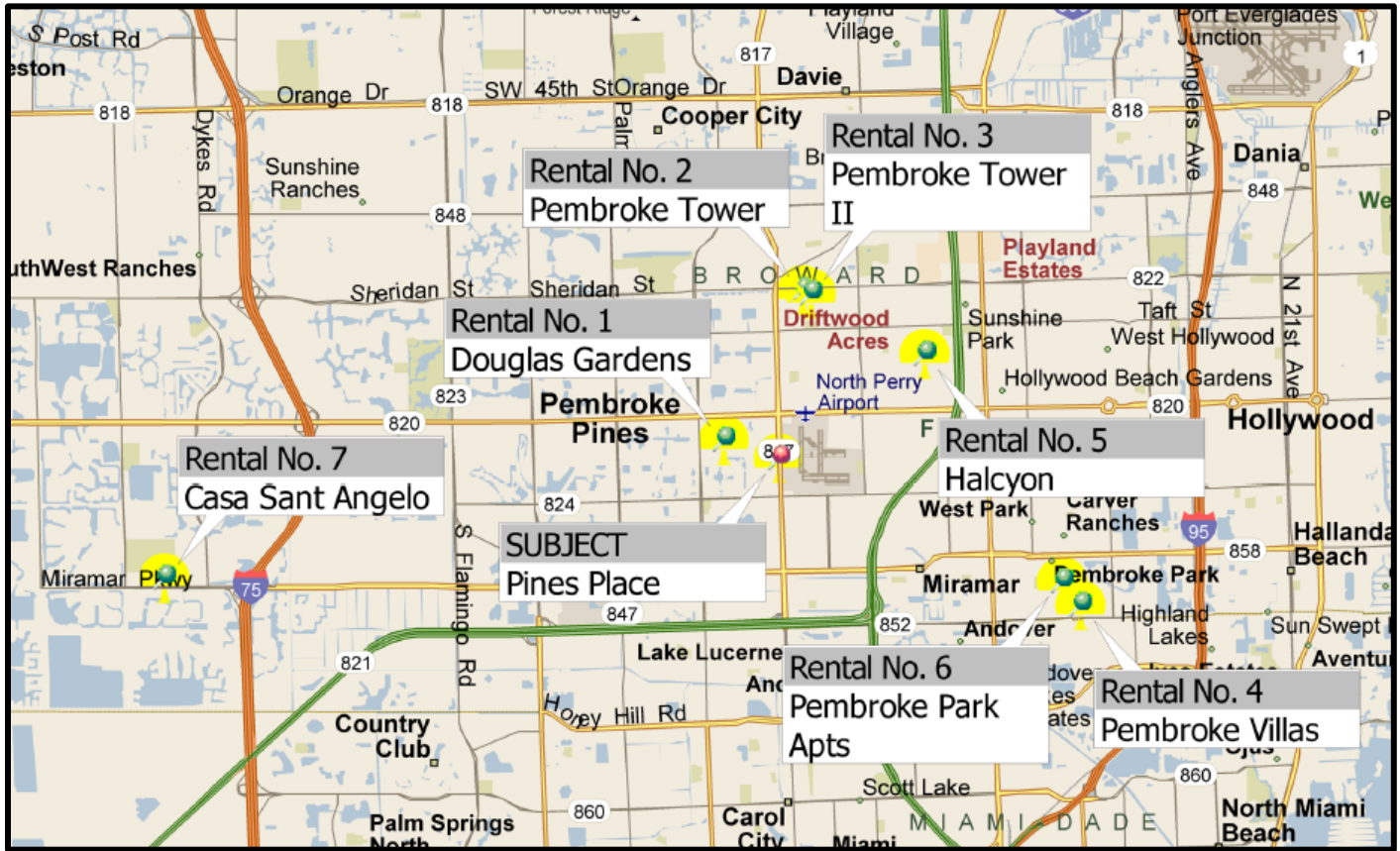
Property	Units	Vacancies	% Vacant	Total SqFt	Vacant Unit SqFt	% Vacant SqFt
8103 Pines Place	208	18	8.65 %	0	0	0.00 %
8203 Pines Place	220	23	10.45 %	0	0	0.00 %
8210 Pines Place	186	33	17.74 %	0	0	0.00 %
	614	74	12.05 %	0	0	0.00 %
Sum of rent for vacant Units: \$59,464.00						

The operation of the subject has been that units are renovated as they come vacant. However, some of renovations have to wait until city staff or maintenance personnel can accommodate them such as replacing carpet with vinyl floor coverings. This means that even though there is a waiting list of tenants available to lease the units, there may be an added period such as an extra month before the unit is ready for the new tenant. Therefore, a vacancy rate of 10% will be used until the end of the term. This is reflected total operating income in the above.

MARKET RENTAL COMPARABLES

<u>Rental #</u>	<u>Name</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip Code</u>	<u>Pricing & Floor Plans</u>			<u>Units/Floors/Year Built</u>
1	Douglas Gardens Senior Health & Living	711 - 715 SW 88th Avenue	Pembroke Pines	FL	33025	\$543 - \$2,475	Studio - 1 Bed 1 Bath	452 SF - 1,005 SF	410 Units / 5 Floors / 2025
2	Pembroke Tower	2201 N University Dive	Pembroke Pines	FL	33024	\$953 - \$1,060	1 Bedroom 1 Bath & 2 Bedrooms 2 Baths	438 SF - 559 SF	100 Units / 5 Floors / 1980
3	Pembroke Tower II	2203 N University Drive	Pembroke Pines	FL	33024	\$1,222 - \$1,992	1 Bedroom 1 Bath & 2 Bedrooms 2 Baths	838 SF - 1,032 SF	88 Units / 5 Floors / 2026
4	Pembroke Villas	4801 SW 41st Street	Hollywood	FL	33023	\$928 - \$1,285	1 - 3 Bedrooms with 1 - 2 Baths	620 SF - 1,052 SF	180 Units / 2 Floors / 2003
5	Halcyon	6701 - 6741 Johnson Street	Hollywood	FL	33024	\$1,776 - \$2,887	1 - 3 Bedrooms with 1 - 1.5 Baths	557 SF - 984 SF	168 Units / 3 Floors / 1978
6	Pembroke Park Apts	3700 SW 52nd Avenue	Pembroke Park	FL	33023	9785 - \$1,337	1 - 3 Bedrooms with 1 - 2 Baths	320 SF 1,052 SF	244 Unit / 2 Floors / 2000
7	Casa Sant Angelo	16700 Miramar Parkway	Miramar	FL	33027	\$469 - \$1,371	1 Bedroom 1 Bath	572 SF	112 Units 5 Floors / 2022

COMPARABLE RENTALS MAP



Market Rent Conclusion - In estimating the subject's income generating potential, rent per apartment unit provides the best unit of comparison. As can be seen by the provided comparable rentals, the rents being received are within the range provided by the market comparables. The current asking rents at the subject are being achieved and are also supported by the market. In the appraiser's opinion, the subject's actual and asking rents are supported by the market.

Based on the past six months income for the subject and putting emphasis on the past months income I have developed the opinion that the current years estimated income will be **\$9,723,765** (Rounded)

To develop an estimate of the current leasehold value for the 10-year term with an 11th year reversion. In year two (2) until the end of the term, the annual income will be increased by 2.5%. This conclusion is based on the CPI history.

Other Income

Based on discussions with the property managers, along with a review of the income statements, I have concluded that an additional 1.25% of Potential Gross Rental Income (PGRI) should be added to account for additional income.

Rent Concessions

According to our market study, significant rental concessions were not common in the subject market. The common practice is to provide the new tenant a few free weeks to move in or to transition from a prior location. The surrounding market generally displays stabilized occupancies and landlords are reported to be in control of rates as the supply and demand for apartments tends to be in balance.

VACANCY and RENT COLLECTION LOSS

A vacancy and collection loss is an appropriate item to include in estimating effective gross income. Although the subject has an ultimate income generating potential based on complete occupancy, periods of vacancy and uncollectible rent have the effect of reducing the amount actually received in rental income. The amount that can be expected differs from a property's potential and is referred to as Effective Gross Income. In estimating effective gross income, the potential gross income is reduced for periods of vacancy and uncollectible rent. Observation of existing multi-family apartment buildings within the subject neighborhood and the surrounding local market revealed relatively high occupancies in the 90% - 100% range. The following chart shows the estimated vacancy for the subject over the past four years:

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Sum of rent for vacant Units: \$59,464.00						

The operation of the subject has been that units are renovated as they come vacant. However, some of renovations have to wait until city staff or maintenance personnel can accommodate them such as replacing carpet with vinyl floor coverings. This means that even though there is a waiting list of tenants available to lease the units, there may be an added period such as an extra month before the unit is ready for the new tenant. Therefore, for the first two years of the cash flow a vacancy rate of 7.5% will be used until the end of the term.

EXPENSES

Operating Expenses & Net Operating Income Estimates

The following expense categories are considered in arriving at net operating income that was provided by the client.

Object Description	10//2025 - 03/26/2026		9/30/2025	9/30/2024	9/30/2023
	Year to Data	Budget	YTD	YTD	YTD
Housing Application Fee	\$ 12,080.00	\$ 16,000.00	\$ 25,135.00	\$ 29,809.17	\$ 16,069.00
Rental - Housing	\$ 4,341,100.11	\$ 9,332,720.00	\$ 8,642,012.00	\$ 8,282,428.89	\$ 7,488,640.70
Rental - Misc. Fees	\$ 43,642.62	\$ 50,000.00	\$ 84,876.29	\$ 53,510.26	\$ 37,521.01
Total Revenues	\$ 4,396,822.73	\$ 9,398,720.00	\$ 8,752,023.29	\$ 8,365,748.32	\$ 7,542,230.71
Community Service Director	\$ 22,785.76	\$ 47,679.00	\$ 50,238.41	\$ 43,992.48	\$ 42,169.92
Accrued Payroll	\$ 2,221.00	\$ -	\$ -		
Vacation leave - retire/term		\$ 47,613.00	\$ -		
Sick leave - retire/term		\$ 4,912.00	\$ -		
Overtime		\$ -	\$ -		
Topped o=Out Incentive		\$ 225.00	\$ -		
Automobile Allowance	\$ 822.11	\$ 1,800.00	\$ 631.72		
Longevity Pay	\$ 3,243.41	\$ 2,384.00	\$ 837.25		
Social Security - Matching	\$ 1,457.29	\$ 7,779.00	\$ 3,729.03	\$ 3,213.19	\$ 2,940.38
Retirement Contributions	\$ 1,722.00	\$ 3,452.00	\$ 27,189.00	\$ 14,222.00	\$ 16,040.00
Health Insurance	\$ 2,335.00	\$ 5,609.00	\$ 5,556.00	\$ 3,680.00	\$ 3,572.00
Life Insurance	\$ 95.00	\$ 230.00	\$ 209.00	\$ 121.00	\$ 111.00
Workers Compensation	\$ 45.00	\$ 113.00	\$ 107.00	\$ 217.00	\$ 155.00
General Retiree Health Contrib	\$ 1,308.00	\$ 2,623.00	\$ 4,138.62	\$ 6,679.00	\$ 6,295.00
Personnel	\$ 36,034.57	\$ 124,419.00	\$ 92,636.03	\$ 72,124.67	\$ 71,283.30
Prof Svc - Outside Legal		\$ 26,600.00	\$ 10,379.92	\$ 37,209.93	\$ 4,800.21
Professional Svc - Other		\$ 5,800.00	\$ 2,600.00	\$ 83.30	\$ 2,755.07
Other Svc - Laundry & Cleaning	\$ 593.31	\$ 2,100.00	\$ 1,055.54	\$ 1,074.79	\$ 852.53
Other Svc - Maintenance	\$ 42,724.76	\$ 160,000.00	\$ 93,879.16	\$ 114,478.47	\$ 102,908.40
Function Sourcing Grounds	\$ 993.82	\$ 2,500.00	\$ 2,248.17	\$ 1,987.68	\$ 1,325.04
Other Svc - FCS	\$ 291,170.41	\$ 750,494.00	\$ 646,823.87	\$ 625,232.50	\$ 587,836.90
Other SVC	\$ 87,141.00	\$ 219,700.00	\$ 205,758.05	\$ 201,171.05	\$ 175,658.39
Other SVC IT	\$ -	\$ 2,000.00	\$ -	\$ -	\$ -
Telephone	\$ 16,315.19	\$ 27,000.00	\$ 34,463.99	\$ 35,190.07	\$ 24,798.73
Cable Fees	\$ 81,861.44	\$ 171,000.00	\$ 158,434.01	\$ 150,897.57	\$ 143,583.96
Water & Sewer	\$ 215,947.23	\$ 551,500.00	\$ 409,334.66	\$ 423,809.24	\$ 424,740.18
Electricity	\$ 49,341.01	\$ 251,500.00	\$ 127,280.72	\$ 112,835.08	\$ 133,365.64
Rentals - Machinery & Equipment	\$ 1,416.54	\$ 26,300.00	\$ 3,433.68	\$ 6,678.04	\$ 4,751.32
Credit Application	\$ -	\$ -	\$ 283.30	\$ 236.20	\$ -
Rentals - Debt Service Payment	\$ 1,830,273.44	\$ 3,722,311.00	\$ 3,635,291.74	\$ 3,624,094.55	\$ 3,634,394.79

Insurance	\$ 65,832.00	\$ 131,665.00	\$ -	\$ 93,036.00	\$ 99,340.00
R & M Land Bldg & Improvement	\$ 194,145.28	\$ 1,100,030.00	\$ 368,054.54	\$ 424,163.43	\$ 568,041.19
R & M Land Bldg. Major Project	\$ 11,623.22	\$ 100,000.00	\$ 38,710.43	\$ 13,453.13	\$ 40,704.84
Energy Savings Project	\$ -	\$ -	\$ 508.16	\$ 9,304.25	\$ 44,488.88
R & M Equipment	\$ 6,194.26	\$ 52,000.00	\$ 28,443.36	\$ 36,505.71	\$ 25,272.78
R & M Vehicles	\$ 441.23	\$ 3,000.00	\$ 229.95	\$ -	\$ -
Maintenance Contract	\$ 4,647.44	\$ 31,000.00	\$ 7,251.31	\$ 7,370.95	\$ 17,948.76
Advertising	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -
License Fees	\$ -	\$ 3,500.00	\$ 2,175.00	\$ 990.00	\$ 1,950.00
Administrative Fees	\$ 249,265.00	\$ 598,238.00	\$ 699,201.00	\$ 615,575.00	\$ 455,532.00
Bank Svc Charge	\$ -	\$ 7,500.00	\$ -	\$ -	\$ -
Office Supplies	\$ 1,999.16	\$ 6,500.00	\$ 1,541.65	\$ 1,399.92	\$ 4,120.45
Operating Supplies	\$ 1,401.83	\$ 6,500.00	\$ 3,274.96	\$ 4,392.37	\$ 5,101.86
Janitorial Supplies	\$ 293.22	\$ 21,800.00	\$ 1,540.72	\$ 1,530.82	\$ 4,277.52
Expendable Tools	\$ -	\$ 1,300.00	\$ 129.00	\$ -	\$ 323.67
Fuel	\$ 474.03	\$ 1,760.00	\$ 609.02	\$ 233.83	\$ 163.66
Non-Capital Equipment	\$ 2,112.00	\$ 71,600.00	\$ 7,978.58	\$ 19,646.68	\$ 32,610.96
Memberships Dues Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	\$ 3,156,206.82	\$ 8,060,168.00	\$ 6,490,914.49	\$ 6,562,580.56	\$ 6,541,647.73
Total Expenditures	\$ 3,192,241.39	\$ 8,184,587.00	\$ 6,583,550.52	\$ 6,634,705.23	\$ 6,612,931.03
Surplus/Deficit)	\$ 1,204,581.34	\$ 1,214,133.00	\$ 2,168,472.77	\$ 1,731,043.09	\$ 929,299.68

Management & Administrative Cost The Management and Administrative Cost include the salary for the Community Service Director along with all the associated costs. Additionally, the Administrative Costs include the cost of staffing for the property including payroll cost and benefits. The budgeted cost for these items amounts to a total of \$722,657 which has been rounded up to \$725,000.

Services This items includes \$26,600 for professional services, \$160,000 for maintenance Services and \$2,500 for grounds services. Additionally, there is \$750,000 for FCS Services and \$215,000 for Other services. The total will be \$1,155,000 (Rounded) for all services

Taxes

Real estate taxes for the subject are currently not paid due to the City's tax exempt status. However, if the subject were to be sold to a private entity, they would be responsible for taxes of the improvements only since the land is leased. Based on estimates provided, the appraiser has used a tax rate of \$1,000,000 for the first year, increasing it to the end of the reversionary period by a reasonable 3% per year.

Insurance

The subject's budgeted Insurance expense for 2026 is \$131,665 the actual amount being spent. While this is higher than in recent years it is widely known that insurance costs have been rising over the past few years. I will use the actual cost of \$131,665.

Electric

The tenants pay for their own individual unit electric. However, the property owner has common area electric expenses which were \$127,280.72 for 2025. One item we noted in the expenses was an energy savings project to reduce the amount of power used. In estimating an appropriate electric expense, an expense of \$135,000 is used.

Water & Sewer

Water and sewer service is an owner expense. The subject's actual water and sewer expense was \$409,334.66 for 2025 but is budgeted as \$551,500 for 2026; however, to only 215,947.23 has been spent in the first six months, I have estimated the 2026 total as \$435,000 for the total of 2026.

Cable Fees

The cable fees for 2023 through 2025 have been increasing as follows 2023 - \$143,583, 2024 - \$150,897.57 and 2025 - \$158,434.01 which was calculated as an increase of 5% per year. The budgeted amount for 2026 was \$171,000; however, the actual amount spent for the first six months was \$81,861.44. When expanded for 12 months this would equate to \$163,722.88. I have used \$165,000 for the total 2026 cost.

Telephone Fees

The past three full years telephone fees varied greatly. In 2023 total cost was \$24,798.73 then it rose to \$35,190.07 (42%) in 2024. It was then \$34,463.99 in 2025 but was budgeted as \$27,000 in 2026. The cost has been \$16,315.19 for the first six months of 2026 or \$2,710.19 per month. For 12 months the cost would be \$32,630.38 so I have estimated the total cost to be \$34,500 for 2026.

Maintenance and Repairs

The successful operation of a residential apartment building requires ongoing maintenance and repair. Maintenance items include air conditioning, appliances, electrical, flooring, exterior repair, roofing, fence, interior repair, landscaping, parking lot, painting, pest control, plumbing, safety expense, windows, doors, and supplies. Although painting and roof repair are not necessary every year, maintenance for an apartment building is important and ongoing. The subject expenses show that the subject maintenance project is carried out by sub-contractors employed by the city. In our cash flow analysis, a capital cost will be used as a line item reduction of \$1,200,000 for 2026.

Reserves for Replacement

It is generally recommended that anticipated replacement expenses for the short-lived building components be allocated or distributed over the life expectancy of the item through the establishment of reserve accounts. As mentioned above, the typical costs of reserves and replacements is included within the expenses.

The Reserves for Replacement for the first year is \$267,000 and increased 2.5% per year The calculations are presented as follows:

<u>RESERVES FOR REPLACEMENT CALCULATIONS</u>		
	Costs/Unit	Costs/Year
Unit Renovations - Ongoing as Units become vacant.	\$ 3,500	\$ 217,000
614 Units @ 10.0% Vacancy = 62 Units		
Reserves Needed Per Year	\$ 217,000	
Plus Contingency	\$ 50,000	
	\$ 267,000	

ESTIMATE OF DISCOUNT AND CAPITALIZATION RATES

Discount Rate

The discount rate converts the annual income to a present value. This rate reflects the average anticipated cost of debt and equity over the holding period. The PricewaterhouseCoopers (PwC) Real Estate Investor Survey shows institutional grade multifamily properties range from an average of 7.88% in the 1st^h Quarter 2026 compared to 8.13% in 4th Quarter 2025. In the Southeast Region where the subject is located, the current range of discount rates is 6.0% to 10.00%. The full table showing this information follows.

SOUTHEAST REGION APARTMENT MARKET

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	6.00% – 10.00%	6.00% – 10.00%	5.00% – 10.00%	6.00% – 8.00%	6.00% – 8.00%
Average	7.88%	8.13%	7.39%	6.58%	6.53%
Change (Basis Points)		- 25	+ 49	+ 130	+ 135
OVERALL CAP RATE (OAR)^a					
Range	4.30% – 7.00%	4.50% – 7.00%	4.50% – 6.50%	4.25% – 6.00%	4.00% – 6.00%
Average	5.42%	5.48%	5.63%	5.03%	4.78%
Change (Basis Points)		- 6	- 21	+ 39	+ 64
RESIDUAL CAP RATE					
Range	5.00% – 6.50%	5.00% – 6.50%	5.00% – 6.50%	4.75% – 6.50%	4.50% – 6.50%
Average	5.63%	5.68%	5.80%	5.48%	5.23%
Change (Basis Points)		- 5	- 17	+ 15	+ 40
MARKET RENT CHANGE^b					
Range	0.00% – 4.00%	0.00% – 4.00%	0.00% – 5.00%	0.00% – 5.00%	0.00% – 1.50%
Average	2.30%	2.30%	2.60%	3.20%	1.05%
Change (Basis Points)		0	- 30	- 90	+ 125
EXPENSE CHANGE^b					
Range	2.00% – 5.00%	2.00% – 5.00%	2.00% – 5.00%	2.00% – 5.00%	2.00% – 4.00%
Average	2.85%	2.95%	2.85%	3.40%	3.00%
Change (Basis Points)		- 10	0	- 55	- 15
MARKETING TIME^c					
Range	1 – 6	2 – 6	2 – 6	3 – 6	3 – 6
Average	3.6	3.9	4.2	4.0	4.8
Change (▼, ▲, =)		▼	▼	▼	▼
FORECAST VALUE CHANGE^d					
Range	(5.0%) – 10.0%	(5.0%) – 15.0%	(5.0%) – 10.0%	(10.0%) – 0.0%	(2.0%) – 2.0%
Average	1.0%	3.7%	1.1%	(2.5%)	0.1%
Change (▼, ▲, =)		▼	▼	▲	▲

a. Rate on unleveraged, all-cash transactions; assumes stabilized occupancy

b. Year-one rate of change c. Months d. Over next 12 months

Source: PwC Investor Survey; survey conducted by PwC during January 2026
First Quarter 2026

However, at the beginning of 2026 the multi-family market in South Florida and the nation has slowed considerably, in addition to the economic news of recent bank failures. Based in the recent economic activity, a discount rate of 8.00% for the subject is considered reasonable. The subject's recent operating history along with the factor that the land is leased from the State of Florida, which is tax-exempt, leads us to conclude that based on a 10-year discounted cash flow analysis with an 11th year reversion.

The following pages show the discounted cash flow calculations for the subject's market value via the Income Approach as of May 15, 2026.

Discounted Cash Flow Scenario and Present Value Estimate-without RE Taxes

Discount Rate:	8.00%
Reversion OAR	6.00%
Marketing Cost	1.00%
Annual Increase of Income	2.50%

Income - Year	1	2	3	4	5	6	7	8	9	10	11
Total Rental Income	\$9,723,765	\$9,966,859	\$10,216,031	\$10,471,431	\$10,733,217	\$11,001,548	\$11,276,586	\$11,558,501	\$11,847,463	\$12,143,650	\$12,447,241
Other Income	\$145,856	\$149,503	\$153,240	\$157,071	\$160,998	\$165,023	\$169,149	\$173,378	\$177,712	\$182,155	\$186,709
Total Income	\$9,869,621	\$10,116,362	\$10,369,271	\$10,628,503	\$10,894,215	\$11,166,571	\$11,445,735	\$11,731,878	\$12,025,175	\$12,325,805	\$12,633,950
Less Vacancy											
Gross Op Inc.	\$9,869,621	\$10,116,362	\$10,369,271	\$10,628,503	\$10,894,215	\$11,166,571	\$11,445,735	\$11,731,878	\$12,025,175	\$12,325,805	\$12,633,950
Sub - Leasehold Cost	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
Expenses	\$2,781,165	\$2,864,600	\$2,950,538	\$3,039,054	\$3,130,226	\$3,224,132	\$3,320,856	\$3,420,482	\$3,523,097	\$3,628,790	\$3,737,653
RE Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Costs	\$1,200,000										
Reserves	<u>\$267,000</u>	<u>\$273,675</u>	<u>\$281,885</u>	<u>\$290,342</u>	<u>\$299,052</u>	<u>\$308,024</u>	<u>\$317,264</u>	<u>\$326,782</u>	<u>\$336,586</u>	<u>\$346,683</u>	<u>\$357,084</u>
Sub Total Exps & Reserves	\$4,248,165	\$3,138,275	\$3,232,423	\$3,329,396	\$3,429,278	\$3,532,156	\$3,638,121	\$3,747,264	\$3,859,682	\$3,975,473	\$4,094,737
Net Operating Income	\$5,621,456	\$6,978,087	\$7,136,848	\$7,299,107	\$7,464,938	\$7,634,415	\$7,807,614	\$7,984,614	\$8,165,493	\$8,350,332	\$8,539,213
Discount Factor:	0.92593	0.85734	0.79383	0.73503	0.68058	0.63017	0.58349	0.54027	0.50025	0.46319	0.42888
Net Present Value	\$5,205,053	\$5,982,586	\$5,665,458	\$5,365,063	\$5,080,510	\$4,810,979	\$4,555,665	\$4,313,839	\$4,084,780	\$3,867,815	
Total Value of Cash Flows:	\$48,931,748										
Total Value of Reversion	\$60,428,334										
Total Value	\$109,360,081										
									Reversion Value		\$142,320,215
									Less Marketing Cost		<u>\$1,423,202</u>
									Net Reversion Amount		\$140,897,013
									Present Value		\$60,428,334

Discounted Cash Flow Scenario and Present Value Estimate

LEASEHOLD VALUE CONCLUSION

Leasehold Value with a 10-year discounted cash analysis and with an 11th reversion term - \$92,300,000, rounded.

Leasehold Value with a 10-year discounted cash analysis and with an 11th reversion term - \$109,400,000, rounded.

The Income Approach was the only appropriate method for valuing the subject property and the conclusions indicated through the discounted cash flow analysis are considered to provide the most reliable indications of value as of May 15, 2026.

RECONCILIATION OF APPROACHES

Cost Approach	N/A
Sales Comparison Approach	N/A
Income Approach	\$92,300,000(with RE Taxes)
	\$109,400,000 (without RE Taxes)

Of the three commonly utilized approaches to value, only the Income Approach (Discounted Cash Flow) has been employed. As previously described, the subject property is an apartment complex on a long-term lease of the land. For this reason, the Cost and Sales Comparison Approaches to value were not appropriate techniques to utilize.

The Income Approach to Value using a Discounted Cash Flow is the most appropriate technique to utilize in estimating the leasehold value of the subject property which was improved with an apartment complex on leased land. The Income Approach provides the best indication of the leasehold market value of the subject property and is relied upon solely.

The market value leasehold interest of the subject property, as of May 15, 2026, is \$92,300,000, **including real estate taxes.**

The market value leasehold interest of the subject property, as of May 15, 2026, is \$109,400,000, **excluding real estate taxes.**

QUALIFICATIONS OF THE APPRAISER

**APPRAISAL QUALIFICATIONS OF
G. ADRIAN GONZALEZ, JR., ASA, MRICS**

2040 Polk Street, Hollywood, Florida 33020
(954) 916-3400 FAX (954)-239-5724
1031 Ives Dairy Road, #228, Miami, Florida 33179
(786) 565-5358 FAX (954)-239-5724
Email: agonzalezandassociates@gmail.com



Website: agonzalezandassoc.com

Education: B.S. Degree - 1980 - University of Florida, Gainesville, Florida;
Business Administration with a major in Real Estate and Urban Analysis

Continuing Education:

Sample of additional Courses and Seminars provided by the Appraisal Institute, ASA, and/or Others:

Uniform Standards for Federal Land Acquisition Seminar – 2003
Eminent Domain Super Conference Seminar – 2003
Appraisal Project Management – 2012
Methodology and Applications of the Sales Comparison Approach – 2014
FHA Property Analysis – 2016
The Cost Approach: Unnecessary or Vital to a Healthy Practice? - 2020
Appraisal Techniques for the Current Market – 2022
Cracking the Code-Demystifying Desktop and Hybrid Appraisals– 2024
Valuation of Residential Solar – 2024
Uniform Standards of Professional Appraisal Practice (USPAP) Update & Law – 2024

Licenses and Certifications:

1981 to 1984: Licensed Florida Real Estate Salesperson
1984 to Present: Licensed Florida Broker, License No. BK 353263 & CQ1022847
1992 to Present: State-certified general real estate appraiser, License No. RZ1555 (FL)

Professional Affiliations:

Senior Member, Real Property-American Society of Appraisers (ASA)
Chartered Valuation Surveyor, Royal Institution of Chartered Surveyors (**MRICS**)
International Right of Way Association (**IRWA**)
Realtor® National and Florida Associations of Realtors (**NAR**)
Rho Epsilon Real Estate Fraternity

Professional Other:

Qualified as an **Expert Witness** in Broward, Glades, Hendry, Hillsborough, Miami-Dade, Palm Beach, Pasco & Sarasota Counties Circuit Courts
Qualified as an Expert Witness in Wilkinson County (MS) Circuit Court
Special Magistrate for Broward County Value Adjustment Board – 1994 – 2015, 2017-2024
Special Magistrate for Miami-Dade County Value Adjustment Board – 2004 – Present
Special Magistrate for Palm Beach County Value Adjustment Board – 2009 – 2012
Special Magistrate for Nassau County Value Adjustment Board – 2022 – Present
State of Florida Notary Public- Commission Number HH675073
Certified DBE-Florida Department of Transportation, Certified MBE-State of Florida
Certified SBE/MBE-Broward County



Professional Offices Held:

Secretary/Treasurer, Vice President, & President of South Florida Atlantic Chapter 1994-1997, 2013-2016
American Society of Appraisers – **Governor-Region 2- 2017-2021**
ASA International **Secretary/Treasurer-2022-2023**
ASA International **Vice President-2023-2024**
ASA International **President-2024-2025**

Other:

Member of Rotary International
Fully Bilingual-English/Spanish

Appraisal Experience:

Adrian Gonzalez has over 43 years of real estate experience, with an emphasis on preparing and reviewing appraisal reports for governmental/condemnation authorities and private property owners. He is a real estate appraiser/consultant and, for the past 26+ years, President of Adrian Gonzalez & Associates, P.A., based in South Florida. His responsibilities revolve around all aspects of the appraisal function, including the preparation of individual real estate appraisal reports that conform to the stringent Federal Uniform Appraisal Act, State of Florida requirements, Uniform Standards of Professional Appraisal Practice, the Uniform Appraisal Standards for Federal Land Acquisition, and the International Valuation Standards. Also, he manages and administers appraisal assignments, appraisal/review functions, and litigation support for the firm. Additional duties include appraisal review of contracts and staff appraisers. Adrian is experienced in providing real estate appraisal, review, and consulting services throughout Florida and other states.

