

Inspired Communities of Florida Lease Option

Lots 4 & 5

Community Maritime Park

Project

- ▶ 500-600 rental apartment units (1BR, 2BR and 3BR)
- ▶ Between 10,000 and 50,000 square feet of commercial space
- ▶ Approximately 900 space parking deck

Private Portion of Development

- ▶ 500-600 rental apartment units (1BR, 2BR and 3BR)
 - ▶ Built in either 1 or 2 phases
 - ▶ Total completion of both phases by 01/01/28
 - ▶ If phased, first phase complete by 1/1/26 (includes City parking), second phase complete by 1/1/28
 - ▶ Optionee may extend the completion dates - in exchange for reduction in the tax abatement or additional payments.
- ▶ Between 10,000 and 50,000 square feet of commercial space
- ▶ 50% of the approximately 900 space parking garage
- ▶ At least \$110,000,000 capital investment (\$55mm per phase)

Private Portion Requirements

- ▶ Density transfer as a combination of available units from Lots 1 and Lots 2 at the Community Maritime Park as well as available units from other parcels.
- ▶ Possible variance for required parking spaces.
- ▶ Optionee to own parking garage for financing purposes - City to control and manage subject to optionee use rights. Equally shared maintenance, operation and CapX expense.
- ▶ No variance to WRD-1 maximum building height

Projected City Portions of Project

- ▶ 50% of the parking garage
 - ▶ Estimated \$25,000 per space
 - ▶ \$11,337,500 estimated cost for the City
- ▶ Operation and maintenance of the parking garage - City controls, costs equally shared
- ▶ 100% of revenues from City portion of garage stay with City

City Parking Requirements

Element	Description	Number of Spaces
Maritime Place*	Shall have the exclusive right to use, at no additional charge, not less than the Minimum Number of Parking Spaces for the Office Building in any parking garage or lot constructed on the Park property. The Reserved Parking Spaces shall be those spaces constructed by the Sub-Lessor that are closest to the Leased Premises and shall number no less than 200.	200
Wahoos	CMPA shall provide NFPB at no cost up to 100 “best location” parking spaces adjacent to the Multi-Use Facility inside the Park.	100
Total		300

* The City has the right to use these spaces on all weekdays during which events are scheduled at the Park and between 5:00 pm and 11:59 pm and all day Saturday and Sunday.

Lease Structure

- ▶ 99 year lease
- ▶ Annual ground rent of:
 - ▶ Nothing during construction
 - ▶ Upon completion of phase 1 but no later than 1/1/25
 - ▶ \$325,000 annually if the northern half of the property is developed first
 - ▶ \$275,000 annually if the southern half of the property is developed first
 - ▶ \$500,000 annually after 2nd phase completion but no later than 1/1/28
- ▶ Pro rata share of Maritime Park CAM ~\$45k per year with increases
- ▶ Rent increases 5% every 5 years
- ▶ TIF Rebate
 - ▶ 75% for the first 10 years
 - ▶ 50% for the next 10 years

Draft Pro Forma

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenue												
Ground Lease	0	206,250	275,000	275,000	375,000	500,000	525,000	525,000	525,000	525,000	551,250	551,250
Property Tax Phase I	0	0	0	458,815	472,580	486,757	501,360	516,401	531,893	547,849	564,285	581,214
Property Tax Phase 2						486,757	501,360	516,401	531,893	547,849	564,285	581,214
Total Revenue	\$0	\$206,250	\$275,000	\$733,815	\$847,580	\$1,473,514	\$1,527,720	\$1,557,801	\$1,588,785	\$1,620,699	\$1,679,820	\$1,713,677
Expenditures												
Tax Rebate phase 1			0	344,111	354,435	365,068	376,020	387,301	398,920	410,887	423,214	435,910
Tax Rebate phase 2				0	0	365,068	376,020	387,301	398,920	410,887	423,214	435,910
Parking Garage/Debt Service	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805
Total Cash Out	\$852,805	\$852,805	\$852,805	\$1,196,916	\$1,207,240	\$1,582,941	\$1,604,845	\$1,627,406	\$1,650,644	\$1,674,579	\$1,699,232	\$1,724,625
Income/(Loss)	(\$852,805)	(\$646,555)	(\$577,805)	(\$463,101)	(\$359,660)	(\$109,426)	(\$77,125)	(\$69,605)	(\$61,859)	(\$53,880)	(\$19,412)	(\$10,948)

	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Revenue													
Ground Lease	551,250	551,250	551,250	578,813	578,813	578,813	578,813	607,753	607,753	607,753	607,753	638,141	638,141
Property Tax Phase I	598,650	616,609	635,108	654,161	673,786	693,999	714,819	736,264	758,352	281,150	289,584	298,272	307,220
Property Tax Phase 2	598,650	616,609	635,108	654,161	673,786	693,999	714,819	736,264	758,352	281,150	289,584	298,272	307,220
Total Revenue	\$1,748,550	\$1,784,469	\$1,821,465	\$1,887,134	\$1,926,384	\$1,966,811	\$2,008,451	\$2,080,281	\$2,124,457	\$1,170,052	\$1,186,921	\$1,234,684	\$1,252,580
Expenditures													
Tax Rebate phase 1	448,987	308,305	317,554	327,080	336,893	347,000	357,410	368,132	379,176	357,410	368,132	0	0
Tax Rebate phase 2	448,987	462,457	476,331	327,080	336,893	347,000	357,410	368,132	379,176	357,410	368,132	379,176	390,551
Parking Garage/Debt Service	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805	852,805				
Total Cash Out	\$1,750,780	\$1,623,567	\$1,646,689	\$1,506,966	\$1,526,591	\$1,546,804	\$1,567,624	\$1,589,069	\$758,352	\$714,819	\$736,264	\$379,176	\$390,551
Income/(Loss)	(\$2,230)	\$160,902	\$174,776	\$380,169	\$399,793	\$420,007	\$440,827	\$491,212	\$1,366,105	\$455,233	\$450,657	\$855,508	\$862,029

Option Agreement

- ▶ Gives Inspired Communities of Florida the exclusive right to execute fully negotiated Ground Lease for Lots 4 and 5 at the Community Maritime Park. Major business terms of Ground Lease are described in the Term Sheet. Final Ground Lease to come before City Council in March prior to execution of Option.
 - ▶ Area Reinvestment Agreement
 - ▶ Parking Agreement
- ▶ Option would expire 8/31/2023
- ▶ Optionee has the ability to obtain one 6-month extension to the Option
- ▶ Option payments:
 - ▶ \$3,480 monthly through 8/31/2023
 - ▶ If Optionee exercises their right for a 6-month extension to the option they will pay a non-refundable lump sum of \$60,000
 - ▶ All option payments would be credited towards payment of permit fees in connection with the project.