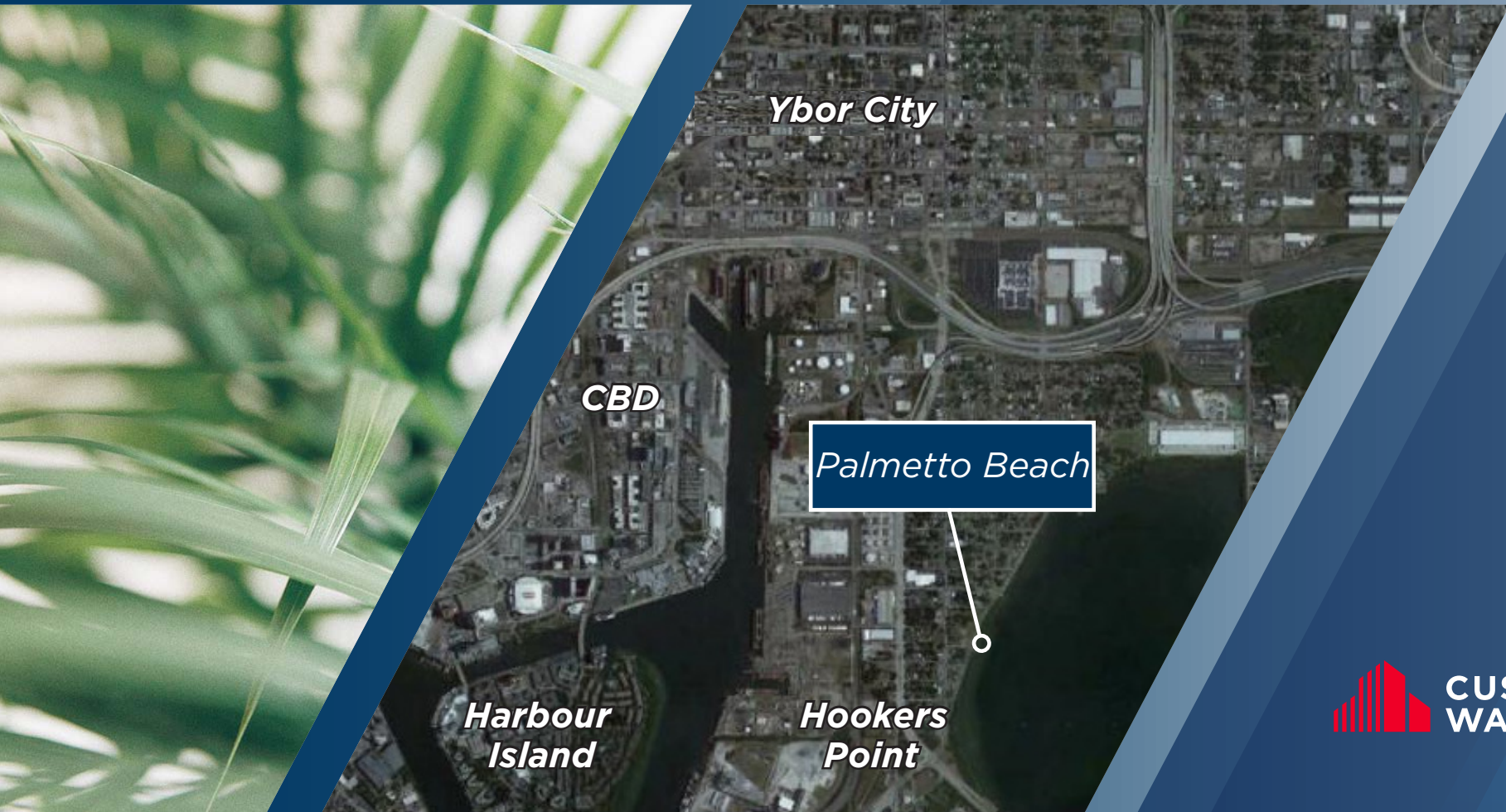


Palmetto Beach

McKay Bay Tampa, Florida

OFFERING MEMORANDUM



Palmetto Beach at McKay Bay

OFFERING MEMORANDUM

- 1** Site Specifications
- 2** Due Diligence
- 3** Rent Comps
- 4** Area Amenities Map
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- 11** Transaction Structure



Palmetto Beach
at McKay Bay

Site Specifications

RESIDENTIAL UNITS: Up to 250 units estimated at \$40,000 per unit, with 20,000 SF of commercial space

SIZE: 5.09 acres, in two parcels

FUTURE LAND USE: Residential-35

ZONING: PD

UTILITIES: Available

WATERFRONT LOTS: The offering includes two owned submerged lots **containing 1.63 acres MOL**, which can accommodate a marina and up to 10,000 sf can be built, subject to governmental approvals.



Due Diligence

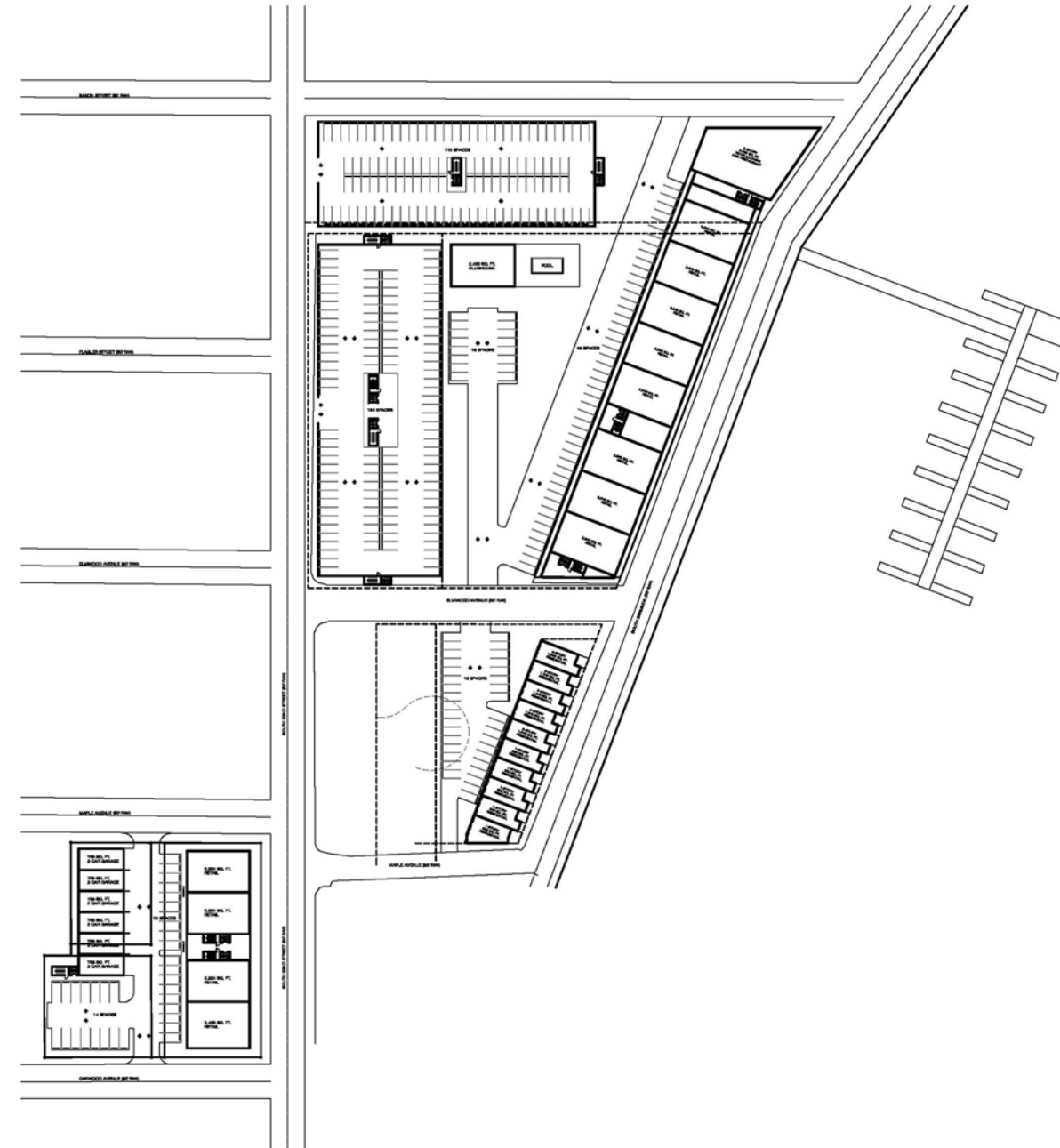
Click to View:

WATERFRONT LOTS

SURVEY

TRAFFIC STUDY

PARCELS AERIAL



Ybor City/ Palmetto Beach

Apartment Market

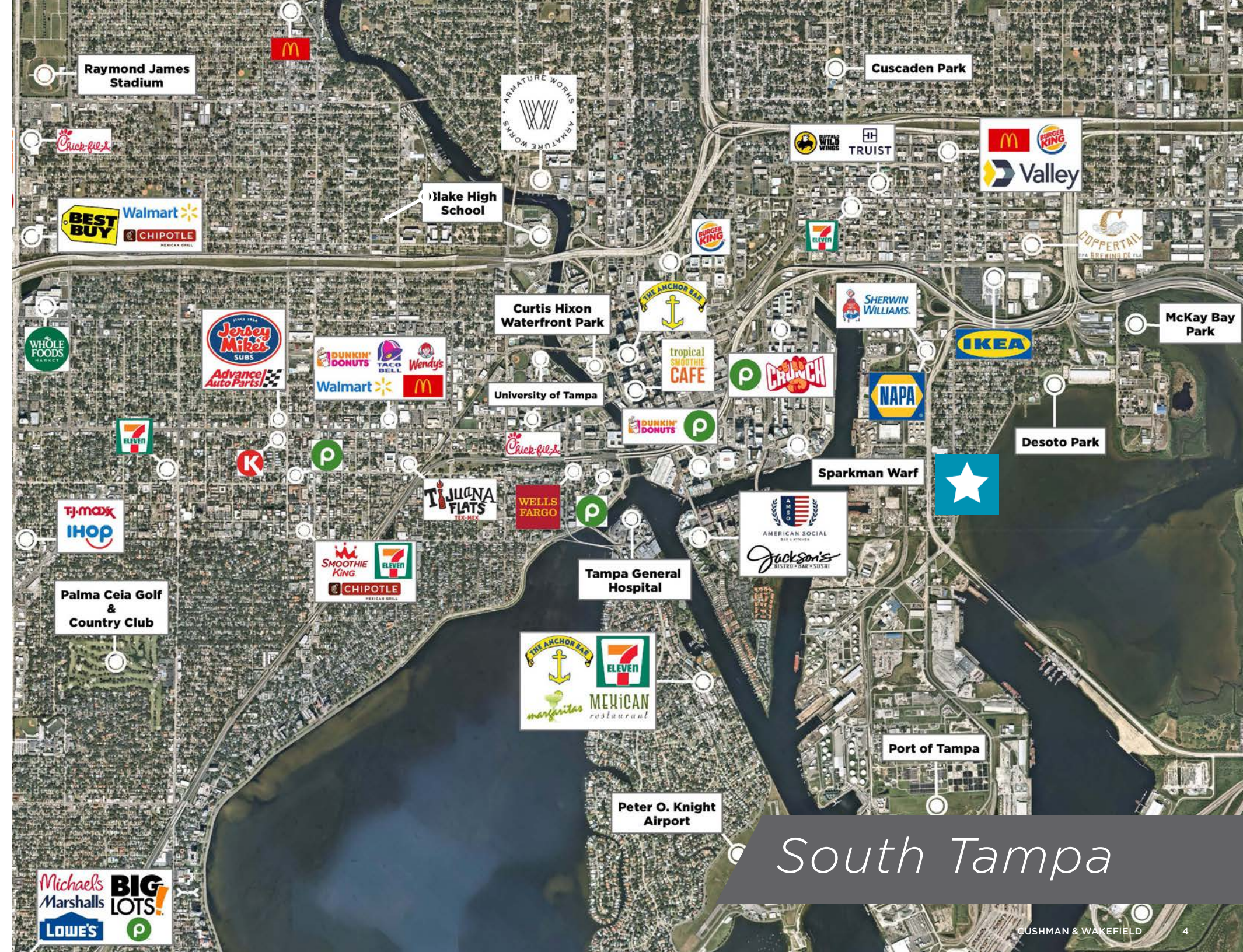
Rent Comps

Source: CoStar, C&W Research

Property Name	City	Year Built	Vacancy %	Property Average			
				Number Of Units	Avg Unit SF	Avg Asking/Unit	Avg Asking/SF
Navara	Tampa	2022	9.5	288	808	\$ 2,218.00	\$ 2.74
Lector 85	Ybor City	2021	6.8	254	740	\$ 2,137.00	\$ 2.89
Ybor Lofts	Ybor City	2018	4.6	240	869	\$ 2,280.00	\$ 2.62
SkyHouse Channelside	Tampa	2015	6.9	320	794	\$ 2,364.00	\$ 2.98
The Mav Channelside	Tampa	2022	3.1	324	723	\$ 2,657.00	\$ 3.67
Pierhouse at Channelside	Tampa	2013	3.4	356	905	\$ 2,586.00	\$ 2.86
The Fitzgerald	Tampa	2017	2.0	300	832	\$ 2,695.00	\$ 3.24
Legacy at Encore	Tampa	2021	14.0	228	762	\$ 2,188.00	\$ 2.87
Channel Club Apartments	Tampa	2018	4.6	324	910	\$ 2,674.00	\$ 2.94
Bell Channelside	Tampa	2008	7.1	424	1,088	\$ 2,513.00	\$ 2.31
The Slade at Channelside	Tampa	2008	3.2	294	918	\$ 2,545.00	\$ 2.77
Averages			5.9	305	850	\$ 2,441.55	\$ 2.90



Property Name	City	Studio Units				1 Bedroom Units				2 Bedroom Units				3 Bedroom Units			
		Units	Avg SF	Market Rent	PSF	Units	Avg SF	Market Rent	PSF	Units	Avg SF	Market Rent	PSF	Units	Avg SF	Market Rent	PSF
Navara	Tampa	58	534	\$ 1,922	\$ 3.60	167	737	\$ 1,945	\$ 2.64	59	1215	\$ 3,181	\$ 2.62	4	1777	\$ 4,914	\$ 2.77
Lector 85	Ybor City	63	518	\$ 1,994	\$ 3.85	129	684	\$ 1,987	\$ 2.91	58	1074	\$ 2,636	\$ 2.45	4	1255	\$ 3,259	\$ 2.60
Ybor Lofts	Ybor City	37	684	\$ 1,964	\$ 2.87	119	743	\$ 2,130	\$ 2.87	84	1131	\$ 2,634	\$ 2.33				
SkyHouse Channelside	Tampa	76	608	\$ 1,964	\$ 3.23	158	704	\$ 2,347	\$ 3.33	68	1054	\$ 2,722	\$ 2.58	18	1397	\$ 3,648	\$ 2.61
The Mav Channelside	Tampa	108	592	\$ 2,254	\$ 3.81	152	671	\$ 2,499	\$ 3.72	64	1067	\$ 3,803	\$ 3.56				
Pierhouse at Channelside	Tampa	33	539	\$ 2,030	\$ 3.76	189	821	\$ 2,351	\$ 2.86	134	1116	\$ 3,056	\$ 2.74				
The Fitzgerald	Tampa	8	564	\$ 2,484	\$ 4.41	200	719	\$ 2,393	\$ 3.33	84	1070	\$ 3,362	\$ 3.14	8	1420	\$ 3,452	\$ 2.43
Legacy at Encore	Tampa	66	517	\$ 1,625	\$ 3.14	119	764	\$ 1,970	\$ 2.58	43	1136	\$ 2,860	\$ 2.52				
Channel Club Apartments	Tampa	16	512	\$ 1,942	\$ 3.79	221	839	\$ 2,464	\$ 2.94	87	1167	\$ 3,345	\$ 2.87				
Bell Channelside	Tampa					144	790	\$ 2,070	\$ 2.62	234	1171	\$ 2,588	\$ 2.21	46	1600	\$ 3,540	\$ 2.21
The Slade at Channelside	Tampa	15	720	\$ 1,844	\$ 2.56	153	767	\$ 2,174	\$ 2.83	113	1098	\$ 3,044	\$ 2.77	13	1383	\$ 3,378	\$ 2.44
Averages		48	579	\$ 2,002	\$ 3.50	159	749	\$ 2,212	\$ 2.97	93	1118	\$ 3,021	\$ 2.71	16	1472	\$ 3,699	\$ 2.51



South Tampa

Market Overview

Job and Economy

TOTAL POPULATION	21.7 million
POPULATION GROWTH YOY	442,530
NET MIGRATION (2021)	259,480 (Domestic/International)
LABOR FORCE	10.4 million
JOB GROWTH RATE YOY	+5.7%
UNEMPLOYMENT RATE	3.2% (March 2022)

Source: Moody's Analytics, 2020; Florida Department of Economic Opportunity, 2020.

Why Florida?

#1 IN HIGHER EDUCATION - U.S. NEWS & WORLD REPORT

#1 BEST STATE FOR INFRASTRUCTURE (USA TODAY)

#2 BEST STATE FOR BUSINESS BIRTHRATE (U.S. CHAMBER OF COMMERCE)

#2 BEST STATE FOR BUSINESS - CHIEF EXECUTIVE MAGAZINE (2019)

#3 BEST STATE FOR BUSINESS TAX ENVIRONMENT (AREA DEVELOPMENT)

#4 BEST STATE FOR HIGH-TECH ESTABLISHMENTS (TECHAMERICA)

NO PERSONAL INCOME TAX

5X HIGHER THAN THE NATIONAL AVERAGE NET MIGRATION 2020 (FLORIDA 1.3% VS. NATIONAL AVERAGE 0.2%)

Florida's economy relies more on advanced industries including high-tech, life sciences, healthcare, business services and e-commerce than on tourism and agriculture. It helped the state to diversify and mitigate the level of employment losses from the pandemic. There are 10.4 million in the civilian labor force in July 2021. Florida is a right-to-work state.

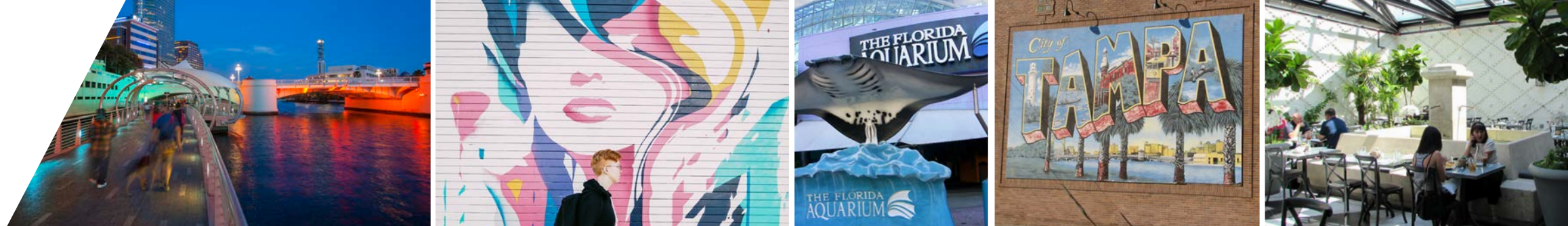
How does Florida stack up with other larger states?

- Florida's workforce grew by 15% over the past five years though 2019 (9 million jobs), beating California (12%) and Texas (11%).
- Florida's hourly wage grew by 14% from 2014 through 2019, second behind California's 18%.

Florida is an enormous market. It is the 4th largest economy in the U.S. and ranks 15th in Gross Domestic Product (GDP) among the world's largest economies in 2021, with a \$1+ trillion economy. It is an export powerhouse and the 7th highest exporter among all states with over \$52 billion in goods made in the state shipped to markets elsewhere. In fact, one out of every five companies that exports in the U.S. has operations in Florida.

Florida also receives high marks on how it treats business. Chief Executive Magazine ranked the state in 2020 as 2nd best for business and 1st in the Southeast for business tax climate by the Tax Foundation.

The state has and is investing in its infrastructure. There are 20 commercial service airports, 15 deep-water seaports, 2 active spaceports, 122,000+ highways miles and 3,000 freight rail tracks. Florida also has two of the world's busiest airports. Both Miami and Orlando have international airports that cater to millions of tourist visitors.



Industry Highlights

Tourism -As the economy opened in the spring and summer of 2021, tourism demand came roaring back throughout the state and remained one of the top economic engines for Florida. Throughout the pandemic, domestic tourism dominated. While the rise of the Delta variant paused the momentum, tourism in Florida is primed for growth through 2022.

Trade - Florida benefits from its location and is ideally positioned to be a global hub for the trade & transportation sector. Pre-pandemic it employed over 540,000 workers with consistent employment growth year-over-year. Florida ports, while not as hard hit as larger ports to the north and on the West Coast, will have decreases in liquid bulk, dry bulk and containerized cargo through year end. In addition, the loss of 10 million cruise passengers through Florida ports greatly contributed to the 169,000 lost jobs and \$23 billion decrease in economic activity.

Space Industry - One bright spot for Florida's economy in 2020 was its growth in the space industry. Two active spaceports highlight the importance the aviation and aerospace industry played in Florida's development and growth. There are over 17,000 aerospace-related companies in the state which employ over 130,000 people.

Healthcare - As a growing retirement-age population, healthcare adds almost \$130 billion to the state's economy annually. Healthcare supports the addition of over 900,000 new direct and indirect jobs. The industry has been hard hit during COVID-19 as it adjusts to increased staffing costs, lost revenue from delayed elective procedures and higher costs for personal protective equipment, testing supplies and vital drugs to treat patients of the pandemic. Losses from the first six months of the pandemic were \$7.4 billion.

Technology - Florida was ranked the 4th highest cyber-state by tech sector employment with over 539,000 workers and is ranked 3rd highest by the number of tech business establishments with almost 32,000.

Population and Education Trends

Florida's population makes it the third most populous state in the nation after California and Texas. Florida had significant population inflows from other states due to its robust economy and high quality of life amenities.

Florida's no state income tax has always been a reason for some tax migration from higher tax states in the north. This potentially accelerated with the passage of the 2017 federal tax reform package which capped deductions for state income and property taxes.

According to the 2010 US Census, from 2000-2010 Florida's population grew by 17.7%, an increase of 2.8 million people. From 2010 through 2019, population grew in Florida by 3.0 million new residents, a 15.1% increase for the decade. The forecast projects Sunshine State will surpass 23.3 million residents by 2023.

Florida has over 815,000 students in 28 Florida colleges on 68 separate campuses. Rankings released by U.S. News and World Report say Florida was the number one state in the nation in 2018 for higher education due to several factors, including the state's relatively low tuition rates and high graduation rates.



Tampa Bay MSA Snapshot



The Tampa-St. Petersburg-Clearwater (MSA) on Florida's West Coast is comprised of Hillsborough, Pinellas, Pasco, and Hernando counties. The region contains the third and fourth largest cities in the state, Tampa and St. Petersburg.



With over **3.0 million people**, Tampa Bay is the third largest MSA in the Southeast.

Access to a **rich and diverse** talent pipeline

Stable **pro-business leadership** and favorable corporate tax environment

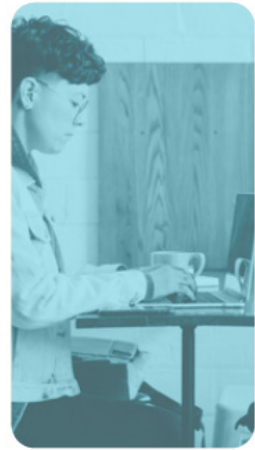
No personal income tax, low cost of living, and an excellent quality of life makes recruiting easy

Non-stop air service to more than 90 domestic and international destinations

35 million consumers within an 8-hour drive

Closest **deep-water port** to the Panama Canal and post-Panamax ready

Located on the I-4 warehouse, distribution and **logistics corridor**



LABOR POOL & TALENT

Tampa is the **third fastest growing city** in Florida
U.S. Census Bureau

\$595 million in capital investment, 2,620 jobs created in 2020
TampaEDC.com

20-25 year olds comprise **25% of total population** and is expected to grow by another 10% in five years
Alteryx, 2021

64% of the total workforce is white collar and the **average household income is \$78,400**



AFFORDABILITY & HOUSING

Tampa has the **lowest housing cost** among Florida major metros
TampaEDC.com

Tampa's cost of living ranks **below the national average** by 9% as of year-end 2020
TampaEDC.com

Favorable Tax Climate; no state or local personal income tax, low property taxes compared to northern states

The cost-of-living in Tampa Bay is **half that of San Francisco or Manhattan**
Tampa Bay Technology Forum | tbtforum.org



BUSINESS ENVIRONMENT

Best Small Business Cities - Tampa-St. Petersburg - **No. 19**
Biz2Credit

2nd highest best ranked city in Florida for young professionals
Niche 2020

#6 most cost-friendly U.S. Business location
Tampa EDC

Pro-Business local and state government officials
Millennial Matter, TampaEDC.com



WORK/LIFE BALANCE

361 Days of Sunshine each Year

35 Miles of Beaches; St Pete beaches consistently voted best beach in the country

World class fishing/boating

Professional Sporting Events including The Lighting, Rays & Buccaneers

Tampa is a Top Beer City in America
TampaEDC.com

Economic Diversity

FINANCIAL & PROFESSIONAL SERVICES - National firms in banking, finance and insurance helped employment grow by 14% in the last 5 years.

DEFENSE & SECURITY - \$14 billion in economic impact and one of the largest veteran workforces in the nation.

DISTRIBUTION & LOGISTICS - More than nearly 35 million consumers live within an 8-hour drive of Tampa Bay.

INFORMATION TECHNOLOGY - Ranked by CompTIA as a top city for tech jobs, creating more tech jobs here than other major cities in Florida.

LIFE SCIENCES & HEALTHCARE - Tampa Bay has gained global recognition as a growing hub for the life sciences industry.

MANUFACTURING - The region has the second largest base of manufacturing employment in Florida.

HIGHER EDUCATION - Tampa Bay is home to nearly 80 colleges, universities and tech schools.



Area Overview



Demographics

Highly Desirable Neighborhood

- Waterfront location
- Gentrification has begun
- Great access to employment centers

Economic Drivers

- Close proximity to Port Tampa, Tampa CBD, and Brandon Employment Centers
- Easy access to I-75, I-275, I-4, & Selmon Expressway
- CENTCOM and SOCOM at MacDill AFB employ 22,700 and generate constant demand for rental units in South Tampa.

3-Mile Demographics

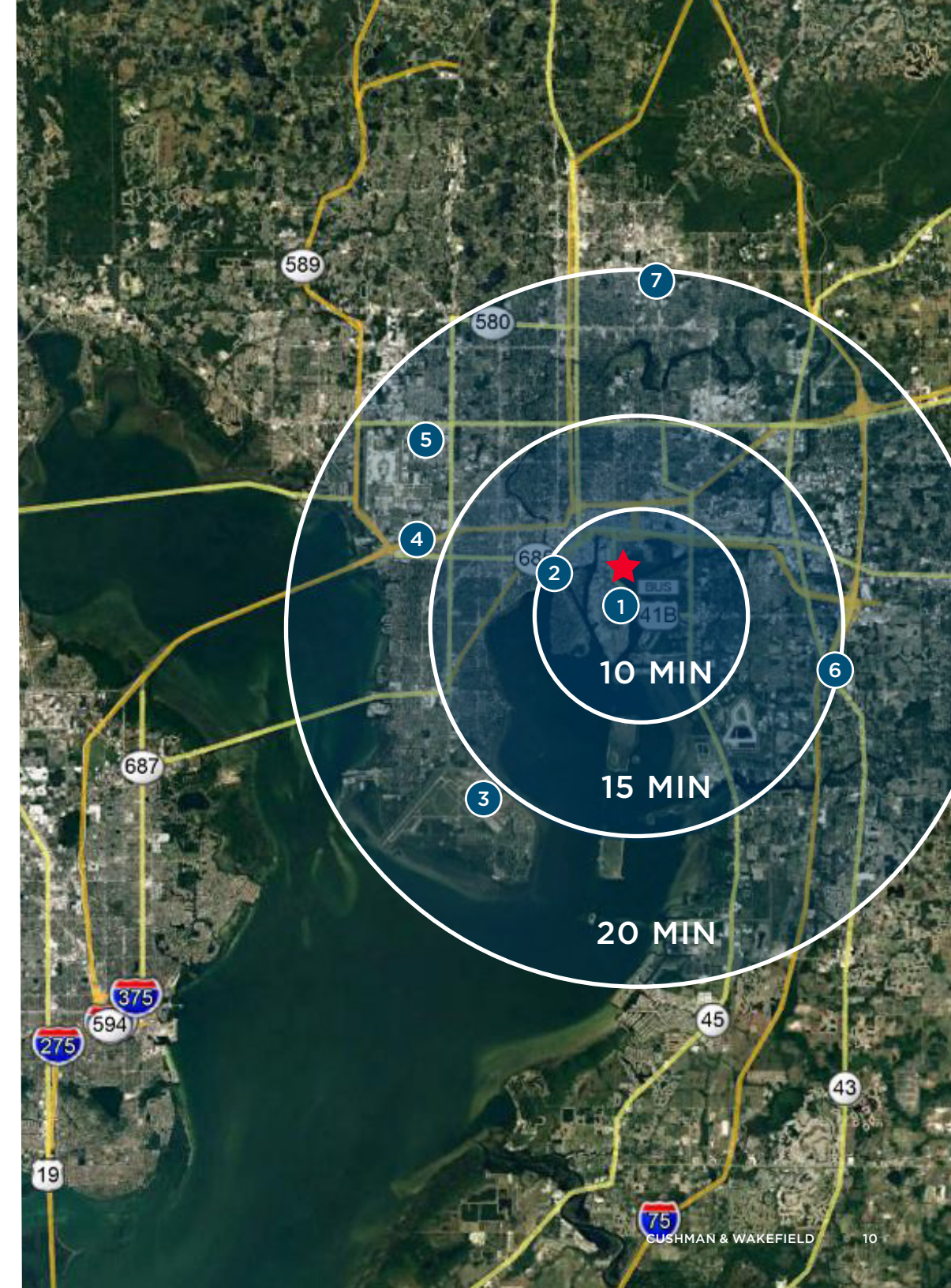
POPULATION	70,702
EMPLOYEES	87,591
MEDIAN AGE	34.4
AVERAGE HH INCOME	\$97,985
MEDIAN HH INCOME	\$52,599

Distances

PUBLIX	1.9 miles
TARGET	5.6 miles
TAMPA GENERAL HOSPITAL	3.6 miles
MEMORIAL HOSPITAL	4.7 miles
TAMPA INTERNATIONAL AIRPORT	8.9 miles
TAMPA CBD	1.9 miles
I-75	7.4 miles

Major Employment Centers

- 1 PORT OF TAMPA
- 2 DOWNTOWN TAMPA
- 3 MACDILL AIR FORCE BASE
- 4 WESTSHORE
- 5 NORTH AIRPORT INDUSTRIAL
- 6 BRANDON
- 7 USF



Palmetto Beach at McKay Bay

OFFERING MEMORANDUM

Transaction Structure

Offers Due

5pm, October 6, 2023

Offer Requirement

All offers must state the number of units, and size of the ground floor office/retail.

Due Diligence

90 days

Deposit

- Initial Deposit: \$50,000, refundable.
- Deposit after due diligence: \$450,000 for a total of \$500,000 all nonrefundable.

Closing

30 days after zoning.

OFFERING MEMORANDUM

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