

Exhibit S - Lot Size Justification Statement

Justification for the Estates at Equestrian Village Residential

November 23, 2022

The best way to preserve the Wellington equestrian community and lifestyle is to ensure the success of its venues, which is the ultimate driver of demand for the community, residences, and farms. There are hundreds of successful and unsuccessful communities, both nationally and globally, with protected lands, community barns, and bridle trails. The success of Wellington is due to the configuration of a broad and deep series of equestrian circuits, extending close to 40 weeks in length. Over the last 14 years, Wellington has adjusted the number of rings, types of classes, number of divisions, lengths of the circuits, prize money, and hospitality offerings as a measure to drive demand. Adjustments were based on an understanding of the Wellington customer needs. Today, through feedback from multiple channels, including the equestrian preserve committee, customers continue to ask for expanded showgrounds, more divisions, improved facilities, as well as expanded lifestyle offerings and amenities.

Two illustrations effectively represent the adaptability of this model. In 2008, Wellington offered dozens of new horse show competition divisions, including unrated amateur divisions which dramatically spurred a broader level of participation. In 2012, Grand Prix Village South (GPVS) was approved for 64 residential 1-acre units. During this time period, stabling was the highest priority, which resulted in the conversion of the 64 residential units to 16 -4 +/- acre farms. Market and customer habits continue to evolve, requiring Wellington to adapt products to market conditions to assure Wellington's long-term success.

Global Equestrian Group (GEG) and Wellington Residential Holdings (WRH) are partnering as follows:

- WRH will provide the land to consolidate and expand the jumping/dressage showgrounds. The jumping/dressage domain represents 80-85% of the Wellington equestrian economy.
- GEG commits to substantial investments in showground expansion to include new rings, work areas, hospitality, and stabling.
- WRH will invest in residential and lifestyle amenities to ensure a pipeline of new equestrian participants, thus driving a continued demand for capacity.
- WRH and GEG together will address the challenges of new venue competitors, both domestic and international (e.g. Ocala, Sarasota, Portugal, Spain).

WRH currently owns 250 acres within Parcels B, E, and F. Excluding lakes, water retention, and preserves, there are approximately 167 net acres. The stabling capacity at Wellington's 4 horses-per-acre standard equals 668 stalls. The proposed GEG plan adds approximately 878 new stalls, after netting out the 300 stalls displaced from Equestrian Village (Dressage Venue) the loss of stabling capacity, if any, is de minimis. GEG's interest in expanding the showgrounds and its willingness to invest the necessary financial resources is driven by one of its most important revenue streams, stabling, and the belief that Wellington's participation will continue to grow. The applicant believes limiting stabling options within the Estates at Equestrian Village (The Estates) project is supportive and collaborative of GEG's commitment to expand showground venues and provide for a permanent world class venue—which includes permanent stabling.

The applicant believes the market will acknowledge the commitment and investment proposed by GEG and WRH. The goal is to ensure Wellington's long term equestrian success by bringing in a robust pipeline of participants.

- There are approximately 4,000 families that participate in the Wellington winter season. There are approximately 600 barns in Wellington split between Jumper, Dressage, and Polo. It is estimated that less than 20% of the participants own their own local stabling facilities. The balance of the participants either rent on the showgrounds or private facilities. Stall rentals at the showgrounds are priced at \$3,700 - \$9,500 per stall, per season and is the only option for a significant number of participants. Stall rentals at private facilities are priced at \$6,000 – \$20,000 per stall plus the additional costs to transport horses each week to and from the showgrounds. With the addition of new rings proposed by GEG, additional divisions can be added which will drive more participants and more horses, which require more stabling. Additionally, as the private farm inventory increases there is an additional need for stabling at the showgrounds. Together, with the growth of the private farms, rings, work areas, and the existing strong market for onsite stabling, this project will provide access and diversity to the Wellington equestrian ecosystem as well as preserve one of the most critical revenues streams (stabling) for show operations for GEG.
- Should the showgrounds not expand, Wellington is not positioned for long term success. This proposed plan by GEG will add significant stabling capacity in a competitive venue environment, eliminating the potential for Wellington to remain stagnant.
- Residential options are an important component of the Wellington equestrian ecosystem. Residential, lodging, and lifestyle opportunities directly affect the equestrian customer. The goal is to create a logical separation and suggesting that residential offerings such as The Estates and Equestrian Club Estates do not belong in the EOZD is fundamentally flawed. Today, there is a significant shortage in residential options catering to the equestrian community. The lack of residential accommodations in close proximity to the showgrounds reduces interest and limits potential for growth. The original intent of the Wellington Countryplace PUD which included 197 units being utilized for The Estates, was to provide for a diversity of residential and equestrian opportunities around the Palm Beach Polo equestrian amenity. This included traditional residences (e.g. Equestrian Club Estates), traditional farms (e.g. Grand Prix Village), and residential/farm properties (e.g. Mallet Hill). The need for traditional residential has always been recognized. This petition is requesting to utilize the existing units in a configuration that supports a long-term vision.
- The 99 homes within Equestrian Club Estates is evidence that the market has embraced smaller lot sizes. One-acre lots are too small for viable farms and less attractive by those who desire simpler maintenance obligations. There are currently very few units for sale in Equestrian Club Estates. This approach is a proven successful lot/mix model. The most recent new capacity in Palm Beach Polo are smaller lots, 0.25 acres on average in Blue Cypress, and 0.6 acres in Cypress Island.

In summary, there is a need for more participants to support the financial viability of GEG's vision of the expanded showgrounds. The Estates will attract equestrians who desire to be located within a golf cart drive to the show venue. The Estates will also provide equestrian and residential offerings to fit a new generation of equestrian enthusiasts who have an evolving set of tastes and interests.