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ARTHUR E. LEWIS

ALSO ADMITTED IN NY & DC^{*}
ALSO ADMITTED IN MA^{**}
ALSO ADMITTED IN NY & CT^{*}
ALSO ADMITTED IN NY[^]

CERTIFIED CIRCUIT COURT MEDIATOR¹

January 13, 2020

**VIA: EMAIL CRiedi@Lehtinen-Schultz.com
AND HAND DELIVERY BY COURIER**

Karyn Cunningham, Mayor of the Village of Palmetto Bay
Edward Silva, Manager of the Village of Palmetto Bay
c/o - Claudio Riedi, Esquire
Lehtinen & Schultz
1111 Brickell Avenue, Suite #2200
Miami, FL 33131

Re: *Compensation Claim Against The Village Of Palmetto Bay, Florida, a political subdivision of the State of Florida (the "Village"), pursuant to the Bert J. Harris, Jr., Private Property Rights Protection Act as set forth in Fla. Stat. §70.001 (the "Bert Harris Act").*

**NOTICE OF CLAIM FOR COMPENSATION OR OTHER LAWFUL RELIEF
PURSUANT TO THE BERT HARRIS ACT**

Dear Mr. Riedi:

This firm represents Yacht Club By Luxcom, LLC ("Luxcom"). This letter is being addressed to the Mayor and Manager of the Village of Palmetto Bay but is being sent to you as counsel for the Village based on the instructions we previously received from Amanda Quirke that all future communications directed to the Village (including all of its elected officials, agents and employees) be sent directly to you. If for any reason you maintain that we need to deliver this letter and the attached appraisal directly to the Mayor and the Village Manager please let us know and we will do so immediately.

As you know, Luxcom is the owner of the real property within the Village as identified in Exhibit "A" attached hereto (the "Subject Property"). Luxcom is hereby serving this Notice of Claim for Compensation or Other Lawful Relief upon the Village pursuant to §70.001(4)(a) of the Bert Harris Act.

BROWARD (954) 491-2000
TELECOPIER (954) 491-2051

OF COUNSEL

SHIRLEY D. WEISMAN, P.A.

Michael W. Moskowitz
mmoskowitz@msslaw.com
Direct (954) 776-9211

January 13, 2020
Page 2

The Village's adoption and application of Ordinance Nos. 2019-17 and 2019-18 (collectively the "Ordinances"), has inordinately burdened both an existing use and a vested right to a specific use of the Subject Property. See, §70.001(2) of the Bert Harris Act. Additionally, the adoption and application of the Ordinances to the Subject Property have also left Luxcom with existing and vested uses that are unreasonable such that Luxcom bears permanently a disproportionate share of a burden imposed and claimed to be for the good of the public, which in fairness should be borne by the public at large. See, §70.001(3)(e)(1) of the Bert Harris Act.

The reduction/loss to the fair market value of the Subject Property caused as a direct result of the enactment and application of the Ordinances is set forth in the bona fide appraisal attached hereto as Exhibit "B" prepared by Callaway & Price, Inc. (the "Appraisal"). Luxcom requests that the Village comply with its obligations under §70.001(4)(c) and §70.001(5)(a) of the Bert Harris Act and provide Luxcom, within 150 days from the date hereof, with a written settlement offer and a written statement of allowable uses identifying the allowable uses to which the Subject Property may be put.

Luxcom desires to amicably resolve this matter and looks forward to working with the Village to explore all options to try and come to a resolution. However, in the event that Luxcom and the Village are unable to resolve this dispute within 150 days from the date hereof, then immediately upon the expiration of such time period, Luxcom shall be filing a Bert Harris action against the Village to recover the \$21,760,000.00 in damages it has sustained (as set forth in the attached Appraisal) which represents the actual loss to the fair market value of the Subject Property caused by the Village's above described actions relating to the enactment and application of the Ordinances. Upon prevailing, Luxcom shall also be entitled to recover its costs and attorney's fees pursuant to §70.001(6)(c)(1) of the Bert Harris Act.

On behalf of Luxcom, we look forward to hearing back from the Village with its settlement offer.

Very truly yours,

MOSKOWITZ, MANDELL,
SALIM & SIMOWITZ, P.A.

BY: /s/ Michael W. Moskowitz
MICHAEL W. MOSKOWITZ

For The Firm

Encls (as stated herein)

LEGAL DESCRIPTION, CUTLER PLANTATION PARCEL (LEGAL AS PROVIDED BY CLIENT)

A PORTION OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 24, TOWNSHIP 55 SOUTH, RANGE 40 EAST.
LOCATED IN THE VILLAGE OF PALMETTO BAY, MIAMI-DADE COUNTY, FLORIDA.
BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$, OF SECTION 24, TOWNSHIP 55 SOUTH, RANGE 40 EAST; THENCE RUN SOUTH 2°11'04" EAST ALONG THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 140.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 140.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 35.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE TO RUN NORTH 88°01'36" EAST ALONG A LINE 140.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 368.00 FEET; THENCE RUN SOUTH 2°11'04" EAST ALONG A LINE 403.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 435.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 575.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 360.00 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE 763.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE 205.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 370.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 352.00 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE 1,115.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24, FOR A DISTANCE OF 370.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,563.35 FEET TO THE NORTHEAST CORNER OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24; THENCE RUN SOUTH 2°45'45" EAST ALONG THE EAST LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,346.17 FEET TO THE SOUTHEAST CORNER OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24; THENCE RUN SOUTH 88°00'56" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 58.95 FEET; THENCE RUN NORTH 81°55'31" WEST FOR A DISTANCE OF 618.27 FEET; THENCE RUN SOUTH 1°59'04" EAST FOR A DISTANCE OF 107.99 FEET; THENCE RUN SOUTH 88°00'56" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 125.53 FEET; THENCE RUN NORTH 1°59'04" WEST FOR A DISTANCE OF 35.00 FEET; THENCE RUN SOUTH 88°00'56" WEST ALONG A LINE THAT IS 35.00 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,863.81 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE THAT IS 35.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTH $\frac{1}{2}$, OF SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 1,171.58 FEET TO THE POINT OF BEGINNING.

EXHIBIT

"A"

exhibitsticker.com

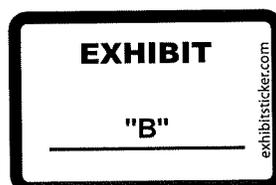
AN APPRAISAL OF
**THE FORMER FPL CUTLER POWER
PLANT SITE LOCATED AT
THE NORTHEAST CORNER OF
SW 67TH AVENUE AND SW 152ND AVENUE
IN THE VILLAGE OF PALMETTO BAY,
MIAMI-DADE COUNTY, FLORIDA**

FILE #19-79899

PREPARED FOR
MOSKOWITZ, MANDELL, SALIM & SIMOWITZ, P.A.

AS OF
JULY 29, 2019
AND
JULY 30, 2019

BY
STEPHEN D. SHAW, MAI, AI-GRS
CALLAWAY & PRICE, INC.





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January 10, 2020

Scott Zaslav
Moskowitz, Mandell, Salim & Simowitz, P.A.
800 Corporate Drive, Suite 500
Fort Lauderdale, FL 33334

Dear Mr. Zaslav:

We have made an investigation and analysis of the vacant land that makes up the former FPL Cutler Power Plant site located at the northeast corner of SW 67th Avenue (Ludlam Road) and SW 152nd Avenue (Coral Reef Drive), in the Village of Palmetto Bay, Miami-Dade County, Florida. The Subject Property will be further described both narratively and legally within the following Appraisal Report. The purpose of this investigation and analysis was to provide our opinion of the Retrospective Market Value of the Fee Simple Estate of the Subject Property before and after the land use and zoning changes, as of July 29, 2019 and July 30, 2019.

As of July 29, 2019, the Subject Property was located within two zoning and land use districts of the Village of Palmetto Bay. Approximately 10-acres on the west boundary of the site was zoned E-1, Estate Single Family (1-dwelling unit per acre), with a land use of Estate Density Residential. The remaining balance of the site (approximately 61-acres) was zoned I-Interim, with the land use of Institutional and a hospital related use was planned for the site. On July 30, 2019 the Institutional land use designation was changed to Estate Density Residential and this portion of the site was officially rezoned to E-1, Estate Single Family (1-dwelling unit per acre), effectively limiting the site to a residential development of 60 units/lots.

This report has been prepared for our client and intended user, Moskowitz, Mandell, Salim & Simowitz, P.A. The intended use was to assist the client in litigation support for a "Bert J. Harris, Jr., Private Property Rights Protection Act" lawsuit claim. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Scott Zaslav
Moskowitz, Mandell, Salim & Simowitz, P.A.
January 10, 2020
Page two

Based upon the scope of the assignment, our investigation and analysis of the information contained within this report, as well as our general knowledge of real estate valuation procedures and market conditions, it is our opinion that the Retrospective Market Value of the Fee Simple Estate of the Subject Property, as an institutional use, as of July 29, 2019 was:

\$34,000,000

It is also our opinion that the Retrospective Market Value of the Fee Simple Estate of the Subject Property, considering the land and zoning use to Estate Density Residential, as of July 30, 2019 was:

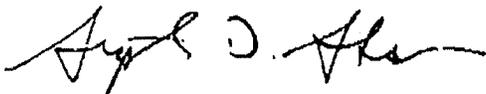
\$12,240,000

Based on these two valuations, it is our opinion that the damages claim for the "Bert J. Harris, Jr., Private Property Rights Protection Act", as of July 30, 2019 was:

\$21,760,000

A description of the property appraised, together with an explanation of the valuation procedures utilized, is contained in the body of the attached report. For your convenience, an Executive Summary follows this letter. Your attention is directed to the Limiting Conditions and underlying assumptions upon which the value conclusion is contingent.

Respectfully submitted,
CALLAWAY & PRICE, INC.



Stephen D. Shaw, MAI, AI-GRS
Cert Gen RZ1192



Robert A. Callaway, MRICS
Cert Gen RZ2461

SDS/RAC/js/19-79899
Attachments



Executive Summary

PROPERTY TYPE	:	Vacant land with canal frontage
LOCATION	:	The Subject Property is located at the northeast corner of SW 67 th Avenue (Ludlam Road) and SW 152 nd Street (Coral Reef Drive), in the Village of Palmetto Bay, Miami-Dade County, Florida 33157.
DATE OF VALUATIONS	:	July 29, 2019 & July 30, 2019
DATE OF REPORT	:	January 10, 2020
PROPERTY DESCRIPTION:		
LAND	:	According to the survey: the gross Subject size is approximately 3,081,026 square feet, or 71+/- acres; the land excluding water bodies contains 2,611,727 square feet, or 60-acres; the areas of water bodies (turning basin and canals) contain 469,299 square feet, or 11+/- acres.
IMPROVEMENTS	:	There are only minimal, and old site improvements (paving, fencing, dock, boat ramp, shed/boat house, etc.). They have outlived their economic life and no longer contribute value to the property.
BEFORE LAND USE AND ZONING CHANGE:		
ZONING – (JULY 29, 2019)	:	I, Interim district, and E-1, Estate Single Family district, by the Village of Palmetto Bay.
FUTURE LAND USE PLAN- (JULY 29, 2019)	:	Institutional and Public Facility, and Estate Density Residential, by the Village of Palmetto Bay.
HIGHEST AND BEST USE (JULY 29, 2019)	:	Future development of an institutional/hospital related use.
RETROSPECTIVE MARKET VALUE OF THE FEE SIMPLE ESTATE OF THE SUBJECT PROPERTY, AS AN INSTITUTIONAL SITE, AS OF JULY 29, 2019	:	\$34,000,000



AFTER LAND USE AND ZONING CHANGE

ZONING - (JULY 30, 2019) : E-1, Estate Single Family district, by the Village of Palmetto Bay.

FUTURE LAND USE PLAN- (JULY 30, 2019) : Estate Density Residential, by the Village of Palmetto Bay.

HIGHEST AND BEST USE (JULY 30, 2019) : Future development with a single-family estate type development

RETROSPECTIVE MARKET VALUE OF THE FEE SIMPLE ESTATE OF THE SUBJECT PROPERTY, AT THE ESTATE DENSITY RESIDENTIAL LAND USE, AS OF JULY 30, 2019 : \$12,240,000

DAMAGES CLAIM FOR THE BERT J. HARRIS, JR., PRIVATE PROPERTY RIGHTS PROTECTION ACT, AS OF JULY 30, 2019 : \$21,760,000



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ADDENDA

Engagement Letter

Qualifications:

 Stephen D. Shaw, MAI, AI-GRS

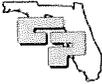
 Robert A. Callaway, MRICS



CERTIFICATION

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have not performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The analyses, opinions, and conclusion were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and The Interagency Appraisal and Evaluation Guidelines, December 10, 2010.
9. Robert A. Callaway, MRICS and Stephen D. Shaw, MAI, AI-GRS, have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. 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.



Certification

12. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
13. The reported analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
14. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
15. As of the date of this report, Robert A. Callaway, MRICS has completed the requirements under the continuing education programs of the Royal Institute of Chartered Surveyors, the State of Florida, and FREAB.
16. As of the date of this report, Stephen D. Shaw, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.

Stephen D. Shaw, MAI, AI-GRS
Cert Gen RZ1192

Robert A. Callaway, MRICS
Cert Gen RZ2461



General Assumptions and Limiting Conditions

GENERAL ASSUMPTIONS

1. Unless otherwise stated, the value appearing in this appraisal represents the opinion of the Market Value or the Value Defined AS OF THE DATES SPECIFIED. Market Value of real estate is affected by national and local economic conditions and consequently will vary with future changes in such conditions.
2. The value opinion in this appraisal report is gross, without consideration given to any encumbrance, restriction or question of title, unless specifically defined.
3. It is assumed that the title to the premises is good; that the legal description is correct; that the improvements are entirely and correctly located on the property described and that there are no encroachments on this property, but no investigation or survey has been made.
4. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered. No right to expert testimony is included unless other arrangements have been completed. In the performance of our investigation and analysis leading to the conclusions reached herein, the statements of others were relied on. No liability is assumed for the correctness of these statements; and, in any event, the appraiser's total liability for this report is limited to the actual fee charged.
5. No rights to expert witness testimony, pre-trial or other conferences, depositions, or related services are included with this appraisal. If as a result of this appraisal process Callaway and Price, Inc., or any of its principals, its appraisal consultants or experts are requested or required to provide any litigation services, such shall be subject to the provisions of the engagement letter or, if not specified therein, subject to the reasonable availability of Callaway and Price, Inc. and/or said principals or appraisers at the time and shall further be subject to the party or parties requesting or requiring such services paying the then applicable professional fees and expenses of Callaway and Price, Inc. either in accordance with the engagement letter or arrangements at the time, as the case may be.
6. Any material error in any of the data relied upon herein could have an impact on the conclusions reported. We reserve the right to amend conclusions reported if made aware of such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days of delivery of this report and should immediately notify us of any questions or errors.
7. The market value reported herein assumes that all taxes and assessments have been paid and assumes a fee simple interest unless otherwise reported. The body of the report will define the interest appraised if it differs.



General Assumptions and Limiting Conditions

8. Neither all nor any part of the contents of this report (especially any conclusions, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or any of its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without our prior written consent and approval.
9. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or the engineering which might be required to discover these factors.
10. Our opinion of value was based on the assumption of competent marketing and management regarding the property. If there is no competent marketing and management, then the market value opinion herein may not apply.

LIMITING CONDITIONS

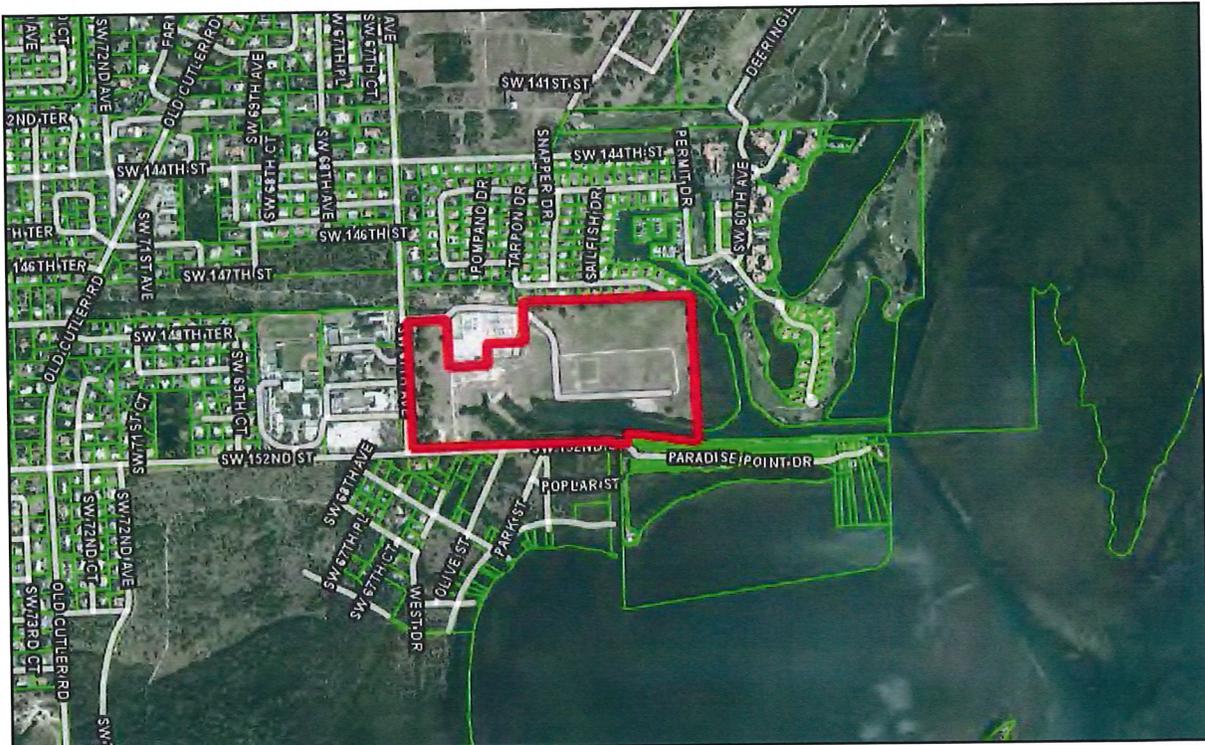
1. It should be noted we are aware of environmental issues related to the former use of the site as both an oil burning and gas burning power plant for FPL. The primary constituents of concern were both arsenic and vanadium at levels higher than permissible for both soil and groundwater cleanup target levels. It is a Hypothetical Condition of this report that the site is developable and buildable.
2. No extraordinary assumptions are part of this appraisal assignment.
3. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation stachybotrys chartarum (mold), asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, was not called to the attention of, nor did the appraisers become aware of such during their inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such proximity thereto that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.



General Assumptions and Limiting Conditions

4. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

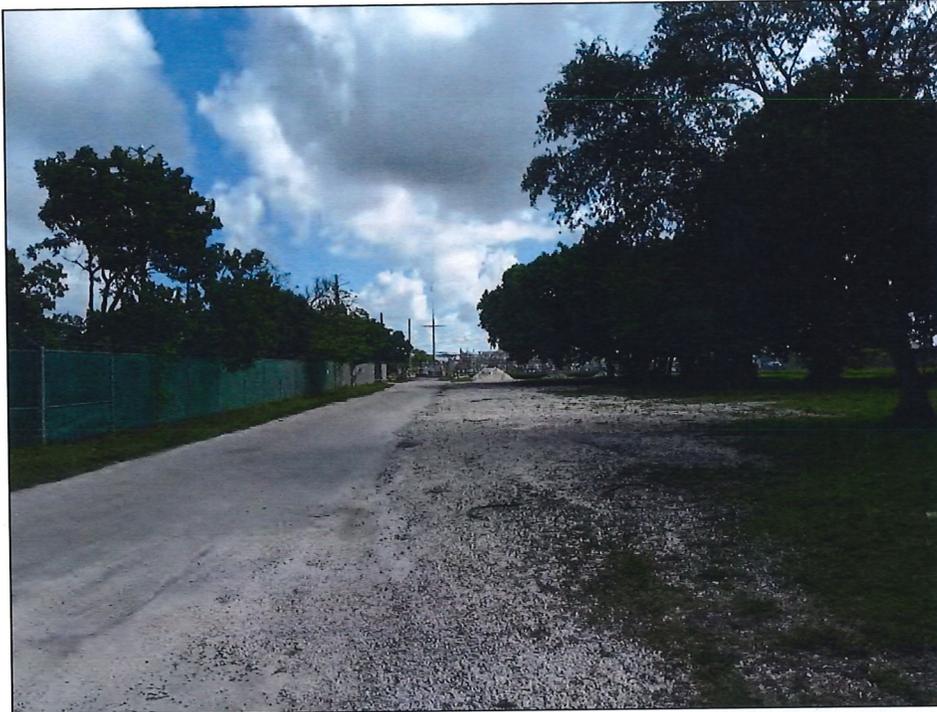
5. We have relied upon the survey prepared by Biscayne Engineering drawing number CG-1182-2 for the site size, upland area and water bodies area.



AERIAL VIEWS OF THE SUBJECT PROPERTY



Subject Photos



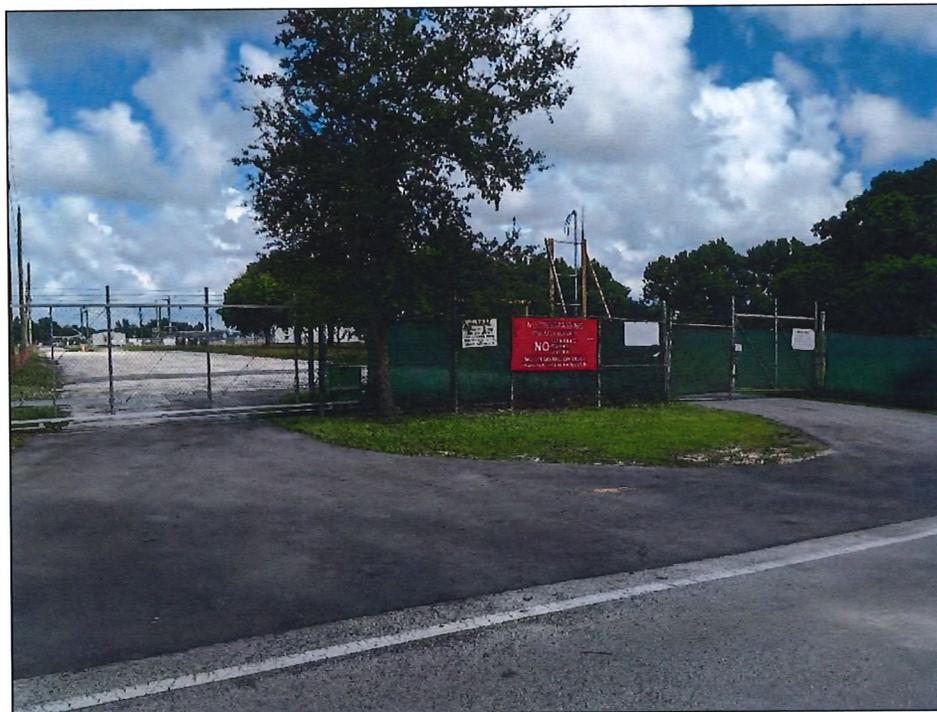
EAST VIEW ALONG NORTH END OF SUBJECT PROPERTY



SOUTH VIEW ALONG SW 67th AVENUE IN FRONT OF SUBJECT PROPERTY



EAST VIEW ALONG SOUTH BOUNDARY OF SUBJECT, SW 152 AVENUE



SOUTH ENTRY TO SUBJECT PROPERTY



INTERIOR VIEW OF SUBJECT LOOKING NORTHEAST



INTERIOR VIEW OF THE CANAL AREA AND TURNING BASIN



INTERIOR VIEW OF BOAT RAMP LAUNCH AREA ON SUBJECT SITE



INTERIOR VIEW LOOKING NORTH



DEFINITION OF THE APPRAISAL PROBLEM

Purpose, Date of Value, and Interest Appraised

The purpose of this investigation and analysis was to provide our opinion of the Retrospective Market Value of the Fee Simple Estate of the Subject Property before and after the land use and zoning changes, as of July 29, 2019 and July 30, 2019.

As of July 29, 2019, the Subject Property was located within two zoning and land use districts of the Village of Palmetto Bay. Approximately 10-acres on the west boundary of the site was zoned E-1, Estate Single Family (1-dwelling unit per acre), with a land use of Estate Density Residential. The remaining balance of the site (approximately 61-acres) was zoned I-Interim, with the land use of Institutional and a hospital related use was planned for the site. On July 30, 2019 the Institutional land use designation was changed to Estate Density Residential and this portion of the site was officially rezoned to E-1, Estate Single Family (1-dwelling unit per acre), effectively limiting the site to a residential development of 60 units/lots.

Intended Use and User of Appraisal

This report has been prepared for our client and intended user, Moskowitz, Mandell, Salim & Simowitz, P.A. The intended use was to assist the client in litigation support for a "Bert J. Harris, Jr., Private Property Rights Protection Act" lawsuit claim. The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Market Value

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

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and



Definition of the Appraisal Problem

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

Source: The Interagency Appraisal and Evaluation Guidelines, Federal Register, Volume 75, No. 237, December 10, 2010, Pgs. 61-62.

Legal Description

LEGAL DESCRIPTION, CUTLER PLANTATION PARCEL (LEGAL AS PROVIDED BY CLIENT)

A PORTION OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 24, TOWNSHIP 55 SOUTH, RANGE 40 EAST. LOCATED IN THE VILLAGE OF PALMETTO BAY, MIAMI-DADE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$, OF SECTION 24, TOWNSHIP 55 SOUTH, RANGE 40 EAST; THENCE RUN SOUTH 2°11'04" EAST ALONG THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 140.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 140.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 35.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE TO RUN NORTH 88°01'36" EAST ALONG A LINE 140.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 368.00 FEET; THENCE RUN SOUTH 2°11'04" EAST ALONG A LINE 403.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 435.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 575.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 360.00 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE 763.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE 205.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG A LINE 370.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 352.00 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE 1,115.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24, FOR A DISTANCE OF 370.00 FEET; THENCE RUN NORTH 88°01'36" EAST ALONG THE NORTH LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,563.35 FEET TO THE NORTHEAST CORNER OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24; THENCE RUN SOUTH 2°45'45" EAST ALONG THE EAST LINE OF THE SOUTH $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,346.17 FEET TO THE SOUTHEAST CORNER OF THE SOUTH $\frac{1}{2}$, OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24; THENCE RUN SOUTH 88°00'56" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 58.95 FEET; THENCE RUN NORTH 81°55'31" WEST FOR A DISTANCE OF 618.27 FEET; THENCE RUN SOUTH 1°59'04" EAST FOR A DISTANCE OF 107.99 FEET; THENCE RUN SOUTH 88°00'56" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 125.53 FEET; THENCE RUN NORTH 1°59'04" WEST FOR A DISTANCE OF 35.00 FEET; THENCE RUN SOUTH 88°00'56" WEST ALONG A LINE THAT IS 35.00 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$ OF THE SAID SECTION 24 FOR A DISTANCE OF 1,863.81 FEET; THENCE RUN NORTH 2°11'04" WEST ALONG A LINE THAT IS 35.00 FEET EAST OF AND PARALLEL TO THE WEST LINE OF THE SOUTH $\frac{1}{2}$, OF SOUTHWEST $\frac{1}{4}$, OF THE SAID SECTION 24 FOR A DISTANCE OF 1,171.58 FEET TO THE POINT OF BEGINNING.

Source: Survey by Biscayne Engineering, Surveyors, Engineers, Planners



Fee Simple Estate

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Fee Simple Estate on page 90 as follows:

"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."

Retrospective Value Opinion

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Retrospective Value on page 201 as follows:

"A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Exposure Time

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute, defines Exposure Time on page 83 as follows:

1. "The time a property remains on the market."
2. "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. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market."

There is a requirement under Standard Two to report exposure time according to the latest USPAP publication. "Exposure Time" is different for various types of property under different market conditions.

We have reviewed the exposure time on the sales contained in the Sales Comparison Approach in this appraisal. Based on that data and the current market, it is our opinion that the Subject Property would have had an exposure time of approximately 12 months or less.



SCOPE OF WORK

According to the 14th Edition of The Appraisal of Real Estate, page 38, "Scope of work encompasses all aspects of the valuation process, including which approaches to value will be used; how much data is to be gathered, from what sources, from which geographic area, and over what time period; the extent of the data verification process; and the extent of property inspection, if any.

The scope of work decision is appropriate when it allows the appraiser to arrive at credible assignment results and is consistent with the expectations of similar clients and the work that would be performed by the appraiser's peers in a similar situation."

The first step in the appraisal process is the identification of the appraisal problem which included the purpose and date of value, determining the interest being appraised, intended use and user of the appraisal, and identifying the real estate (legal description). This step also determines if the appraisal were subject to any extraordinary assumptions or hypothetical conditions.

The next step involved inspections of the Subject Property in October 2019 by Robert A. Callaway, MRICS and Stephen D. Shaw, MAI, AI-GRS. The inspection allowed us to understand the physical components of the Subject Property. In addition to the inspections of the Subject Property, we also began the data-collection process and, subsequently, an analysis of the factors that affect the market value of the Subject Property, including property data analysis. We gathered and reviewed information from the Miami-Dade County Property Appraiser's Office, the Village of Palmetto Bay Planning and Zoning Department, our Client and interviews with brokers and other market participants to understand and describe the Subject Property and its surroundings.

The third step in the process was to determine the Highest and Best Use of the Subject Property. Through the Highest and Best Use analysis, we determined the issues that have an effect on the final opinion of value. To determine the Highest and Best Use, we relied on information obtained from the data-collection process.

The fourth step was the application of the appropriate approaches for the valuation of the Subject Property. The Subject Property consists of a 71+/- acre vacant land site formerly utilized as an FPL Cutler Power Plant. The power plant ceased power generation in 2012 and was demolished in 2013. It is a now vacant site. It was purchased in December 2018 by its current owners.

As of July 29, 2019, the Subject Property was located within two zoning and land use districts of the Village of Palmetto Bay. Approximately 10-acres on the west boundary of the site was zoned E-1, Estate Single Family (1-dwelling unit per acre), with a land use of Estate Density Residential. The remaining balance of the site (approximately 61-acres) was zoned I-Interim, with the land use of Institutional and a hospital related use was planned for the site (a site plan for a hospital use was submitted for



approval to the Village in April 2019). On July 30, 2019 the Institutional land use designation was changed to Estate Density Residential, and this portion of the site was officially rezoned to E-1, Estate Single Family (1-dwelling unit per acre), effectively limiting the site to a residential development of 60 units/lots.

Therefore, we will provide value indications for the Subject "before and after" the land use and zoning changes or as of July 29, 2019 (before) and July 30, 2019 (after).

In the "before" valuation as of July 29, 2019 we will value the Subject site based on an institutional/hospital related use. A site plan for a hospital use was submitted for approval to the Village in April 2019. The most applicable valuation procedure for estimating the Market Value for this analysis is the Sales Comparison Approach. We will perform a vacant land sales analysis utilizing the most similar properties throughout the Florida region.

For our "after" valuation as of July 30, 2019, we made an extensive search to locate similar waterfront estate parcels throughout the State. However, there are no recent similar large acreage, estate residential, waterfront land sales that are similar to the Subject Property and available for use in a direct Sales Comparison Approach. Therefore, we have relied upon the Land Residual Technique (Subdivision Analysis).

In an analysis of a residential site by the Land Residual Technique, the appraisal problem is the estimation of the Market Value of future receipts generated by the sale of the vacant lots, less the cost of infrastructure, selling and carrying costs. The steps necessary for the Market Value estimate by this methodology are as follows:

1. Estimate the individual lot retail prices through market comparison and subsequently the Total Sellout of the Subject lots.
2. Estimate the absorption period or time required to sell the lots based on market comparison.
3. Deduct all development expenses and selling costs including developer's profit.
4. Discount the net future receipts back to a present value at an appropriate rate.

This methodology is relied upon heavily by large land developers and will provide a reliable indication of the Subject site with the Estate Density Residential land use and E-1, Estate Single Family zoning.



NEIGHBORHOOD DATA

The relationship of the Subject Property with surrounding properties forms the basis of neighborhood analysis. The Appraisal of Real Estate, 14th Edition on page 165 states: "The boundaries of market areas, neighborhoods, and districts identify the areas that influence a subject property's value. These boundaries may coincide with observable changes in land use or demographic characteristics. Physical features such as structure types, street patterns, terrain, vegetation, and lot sizes help to identify land use districts. Transportation arteries (highways, major streets, and railroads), bodies of water (rivers, lakes, and streams), and changing elevation (hills, mountains, cliffs, and valleys) can also be significant boundaries."

Neighborhood Map



The Subject Property is located within the Village of Palmetto Bay, in Miami-Dade County, Florida. The Subject neighborhood boundaries are considered to be the area bounded on the north by Killian Drive, on the west by Don Shula Expressway (SR 874) and the Florida Turnpike (SR 821), on the south by Hanlin Mill Drive, and on the east by the Biscayne Bay.

The neighborhood is located mostly within the Village of Palmetto Bay, just south of the Village of Pinecrest and the Kendall/Dadeland business and commercial district. The neighborhood incorporates areas of the City of South Miami, the Village of Pinecrest, the Village of Palmetto Bay, the Town of Cutler Ridge, Cutler Bay, Perrine, and unincorporated areas of Miami-Dade County. The neighborhood is nearly 100% built out. It is approximately 15 miles south of Miami.



Neighborhood Data

Access to and through the neighborhood is considered good. The Subject neighborhood has several major east/west traffic arteries that include Killian Drive, Coral Reef Drive, Eureka Drive and Hanlin Mill Drive. Major north/south arteries are South Dixie Highway (U.S. Highway 1), Don Shula Expressway (SR. 824), and the Florida Turnpike (S.R. 821). Access to the Don Shula Expressway and the Florida Turnpike provide easy access to other areas north and south of the Subject neighborhood.

Development along the larger arterial roadways consists of a diverse mix of commercial and light industrial uses, with residential uses in the secondary surrounding areas. Some of the uses include warehouses, single and multi-tenant office buildings, shopping centers, retail buildings, banks, fast food restaurants, apartment complexes, condominiums and townhomes. The neighborhood is also influenced by the Keys Gate PUD, Baptist Health South Florida, Homestead Air Reserve Base (former Air Force Base), the Homestead-Miami Speedway, the Florida Keys, the Everglades National Park and the Biscayne National Park.

The Subject neighborhood is primarily residential in nature with commercial development along the major roadways. Residential uses in the neighborhood include single-family homes, apartments and condominiums and are mainly located in the areas surrounding the primary thoroughfares.

The neighborhood is well served by several schools in addition to the typical community services including churches, parks, botanical gardens, and golf courses. The most notable school in the area is the University of Miami, which is located north of the Subject neighborhood along the north side of South Dixie Highway. Medical needs are provided by Jackson South Community Hospital, Palmetto Bay Medical Center, and Nicklaus Children's Palmetto Bay Center.

Conclusion

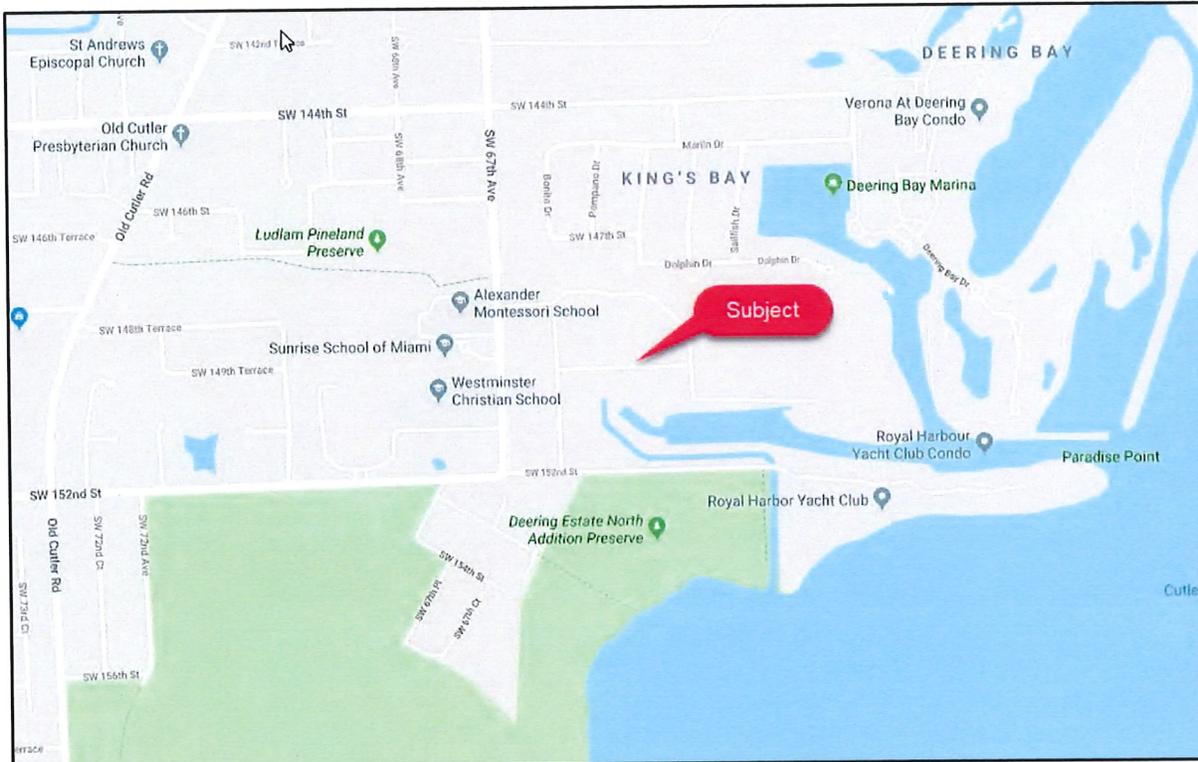
The Subject neighborhood is an established residential and commercial area that is nearly built out with adequate supporting facilities. It's easy access to other areas of Miami-Dade County has made it a desirable residential and commercial area. The general character of the Subject neighborhood is a good mix of both commercial and residential uses and is not expected to change. Property values have seen some increases over the last several years. The long-term outlook for the neighborhood is positive.



PROPERTY DATA

Location

The Subject Property is located at the northeast corner of SW 67th Avenue (Ludlam Road) and SW 152nd Street (Coral Reef Drive), in the Village of Palmetto Bay, Miami-Dade County, Florida 33157.



Subject Property Location Map

Zoning- As of July 29, 2019

As of July 29, 2019 the Subject Property was within two zoning districts of the Village of Palmetto Bay. Approximately 10-acres on the west boundary of the site was zoned E-1, Estate Single Family (1-dwelling unit per acre). The remaining balance of the site (approximately 61-acres) was zoned I-Interim.

Future Land-Use Plan- As of July 29, 2019

As of July 29, 2019 the Subject Property was within two Future Land Use Map designations. Approximately 10-acres on the west boundary of the site was designated Estate Density Residential. The remaining balance of the site (approximately 61-acres) was designated Institutional and Public Facility.



Zoning- As of July 30, 2019

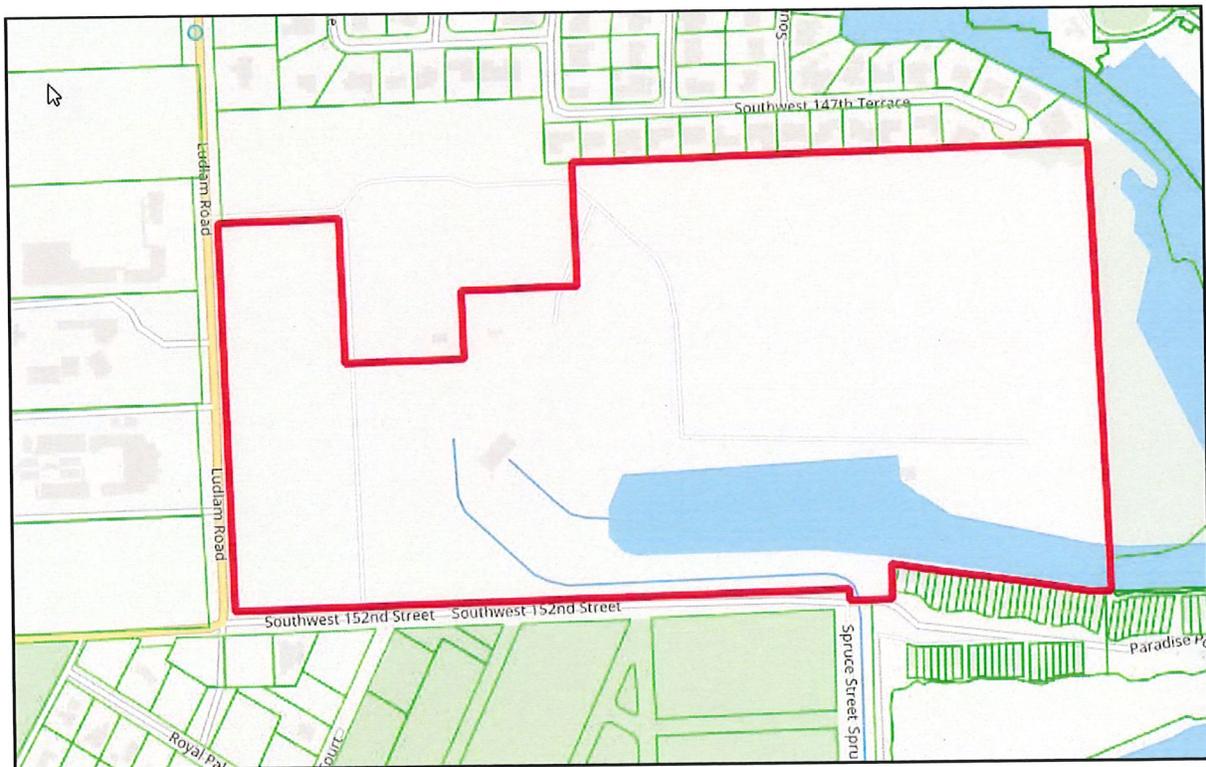
As of July 30, 2019 the I-Interim portion of the site was officially rezoned to E-1, Estate Single Family (1-dwelling unit per acre), effectively limiting the whole site to a residential estate density development.

Future Land Use Plan- As of July 30, 2019

As of July 30, 2019, the land use for the entire site was designated Estate Density Residential, by the Village of Palmetto Bay effectively limiting the whole site to a residential estate density development of 1 unit per acre or 60 units/lots based on the upland area of approximately 60 acres.

Site Size, Shape and Access

The Subject Property has an irregular shape (is mostly rectangular) and contains 3,081,026 square feet or 71+/- acres. The site contains 2,611,727 square feet or 60+/- acres on an uplands or net acre basis. The site contains 469,299 square feet or 11+/- acres of water bodies and deep-water canals that provides direct access to Biscayne Bay and the Atlantic Ocean. The site also has frontage on and access to SW 67th Avenue (Ludlam Road) and SW 152nd Street (Coral Reef Drive).





Easements and Deed Restrictions

Based upon our review of survey provided, the public records and our on-site inspections, there are no obvious atypical easements or adverse deed restrictions that would negatively affect the value of the Subject Property.

Utilities

All public utilities are available to the Subject Property including water and sewer by Miami-Dade County, electricity by FPL and telephone by AT&T.

Topography

The Subject site is generally level with the grade of the adjacent roadways, and slopes slightly towards the canals and Biscayne Bay. The site contains 469,299 square feet or 11-acres of water bodies and deep-water canals that provides direct access to Biscayne Bay and the Atlantic Ocean. The site does not appear to have any obvious drainage problems.

Census Tract

The Subject Property lies within Census Tract 0082.05.

2019 FFIEC Geocode Census Report

Address: 6525 SW 152ND ST, MIAMI, FL, 33157
MSA: 33124 - MIAMI-MIAMI BEACH-KENDALL, FL
State: 12 - FLORIDA
County: 086 - MIAMI-DADE COUNTY
Tract Code: 0082.05

Summary Census Demographic Information

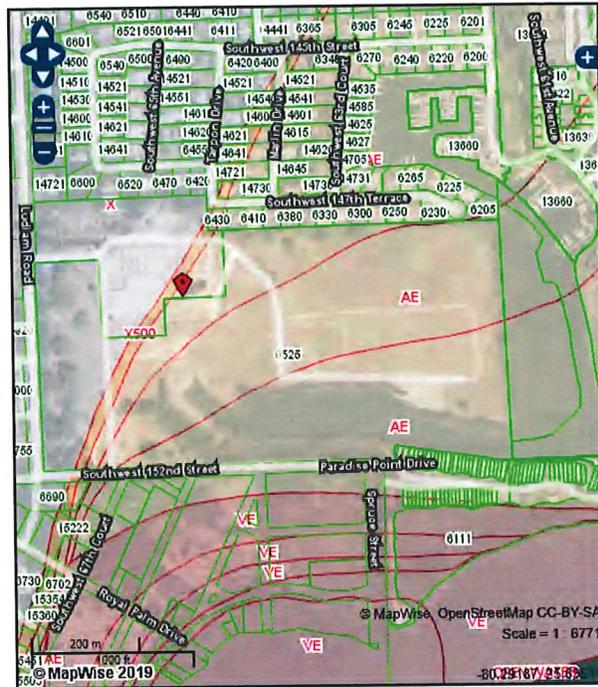
Tract Income Level	Upper
Underserved or Distressed Tract	No
2019 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$54,900
2019 Estimated Tract Median Family Income	\$196,877
2010 Tract Median Family Income	\$176,667
Tract Median Family Income %	358.61
Tract Population	4253
Tract Minority %	47.05
Tract Minority Population	2001
Owner-Occupied Units	1150
1- to 4- Family Units	1268



Flood Hazard Zone

Flood Report

Address (from parcels)	
FEMA Data Source	DFIRM - Digital Flood Information Rate Map
Inside Special Flood Hazard Area?	INSIDE SPECIAL FLOOD HAZARD AREA OUTSIDE SPECIAL FLOOD HAZARD AREA OUTSIDE SPECIAL FLOOD HAZARD AREA
Risk Level	HIGH RISK AREAS MODERATE RISK AREAS MODERATE TO LOW RISK AREAS
Flood Zone(s)	AE X500 X
Description(s)	AE = 100-YEAR FLOODPLAIN X500 = 500-YEAR FLOODPLAIN X = OUTSIDE FLOODPLAIN
Base Flood Elevation	11.000000000 -9999.000000000 -9999.000000000
NFIP Community Name	VILLAGE OF PALMETTO BAY
County	MIAMI-DADE
State	Florida
NFIP Community Number	120687
NFIP Map Number or Community Panel Number	12086C0468L
Inside CBRA?	FALSE
CBRA Type	N/A
Map Panel Effective Date	9/11/2009
LOMA/LOMR (yes/no)	UNKNOWN - check map
LOMA/LOMR Date	UNKNOWN - check map



Assessed Value and Taxes

The 2018 assessed value for the Subject Property was \$6,799,191. The property was sold in December 2018 to its new owner. In January 2019 it was re-assessed, and its new assessed value is \$25,031,279. The new 2019 taxes based on the reassessment are \$449,989.80.

Property History

According to the Miami-Dade County Public Records, the site was most recently purchased by Yacht Club by Luxcom, LLC, in December 2018 for \$33,000,000 from FPL. There have been no other arms-length transactions involving the Subject Property in the previous five years.



Improvements

Most of the improvements on the Subject Property have been demolished and removed. The Subject has been cleared and somewhat leveled and graded. The only improvements on the site are perimeter and interior fencing and old paving. There is an old boat launch ramp, docks, and shed/boat house. They are old and in need of repair. None of the minimal improvements contribute to the Highest and Best Use of the site.



HIGHEST AND BEST USE

The Dictionary of Real Estate Appraisal, Sixth Edition 2015, by the Appraisal Institute defines Highest and Best Use on page 109 as follows:

1. "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."
2. "The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)"
3. "The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)."

To estimate the Highest and Best Use of the Subject, we have considered those uses which are legally permissible, physically possible, financially feasible, and maximally productive. Consideration was given to individual features of the land such as size, shape, location, access to roadways, and the availability of utilities. Consideration was also given to the surrounding land uses and the demand for property in the current real estate market.

Conclusion – Before the Land Use Change as of July 29, 2019

It is our opinion that the Highest and Best Use of the Subject Property is for future redevelopment of the property with an institutional (hospital related) use. The reasons for this conclusion are as follows:

1. This type of use was permitted within the Zoning and Land Use Plan districts in the Village of Palmetto Bay. Approximately 10-acres on the west boundary of the site is zoned E-1, Estate Single Family (1-dwelling unit per acre). The remaining balance of the site (approximately 61-acres) was zoned I-Interim. The Subject Property also has two Future Land Use Map designations. Approximately 10-acres on the west boundary of the site was designated Estate Density Residential. The remaining balance of the site (approximately 61-acres) was designated Institutional and Public Facility. A hospital type use was allowed within these land use designations. The hospital site plan that was formulated and submitted had the western 10-acres (in the Estate zoned and planned areas) as set aside for a reserve area with no plans or buildings or structures on this area.



2. The Subject site is of sufficient size at 71 gross and 60 upland acres and is physically suitable for a wide variety of uses. The site also has a location adjacent to Biscayne Bay and has direct deep-water canal access and a turning basin to provide dockage and a marina area. This feature could provide immediate waterfront and docking access to hospital emergency room and ambulatory or emergency care for boats, divers, Coast Guard, etc. A specialty hospital use could also provide premium room view amenities. It is located in a well-developed area of Miami-Dade, on the northern boundary/edge of Palmetto Bay and the south boundary of Coral Gables. It is a prime site for an infill project, and one of (if not the only) the last large development sites of this kind (with direct water frontage and access) in south Miami-Dade County.
3. As can be seen in the following valuation we have analyzed recent market activity for institutional (hospital) properties located throughout the State of Florida. The sales were all hospital uses, bought by hospital groups, and some were large and had water body characteristics like the Subject. The available data indicates recent market activity and increasing values for similar properties.
4. Therefore, by definition, when the above reasons exist (legally possible, physically possible, financially feasible), a redevelopment of the site with an institutional (hospital) use, is the Highest and Best Use, and Maximally Productive Use of the Subject Property. The most typical purchaser for the Subject would be a developer or an investor.

Conclusion – After the Land Use Change as of July 30, 2019

It is our opinion that the Highest and Best Use of the Subject Property is for future redevelopment of the property with a residential use, as it is now limited to, the Village of Palmetto Bay. The reasons for this conclusion are as follows:

1. The bulk of the Subject Property's future land use was changed on July 30, 2019, and the site was officially designated as Estate Density Residential (land use), with E-1, Estate Single Family (zoning). The land use and zoning changes limited the use of the site to one residential unit per acre. Based on the uplands of approximately 60 acres, sixty units/lots would be permitted on the site.
2. The Subject site is of sufficient size at 71 gross acres (with 11-acres of water bodies, and 60-acres of uplands land). It is physically suitable for a wide variety of uses. It has a location adjacent to Biscayne Bay and has direct deep-water canal access and a turning basin to provide dockage and a small marina area. It is located in a well-developed area of Miami-Dade, on the northern boundary/edge of Palmetto Bay and the south boundary of Coral Gables. It is a prime site for an infill project, and one of (if not the only) the last large residential development sites of this kind (with direct water frontage and access) in south Miami-Dade County. The land use and zoning of the site to an estate lot density may preclude the



maximization of the site's location, shape and water frontage (physical) characteristics.

3. As can be seen in the following valuation we have analyzed recent market activity for vacant residential lots located in the Subject's market area. The available data indicates recent market activity and increasing values for similarly located lots. The area is becoming mostly built out and there are not a significant number of vacant site/lots for sale. It is our opinion that a residential development of this site, offering lots (or homes) for sale would have good success as there is demand in the area with new product inventory in short supply. It is our opinion that a residential redevelopment would be a financially feasible use of the Subject site. It is also our opinion that the estate single family land use and zoning will limit the capacity to redevelop the site to its maximum physical use.
4. Therefore, by definition, when the above reasons exist (legally possible, physically possible, financially feasible), future residential redevelopment to the maximum legally allowed by the land use and zoning as of July 30, 2019, becomes the Highest and Best Use, and Maximally Productive Use of the Subject Property. The most typical purchaser for the Subject would be a developer.



LAND VALUE ANALYSIS - BEFORE LAND USE AND ZONING CHANGE

According to the 14th Edition of The Appraisal of Real Estate the valuation of land begins by identifying the real estate and property rights valued, any encumbrances, use restrictions, and the land's physical characteristics. An appraiser can use several techniques to obtain an indication of land value:

- Sales Comparison
- Market Extraction
- Allocation
- Land Residual Technique
- Ground Rent Capitalization
- Subdivision Development Analysis

Usually the most reliable way to estimate land value is by sales comparison. When few sales are available, however, or when the value indications produced through sales comparison need additional support, procedures like extraction or allocation may be applied. In the case of the Subject Property prior to the zoning change, the only approach used was the direct Sales Comparison Approach.

In order to estimate the Market Value of the Subject Property in an institutional use by the Sales Comparison Approach, a search was made for recent sales of properties having similar hospital uses like that which is proposed for the Subject. Our search was concentrated on properties located across the State. The comparables were analyzed and compared to the Subject on a price per square foot of land area basis, which is the unit of comparison most widely recognized by participants in this market sector. All of the comparables were considered with regard to property rights transferred, financing, conditions of sale, time or market conditions, location, size, and ultimately "Use".



Discussion of Sales

Our search revealed eleven closed sales of properties purchased for hospital or medical campus uses. All of the sales were considered to be suitable for direct comparison to the Subject Property. As shown below, the comparable sales (including the Subject) indicated non-adjusted values ranging from \$6.00 to \$15.78 per square foot of land area.

INSTITUTIONAL / HOSPITAL LAND SALES								
Number	Hospital Group	Location	Date	O.R. Bk. Pg. Instrument	Price	Size (Acres)	Size (SF)	Price/SF
1	Wellington Regional Medical Center	Seminole Pratt Whitney Rd., Westlake	Nov-19	31054/1820	\$12,289,550	35.20	1,533,268	\$8.02
2	Orlando Health	1001 E Osceola Pkwy., Kissimmee	Aug-19	5208/2377	\$10,672,000	20.67	900,385	\$11.85
3	HCA Healthcare	East SR 200, Yulee	Jul-19	2291/259	\$15,800,000	55.28	2,407,997	\$6.56
4	Orlando Health	Osceola Polk Line Rd./I-4, Kissimmee	Apr-19	5516/972	\$14,337,400	20.86	908,662	\$15.78
5	Cleveland Clinic Florida Health System	8765 Lake Worth Rd., Lake Worth	Jan-19	30345/1486	\$9,250,000	35.39	1,541,710	\$6.00
6	Subject - Luxcom/Speciality Hospital	SW 67th Ave./SW 152nd St., Palmetto Bay	Dec-18	31267/4081	\$33,000,000	60.00 (1)	2,611,727	\$12.64
7	HCA/Fawcett Memorial Hospital	Williams Rd./US Hwy. 41, Estero	Dec-18	2018000298648	\$52,500,000	99.72	4,343,803	\$12.09
8	Orlando Health	10155 Dowden Rd., Lake Nona, Orlando	Jun-18	20180357907	\$9,915,000	15.13	659,063	\$15.04
9	HCA/Central Florida Health Services	6680 Lake Nona Blvd., Lake Nona, Orlando	Jun-18	20180390177	\$6,842,400	11.40	496,584	\$13.78
10	Wellington Regional Medical Center	16750 Persimmon Blvd. Westlake	May-18	29860/241	\$1,981,000	5.66	246,602	\$8.03
11	Martin Memorial/Cleveland Clinic	3801 Kanner Hwy., Stuart	Jun-17	2952/621	\$5,350,000	7.91	344,560	<u>\$15.53</u>
							Min	\$6.00
							Max	\$15.78
							Avg	\$11.39

(1) Uplands Only

Property Rights Transferred

All of the comparable sales in this analysis involved ownership transfer on a Fee Simple Estate, with the buyers receiving full property rights. We are also unaware of any adverse deed restrictions or any other property rights limitations which would have affected the sales. It should be noted some of the properties were transferred with restrictions as to use for a hospital, medical office building, clinic, or institutional type use. None of these restrictions have any impact on this valuation as these uses are specifically what the properties were bought for, and what the Subject is being proposed for in this valuation scenario. Therefore, no adjustments were necessary for property rights transferred.



Terms of Financing

The transaction price of one property may differ from that of a similar property due to atypical financing arrangements. In a case where favorable financing is established, a cash equivalency adjustment is often necessary. However, all of the comparable sales analyzed herein involved either market financing terms or cash to the Grantor. Therefore, no terms of financing adjustments were made, nor any cash equivalency performed.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and seller at the time of conveyance. Within the confirmation process, detailed attention was made to ensure the conditions of each sale. Based upon the research performed, it is our opinion the sales were arm's length transactions without the presence of duress or adverse market influences and no adjustments for conditions of sale were made to these sales.

Time or Changes in Market Conditions

Market conditions generally change over time and may be caused by inflation, deflation, fluctuations in supply and demand, or other factors. The comparable sales occurred from June 2017 to November 2019. The data does not indicate any specific trending patterns for upward or downward adjustments for time or market conditions. We know the real estate market continues to slowly appreciate since the great recession some 10 to 12 years ago. Nevertheless, since the data set is not conclusive and the sales are considered to be mostly reflective of current market conditions, we have not made any market condition adjustments.

Location

The Subject Property is considered to have a very good general location for future development. It is located in an area that is mostly built out and this is one of the last remaining development parcels. It has direct deep-water canal frontage and access to Biscayne Bay and the Atlantic Ocean. Its surrounding demographics are very good. All of the sales are considered slightly inferior in these regards. Although no adjustments were made, these factors will be taken into consideration in our final estimate of value.



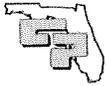
Sales Comparison Analysis



Sales Location Map

Size

The Subject Property contains a surveyed size of 71-acres gross and 60 upland acres. The sales bracket the Subject in size and range from 5.66-acres to 99.72-acres. It is typical for a small property to sell at a higher price per acre than a large property, when all other characteristics are equal. There is no consistency amongst the data set to abstract an adjustment for size and we have not made any size adjustments to the data set.



Use Characteristics

The proposed use of the Subject Property if as an Institutional parcel is for a specialty hospital. We have utilized only sales of parcels purchased by and for hospital groups. The uses range from hospitals, to hospital campuses with multiple buildings to hospital outpatient surgery or clinic building sites. All of the sales utilized were purchased by hospital groups such as Cleveland Clinic, HCA, Orlando Health, Wellington Regional medical Center, Martin Memorial, etc. Therefore, all the comparables are similar in this regard to the Subject Property. No adjustments for this characteristic were necessary.

Conclusion

As can be seen on the chart displayed earlier, the comparables indicated an adjusted range from \$6.00 to \$15.78 per square foot with an average of \$11.39 per square foot. Again, it should be noted the Subject was purchased for \$12.64 per square foot (based on upland acres) in December 2018.

If we drop the high and the low sale indications the range doesn't change much and, the comparables indicate an adjusted range from \$6.56 to \$15.53 per square foot with an average of \$11.50 per square foot.

If we analyze the data and look at primarily the largest sales of 20-acres and above, the range changes from \$6.00 to \$15.78 per square foot, with an average of \$10.42 per square foot.

All of the comparables were considered to provide reasonable indications of Market Value for the Subject Property and were given approximate equal weight in reaching our final value conclusion. It should also be noted all of the sales are inferior to the Subject in regard to its prime location, water frontage and access, as well as a built-out surrounding community, with very good demographics. Based on the available market data, it is our opinion that the Subject Property had a Retrospective Market Value, with an Institutional Use as of July 29, 2019, of approximately \$12.00 to \$14.00 per square foot, calculated as follows:

2,611,727	Sq.Ft. @	\$12.00	Per Sq. Ft. =	\$31,340,724
2,611,727	Sq.Ft. @	\$14.00	Per Sq. Ft. =	\$36,564,178
			Say =	\$34,000,000



LAND RESIDUAL TECHNIQUE – AFTER LAND USE CHANGE

Preface

For our “after” valuation as of July 30, 2019, we made an extensive search to locate similar waterfront estate parcels throughout the State. However, there are no similar large acreage, estate residential, waterfront land sales that are similar to the Subject Property and available for use in a direct Sales Comparison Approach. Therefore, we have relied upon the Land Residual Technique (Subdivision Analysis).

In an analysis of a residential site by the Land Residual Technique, the appraisal problem is the estimation of the Market Value of future receipts generated by the sale of the vacant lots, less the cost of infrastructure, selling and carrying costs. The steps necessary for the Market Value estimate by this methodology are as follows:

1. Estimate the individual lot retail prices through market comparison and subsequently the Total Sellout of the Subject lots.
2. Estimate the absorption period or time required to sell the lots based on market comparison.
3. Deduct all development expenses and selling costs including developer's profit.
4. Discount the net future receipts back to a present value at an appropriate rate.

This methodology is relied upon heavily by large land developers and will provide a reliable indication of the Subject site after the land use and zoning change as of July 30, 2019.

Total Sellout Estimate

The Total Sellout estimate is simply a summation of the retail values of the individual lots. The individual retail prices are estimated by comparing the sale prices of comparable lots in the relevant market to the Subject lots.

Absorption Period Estimate

This estimate is based on the rate of sales of similar type lots in the neighborhood. Consideration is also given to the overall absorption for this type of product in the market area and anticipated future demand.

Infrastructure Costs

The raw land will need to be developed into a residential subdivision which will include interior roads, utilities and entrance feature.



Expense Estimate

An estimate of expenses considered necessary to properly market the lots in a competitive environment must be deducted from the Total Sellout to arrive at the net proceeds. These expenses would include such items as lot development costs, marketing, real estate sales commissions, closing costs, administrative salaries, and a profit that the developer would expect to receive for his entrepreneurial efforts.

Lot Pricing

In order to estimate the individual retail value of the proposed Subject lots, we analyzed 12 lot sales and prices in the neighboring areas. The lots were analyzed on a price per square foot basis and consideration was given for the varying differences in location, size, amenities, et cetera. The Subject site has not been cleared, formally site planned or platted yet. Therefore, we have applied a general analysis based on the differing sales in the surrounding subdivisions and communities based on , locations, sizes and amenities. The comparable sales are shown on the following table, along with our discussion.

COMPARABLE LOT SALES							
No.	Subdivision	Address	City	Size (SF)	Sale Date	Sale Price	\$/SF
1	Oakridge Estates	6900 SW 112 Street	Pinecrest	33,105	Nov-19	\$825,000	\$24.92
2	Kings Bay	14641 Pompano Drive	Coral Gables	14,375	Jul-19	\$600,000	\$41.74
3	None	12929 SW 64 Court	Pinecrest	39,204	Jul-19	\$686,300	\$17.51
4	Collins Estates	6430 SW 111th Drive	Pinecrest	36,067	Jun-19	\$850,000	\$23.57
5	Killian Acres	11121 SW 62nd Avenue	Pinecrest	27,442	May-19	\$720,000	\$26.24
6	LilGerdon Estates	7620 SW 161st Terrace	Palmetto Bay	15,800	Aug-18	\$302,500	\$19.15
7	South Mitchell Manors	11400 SW 60th Avenue	Pinecrest	48,351	Aug-18	\$1,090,000	\$22.54
8	Elrae	12850 SW 64th Court	Pinecrest	38,768	Jun-18	\$800,000	\$20.64
9	Oakridge Estates	11907 SW 70th Avenue	Pinecrest	19,540	Jan-18	\$700,000	\$35.82
10	Willou Hill	6240 SW 116th Street	Pinecrest	47,045	Apr-17	\$1,000,000	\$21.26
11	Kings Bay	6490 Marlin Drive	Coral Gables	16,553	Mar-17	\$555,000	\$33.53
12	Kings Bay	6540 Marlin Drive	Coral Gables	20,038	Jun-16	\$665,000	\$33.19
				Min:	14,375	\$302,500	\$17.51
				Max:	48,351	\$1,090,000	\$41.74
				Avg:	29,691	\$732,817	\$26.67

19-79889

As shown in the chart, we analyzed numerous lot sales surrounding the Subject Property. A lot sales location map can be seen on the following page. The areas surrounding the Subject are mostly built-out thus we analyzed every lot sale we could find. The sale prices for the competitive properties surveyed ranged from \$302,500 to \$1,090,000, or \$17.51 to \$41.74 per square foot of land area. The lot sizes range from 14,375 to 48,351 square feet. It is evident from the data set that as the lots get larger the price per square foot tends to go down.



Lot Sales Map



The 6 largest lot sales ranged in size from 33,105 to 48,351 square feet; and in price from \$17.51 to \$24.92 per square foot, with an average price of \$21.74 per square foot.

<u>No.</u>	<u>Subdivision</u>	<u>Address</u>	<u>City</u>	<u>Size (SF)</u>	<u>Sale Date</u>	<u>Sale Price</u>	<u>\$/SF</u>
7	South Mitchell Manors	11400 SW 60th Avenue	Pinecrest	48,351	Aug-18	\$1,090,000	\$22.54
10	Willou Hill	6240 SW 116th Street	Pinecrest	47,045	Apr-17	\$1,000,000	\$21.26
3	None	12929 SW 64 Court	Pinecrest	39,204	Jul-19	\$686,300	\$17.51
8	Elrae	12850 SW 64th Court	Pinecrest	38,768	Jun-18	\$800,000	\$20.64
4	Collins Estates	6430 SW 111th Drive	Pinecrest	36,067	Jun-19	\$850,000	\$23.57
1	Oakridge Estates	6900 SW 112 Street	Pinecrest	33,105	Nov-19	\$825,000	\$24.92



The smallest lots appear to be the highest priced based on price per square foot. The lots in the Kings Bay neighborhood on the north side of the Subject Property are also the smallest sized with the highest price per square foot with three sales ranging from \$33.19 to \$41.74 per square foot. However, their actual lot prices were some of the lowest and ranged from \$555,000 to \$665,000. This neighborhood has characteristics like the Subject could have, in that the lots have access to the water and a boat ramp. These lots are located in Coral Gables. Most of the other lots are located in Pinecrest. Both of these communities are nearby but have higher prices for the homes in the communities. The Subject is in Palmetto Bay. We have one lot sale in Palmetto Bay and it is one of the lowest priced comparables at \$302,500 per lot, or \$19.15 per square foot.

The Subject's pricing would be anticipated to be in-line with the larger lots. These larger lot sale prices range from \$686,300 to \$1,090,000; or from \$17.51 to 24.92 per square foot. Note that the total 1-acre lot size would include interior roads, entry, common areas, etc. The net area of each lot has been estimated at 35,000 square feet as this is a typical developers acre lot.

Price Conclusion – Lots

The data shown is considered representative of lot values in the area. The Subject's single-family lots are now required by the new land use and zoning to be estate lots. These larger lots command a lower price point on a per square foot basis and it is our opinion that the Subject should be near the lower to middle of the indicated range considering the Subject's location in the Village of Palmetto Bay and the large size of the lots. Based on the data shown earlier, and our analysis thereof, it is our opinion that a price of \$20.00 to \$22.00 per square foot would be appropriate for the base estate lots that will make up the Subject Property. When applied to our 35,000 square foot single-family lots, the indicated typical Subject single-family lot value is as shown below:

35,000	Sq.Ft. @	\$20.00	Per Sq.Ft. =	\$700,000
		to		
35,000	Sq.Ft. @	\$22.00	Per Sq.Ft. =	\$770,000
			Say =	\$735,000

We should note that some lots will have direct frontage along the water basin, with approximately 1,200 linear feet of direct waterfrontage. This takes into consideration that a small portion of the basin will be used for a community dock and boat ramp. Considering a typical width for an estate type lot of 150 feet, this would provide 8 lots with basin frontage. These lots would sell at a premium over the base lots and we have estimated these lot prices at the upper end of the range of the larger lots or \$25.00 to \$27.00 per square foot.



Discounted Sellout Analysis

When applied to our 35,000 square foot single-family lots, the indicated basin front Subject single-family lot value is as shown below:

35,000	Sq.Ft. @	\$25.00	Per Sq.Ft. =	\$875,000
		to		
35,000	Sq.Ft. @	\$27.00	Per Sq.Ft. =	\$945,000
			Say =	\$925,000

As indicated, the Total Sellout equates to \$45,620,000 (52 lots x \$735,000 plus 8 lots x \$925,000 = \$45,620,000). This Total Sellout amount does not include the 3% annual appreciation rate that we will include in our sell-out analysis beginning in Year 2 considering the strength of the market. Therefore, we have relied upon our estimates for our analysis using market-oriented parameters.



Absorption Period Estimate

The absorption period is a critical part of the valuation process. It provides a timeline over which the sales receipts will occur. It is one of the most difficult items to estimate since absorption rates for future sales are dependent upon external factors such as the national economy, local economy, recent actions of the stock market, the availability of mortgage funds, and supply of competitive units. In addition, the estimated absorption rate must be considered in light of the Market Value estimates of the individual units.

The best indication of absorption is indicated by the recent sales activity of similar product type. There are no other subdivisions selling lots in the area. The lot sales shown are the only vacant lots left in the area and are random lots in various locations throughout several communities in the neighboring area. There has been strong market activity for single-family homes in the Subject's immediate market area.

Assuming market-oriented pricing and aggressive marketing over the time frame of the sell-out, it is our opinion that the Subject would most likely require a sell-out period of approximately 4-years, which equates to an overall average absorption rate of 1.25 units per month over the sell-out period. Based on the above discussion with consideration given to the state of the residential market, this appears reasonable in our opinion.

Selling Expenses

Expenses must be deducted from the total sellout estimate to arrive at net sale proceeds. Expenses include those costs necessary to develop the lots, market and sell the Subject units. These expenses include lot development costs, sales commissions, general & administrative expenses, developer's profit, real estate taxes and miscellaneous expenses. These expenses are discussed individually below.

Lot Development Costs

The Subject Property is mostly vacant land, but the developer would incur numerous costs to demolish the various improvements on the site, as well as costs for clearing and grubbing the site, and installing the infrastructure on the project to deliver finished single-family residential lots. These costs also typically include development associated amenities which are part of the planned development.

The developer indicated costs around \$16,400,000 in one of the preliminary proforma analysis. The costs total approximately \$277,333 per upland acre. In addition to the Subject's costs, we have also considered the actual costs experienced in the development of other single-family projects in South Florida. They have been updated to current costs utilizing the Marshall Valuation Service. The comparables indicated development costs as summarized on the following page.



INFRASTRUCTURE COST COMPARABLES					
Comp. #	Location	Size (Acres)	Planned Units	Units/ Acre	Dev. Costs/ Acre
1	Palm Beach Gardens	24.54	112	4.56	\$132,162
2	W. Boynton Beach	112.00	280	2.50	\$140,437
3	W. Boynton Beach	118.05	324	2.74	\$164,884
4	Ft. Pierce	31.35	123	3.92	\$158,164
5	Palm Springs	2.02	12	5.94	\$189,588
6	Plantation	4.65	5	1.08	\$124,024
7	Royal Palm Beach	24.69	147	5.95	\$125,199
8	Palm Beach Gardens	6.78	24	3.54	\$280,590
9	Palmetto Bay	60.00	177	2.95	\$273,333

The communities are listed in chronological order clearly reflecting the rising costs over time. The two newest 2019 comparables (10 and 11) are also the highest cost comparables.

The infrastructure costs of the comparables ranged from \$124,024 to \$280,590 per acre. Most of the comparable cost figures included earthwork, utilities, paved roads, entrance features, amenities, etc. There are also large variances dependent upon and largely attributable to initial site conditions and required off-site improvements.

The Subject's proposed infrastructure development costs are \$273,333 per upland acre, which is within the range of the comparables. While this estimate is at the high end of the range, it is considered to be reasonable.

Sales Commissions

This expense item includes sales commissions for the salespersons associated with the developer. This expense typically ranges between 3% and 8% of gross sales. The lower end of the range is representative of developments which maintain an in-house sales staff, while the upper end of the range relies primarily upon outside brokerage. In this instance we have estimated a sales expense of 5% of the Total Sellout which is consistent with projects of this caliber.



Developer's Profit

As discussed before, a developer's profit target has traditionally been in the 10% to 15% range for good quality residential projects. This charge is on total retail sales. The entrepreneurial incentive is the compensation for the time and risk necessary to develop and sell a project. Based on the current market, it is our opinion that a developer's profit of 15% is adequate for the Subject Property.

Real Estate Taxes

Real estate taxes during the sellout period are typically significantly lower than following the completion of a home on the site. Considering that this analysis is based on the Subject sold as lots, the real estate taxes are expected to remain relatively low over the sellout period. Typically, current real estate taxes are used in the analysis and deducted as a pro rata share as the lots are sold. We have utilized the newest 2019 taxes at \$449,927.

Miscellaneous Expenses

This expense covers such items as insurance and other miscellaneous operating expenses. These expenses are estimated at 3% of the Total Sellout which is supported by the expenses of other developments of similar magnitude.

Discount Rate

The selection of the discount rate is of great importance since the discount rate, or internal rate of return, must measure the type of income to be received and how profit is accounted for. Such a rate, often referred to as a yield rate, is influenced by the degree of apparent risk, prospective rates of return for alternative investment opportunities, historical rates of return earned by comparable properties, market attitudes with respect to future inflation or deflation, supply of and demand for mortgage funds, availability of tax shelter, et cetera.

Although the suitability of a particular discount rate generally cannot be proven on the basis of market evidence, the chosen rate should be consistent with the available evidence. The discounting of future benefits to obtain an indication of present value also requires the use of a prospective yield rate, as distinguished from a historical yield rate.

The current land development rates as reported by the most current PwC Real Estate Investor Survey indicates a range of 10% to 20%. The upper end of this range is an all-in rate which includes entrepreneurial profit as well. In our opinion a discount rate toward the low end of the range would be appropriate for the Subject Property considering we have already deducted an entrepreneurial incentive of 15% on total retail sales.



SUMMARY OF VALUES BEFORE AND AFTER LAND USE AND ZONING CHANGE

The values indicated for each analysis were as follows:

SALES COMPARSION APPROACH -BEFORE	\$34,000,000
SUBDIVISION ANALYSIS - AFTER	<u>\$12,240,000</u>
DAMAGES CLAIM – BERT J. HARRIS, JR. ACT	\$21,760,000

The Sales Comparison Approach was utilized and considered to provide a reasonable indication of the Retrospective Market Value of the Subject Property as if utilized as it was originally Land Use Planned, for an Institutional (hospital) type use as of July 29, 2019. There were numerous sales located all over the state that were utilized specifically for hospital/institutional type uses.

The Land Residual Analysis (Subdivision Analysis) was considered to provide a good indication of the Retrospective Market Value for the Subject Property, based on its land use and zoning change and now limited use, for estate size lots, based on the land use and zoning change that occurred on July 30, 2019. This methodology was considered to be reliable, there was adequate lot sale data available in the market, and it was the only methodology available as there are no other recent waterfront, large residential land sales in the area or state that are comparable to the Subject site.

ADDENDA

ENGAGEMENT LETTER



Callaway & Price, Inc.

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Licensed Real Estate Brokers

www.callawayandprice.com

Please respond to the South Florida office
E-Mail: s.shaw@callawayandprice.com

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Cert Gen RZ2085
c.phillips@callawayandprice.com

October 4, 2019

Scott Zaslav
Moskowitz, Mandell, Salim & Simonwitz, P.A.
800 Corporate Drive
Suite 500
Fort Lauderdale, FL 33334

E-Mail: szaslav@mmslaw.com

Dear Mr. Zaslav:

We would be pleased to prepare an Appraisal Report on 70± acres of vacant land at the northeast quadrant of SW 152nd Street and SW 67th Avenue in the Village of Palmetto Bay, Miami-Dade County, Florida. It is our understanding that the purpose of the appraisal is to estimate the Market Value of the Fee Simple Estate "before and after" the Village initiated and completed proceedings to re-classify the land use designation from Industrial to Estate Density Residential and also re-zoned the property from "Interim" to only allow for residential development 1 dwelling unit per acre. We will provide three different values for the property as follows:

- 1) As previously designated under the Village of Palmetto Bay Future Land Use Map of Institutional and Public Facility (commercial or hospital related use).
- 2) Single family Residential based on a typical density of 2.5-6 units per acre.
- 3) Estate Residential density at 1 unit per acre.

This report will be prepared for our client and intended user, Moskowitz, Mandell, Salim & Simonwitz, P.A.. The intended use is to assist the client for litigation purposes (Bert Harris lawsuit). The scope of work performed is specific to the needs of the intended user and the intended use. No other use is intended, and the scope of work may not be appropriate for other uses.

Scott Zaslav
Moskowitz, Mandell, Salim & Simonwitz, P.A.
October 3, 2019
Page Two

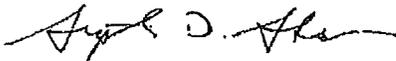
The fee would be _____ . Yacht Club by Luxcom, LLC is responsible for payment of the fee. Moskowitz, Mandell, Salim & Simonwitz, P.A is not responsible for payment. It is our policy to request a retainer and _____ will suffice for this purpose. The balance of the fee is due and payable upon delivery of the report. We will provide a PDF of the final report and a hard copy upon request.

If testimony for meetings, depositions, pre-depositions, and/or court testimony are necessary, my hourly rate is \$275 and will be billed accordingly.

We will have the report completed in approximately 30 days from the day we receive your authorization and information requested; **be aware that delays in our receipt of information requested could postpone completion.**

If the above is agreeable to you, please sign below as our authorization and return it with the retainer requested so that we may begin work immediately. This agreement is subject to the Agreements and Conditions listed on the attached pages, a copy of which should also be signed and returned to us. Our work will be done in accordance with the Appraisal Institute Code of Ethics and Standards of Professional Practice. Thank you for the opportunity to be of service.

Respectfully submitted,
CALLAWAY & PRICE, INC.

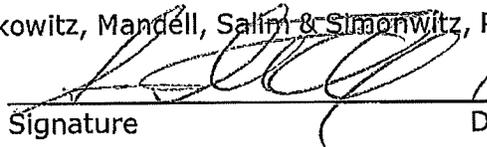


Stephen D. Shaw, MAI, AI-GRS
Cert.Gen. RZ1192
SDS/js
Attachments

Client:

Moskowitz, Mandell, Salim & Simonwitz, P.A.

Accepted By\Date:


Signature

10/8/19
Date

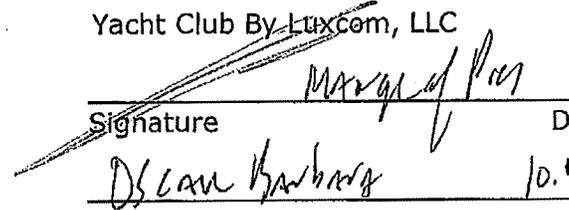
Name and Title (Printed or Typed):

Scott Zaslav, Partner

Client:

Yacht Club By Luxcom, LLC

Accepted By\Date:


Signature

Date

Name and Title (Printed or Typed):

D'Sean Barbary 10.7.19

QUALIFICATIONS



Qualifications – Stephen D. Shaw, MAI, AI-GRS

Professional Designations\Licenses\Certifications

Member, Appraisal Institute, MAI Designation #10461
Member, Appraisal Institute, AI-GRS
State-certified general real estate appraiser RZ1192
Florida State Licensed Real Estate Salesman 0495422

Professional Experience

Principal, Callaway & Price, Inc., since January 1999
Senior Appraisal Consultant, Callaway & Price, Inc., since July 1997 – December 1998
Appraisal Consultant, Callaway & Price, Inc., since April 1994
Associate Appraiser, Pinel & Carpenter, Inc., Orlando, April 1992 - March 1994
Appraiser/Researcher, Callaway & Price, Inc., September 1987 - March 1992
Special Magistrate Palm Beach County 1996-2012
Special Magistrate, Martin County, 2009

Qualified as an Expert Witness

Palm Beach County, Florida
Martin County, Florida
Broward County, Florida
Sarasota County, Florida

Education

Bachelor of Science Degree, Business Administration, Major in Real Estate
and Finance, University of Florida

Appraisal Institute:

Course 101 - An Introduction to Appraising Real Property, 1992
Course 201 - Principles of Income Producing Properties, 1991
Course 2-1 - Case Studies in Real Estate Valuation, 1992
Course 540 - Report Writing and Valuation Analysis, 1993
Course 2-3 - Standards of Professional Practice Parts A & B, 1991
Review Theory - General

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Eminent Domain	Special Purpose Properties
Golf Courses	Shopping Centers
Hospitals	Vacant Commercial Land
Hotels	Vacant Industrial Land
Marinas	Vacant Multifamily Pods
Medical Office Buildings	Vacant Residential Land
Medical Office Condominiums	Vacant Single-Family Subdivisions
Medical Campus Sites	Warehouses



Qualifications – Stephen D. Shaw, MAI, AI-GRS

Organizations and Affiliations

Appraisal Institute:

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RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

SHAW, STEPHEN DAY

1639 FORUM PLACE
SUITE 5
WEST PALM BEACH FL 33401

LICENSE NUMBER: RZ1192

EXPIRATION DATE: NOVEMBER 30, 2020

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Qualifications - Robert A. Callaway, MRICS

Professional Designations\Licenses\Certifications

MRICS; Member Royal Institution Chartered Surveyors, Member #6587380,
Chartered Valuation Surveyor

State-Certified General Real Estate Appraiser RZ2461
State-Licensed Real Estate Sales Associate, SL3415548

Professional Experience

Principal, Callaway & Price, Inc., January 2017
Executive Vice President, Callaway & Price, Inc., August 2015
Associate Appraiser, Callaway & Price, Inc., since September 1989
Researcher, Callaway & Price, Inc., 1987 - 1989

Qualified Expert Witness

Palm Beach County, Florida
United States Bankruptcy Court Southern Florida

Geographic Experience

Florida, Texas, Alabama, Bahamas, Puerto Rico, St. Croix

Education

Bachelor of Business Administration, College of Business, Major in Real Estate,
Florida Atlantic University

Florida Real Estate Commission, Course 1
University of Florida, Real Estate and Finance Department:
Real Estate Principles and Practice, Valuation, Law, Feasibility
Florida Atlantic University, Real Estate/Finance Department:
Real Estate Theory, Finance
Society of Real Estate Appraisers:
Real Estate Valuation Using Spreadsheet
Appraising Condominium Properties
American Law Institute - American Bar Association:
Eminent Domain and Land Valuation Litigation
American Institute of Real Estate Appraisers:
Real Estate Appraisal Principles
Basic Valuation Procedures



Qualifications - Robert A. Callaway, MRICS

Standards of Professional Practice

Appraisal Institute:

Advanced Income Capitalization

Uniform Standards of Professional Appraisal Practice

Florida Appraisal Law

Appraisal/Consulting Expertise

Agricultural Lands

Automobile Dealerships

Civic/Institutional Sites

Commercial Buildings

Condominium Units/Projects

Eminent Domain/Condemnation

Environmentally Sensitive Lands

Gas Stations/Convenience Stores

Golf Courses

Market/Feasibility Studies

Warehouses/Distribution Centers

Medical Office Buildings

Medical Condo Units

Schools/Daycares

Marinas/Docks

Office Buildings

Regional Shopping Malls

Retail Buildings

Self Storage Facilities

Shopping Centers

Submerged Land/Wetlands

Special Purpose Properties

Commercial Land

Industrial Land

Residential Land

Hospitals

Medical Center Campus Sites

Residential Homes

RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

CALLAWAY, ROBERT ANTHONY

1410 PARK LANE SOUTH
SUITE 1
JUPITER FL 33458

LICENSE NUMBER: RZ2461

EXPIRATION DATE: NOVEMBER 30, 2020

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