

Real Estate

The Miami-Dade County Office Market contains approximately 93.128 million square feet of office space. Approximately 23% of this space is located in the Miami central business district and adjacent Brickell Avenue, 20% in the Airport West area, 11% in Kendall, and 10.6% in Coral Gables. The vacancy rate of office buildings in Miami-Dade County declined during the third quarter of 2017 to about 9.1%, down from 9.9% in 2016. During 2017, 1.76 million square feet of office space is under construction in Miami-Dade County. Office rental rates in new buildings typically range from \$21 to \$46 per square foot. The low end of the range is for office space in the suburban markets. The upper end of the range is for first class office space in Downtown Miami, Brickell Avenue, Coconut Grove and Coral Gables.

The Greater Miami Industrial Market consists of approximately 221.46 million square feet of industrial space in 5,663 buildings.

The approximate percentage location of this space is as follows:

MARKET AREA	% OF TOTAL MARKET SPACE
AIRPORT WEST	29.6%
HIALEAH	25.6%
MEDLEY	16.7%
MIAMI LAKES	3.3%
NORTHEAST DADE	4.8%
NORTHCENTRAL DADE	14.9%
SOUTH DADE	5.1%
TOTAL	100%

The county's vacancy rate for the overall Miami-Dade County industrial market as of the third quarter of 2017 was 4.1%. The county's overall vacancy rate has risen marginally from 3.9% in 2016. Airport West, the largest industrial area, had a vacancy rate of 3.9% as at the third quarter of 2017. Industrial rental rates generally average \$11.00 per square foot in the third quarter of 2017, up from an average of \$10.15 per square foot in 2014. New industrial space under constructed in the third quarter of 2017 totaled 2,937,133 square feet, which is less than all of 2016.

Miami-Dade's single-family home sales decreased 7.6% in November of 2017 in comparison with November of 2016 according to the Miami Association of Realtors. A total of 947 homes were reported sold in November of 2017, compared to 1,025 homes sold in November of 2016. In November of 2017, the median sales price for single-family units was \$330,000, up 6.5% from the previous year.

Existing condo sales showed a decrease of 0.7% in November of 2017 from November of 2016 according to the Miami Association of Realtors. A total of 965 condo units were reported sold in

Miami International Airport, one of the nation's largest and busiest, had 414,234 aircraft arrivals and departures through December 2017, an increase of 0.32% over the previous year. Through November 2017, the airport had 375,008, a decrease of 0.43% from the previous 12 month period. The airport recently had a \$5.4 billion expansion. A South Terminal has recently been completed and a North Terminal completed in 2013 and a fourth runway has been constructed.

Miami has become a port of embarkation for airlines and ships bound for Central and South American Countries. The Port of Miami, besides being the largest passenger port in the nation, is also important as a cargo center with a 2016 annual tonnage of approximately 8.778 million, up 11.9% from 8.614 million in 2015. The port's traditional customer base has been Europe, China, Latin America and the Caribbean, accounting for 65% of the port's total volume.

Miami's comprehensive transportation system and its strategic location have enabled it to become an important international transportation center, providing commercial access to Latin America and the Caribbean.

Government

Miami-Dade County is comprised of unincorporated areas, as well as 36 municipalities, the largest of which is the city of Miami.

Miami-Dade County is governed under a modified two-tier metropolitan government. The purpose of this type government was to establish one governing body for the county, and to establish one supply of services such as fire, police, etc. for the county. The upper tier is the County, which provides broad "regional" or county functions, such as metropolitan planning, welfare, health and transit services. The thirty-six municipalities represent the lower tier of government, providing a varying array of services within their jurisdictional boundaries. The County also maintains lower tier functions, such as the provision of municipal-type services, including police and fire, to the unincorporated areas and certain municipalities on a negotiated basis.

The County operates under the strong mayor form of government. Legislative and policy-making authority is vested in the elected thirteen-member Board of County Commissioners; the mayor appointed County Manager is the chief administrator. Miami-Dade County has operated under the metropolitan form of government since 1957, when the Home Rule Charter was passed by the local electorate. Prior to Home Rule, the County had to rely on the State Legislature for the enactment of its laws.

County government had not been able to respond to the tremendous demand for municipal services in this rapidly urbanizing area, which is larger than the State of Rhode Island or Delaware. The need to combine services duplicated by the County and numerous cities was also clearly evident. The Charter permitted the limited County government to reorganize into a general purpose "municipal-type" government capable of performing the full range of public functions into an area wide operation.

Average room rate for hotel rooms in Miami-Dade County was \$187.17 in 2016, down from \$191.19 in 2015. Therefore, the average hotel room rates in 2016 indicate a decrease of 2.1% over the 2015 rate.

The first in a series of new luxury properties opened in February 2004 when the 380-room Ritz Carlton opened in Miami Beach. In May of 2005, the 210-room Le Meridian opened in Sunny Isles Beach. Three other new hotels with a total of 271 rooms opened in Miami Beach during 2005. In 2016, new hotel openings included the East Hotel (353-rooms) in Brickell, The Langford (126-rooms) downtown, Me by Melia (125-rooms) downtown and the East Hotel (352-rooms) in Brickell. New hotels expected to open in 2017 include SLS Lux Brickell Hotel (85-rooms) in Brickell, Yotel Miami (250-rooms) downtown, Fasano Hotel (175-rooms) in Miami Beach, the Surf Club Four Seasons (80-rooms) in Surfside, Plymouth Hotel (110-rooms) in Miami Beach, and Greystone Hotel (92-rooms) in Miami Beach. In 2017 new hotel openings included Aloft Miami Airport (125-rooms), Four Seasons at the Surf Club (77-rooms) in Surfside, Hampton Inn Miami Midtown (151-rooms) in the Wynwood district, Four Points by Sheraton (124-rooms) at the airport, AC Hotel Miami (233-rooms) in Aventura, and the Hyatt Centric (208-rooms) in the Brickell district.

Miami-Dade Financial Resources

Over the course of the last decade, Greater Miami has evolved into a major international financial center. Domestic and international businesses find convenient access to a full array of services provided by locally-based state and national commercial banks, savings and loan associations, foreign banks, non-depository credit institutions, securities and commodities brokers and insurance companies.

Greater Miami has the largest concentration of domestic and international banks south of New York City. With more than 90 percent of the state's foreign banks operating offices in Miami, this market dominates international banking in Florida.

Overall, about 150 domestic banks, foreign banks and Edge Act banks operate in Greater Miami. The greatest concentration is located along Brickell Avenue in downtown Miami.

Transportation

Miami-Dade County has an extensive expressway system with access to all points in the County. However, due to the rapidly increasing population, some of the expressways, especially Interstate 95, are becoming overburdened. In 1985 Miami-Dade County completed a 20.5 mile elevated rapid transit system. This system originally extended southward from downtown Miami to Dadeland, paralleling U.S. Highway 1 and northwesterly from downtown Miami to Hialeah. In 1999, the system was extended about a mile from Hialeah to the Palmetto Expressway at NW 74th Street. An expansion to the Miami International Airport opened in 2013. In conjunction with this system, there is a Downtown People Mover Automated Transit system which encircles the central business district of Miami and extends south to the Brickell area and north to the Omni area.

Miami-Dade County is served by the CSX and Florida East Coast Railroads for freight and Amtrak Rail, Greyhound and Trailways Interstate bus lines for passenger service.

Table 2 indicates that the bulk of domestic visitors to Miami-Dade County originate from the New York (26%), Chicago (5.9%) and Philadelphia (5.6%) market areas. Of the top ten domestic market visitors, the majority (38.9%) are from northeastern market areas.

T A B L E 3

ESTIMATES OF INTERNATIONAL VISITORS BY REGION

REGION	2012	2013	2014	2015	2016
EUROPEAN COUNTRIES	20.0%	19.2%	19.7%	20.2%	20.4%
CARIBBEAN COUNTRIES	10.5%	10.0%	10.4%	10.6%	11.2%
CENTRAL AMERICAN COUNTRIES	8.0%	7.8%	8.2%	8.2%	8.5%
SOUTH AMERICAN COUNTRIES	50.3%	52.1%	50.4%	49.8%	48.3%
CANADA	9.4%	9.2%	9.5%	9.3%	8.7%
OTHER COUNTRIES	1.8%	1.7%	1.8%	1.9%	2.9%
TOTAL	100%	100%	100%	100%	100%

Source: Greater Miami Convention and Visitors Bureau, Tourism Facts and Figures

Table 3 shows that the bulk of international visitors to Miami-Dade County originate from Central and South American Countries (56.8%), followed by European Countries (20.4%) and Caribbean Countries (11.2%). England and Germany accounted for the largest proportion of European visitors.

In 2016 there were a total of 3,365,570 million passengers passing through the Port of Miami. During 2016, the number of Port of Miami passengers increased 2.1% from 2015. The passenger count in 2017 is expected to increase to nearly 3.637 million based on passenger counts through August of 2017. Through July of 2017 approximately 13,396,145 passengers arrived through Miami International Airport. The passengers arriving at the airport decreased less than 1% from the same period the previous year. The arrivals at the airport are fairly evenly distributed between international and domestic passengers. Through July 2017, domestic arrivals totaled 6,845,460 and international arrivals totaled 5,482,716.

As of October 2017, there were approximately 55,511 motel and hotel rooms in 428 lodging facilities in Greater Miami and the Beaches. The area had an occupancy rate of 75.9 percent in 2016, down 2% from 2015. The airport area had the highest occupancy rate as of October 2017 at around 86.5%.

TABLE 1

ESTIMATES OF MIAMI-DADE COUNTY TOURIST TRENDS

	INTERNATIONAL	DOMESTIC	TOTAL
2010	6,060,100	6,544,000	12,604,100
2011	6,461,900	6,908,600	13,370,600
2012	6,801,200	7,102,032	13,903,232
2013	7,131,700	7,087,200	14,218,900
2014	7,260,000	7,303,200	14,563,200
2015	7,506,100	7,990,200	15,496,300
2016	7,624,200	8,100,000	15,724,200

Source: Greater Miami Convention and Visitors Bureau, Tourism Facts and Figures

Figures for 2016 indicate 15,724,200 overnight visitors came to Miami-Dade County, a 1.5% increase from 2015. In 2015, the total overnight visitors increased to 15,496,300, an increase of 6.4% over 2014.

TABLE 2

ESTIMATES OF DOMESTIC VISITORS BY REGION

DOMESTIC MARKET	2012	2013	2014	2015	2016
NEW YORK	25.5%	25.9%	26.0%	26.3%	26.5%
CHICAGO	5.8%	5.9%	5.9%	5.9%	5.9%
PHILADELPHIA	5.7%	5.6%	6.0%	5.6%	5.7%
BOSTON	4.3%	4.3%	4.3%	4.2%	4.3%
ATLANTA	3.9%	3.9%	3.9%	3.9%	4.0%
WASHINGTON, DC	2.8%	2.8%	2.8%	2.8%	2.8%
DALLAS	2.7%	2.7%	2.7%	2.7%	2.7%
LOS ANGELES	1.9%	2.1%	2.1%	2.1%	2.2%
DETROIT	2.1%	2.0%	1.9%	1.9%	1.9%
HOUSTON	1.8%	1.8%	1.8%	1.8%	1.8%

Source: Greater Miami Convention and Visitors Bureau, Tourism Facts and Figures

The overall population of Miami-Dade County is well dispersed throughout the entire area, yet has several key areas of concentration. During the 1960s, several sub-areas accounted for approximately 70% of the growth. These areas include Hialeah, northern Miami-Dade County, the Beach area, the Miami River area, the area southwest of Miami International Airport, as well as the Kendall and Cutler Ridge areas. In the first half of the 1970s, population growth continued in an uneven fashion especially in the urban fringes.

Since 1970, approximately three-fourths of the total population growth for the County has occurred in the unincorporated areas. The older centrally located cities such as Miami, Miami Beach and Coral Gables have grown at modest rates from 1970 to 1990. Unincorporated Miami-Dade County has evidenced the most rapid growth which continues to occur in areas in northeast Miami-Dade County (Aventura), as well as the currently expanding southwest area, especially in sections of Flagler Street, S.W. 8th Street, North Kendall Drive and Homestead.

Population trends indicate that most of the population growth in Miami-Dade County between 2010 and 2020 will occur in outlying areas such as North Miami Beach, the Kendall area west of the Florida Turnpike, the S.W. 8th Street area west of the Florida Turnpike, the Hialeah-Miami Lakes area, as well as those areas both east and west of U.S. Highway 1 between Cutler Ridge and Florida City.

Employment Trends

The dominant characteristic of Miami-Dade County is that it is primarily trade and service based. Personal, business and repair services have had a substantial increase in importance in the economic base over the last decade. The major sectors of the economy include services, wholesale and retail trade, transportation, communications, public utilities, government and manufacturing. The most dominant industries which form the County's economic base are construction and tourism.

Tourism is Miami-Dade County's biggest industry with an estimated 15.9 million visitors in 2017 contributing to more than 50 percent of the area's economy. Aviation and related industries are responsible for another large segment of the economy.

The largest employer in Miami-Dade County is the Miami-Dade County School Board, followed by Miami-Dade County, Federal Government, State of Florida, University of Miami, Baptist Health Systems of South Florida, American Airlines, Jackson Health System, Florida International University, City of Miami, Mount Sinai Medical Center, and Florida Power and Light. Assuming additional importance is the growing prominence of Miami-Dade County as a center for international trade, finance and tourism. The establishment of Miami as the "Gateway of the Americas" should provide the area with a much needed degree of economic diversification. This should enable Miami-Dade County to weather slowdowns in the national economy by an increase of trade through the Port of Miami, growth of international arrivals at the airport, the Free Trade Zone, and the substantial foreign investment in the local economy, particularly in real estate.

In October of 2017, Florida's unemployment rate was 3.6 percent, down from 4.9 percent in October of 2016 and a high of 10.7 percent in March of 2011. The unemployment rate for Miami-Dade County in October of 2017 was 4.6 percent, down from 5.6 percent a year earlier.

COUNTY DATA

Miami-Dade County - Location and Size

Miami-Dade County, which comprises the metropolitan area of Miami, is situated on the southeast tip of the state of Florida. It is bordered on the east by the Atlantic Ocean, on the west by Monroe and Collier Counties, on the north by Broward County, and on the south by Monroe County (the Florida Keys).

Miami-Dade County, the largest county in area and population in the state of Florida, covers an area of 2,054 square miles with an altitude ranging from sea level to 25 feet. Water covers 354 square miles of the County.

Although the County is relatively large, approximately half of the total area is comprised of the Everglades, which is a natural area that will not be developed. Therefore, only the eastern section of Miami-Dade County encompasses the area which is currently developed or available for future development.

Miami-Dade County's location, its southern latitude and proximity to the Gulf Stream provide for mild winters and pleasant summers.

Population

The state of Florida has increased rapidly in population from 9,740,000 in 1980 to 12,937,926 in 1990 and 15,982,378 in 2000. The 2010 population of Florida was 18,801,310, an increase of 17.6% over the 2000 population. In 2016, the population of the state was projected at 20,610,000.

Miami-Dade County's population increased from 1,626,000 in 1980 to 1,937,094 in 1990, reflecting an average annual compounded growth rate of 1.77%, compared with 2.88% for the state of Florida. By 2000, Miami-Dade County's population increased to approximately 2,253,362. The population grew to 2,496,435 by the Year 2010, an increase of 10.8% over the 2000 population. By the Year 2016 the population increased to 2,712,945, an increase of 8.7% over the 2010 population.

Miami-Dade County's population growth during the last four decades has been dramatic especially in relation to national trends. From 1950 to 1990 the United States population increased by 60% while the population of Miami-Dade County has almost quadrupled from 495,084 to 1,937,000. During this period, the state of Florida was elevated from the 20th most populous state to the 4th in 1990 and continues to be the fourth most populous state.

During the 1960s, the major increase in Miami-Dade County's population was due to the large immigration of Cubans. Today, Cuban and other Spanish speaking people comprise approximately 62% of Miami-Dade County's population. The increase in Hispanic population has had favorable effects on the local economy and has helped to create a multi-national cultural environment in the area.

LOCATION ANALYSIS

SCOPE OF THE APPRAISAL

The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered and analysis is applied, all based upon the following problem-identifying factors stated elsewhere in this report.

This appraisal of the subject has been presented in the form of an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the USPAP.

Data related to the subject property was derived from various sources including but not limited to the Miami-Dade County Property Appraiser's Office, Miami-Dade County plats, FEMA flood zone maps, Land Development Regulations of the Village of Palmetto Bay, and tax roll information provided by the Miami-Dade County Property Appraiser's Office.

Comparable sale sources include the Miami-Dade County Property Appraiser's Office, Board of Realtors' Multiple Listing Services, Tri-County Clipping Service, and LoopNet. Sales prices are typically confirmed with a party to the transaction, i.e., buyer, seller, real estate agent or attorney to the transaction.

A title policy was not available for analysis. A survey was provided by the property owner. The legal description and sizes of the land site and the building are based on information available in the public records.

SCOPE OF THE APPRAISAL

ESTIMATED EXPOSURE TIME

Exposure time is defined as the estimated length of time 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; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort.

In estimating a reasonable exposure time for the subject property, the following steps have been taken:

Discussion with buyers, sellers, brokers and/or a review of multiple listings of similar properties in the area related to historic marketing periods.

Based on the above sources, exposure time is estimated to have been twelve months for the subject property.

ESTIMATED MARKETING PERIOD

The estimated value of the subject is predicated upon a normal marketing period. A normal marketing period is generally defined as the most probable amount of time necessary to expose and actively market a property on the open market to achieve a sale. Implicit in this definition are the following assumptions:

- (A) The property will be actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers and buyers of similar type properties.
- (B) The property will be offered at a price reflecting the most probable markup over market value used by sellers of similar type properties.
- (C) A sale will be consummated under the terms and conditions of the definition of Market Value required by the regulation.

In order to estimate the marketability of this property, the sales activity in this market area was reviewed, multiple listings were reviewed and/or real estate brokers who operate in this area were interviewed.

Based on the above sources, the subject property could be sold within a twelve month time period.

ASSESSMENT AND TAXES – 2017

The subject property is assessed under the jurisdiction of the Village of Palmetto Bay, Florida.

The assessment for the property is established each year as of January 1st by the Miami-Dade County Property Appraiser's Office at 100% of "Just Value." Just Value has been equated to Market Value less closing costs. While the State of Florida requires real estate to be assessed at 100% of Just Value, in reality the ratio of the assessed value to sales price is generally below 100%.

Folio Number:	33-5033-000-0862
County Market Value:	Land \$ 1,061,875
	Improvements \$ <u>0</u>
	Total \$ 1,061,875
Assessed Value:	\$ 1,061,875
Millage Rate:	\$17.9116 per \$1,000
Tax Amount:	\$0.00 Tax Exempt

OWNER OF RECORD AND ADDRESS

Village of Palmetto Bay
9705 Hibiscus Street
Palmetto Bay, Florida 33157

THREE-YEAR HISTORY OF TITLE

The current owner acquired title to the property as part of a larger 2.27 acre property on March 26, 2018 from Shores at Palmetto Bay, LLC. The special warranty deed transferring title was recorded in Official Records Book 30919, Page 1040 of the Public Records of Miami-Dade County, Florida. The documentary stamps recorded on the deed indicated a consideration of \$2,960,000 exchanging with the transfer of title. The transaction was arm's length. The property that was purchased was comprised of 0.98 acres of usable site area that is the subject of this appraisal report and a 1.29 acre parcel (Folio No. 33-5033-000-863) that will be dedicated for public street right-of-way.

Together with:

The North 40.00 feet and the East 35.50 feet and the South 30.00 feet and the East 10.00 feet of the West 50.00 feet of the North ½ of the Southwest ¼ of the Northwest ¼ of the Southwest ¼ of Section 33, Township 55 South, Range 40 East,; lying and being in Miami-Dade County.

PROPERTY RIGHTS APPRAISED

The property is appraised in fee simple: a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power and taxation, as well as utility easements of record.

DEFINITION OF MARKET VALUE

Market Value means 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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised and acting in what they consider their own best interest;
- (3) a reasonable time is allowed for exposure to the open market;
- (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) the price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Interagency Appraisal and Evaluation Guidelines, December 10, 2010, Federal Register, Volume 75, No. 237, Page 77472

INTRODUCTION

IDENTIFICATION OF THE PROPERTY

A 0.98 acre site zoned for mixed commercial and residential use. The lot is presently vacant.

LOCATION

S.W. 97th Avenue and East Guava Street
Palmetto Bay, Florida

PURPOSE AND DATE OF APPRAISAL

The purpose of this Appraisal is to estimate the Market Value of the property based on market conditions prevalent as of July 7, 2018, being one of the dates of inspection.

INTENDED USE AND USER OF THE APPRAISAL

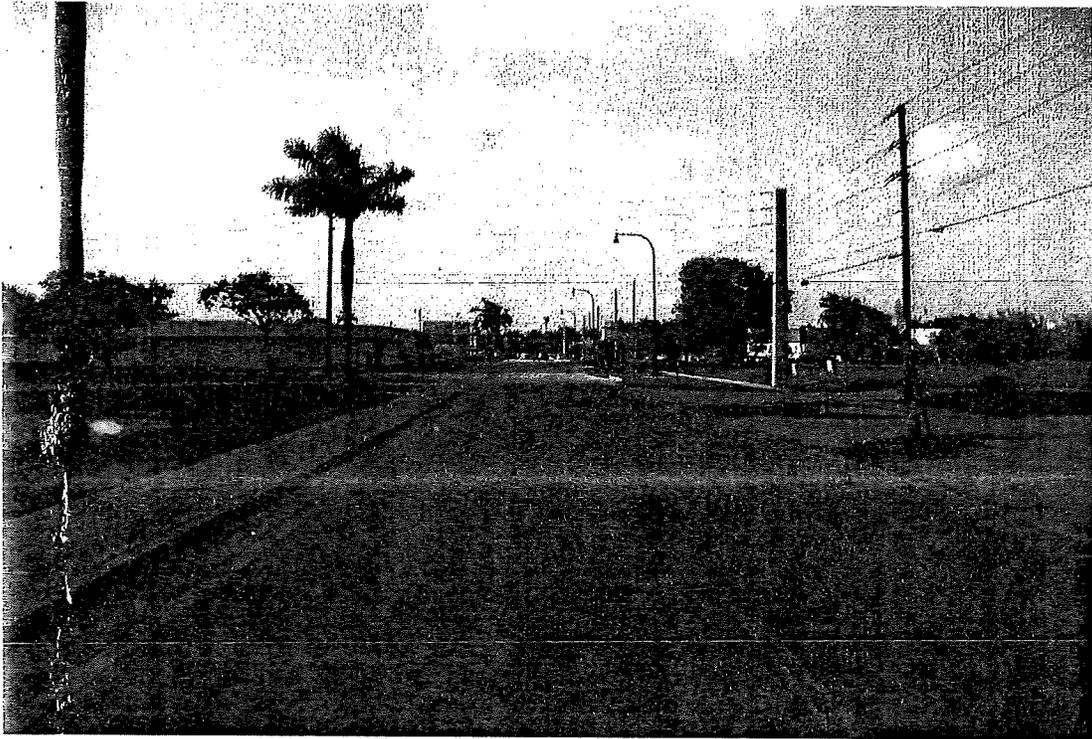
The intended use of this appraisal is to assist the client in determining the market value of the property. The intended user of this appraisal is Don M. Waters.

LEGAL DESCRIPTION

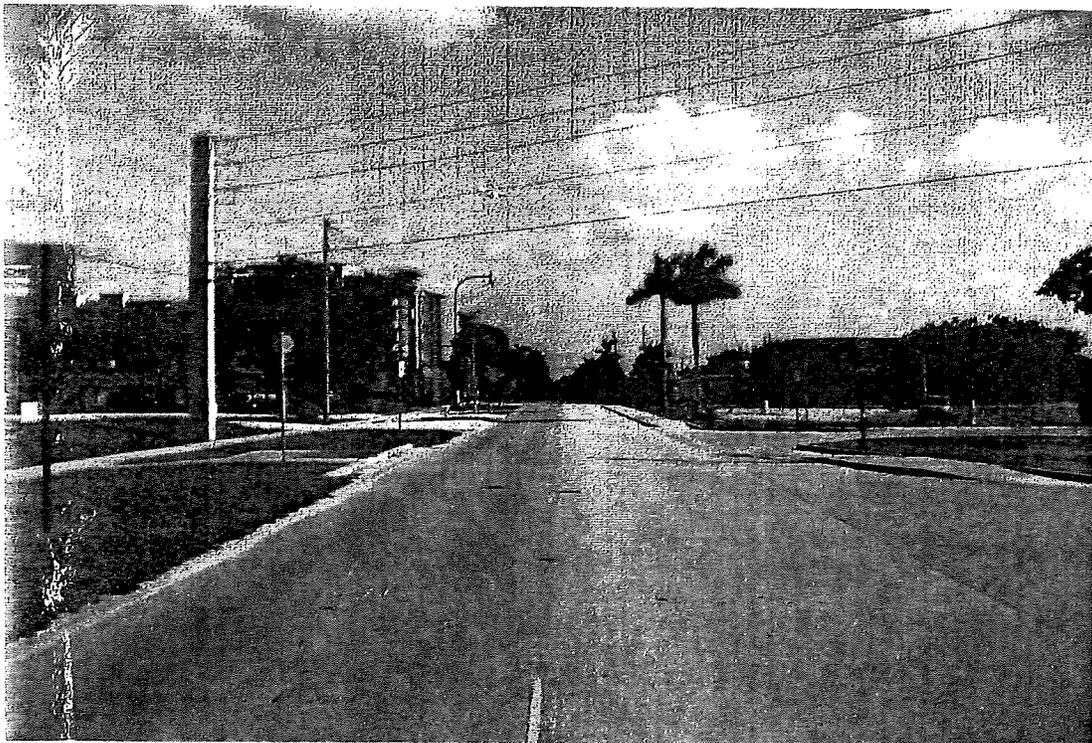
A Portion of North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 33, Township 55 South, Range 40 East, lying and being in Miami-Dade County, Florida, LESS the West 40 feet thereof for road right-of-way, and being more particularly described as follows;

Commence at the Northwest corner of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 33; thence N88deg05min46secE, along the North line of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 33, for a distance of 40.02 feet to its intersection with the East line of the West 40.00 feet of said Section 33; thence S03deg36min20secE, along said East line of the West 40.00 feet of Section 33, for a distance of 40.02 feet; thence N88deg05min46secE, along a line parallel to and 40.00 feet South of the North line of the Southwest $\frac{1}{4}$, of the Northwest $\frac{1}{4}$, of the Southwest $\frac{1}{4}$, of said Section 33, for a distance of 442.83 feet to the POINT OF BEGINNING of the hereinafter described parcel; thence continue N88deg05min46secE, along the last described line for a distance of 148.23 feet; thence S03deg26min58secE, along a line parallel to and 35.50 feet West of the East line of the Southwest $\frac{1}{4}$, of the Northwest $\frac{1}{4}$, of the Southwest $\frac{1}{4}$, of said Section 33, for a distance of 279.51 feet; thence S88deg06min21 sec W, along a line parallel to and 3 0.00 feet North of the South line of the North 112 of the Southwest $\frac{1}{4}$, of the Northwest $\frac{1}{4}$, of the Southwest $\frac{1}{4}$, of said Section 33, for a distance of 155.82 feet; thence N01deg53min39secW for a distance of 279.39 feet to the POINT OF BEGINNING.

INTRODUCTION



LOOKING NORTHERLY ON S.W. 97TH AVENUE – SUBJECT TO RIGHT



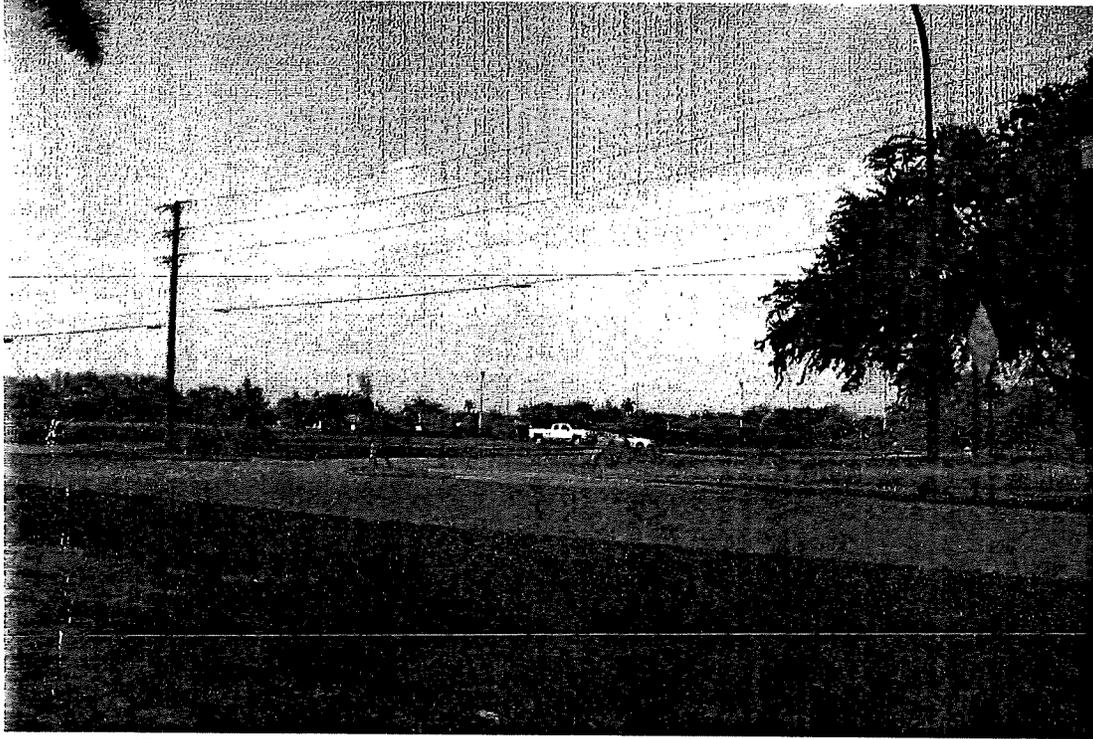
LOOKING SOUTHERLY ON S.W. 97TH AVENUE - SUBJECT TO LEFT



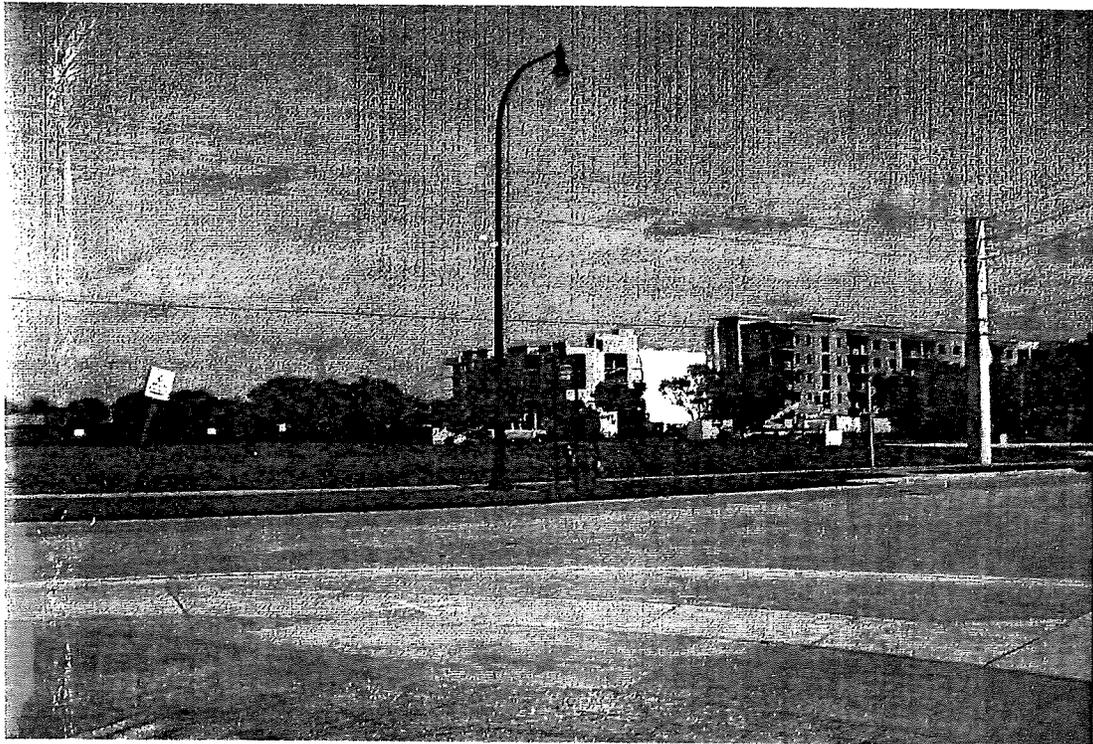
LOOKING EASTERLY AT INTERIOR OF SUBJECT SITE



LOOKING WESTERLY AT INTERIOR OF SUBJECT SITE



LOOKING NORTHEASTERLY AT SUBJECT FROM S.W. 97TH AVENUE



LOOKING SOUTHEASTERLY AT SUBJECT FROM S.W. 97TH AVENUE

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Purpose of Appraisal	Market Value
Property Rights Appraised	Fee Simple
Location	S.W. 97 th Avenue and East Guava Street Palmetto Bay, Florida
Land Size	42,475 Square Feet or 0.98 Acres
Improvements	None.
Zoning	DUV, Downtown Urban Village District
Highest and Best Use	Mixed residential and commercial use
Land Value Indication	\$2,050,000
Final Estimate of Market Value	\$2,050,000
Date of Inspection	July 7, 2018
Date of Value Estimate	July 7, 2018
Date of Report	July 16, 2018

- (K) The reported analyses, opinions, and conclusions are developed, and this report is prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- (L) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- (M) The undersigned has not performed appraisal services concerning the subject property in the three year period immediately preceding the acceptance of this assignment.

As of the date of this report, Thomas F. Magenheimer has completed the requirements under the continuing education program for designated members of The Appraisal Institute.

Thomas F. Magenheimer

THOMAS F. MAGENHEIMER, MAI
STATE-CERTIFIED GENERAL APPRAISER
CERTIFICATION NUMBER: RZ000553

CERTIFICATION OF VALUE

The undersigned hereby certifies that, to the best of my knowledge and belief:

- (A) The statements of fact contained in the report are true and correct.
- (B) The reported analyses, opinions and conclusions are limited only by the assumptions and limiting conditions set forth, and are my personal, unbiased professional analyses, opinions and conclusions.
- (C) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- (D) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- (E) My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- (F) The appraiser's compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. Furthermore, the appraisal assignment is not based on a requested minimum valuation, a specific valuation or the approval of a loan.
- (G) The appraiser's analyses, opinions and conclusions are developed, and this report is prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, and the requirements of the State of Florida for state-certified appraisers.
- (H) Use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.
- (I) Thomas F. Magenheimer has made an inspection of the property that is the subject of this report.
- (J) No one provided professional assistance to the persons signing this report.

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Mr. Don M. Waters

July 16, 2018

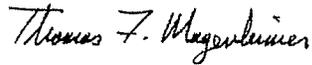
Page Two

Based on the inspection of the property and the investigation and analyses undertaken, I have formed the opinion that, as of July 7, 2018, the subject property had a Market Value, as follows:

TWO MILLION FIFTY THOUSAND DOLLARS

\$2,050,000

Respectfully submitted,



Thomas F. Magenheimer, MAI

State-Certified General Appraiser

Certification Number: RZ0000553

TFM/cm
(18-044)

QUINLIVAN APPRAISAL
A PROFESSIONAL ASSOCIATION
7300 NORTH KENDALL DRIVE, SUITE 530
MIAMI, FLORIDA 33156

Thomas F. Magenheimer, MAI
State Certified General Appraiser
RZ 0000553

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tmagmai@aol.com

July 16, 2017

Don M. Waters
14610 S.W. 69 Avenue
Miami, FL 33158

Dear Mr. Waters:

In accordance with your request and authorization, I have prepared this Appraisal Report covering the following described property:

A 0.98 acre land site, located S.W. 97th Avenue and
East Guava Street, Palmetto Bay, Florida

The purpose of this Appraisal is to estimate the Market Value, of the described property as of market conditions prevalent on July 7, 2018, being one of the dates of personal inspection.

To the best of my knowledge, the opinions and conclusions were developed and this Appraisal Report was prepared in accordance with the standards and reporting requirements of the most current Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

The narrative Appraisal Report that follows sets forth the identification of the property, the assumptions and limiting conditions, pertinent facts about the area and the subject property, comparable data, the results of the investigations and analyses, and the reasoning leading to the conclusions set forth.

This appraisal is not based on any hypothetical conditions or extraordinary assumptions.

The subject property was purchased by the Village of Palmetto Bay in March of 2018 as part of a larger 2.27 site. The property that was purchased was comprised of 0.98 acres of usable site area that is the subject of this appraisal report and a 1.29 acre parcel (Folio No. 33-5033-000-863) that will be dedicated for public street right-of-way.

November of 2017, compared to 972 condo units sold in November of 2016. The median sales price for condos increased to \$230,000 or an increase of 5.9% during the same period in 2016.

Marcus & Millichap Apartment Research Market Report shows a vacancy rate of 3.8% for rental apartment buildings in the Fourth Quarter of 2017, 160 basis points higher than in 2016. The vacancy rate had been declining steadily since 2006 due to the reduction of inventory caused by the large amount of condominium conversions. Since 2015 the vacancy rates for the county have been creeping higher. Apartment rents in Miami-Dade County averaged \$1,483 per month, indicating an increase of 11.6% during 2017. New apartment construction during 2017 was nearly 4,965 units.

The Miami-Dade County retail market contains approximately 102,17 million square feet in 2,357 buildings. The major retail markets in Miami-Dade County include Hialeah, Coral Gables/South Miami-Dade, Aventura and Kendall. Rental rates typically range from \$20 to \$60 per square foot with rates in the \$80.00 to \$120 per square foot on South Beach. The overall Miami-Dade County vacancy rate for the third quarter of 2017 was approximately 3.5%, which is 60 basis points higher from 2.9% in the third quarter of 2016. As of the third quarter of 2017, 2,345,470 square feet of retail space was under construction.

Conclusions

In the future, one of the principal growth areas for Miami-Dade County is expected to be the international sector. Miami-Dade County, because of its geographic location and excellent transportation facilities, is well-suited to attract both business individuals and tourists from Latin America. It is already one of the principal shopping markets for Central and South Americans visiting the United States and one of the principal export points for goods and services destined for Latin America.

The existence of major financial institutions, retail outlets, corporations and other business entities, coupled with its geographic location, transportation systems and planned international trade centers give Miami-Dade County an excellent opportunity for continued growth as an international center.

During the next 12 months all segments of the commercial real estate market should continue to experience decreasing vacancy rates and increasing rental rates. With decreasing inventories for both single family residences and condominium apartment units, sales activity is expected to rise during the next 12 months.

NEIGHBORHOOD DATA

The subject property is located in the Village of Palmetto Bay, approximately fifteen miles southwest of the central business district of Miami.

The subject property may be further identified as being located on the east side of Franjo Road at East Guava Street, one block east of South Dixie Highway.

South Dixie Highway (U.S. Highway 1) is a major south/north traffic artery in Miami-Dade County. South Dixie Highway extends southerly from Downtown Miami to the Florida Keys. The southbound and northbound lanes of South Dixie Highway separate at S.W. 168th Street and reconnect at S.W. 182nd Street. The land area between the southbound and northbound lanes is improved with various commercial properties. The commercial properties fronting on South Dixie Highway in the vicinity of the subject include retail stores, offices, restaurants, service stations and automobile dealerships.

The South Dade Busway right-of-way parallels the west side of South Dixie Highway. In the area immediately north of the subject property, the Busway right-of-way is located in close proximity to South Dixie Highway, preventing commercial development along the west side of South Dixie Highway. The South Dade Busway is an express bus system extending northerly from Florida City to the Dadeland South Station of Metrorail.

The east/west traffic arteries in Palmetto Bay include S.W. 136th, 144th, 152nd, 168th and 184th Streets. The east/west traffic arteries generally extend westerly from Old Cutler Road to South Dixie Highway and beyond. The intersections of the east/west traffic arteries and South Dixie Highway are major signalized intersections.

Several automobile dealerships front on South Dixie Highway in the vicinity of the subject property. These dealers include South Motors at Colonial Drive and U.S. Highway 1 which sell BMW, Honda, and Suzuki; Dadeland Dodge at U.S. Highway 1 and S.W. 165th Street; South Motors Volkswagen at U.S. Highway 1 and S.W. 174th Street; Machado World Ford at U.S. Highway 1 and S.W. 156th Street; Miami Acura at U.S. Highway 1 and S.W. 165th Street; South Motors Infiniti at South Dixie Highway and S.W. 169th Street; and Kendall Mazda at U.S. Highway 1 and S.W. 180th Street. Autonation Nissan is located on a 14 acre site located between the northbound and southbound lanes of South Dixie Highway.

The areas east of U.S. Highway 1 are comprised of single-family residences. These residences range in age from new to thirty years old, and in price range from \$200,000 to \$700,000.

Two major retail facilities in the subject area are the Southland Mall and the Falls Shopping Center.

The Southland Mall (formerly Cutler Ridge Mall) is located at U.S. Highway 1 and Caribbean Boulevard, approximately two miles south of the subject property. The Southland Mall contains 1,170,000 square feet of rentable area and is anchored by Burdines, J C Penney and Sears. This regional mall originally opened in 1960 and was converted to an enclosed mall in 1978. The Southland Mall has been rebuilt after being virtually destroyed during Hurricane Andrew.

The Falls Shopping Center is located at U.S. Highway 1 and S.W. 136th Street, approximately three miles north of the subject property. This open shopping mall was designed with wooden walkways connecting various buildings around man-made lagoons and waterfalls. The Falls is comprised of movie theaters, restaurants, clothes boutiques and specialty shops. Bloomingdales Department Store and Macy's are the anchor tenants of the Falls.

The Village of Palmetto Bay is one of 35 municipalities in Miami-Dade County. The boundaries of Palmetto Bay are S.W. 136th Street to the north, Biscayne Bay on the east, S.W. 184th Street to the south, and South Dixie Highway to the west. Palmetto Bay was incorporated on September 10, 2002 and is governed by an elected mayor and four council members. The current population of Palmetto Bay is approximately 23,000 persons.

In general, the subject property is located along the commercial corridor of U.S. Highway 1 in an expanding suburban community.

SITE DATA

SITE DATA

Dimensions and Shape:

The site is rectangular.

The east property line runs north and south for 279.51 feet along the west property line of Palmetto Bay Park. The south property line thence extends west for 155.82 feet, The west property line thence extends northerly for 279.39 feet. The north property line thence extends easterly for 148.23 feet.

Area:

42,475 square feet or 0.98 acres

Topography and Drainage:

The site is level at an average elevation of 11 feet above mean sea level..

Flood Zone:

Map No. 12028C0601 L

"X" Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than one square mile; and areas protected by levees from 1% annual chance flood.

Soil and Subsoil:

The immediate area of the subject site appears to have no unusual soil or subsoil conditions. Unusual conditions would be brought out by test borings.

Utilities:

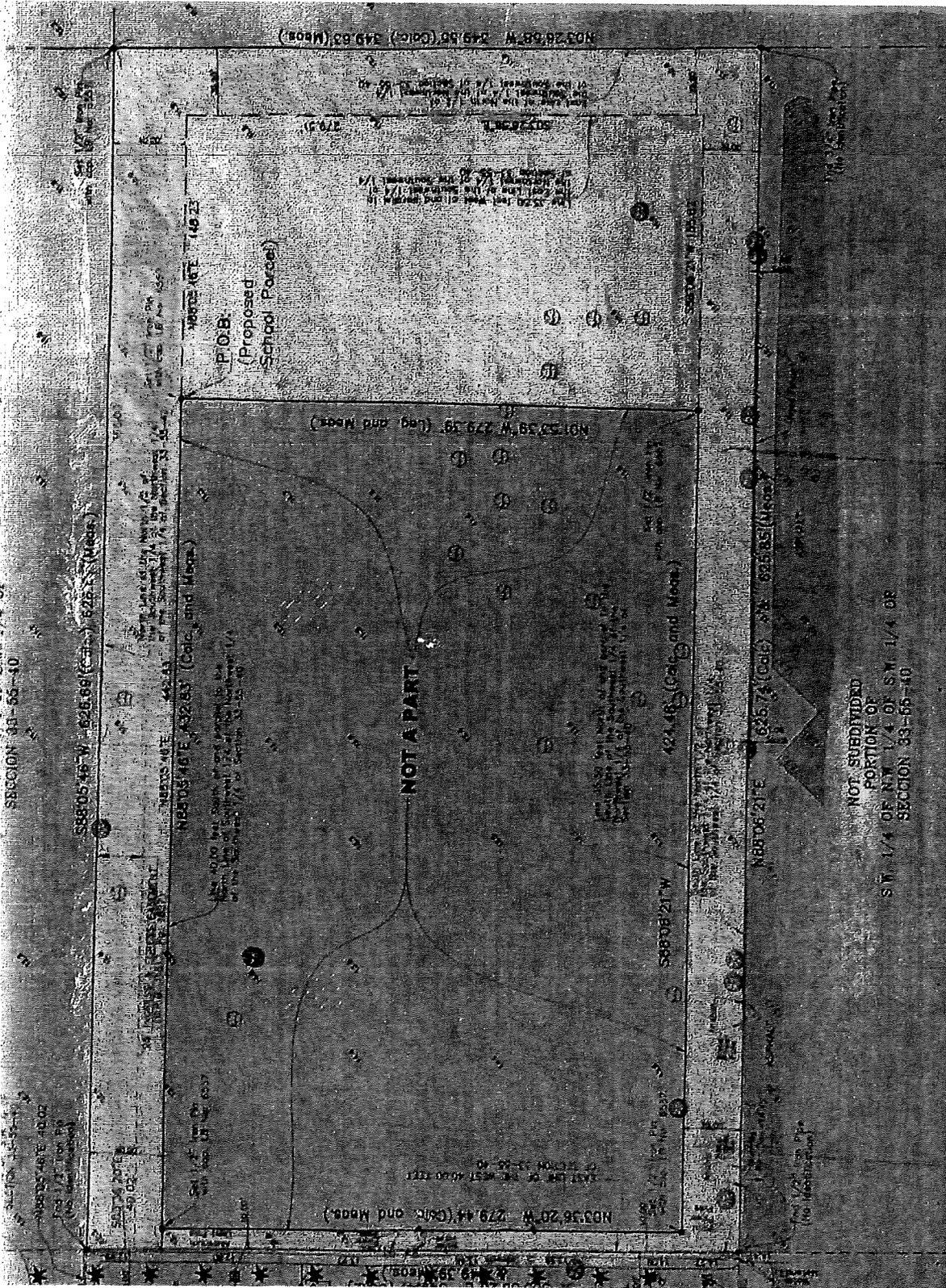
Water:	Miami-Dade Water and Sewer Department
Sewer:	Miami-Dade Water and Sewer Department
Electricity:	Florida Power & Light Company
Telephone:	AT & T

Street Improvements:

The site presently has no street frontage. The Village of Palmetto Bay is planning to construct streets along the north, south and east property lines of the site. The closest improved street is Franjo Road (S.W. 97th Avenue), approximately 425 feet west of the site.

S.W. 97th Avenue is asphalt paved with a dedicated width of 70 feet. S.W. 97th Avenue has one northbound lane and one southbound lane.

SITE SKETCH



ZONING

ZONING

Under Ordinance of the Village of Palmetto Bay, Florida.

Classification: DUV, DOWNTOWN URBAN VILLAGE DISTRICT
Subarea: DOWNTOWN VILLAGE

The purpose of the district is to provide for appropriate building and architectural scale through the inception of development standards that provide for a varied building form that responds to the individual districts within the Downtown Urban Village. Promote and enhance commercial and civic street scene activity through adequate provisions for the inclusion of sufficient ground level retail commercial oriented uses and retail commercial architectural typologies. Promote and enhance the architectural character of the Downtown Urban Village through the inception of provisions that promote high quality urban design form, architectural and complete streets design standards within the Downtown Urban Village.

The Downtown Village sector applies to the primary area of the Downtown Urban Village which is comprised of the most vital, concentrated, pedestrian and bike oriented area and defined by multi-story flexible block and flex building typologies.

Permitted Uses in the Downtown Village subarea include apartments, civic uses, religious facilities, schools, municipal recreation, group homes, big box retail, general retail, personal service, automotive uses, service stations, office uses, colleges, entertainment uses, food establishments, and parking structures.

The maximum residential density is 24 dwelling units per gross acre, defined as to the center line of the abutting streets. The maximum building height is three stories. The zoning code provides a provision of increasing the density and building height of a site to approximate 70 dwelling units per acre and six stories by the application of Transferrable Development Rights that are available in the Village of Palmetto Bay.

HIGHEST AND BEST USE

HIGHEST AND BEST USE

Fundamental to the concept of value is the theory of highest and best use. Land is valued as if vacant and available for its highest and best use.

The Appraisal Institute in *The Dictionary of Real Estate Appraisal, Fourth Edition*, defines highest and best use as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value.

Land has limited value unless there is a present or anticipated use for it; the amount of value depends on the nature of the land's anticipated use, according to the concept of surplus productivity. Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination, is generally regarded as the highest and best use of the land as though vacant.

The highest and best use of a property as improved refers to the optimal use that could be made of the property including all existing structures. The implication is that the existing improvement should be renovated or retained as so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

In estimating the highest and best use there are essentially four stages of analysis:

1. **Possible Use**. What uses of the site being appraised are physically possible?
2. **Permissible Use (Legal)** What uses are permitted by Zoning and Deed Restriction, if any?
3. **Feasible Use**. Which possible and permissible uses will produce a net return to the owner of the site?
4. **Maximally Productive**. Among feasible uses, which use will produce the highest net return to the owner of the site?

The highest and best use of the land (or site), if vacant and available for use, may be different from the highest and best use of the improved property. This is true when the improvements are not an appropriate use, but make a contribution to the total property value in excess of the value of the site.

The following four point test is required in estimating the Highest and Best Use. The use must be legal. The use must be probable, not speculative or conjectural. There must be a profitable demand for such use and it must return to the land the highest net return for the longest period of time.

These tests have been applied to the subject property. In arriving at the estimate of Highest and Best Use, the subject site is analyzed as vacant and available for development.

Possible Use

The subject site presently has no street frontage. The Village of Palmetto Bay is planning on constructing streets on the north, south and east property lines of the site. The closest paved road is Franjo Road (S.W. 97th Avenue, approximately 425 feet east of the west property line of the site. S.W. 97th Avenue is a secondary traffic artery.

The subject site is rectangular. The site has sufficient width and depth for good functional utility. All necessary utility services are available along existing street right-of-ways. The site is filled to street grade and does not appear to have any drainage or subsoil deficiencies.

The site is 42,475 square feet in size which equates to 0.98 of an acre. The size of the subject site would limit its use to a moderate scale use or a subdivision in to several sites.

Permissible Use

Permissible or legal uses are those uses which are permitted by zoning or deed restrictions. There are presently no known private deed restrictions of record.

The subject site is zoned for mixed multiple family residential use and ground level commercial use. The maximum residential density is 24 dwelling units per gross acre. The gross acre is defined as net area of the site, plus the area to the centerline of abutting streets. The maximum building height would be three stories. The maximum density and building height can be increased to approximately 70 dwelling units per acre and six stories through the application of available transferrable development rights.

Feasible Use/Maximally Productive Use

The physical characteristics and zoning of the subject property permit a range of potential uses.

The site has sufficient size for a moderate scale use or a subdivision into several sites. Once the Village of Palmetto Bay constructs the abutting streets on three sides of the site, the site will have adequate access and exposure. The physical characteristics of the site would not limit the use of the site.

The zoning of the site promotes mixed residential and commercial uses at a fairly liberal density compared to other areas in Palmetto Bay. The Village of Palmetto Bay is attempting to promote a downtown development in the vicinity of the subject through zoning bonuses.

Most of the recent development and proposed development on surrounding properties are multiple story buildings with ground floor retail uses and multiple family residential dwellings on upper floors of the building.

Based on the physical characteristics and permissible uses, a mixed use multiple family residential and commercial use is considered the maximally productive use of the site.

Conclusion (As if Vacant)

Based on the above factors, the Highest Best Use of the subject site, as if vacant, is considered to be for a mixed multiple family residential and commercial use.

APPRAISAL PROCESS

THE APPRAISAL PROCESS

The value of a site can be estimated by various methods which include Direct Sales Comparison, Allocation, Extraction, Development Approach, Land Residual or Ground Rent Capitalization. However, the Direct Sales Comparison Approach is the most preferred and utilized technique when sales of comparable sites are available. The other methodologies are indirect techniques which are generally used when an area is primarily built-up and sales of comparable sites are scarce.

The Direct Sales Comparison Method of valuing the subject sites was relied on due to the availability of recent land sales. In the Direct Sales Comparison Method, sales of similar recently sold sites with a similar highest and best use as the subject sites are analyzed, compared and adjusted by time, property characteristics and location to indicate the Market Value of the subject site as though unimproved. The reliability of this approach is dependent upon the availability of comparable sales data, the verification of the sales data, the degree of comparability and the absence of non-typical conditions affecting the sale.

Data related to the subject properties is derived from various sources including but not limited to the Miami-Dade County Property Appraiser's Office, Miami-Dade County plats, FEMA flood zone maps, Land Development Regulations of the Village of Palmetto Bay, and tax roll information provided by the Miami-Dade County Property Appraiser's Office

Comparable sale sources include the Miami-Dade County Property Appraiser's Office, Board of Realtors' Multiple Listing Service, Miami-Dade County Clerk of the Courts, CoStar, and Loopnet. Sale prices are typically confirmed with a party to the transaction, i.e. buyer, seller, real estate agent or attorney to the transaction.

LAND VALUE

LAND VALUE

A land value estimate is concluded by comparing the subject site to comparable land sales. Generally, the comparable land sales are adjusted by time, property, and location to indicate the Market Value of the subject site as though unimproved. This process is known as the Direct Sales Comparison Method.

The Direct Sales Comparison Method is a process of analyzing sales of similar recently sold land parcels in order to derive an indication of the most probable sales price of the site being appraised. The reliability of this approach is dependent upon the availability of comparable sales data, the verification of the sales data, the degree of comparability and the absence of non-typical conditions affecting the sale.

The following page contains a summary of sales of similar land sites that have recently sold. Several other sales are considered, but are not included because there is too wide a difference in physical factors, location and time.

In comparing the sales to the subject, consideration is given to factors of time, location, property characteristics, and terms and conditions of the sale. The sales are analyzed on a price paid per square foot of land area.

A detailed profile of each sale, a photograph of each sale, a summary of the sales, a sales map and a value conclusion follows herein.

LAND SALE 1

DATE: July 25, 2016

PRICE: \$7,800,000

TYPE INSTRUMENT: Special Warranty Deed

RECORDATION: O. R. Book 30167, Page 2550

FOLIO NUMBER: 33-5033-000-0880

GRANTOR: Totalbank

GRANTEE: FCI Palmetto Bay, LLC

LEGAL: The South ½ of the South ½ of the SW ¼ of the NW ¼ of the SW ¼, less the South 25 feet; and the South 59.31 feet of the North 524.1 feet of the East 254.0 feet of the West 289.0 feet of the SW ¼ of the NW ¼ of the SW ¼; and the North ½ of the South ½ of the SW ¼ of the NW ¼ of the SW ¼, Section 33, Township 55 South, Range 40 East in of Miami-Dade County, Florida.

LOCATION: 17945 S.W. 97th Avenue
Palmetto Bay, Florida

SITE DESCRIPTION:

Dimensions: Irregular

Size: 173,462 Square Feet
3.99 Acres

Zoning: DUV, Downtown Urban Village District

Current Use: Mixed use apartment and retail building

UNIT PRICE: \$44.97 per square foot of land area

FINANCING: Cash.

REMARKS: The site was improved at the date of sale with a bank building. The building was demolished and the site is being redeveloped with 271 apartments units and 7,000 square feet of retail space.



SALE 1

LAND SALE 2

DATE: December 15, 2017

PRICE: \$2,800,000

TYPE INSTRUMENT: Warranty Deed

RECORDATION: O. R. Book 30805, Page 4857

FOLIO NUMBER: 33-5032-007-0160
33-5032-007-0170
33-5032-007-0180
33-5032-007-0190

GRANTOR: Indigo Gardens Developers, LLC

GRANTEE: Indigo at Palmetto Bay, LLC

LEGAL: Lots 5-8, Block 2, **MORNINGSIDE ACRES**, according to the plat thereof, as recorded in Plat Book 46, Page 7 of the Public Records of Miami-Dade County, Florida.

LOCATION: 9700 East Indigo Street
Palmetto Bay, Florida

SITE DESCRIPTION:

Dimensions: Irregular
Size: 58,219 Square Feet
1.34 Acres

Zoning: DUV, Downtown Urban Village District
Current Use: Vacant

UNIT PRICE: \$48.09 per square foot of land area

FINANCING: Cash.

REMARKS: A 0.93 acre portion of this site sold in May of 2016 for \$1,100,000 or \$27.25 per square foot of land area.



SALE 2

LAND SALE 3

DATE: February 12, 2018

PRICE: \$4,400,000

TYPE INSTRUMENT: Special Warranty Deed

RECORDATION: O. R. Book 30864, Page 2646

FOLIO NUMBER: 33-5032-007-1030

GRANTOR: Perrine-Peters United Methodist Church Inc.

GRANTEE: 183 Palmetto Holdings, LLC

LEGAL: A portion of Block 10, **MORNINGSIDE ACRES**, according to the plat thereof, as recorded in Plat Book 46, Page 7 of the Public Records of Miami-Dade County, Florida.

LOCATION: 18301 South Dixie Highway
Palmetto Bay, Florida

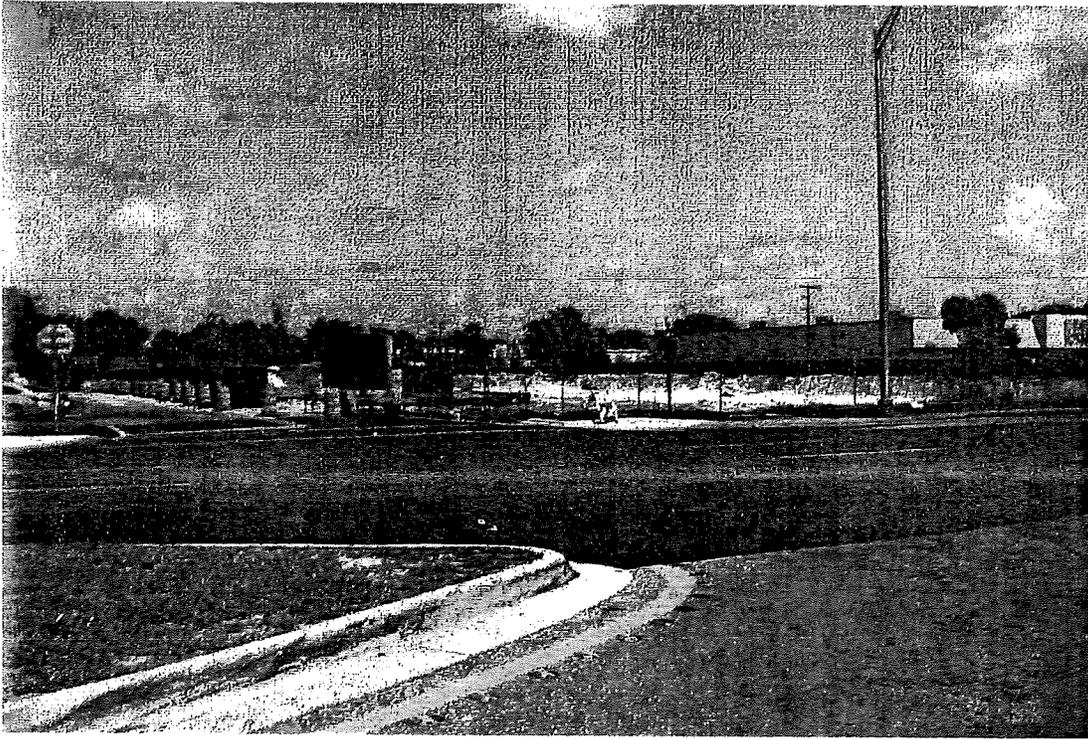
SITE DESCRIPTION:

Dimensions: Irregular
Size: 86,875 Square Feet
1.99 Acres
Zoning: DUV, Downtown Urban Village District
Current Use: Vacant

UNIT PRICE: \$50.65 per square foot of land area

FINANCING: Conventional first mortgage of \$2,500,000 from Banesco USA.

REMARKS: The site was improved at the date of sale with an 11,122 square foot church building construction in 1969. The building was demolished and the site is being redeveloped with a mixed use building with 200 apartment units and 15,600 square feet of retail space.



SALE 3

LAND SALE 4

DATE: June 15, 2018

PRICE: \$4,565,700

TYPE INSTRUMENT: Warranty Deeds

RECORDATION: O. R. Book 31029, Pages 2144, 2291 & 2602

FOLIO NUMBERS: 33-5033-000-0650
33-5033-000-0670
33-5033-000-0680

GRANTOR: Pedro P. Gonzalez, et ux, Jorge L. Morales & Raggedy Ann & Andy's Preschool Corp.

GRANTEE: Parkview at Palmetto Bay, LLC

LEGAL: The East 185 feet of the West 240 feet of the North ½ of the SE ¼ of the SW ¼ of the NW ¼, less the North 25 feet; the East 151 feet of the West 391 feet of the North ½ of the SE ¼ of the SW ¼ of the NW ¼, less the North 25 feet; and West 150 feet of the East 278 feet of the North ½ of the SE ¼ of the SW ¼ of the NW ¼, less the North 25 feet, Section 33, Township 55 South, Range 40 East in of Miami-Dade County, Florida.

LOCATION: 17945 S.W. 97th Avenue
Palmetto Bay, Florida

SITE DESCRIPTION:

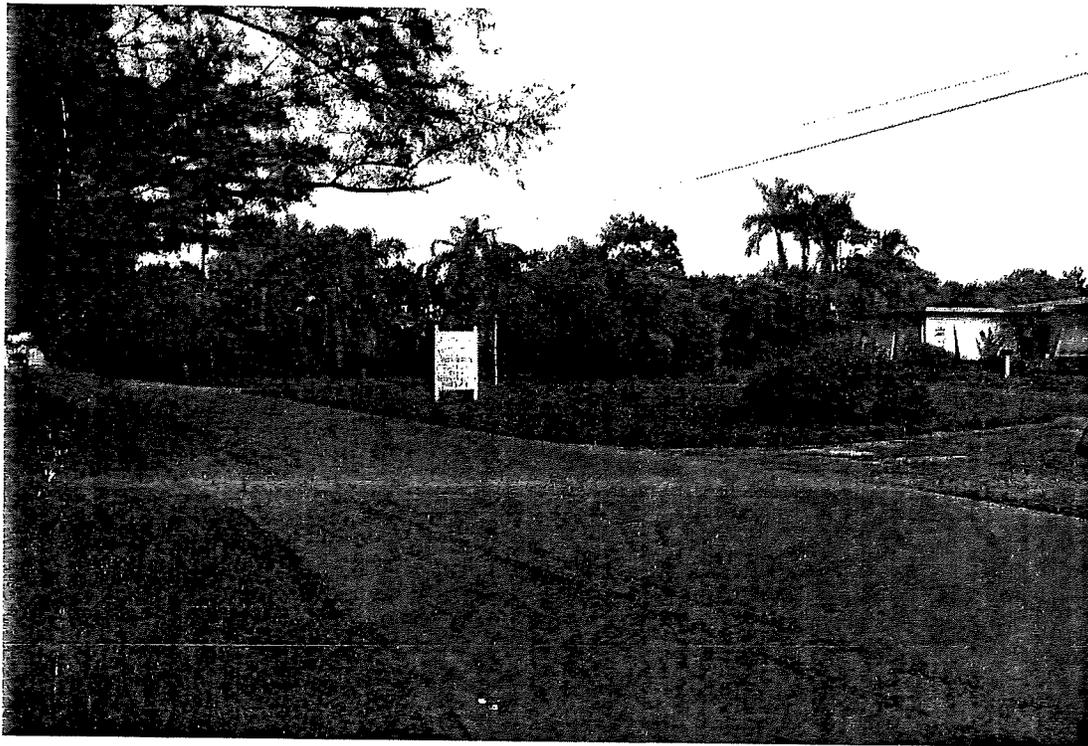
Dimensions: 305 feet x 486 feet
Size: 155,229 Square Feet
3.56 Acres

Zoning: DUV, Downtown Urban Village District
Current Use: Two old houses and a preschool building

UNIT PRICE: \$29.41 per square foot of land area

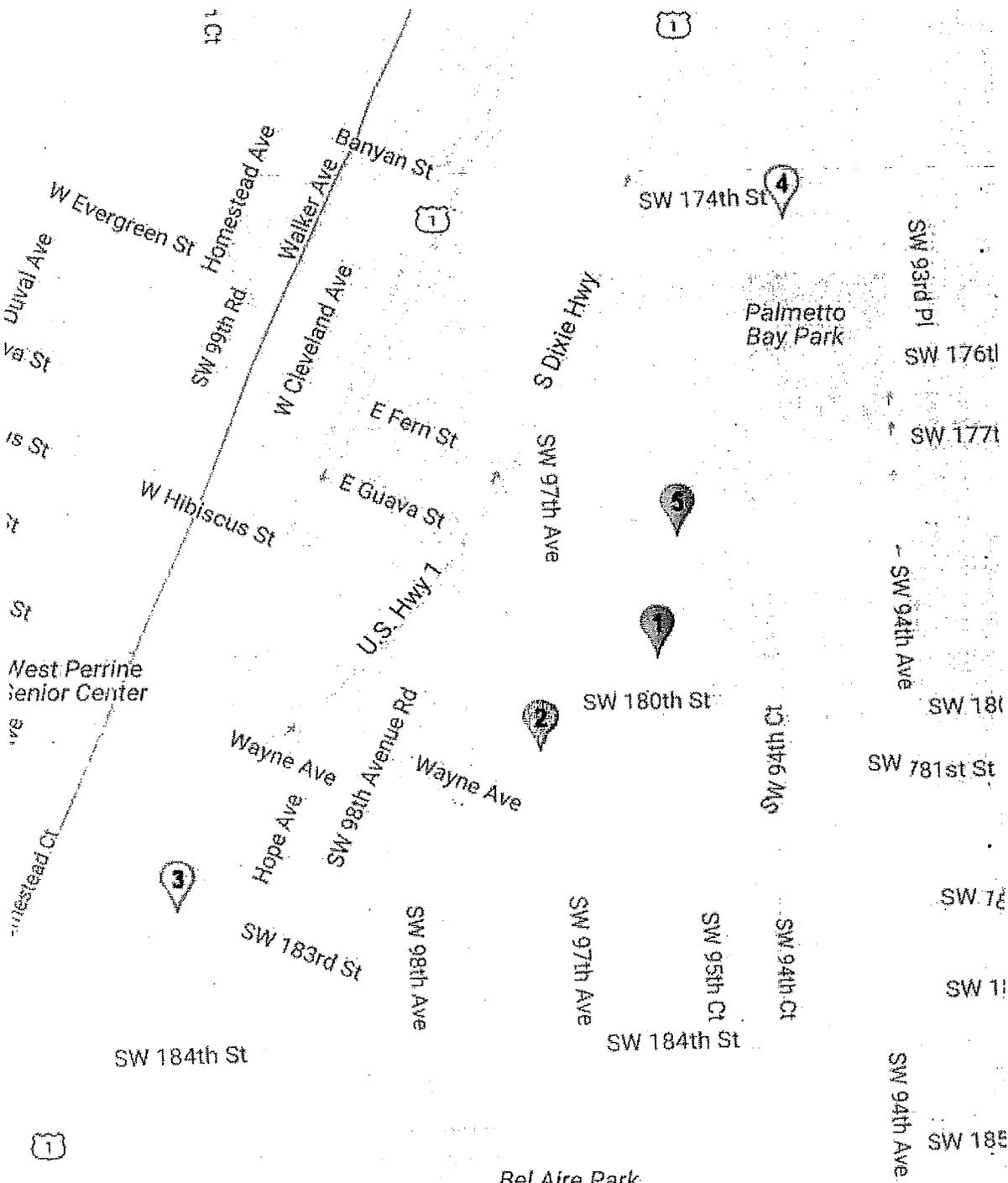
FINANCING: Cash.

REMARKS: The site was improved at the date of sale with two old houses and a daycare building. The building will be demolished and the site is being redeveloped with 235 apartments units and 1,500 square feet of retail space.



SALE 4

LAND SALE MAP



- No.:
- 1
 - 2
 - 3
 - 4
 - Subject

SUMMARY OF LAND SALES

CHARACTERISTICS	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
DATE OF SALE		7/25/16	12/15/17	2/12/18	6/15/18
SALE PRICE		\$7,800,000	\$2,800,000	\$4,400,000	\$4,656,700
RECORDATION		30167/2550	30805/4857	30864/2546	31029/2602/2291/ 2144
ADDRESS	S.W. 97 Ave. & E. Guava St.	17945 S.W. 97 Ave.	9700 E. Indigo St.	18301 S. Dixie Hwy.	9450 S.W. 174 St.
LOCATION		Adjacent to South	2 Blocks South	½ Mile Southwest	¼ Mile North
SIZE(SF)	42,475	173,462	58,219	86,875	155,229
SIZE(ACRES)	0.98	3.99	1.34	1.99	3.56
ZONING	DUV	DUV	DUV	DUV	DUV
USE AT SALE	Vacant	Bank Building	Vacant	Church	Two Houses & Daycare
PRICE PAID/SF		\$44.97	\$48.09	\$50.65	\$29.41

ANALYSIS OF LAND SALES

The land sales range in unit price from \$29.41 to \$50.65 per square foot. The sales range in time from July of 2016 to June of 2018.

Property Rights

The fee simple interest is the property right of the subject site being valued. The comparable sales involved the same type of property rights.

Conditions of Sale

All of the sales were arm's-length transactions. An arm's-length transaction is defined as a transaction freely arrived at in the open market unaffected by abnormal pressure or by the absence of normal competitive negotiation as might be true in the case between related parties.

Financing

The financing of the sales does not indicate any adjustments of their prices for favorable/below market financing.

Date of Sale (Market Conditions)

The land sales occurred between July of 2016 and June of 2018. The sales indicate an upward trend in sales prices in this market area over this time period. A portion of the Sale 2 site sold in May of 2016 at a price equivalent to \$27.25 per square foot of land area. Sale 2 occurred in December of 2017 at a price equivalent to \$48.09 per square foot of land area. The unit price of Sale 1 requires upward adjustment for increasing market conditions.

Location

The sales are all located in east of South Dixie Highway in Palmetto Bay, within a ½ mile radius of the subject.

The subject site and the Sale 1 and 2 sites are located along Franjo Road (S.W. 97th Avenue). The Sale 3 site fronts on South Dixie Highway, a major traffic artery. The locations of the Sale 1, 2 and 3 sites are considered similar to the location of the subject.

The Sale 4 site fronts on a secondary street, north of the subject and the Sale 1, 2 and 3 site. The location of the Sale 4 site is considered inferior to the location of the subject. The unit price of Sale 4 requires an upward adjustment for an inferior location.

Site Size

The sales range in site size from 1.34 to 3.99 acres.. The size of the subject site, at 0.98 of an acre, is slightly below the range of the sizes of the sale sites. The sales do not indicate a difference in unit price based on site size.

Zoning

The subject site is zoned for mixed multiple family residential and commercial use in the Downtown Urban Village District. The sale sites are similarly zoned in the Downtown Urban Village District. The zonings of the sale sites are considered similar to the zoning of the subject site.

Conclusion

The unit prices of the sales range from \$29.41 to \$50.65 per square foot of land area. The sales range in time from July of 2016 to June of 2018.

A summary of the adjustments is as follows:

Sale No.	1	2	3	4
Price/SF	\$44.97	\$48.09	\$50.65	\$29.41
Adjustments				
Property Rights	=	=	=	=
Conditions of Sale	=	=	=	=
Financing	=	=	=	=
Market Conditions	+	=	=	=
Location	=	=	=	+
Land Size	=	=	=	=
Zoning	=	=	=	=
Total Adjustments	+	=	=	+

Based on the above analysis of the sales, the subject site is estimated to have a market value in the range of \$48.00 to \$49.00 per square foot of land area.

42,475 Square Feet x \$48.00 per Square Foot = \$ 2,038,800

42,475 Square Feet x \$49.00 per Square Foot = \$ 2,081,275

Land Value Indication (Rounded) \$ 2,050,000

ADDENDA

ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. If no survey has been furnished to the appraisers, all measurements have been confirmed either in the field, in the plat book or by other reliable sources and are presumed to be accurate.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the Appraisal Report.
9. It is assumed, unless a study has been provided otherwise, that no hazardous material such as asbestos, urea formaldehyde or other toxic waste exists in the property. The existence of a potentially hazardous material could have a significant effect on the value of the property.
10. In reference to proposed construction, the real estate taxes and other expenses are estimated. These amounts are not guaranteed.

11. It is assumed in the valuation of the subject land site, unless a compliance letter has been furnished to us, that the State of Florida Growth Management Act does not prevent the issuance of a building permit.
12. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
13. It is assumed that the utilization of the land and improvements is within the boundaries of property lines of the property described and that there is no encroachment or trespass unless noted in the report.

This Appraisal Report has been made with the following general limiting conditions:

1. The distribution, if any, of the total valuation of this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event, only with proper written qualification and only in its entirety.
3. The appraisers herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (**especially any conclusions as to value, the identity of the appraisers, or the firm with which the appraisers are connected**) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraisers.

QUALIFICATIONS OF THE APPRAISER

THOMAS F. MAGENHEIMER

Experience:

11/84 - Present

QUINLIVAN APPRAISAL, P.A.
7300 N. Kendall Drive, Suite 530
Miami, Florida

Education:

University of Richmond, Richmond, Virginia
BA - Bachelor of Arts in History (1982)

Professional Affiliations:

Member of the Appraisal Institute (MAI No. 09166)
Real Estate Salesman - State of Florida - Certificate No. 0344882
Certified General Appraiser, State of Florida, License No. RZ0000553
Member Sigma Alpha Epsilon Fraternity

Qualified as an Expert Witness in the Following Courts:

Miami-Dade County Circuit Court
Broward County Circuit Court
United States Bankruptcy Court

Other Activities:

Newsletter Editor - South Florida-Caribbean Chapter of the Appraisal Institute - (1991 - 1995)
President - South Florida-Caribbean Chapter of the Appraisal Institute - (1996)
Board of Trustees - Palmer-Trinity School (1989 - 1993)

Quinlivan Appraisal has prepared Appraisal Reports for the following:

Institutions and Corporations:

AT&T
Archdiocese of Miami
Atlantic Security Bank
The Bank of America
Bank United
Barry University
Bessemer Trust Company
California Bank and Trust
Chevron Oil Company
Chase Manhattan Bank
Chemical Bank
Citibank
Citrus Bank
City National Bank of Miami
Coamerica Bank
Coconut Grove Bank
Commerce Bank
Commercial Bank of Florida
Consolidated Bank
County National Bank
Eagle National Bank
Eastern National Bank
Equitable Bank
Espirito Santo Bank
Farm Credit of South Florida
Fidelity Bank
First International Bank
First National Bank of South Miami
Florida International University
First Nationwide Bank
Florida Memorial College
Florida Power and Light Company
Florida Rock Industries
Great Eastern Bank of Florida
Greyhound Lines
HSBC
Hemisphere National Bank
Intercontinental Bank
International Bank of Miami, N.A.

LaSalle National Bank
Marine Midland Bank
McDonalds Corp.
Mellon United National Bank
Metro Bank
Miami-Dade County Community College
Miami-Dade Water and Sewer Authority
Northern Trust Bank of Florida
Ocean Bank
Pacific National Bank
Pan American Bank
Shell Oil Company
South Trust Bank
SunTrust Bank
TotalBank
Trade National Bank
Trust for Public Lands
UniBank
Union Planters National Bank
University of Miami
Wachovia
Wal-Mart
YMCA

Governmental Agencies:

City of Aventura
City of Coral Gables
City of Doral
City of Florida City
City of Hialeah
City of Homestead
City of Miami
City of Miami Parking Authority
City of Miami Beach
City of Miramar
City of North Bay Village
City of North Miami
City of North Miami Beach
City of South Miami
City of Sunny Isles Beach
Miami-Dade County Aviation Department
Miami-Dade County Department of Development & Facilities Management
Miami-Dade County HUD

Miami-Dade County Property Appraisal Adjustment Board
Miami-Dade County Public Schools
Miami-Dade County Public Works Department
Miami-Dade County Transportation Administration
Miami-Dade Water & Sewer Department
South Florida Water Management District
State of Florida, Attorney General's Office
State of Florida, Department of Community Affairs
State of Florida, Department of Corrections
State of Florida, Department of Environmental Protection
State of Florida, Department of Insurance
State of Florida, Department of Rehabilitation and Liquidation
State of Florida, Department of Transportation
Town of Golden Beach
United States Army Corps of Engineers
United States Department of Justice
United States Department of Commerce
United States Department of the Interior
United States General Services Administration
Village of Islamorada
Village of Key Biscayne
Village of Pinecrest

Law Firms:

Akerman Senterfitt
Greenberg, Traurig
Daniels, Kashton, Downs and Robertson
Holland and Knight, LLP
Shutts & Bowen
Ruden McClosky, LLP
Steel, Hector & Davis, LLP
Weiss, Serota, Helfman, Pastoriza, Guedes, Cole and Boniske, P.A.

Types of Properties Appraised:

Single Family Residences	Vacant Land
Apartment Buildings	Hotel/Motels
Office Buildings	Warehouses
Retail Stores	Nursing Homes
Shopping Centers	Mobile Home Parks
Condominium Apartment Buildings	Schools
Golf Courses	Service Stations
Residential Subdivisions	Marinas
Automobile Dealerships	Wetlands

