

RESOLUTION NO. 2018-30648

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING OF THE TITLE OF THIS RESOLUTION AND A DULY NOTICED PUBLIC HEARING, THE VACATION OF 6TH STREET, WEST OF ALTON ROAD AND EAST OF WEST AVENUE, IN FAVOR OF THE ABUTTING PROPERTY OWNERS, SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, AND 1220 SIXTH, LLC (COLLECTIVELY, THE "APPLICANTS"); CONDITIONING AND MAKING THE AFORESTATED VACATION SUBJECT TO SATISFACTION OF CERTAIN CONDITIONS, AS MORE SPECIFICALLY STATED IN THAT CERTAIN DEVELOPMENT AGREEMENT BETWEEN THE CITY AND SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, 1220 SIXTH, LLC, AND KGM EQUITIES, LLC (COLLECTIVELY, THE "DEVELOPER"), AND AS APPROVED BY THE CITY PURSUANT TO RESOLUTION NO. 2018-30647; WHICH CONDITIONS, AMONG OTHER THINGS, SHALL REQUIRE THE DEVELOPER TO: (1) GRANT TO THE CITY A 50 FOOT WIDE PERPETUAL NON-REVOCABLE UTILITY, ROADWAY AND PEDESTRIAN ACCESS EASEMENT ACROSS THE VACATED 6TH STREET RIGHT-OF-WAY; (2) CONVEY TO THE CITY, IN FEE SIMPLE, A MINIMUM OF 3.0 ACRES, WITHIN THE 5TH - 7TH STREET BLOCKS, BETWEEN WEST AVENUE AND ALTON ROAD, FOR A WORLD CLASS PUBLIC MUNICIPAL PARK, TO BE DESIGNED AND CONSTRUCTED AT THE DEVELOPER'S EXPENSE; AND (3) COMPLETE PHASE 1 OF THE AFORESTATED PARK PROJECT; FURTHER WAIVING BY 5/7THS VOTE, THE COMPETITIVE BIDDING REQUIREMENT, PURSUANT TO SECTION 82-39(a) OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY.

**WHEREAS**, the City holds a right of way dedication to a fifty (50) foot wide right-of-way, known as 6<sup>th</sup> Street, running from West Avenue to Alton Road, as set forth in the sketch attached as Exhibit "A" hereto, consisting of approximately 12,719.3 square feet in total lot area; as shown on (a) the Amended Plat of the Fleetwood Subdivision, recorded in Plat Book 28, page 34 of the Public Records of Miami-Dade County (the "Fleetwood Plat") and (b) the Amended Plat of Aquarium Site, recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, and approved by the City (the aforestated property is hereinafter referred to as the "City Right-of-Way" or "City ROW"); and

**WHEREAS**, South Beach Heights I, LLC, 500 Alton Road Ventures, LLC, 1220 Sixth, LLC, and KGM Equities, LLC (collectively, the "Developer") own the property to the south of, north of, and abutting, the City Right of Way; which parcels are known as 500, 630 and 650 Alton Road, 1220 6<sup>th</sup> Street, and 659, 701, 703, 711, 721, 723, 727 and 737 West Avenue; and

**WHEREAS**, the Developer intends to develop the property as a mixed-use residential and commercial development (collectively, the "Proposed Development") pursuant to a Florida Statute Chapter 163 development agreement entered into between the City and the four entities identified above (the "Development Agreement"), and to convey to the City a dedicated, constructed, world-class park, consisting of no less than 3.0 acres; and

**WHEREAS**, the Proposed Development shall be developed as a unified development site; and

**WHEREAS**, two of the Developers (500 Alton Road Ventures, LLC and 1220 Sixth, LLC) are the owners of the property abutting the south side of 6<sup>th</sup> Street, and a third, South Beach Heights I,

LLC, is the owner of the property abutting the north side of 6<sup>th</sup> Street (collectively these three entities, as the abutting property owners, are requesting the vacation and are also referred to herein as the "Applicants"); and

**WHEREAS**, in conjunction with Proposed Development on the Property, Applicants are requesting that the City vacate the City Right-of-Way, and have submitted their application to the City's Public Works Department with respect thereto; and

**WHEREAS**, pursuant to the City's existing administrative policies and procedures to consider the vacation of the City streets, alleys, and/or rights of way, which also require compliance with Article II, Sections 82-36 through 82-40, of the City Code (which establish the procedures governing the sale or lease of public property), in addition to the above referenced application, prior to considering a request for vacation, the following requirements must be satisfied:

(A) The title of the Resolution regarding the proposed vacation shall be read by the City Commission on two separate meeting dates, with the second reading to be accompanied by a duly noticed public hearing. (Note: First reading of the Resolution title occurred at the City Commission meeting of November 14, 2018);

(B) The proposed vacation shall be transmitted to the Finance and Citywide Projects Committee ("FCWPC") for its review (Note: The FCWPC reviewed the proposed vacation at its July 27<sup>th</sup>, 2018 meeting, and recommended a term sheet of conditions, which served as the basis for the City and Developer's negotiation of the resulting Development Agreement, which is scheduled to be heard at the same Commission meeting as Agenda Item R7A.);

(C) In order for the City Commission and the public to be fully apprised of all conditions relating to the proposed vacation, the City's Planning Department shall prepare a written planning analysis, to be submitted to the City Commission concurrent with its consideration of the proposed vacation (Note: The Planning Department analysis and as required pursuant to Section 82-38 of the City Code, is attached as Exhibit "B" hereto),

(D) The City shall obtain an independent appraisal of the fair market value of the property proposed to be vacated, which shall include a definition of the property based on proposed and possible issues including, without limitation, the highest and best use (Note: An appraisal was obtained by the City's Public Works Department on June 24, 2018, and the 6<sup>th</sup> Street right of way was valued at \$7,600,000); and

**WHEREAS**, Section 82-39(a) of the City Code provides that the lease or sale of public property also requires an advertised public bidding process, which requirement may be waived by 5/7<sup>th</sup> vote of the City Commission; and

**WHEREAS**, Florida law, requires, upon vacation, that the right-of-way is divided equally between the abutting property owners; and

**WHEREAS**, as the only persons entitled to the vacated land are the Applicants (as the abutting property owners), the City Manager recommends that the Mayor and City Commission waive the competitive bidding requirement, finding that the public interest is served by waiving such condition; and

**WHEREAS**, as required by Section 82-37(a)(2) of the City Code, first reading of the title of the this Resolution occurred at the City Commission meeting of November 14, 2018; and

**WHEREAS**, in addition to the requirements set forth in Section 82-36 through 82-40 of the City Code, Section 1.03(b)(4) of the City Charter also requires that the vacation be approved by 4/7<sup>ths</sup> vote of the Planning Board, and 6/7<sup>ths</sup> vote of the City Commission; and

**WHEREAS**, at its meeting on September 25, 2018, the Planning Board approved the proposed vacation (subject to and contingent upon Developer's satisfaction of the conditions regarding vacation of 6<sup>th</sup> Street in the Development Agreement) by a 7-0 vote; and

**WHEREAS**, the Administration, recommends approval of the vacation, following second reading of the title of the Vacation Resolution and the public hearing, with such vacation being subject to and contingent upon satisfaction of the the terms contained in this Resolution and, more specifically, as expressly set forth in the Development Agreement.

**NOW THEREFORE BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that the Mayor and City Commission hereby approve, on second reading of the title of this Resolution, and duly noticed public hearing, the vacation of 6th Street, west of Alton Road and east of West Avenue, in favor of the abutting property owners, South Beach Heights I, LLC, 500 Alton Road Ventures, LLC, and 1220 Sixth, LLC (collectively, the "Applicants"); conditioning and making the aforesated vacation subject to satisfaction of certain conditions, as more specifically stated in that certain Development Agreement between the City and South Beach Heights I, LLC, 500 Alton Road Ventures, LLC, 1220 Sixth, LLC, and KGM Equities, LLC (collectively, the "Developer"), and as approved by the City pursuant to Resolution No. 2018-30647; which conditions, among other things, shall require the Developer to: (1) grant to the City a 50 foot wide perpetual non-revocable utility, roadway and pedestrian access easement across the vacated 6th Street right-of-way; (2) convey to the City, in fee simple, a minimum of 3.0 acres, within the 5th - 7th Street blocks, between West Avenue and Alton Road, for a world class public municipal park, to be designed and constructed at the Developer's expense; and (3) complete Phase 1 of the aforesated Park Project; further waiving by 5/7ths vote, the competitive bidding requirement, pursuant to Section 82-39(a) of the City Code, finding such waiver to be in the best interest of the City.

**PASSED and ADOPTED** this 12<sup>th</sup> day of December, 2018.

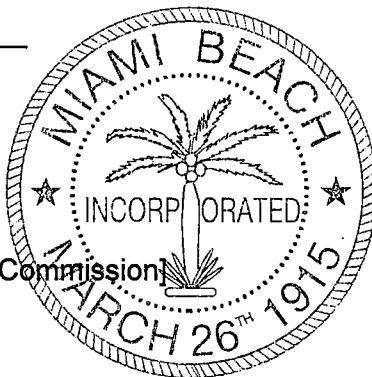
**ATTEST:**

  
Dan Gelber, Mayor

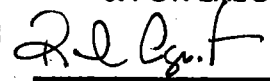
78/12/24/18  
Rafael G. Granado, City Clerk

(Sponsor: Mayor Dan Gelber)

[Vacation Requires 6/7 vote of City Commission]



APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
City Attorney

12-5-18  
Date

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission  
FROM: Jimmy L. Morales, City Manager  
DATE: December 12, 2018

9:35 a.m. Second Reading Public Hearing

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING OF THE TITLE OF THIS RESOLUTION AND A DULY NOTICED PUBLIC HEARING, THE VACATION OF 6TH STREET, WEST OF ALTON ROAD AND EAST OF WEST AVENUE, IN FAVOR OF THE ABUTTING PROPERTY OWNERS, SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, AND 1220 SIXTH, LLC (COLLECTIVELY, THE "APPLICANTS"); CONDITIONING AND MAKING THE AFORESTATED VACATION SUBJECT TO SATISFACTION OF CERTAIN CONDITIONS, AS MORE SPECIFICALLY STATED IN THAT CERTAIN DEVELOPMENT AGREEMENT BETWEEN THE CITY AND SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, 1220 SIXTH, LLC, AND KGM EQUITIES, LLC (COLLECTIVELY, THE "DEVELOPER"), AND AS APPROVED BY THE CITY PURSUANT TO RESOLUTION NO. \_\_\_\_\_; WHICH CONDITIONS, AMONG OTHER THINGS, SHALL REQUIRE THE DEVELOPER TO: (1) GRANT TO THE CITY A 50 FOOT WIDE PERPETUAL NON-REVOCABLE UTILITY, ROADWAY AND PEDESTRIAN ACCESS EASEMENT ACROSS THE VACATED 6TH STREET RIGHT-OF-WAY; (2) CONVEY TO THE CITY, IN FEE SIMPLE, A MINIMUM OF 3.0 ACRES, WITHIN THE 5TH - 7TH STREET BLOCKS, BETWEEN WEST AVENUE AND ALTON ROAD, FOR A WORLD CLASS PUBLIC MUNICIPAL PARK, TO BE DESIGNED AND CONSTRUCTED AT THE DEVELOPER'S EXPENSE; AND (3) COMPLETE PHASE 1 OF THE AFORESTATED PARK PROJECT; FURTHER WAIVING BY 5/7TH VOTE, THE COMPETITIVE BIDDING REQUIREMENT, PURSUANT TO SECTION 82-39(A) OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY.

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### RECOMMENDATION

#### ANALYSIS

See Memorandum attached.

#### Legislative Tracking

Public Works

### ATTACHMENTS:

#### **Description**

- SIGNED MEMO BY CITY MANAGER
- 2nd Reading Form approved RESO
- Appraisal 500 Alton Road
- 500-600 alton sites
- 6844-6th street Layout1. Sketch of survey
- 6844PARCELS 6TH STREET. Land description and sketch
- 6844PARCELS 6TH STREET. Land description and sketch2
- 6844PARCELS 6TH STREET. Land description and sketch3
- Analysis of Vacation
- Ad



# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miami-beachfl.gov](http://www.miami-beachfl.gov)

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: December 12, 2018

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING OF THE TITLE OF THIS RESOLUTION AND A DULY NOTICED PUBLIC HEARING, THE VACATION OF 6TH STREET, WEST OF ALTON ROAD AND EAST OF WEST AVENUE, IN FAVOR OF THE ABUTTING PROPERTY OWNERS, SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, AND 1220 SIXTH, LLC (COLLECTIVELY, THE "APPLICANTS"); CONDITIONING AND MAKING THE AFORESTATED VACATION SUBJECT TO SATISFACTION OF CERTAIN CONDITIONS, AS MORE SPECIFICALLY STATED IN THAT CERTAIN DEVELOPMENT AGREEMENT BETWEEN THE CITY AND SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, 1220 SIXTH, LLC, AND KGM EQUITIES, LLC (COLLECTIVELY, THE "DEVELOPER"), AND AS APPROVED BY THE CITY PURSUANT TO RESOLUTION NO. \_\_\_\_\_; WHICH CONDITIONS, AMONG OTHER THINGS, SHALL REQUIRE THE DEVELOPER TO: (1) GRANT TO THE CITY A 50 FOOT WIDE PERPETUAL NON-REVOCABLE UTILITY, ROADWAY AND PEDESTRIAN ACCESS EASEMENT ACROSS THE VACATED 6TH STREET RIGHT-OF-WAY; (2) CONVEY TO THE CITY, IN FEE SIMPLE, A MINIMUM OF 3.0 ACRES, WITHIN THE 5TH - 7TH STREET BLOCKS, BETWEEN WEST AVENUE AND ALTON ROAD, FOR A WORLD CLASS PUBLIC MUNICIPAL PARK, TO BE DESIGNED AND CONSTRUCTED AT THE DEVELOPER'S EXPENSE; AND (3) COMPLETE PHASE 1 OF THE AFORESTATED PARK PROJECT; FURTHER WAIVING BY 5/7THS VOTE, THE COMPETITIVE BIDDING REQUIREMENT, PURSUANT TO SECTION 82-39(a) OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY.**

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### RECOMMENDATION

The Administration, recommends that the City Commission approve, after second reading of the above-referenced Resolution title and a public hearing, the vacation of 6<sup>th</sup> Street, a 50 foot right of way east of Alton Road and west of West Avenue, subject to and contingent upon the terms set forth in the Resolution and in the Development Agreement between the City and Developer (as defined below), which Development Agreement is scheduled for second reading/public hearing on this December 12, 2018 City Commission meeting, as Agenda Item R7A. Additionally, the Administration recommends waiving, by a 5/7<sup>ths</sup> vote, the requirements of an advertised public bidding process, finding such waiver to be in the best interest of the City.

## **BACKGROUND**

The City holds a right of way dedication to a fifty (50) foot wide right-of-way, known as 6<sup>th</sup> Street, running from West Avenue to Alton Road, consisting of approximately 12,719.3 square feet in total lot area; as shown on (a) the Amended Plat of the Fleetwood Subdivision, recorded in Plat Book 28, page 34 of the Public Records of Miami-Dade County (the "Fleetwood Plat"); and (b) the Amended Plat of Aquarium Site, recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, and approved by the City (See also sketch attached as Exhibit "A" hereto).

South Beach Heights I, LLC, 500 Alton Road Ventures, LLC, 1220 Sixth, LLC, and KGM Equities, LLC (collectively, the "Developer") owns the property to the south of, north of, and adjacent to, the 6<sup>th</sup> Street right of way; which parcels are known as 500, 630 and 650 Alton Road, 1220 6<sup>th</sup> Street, and 659, 701, 703, 711, 721, 723, 727 and 737 West Avenue.<sup>1</sup> The Developer intends to develop the property as a mixed-use residential and commercial development (collectively, the "Proposed Development"),<sup>2</sup> pursuant to a Florida Statute Chapter 163 development agreement to be entered into with the City which, among other terms, shall require the Developer, as a condition of the City's vacation of 6<sup>th</sup> Street, to convey to the City a minimum of 3.0 acres on the development site upon which Developer will, in phases, design and construct, (at its sole cost and expense) a world class public municipal park.

## **REQUIREMENTS OF THE CITY CODE IN ORDER TO VACATE A RIGHT-OF-WAY**

In conjunction with Developer's Proposed Development, Applicants are requesting that the City vacate the 6<sup>th</sup> Street right of way. Pursuant to the City's existing administrative policies and procedures to consider the vacation of City streets, alleys, and/or rights of way, which also require compliance with Article II, Sections 82-36 through 82-40, of the City Code (which establish the procedures governing the sale or lease of public property), prior to considering a request for vacation, the following requirements must be satisfied:

(A) The title of the Resolution regarding the proposed vacation shall be read by the City Commission on two separate meeting dates, with the second reading to be accompanied by a duly noticed public hearing. (Note: First reading of the Resolution title occurred at the City Commission meeting of November 14, 2018);

(B) The proposed vacation shall be transmitted to the Finance and Citywide Projects Committee ("FCWPC") for its review (Note: The FCWPC reviewed the proposed vacation at its July 27<sup>th</sup>, 2018 meeting, and recommended a term sheet of conditions, which served as the basis for the City and Developer's negotiation of the resulting Development Agreement, which is scheduled to be heard at the same Commission meeting as Agenda Item R7A.);

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<sup>1</sup> Two of the Developers, 500 Alton Road Ventures and 1220 Sixth, LLC, are the owners of the property adjacent to the south side of 6<sup>th</sup> Street; and the third, South Beach Heights I, LLC, is the owner of the property adjacent to the north side of 6<sup>th</sup> Street (collectively since these three entities are applying for and requesting the vacation, they shall be referred to as the "Applicants").

<sup>2</sup> The Proposed Development shall be developed as a unified development site.

(C) In order for the City Commission and the public to be fully apprised of all conditions relating to the proposed vacation, the City's Planning Department shall prepare a written planning analysis, to be submitted to the City Commission concurrent with its consideration of the proposed vacation (Note: The Planning Department analysis and as required pursuant to Section 82-38 of the City Code, is attached as Exhibit "B" hereto); and

(D) The City shall obtain an independent appraisal of the fair market value of the property proposed to be vacated, which shall include a definition of the property based on proposed and possible issues including, without limitation, the highest and best use (Note: An appraisal was obtained by the City's Public Works Department on June 24, 2018, and the 6<sup>th</sup> Street right of way was valued at \$7,600,000).

Although the City's procedures for the lease or sale of public property also require an advertised public bidding process, the requirement may be waived by 5/7<sup>th</sup> vote. Under Florida law, upon vacation of a right of way, it can only be conveyed to the property owners immediately abutting either side. The City Manager, therefore, recommends that the Mayor and City Commission waive the competitive bidding requirement under Section 82-39(a) of the City Code, finding that the public interest is served by waiving such condition.

#### **CITY CHARTER REQUIREMENTS FOR VACATION**

As the vacation of 6<sup>th</sup> Street will result in a "conveyance" to the Applicants it is therefore subject to the requirements of Section 1.03(b)(4) of the City Charter, which provides that the "...sale, exchange, conveyance or lease of ten (10) years or longer of all remaining City-owned property... shall, as provided by Ordinance, require approval by a majority 4/7 vote of all members of the Planning Board and 6/7 vote of the City Commission."

At its October 23, 2018 meeting, the Planning Board approved the proposed vacation by a 7-0 vote. At the November 14, 2018 City Commission meeting, as required by Section 82-37(a)(2) of the City Code, the City Commission heard first reading of the title of the Vacation Resolution. Now, following second reading of the title of the Vacation Resolution and a duly noticed public hearing to hear comment regarding the proposed vacation, approval of the Vacation Resolution will require a 6/7 vote of the City Commission.

#### **CONCLUSION**

Approve the Vacation Resolution, following second reading of the Resolution title and a public hearing, subject to satisfaction of the conditions set forth in this Resolution and, more specifically, in the Development Agreement between the City and South Beach Heights I, LLC, 500 Alton Road Ventures, LLC, 1220 Sixth, LLC, and KGM Equities, LLC (and which Development Agreement is scheduled for second reading/public hearing as this December 12, 2018 City Commission meeting as Agenda Item R7A). Because approval of the Vacation Resolution will require six (6) votes of the City Commission, the Commission will also be deemed to have waived the competitive bidding requirements (which only requires a 5/7<sup>th</sup> vote).

**APPRAISAL REPORT  
OF A REDEVELOPMENT SITE  
LOCATED AT  
500 ALTON ROAD  
WITH ADDITIONAL BUILDABLE AREA, BY VACATING 6<sup>TH</sup> STREET  
MIAMI BEACH, FLORIDA**

**DATE OF VALUATION:**

**JUNE 27, 2018**

**J. ALHALE APPRAISALS, INC.  
Real Estate Appraisers and Consultants**

**J. ALHALE APPRAISALS, INC.  
REAL ESTATE APPRAISERS AND CONSULTANTS  
3475 SHERIDAN STREET, SUITE 313  
HOLLYWOOD, FLORIDA 33021**

**JOZEF ALHALE, MAI  
STATE CERTIFIED GENERAL APPRAISER  
NO. RZ0001557**

**CELL: (305) 613-7477  
E-MAIL: jbalhale@aol.com  
WWW.jalhaleappraisals.com**

July 24, 2018

Mr. Eric T. Carpenter, P.E.  
Assistant City Manager  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Re: 500 Alton Road & 1220 6<sup>th</sup> Street  
Miami Beach, Florida

Dear Mr. Carpenter:

Pursuant to your request for an appraisal of the above referenced property, I submit the following appraisal report.

Legal Description: Lots 1 through 8, and Lots 13 through 19, less street for road, and alley lying between and adjacent thereof closed per Resolution 2005-25869, and Lots 9 and 10, and the easterly ½ of the alley lying west and adjacent, closed as per Resolution 2013-28343; and Lots 11 and 12, and western ½ of the alley lying east and adjacent, closed as per Resolution 2013-28343, Amended Aquarium Site, as recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, Florida

The subject site is an 85,348 SF (as per site survey; or 87,140 SF as per the public records) city-block which is bounded by 5<sup>th</sup> Street (Mc Arthur Causeway) on the south, 6<sup>th</sup> Street of the north, Alton Road on the east and West Avenue on the west. In conjunction with a 138,843 SF site at the 600 Block of Alton Road and a 49,000 SF site at the 700 Block of West Avenue, the site was proposed to be developed with a mixed-use residential/retail project under a "unified development plan" which would take advantage of the vacation of 6<sup>th</sup> Street which has approximately 12,613 SF of site area, along the subject site. The vacation of the 12,613 SF portion of street area and 85,348 SF main site area, provides 195,922 SF of buildable area ((85,348 SF + 12,613 SF) x 2.0 FAR = 195,922 SF).

The Market Value of the subject site, without vacating 6<sup>th</sup> Street, was estimated at \$51,200,000 "as if" vacant, and \$51,770,000 in "as is" condition (refer to the appraisal report dated July 16, 2018). Accordingly, the estimated contributory value of vacating the portion of 6<sup>th</sup> Street along the subject site, and adding approximately 25,226 SF (12,613 SF x 2.0 FAR) of buildable area to the subject site was estimated to be \$7,600,000.

Mr. Eric T. Carpenter, P.E.

July 24, 2018

Page Two

It is my estimate that the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018, was:

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SUBJECT SITE (WITH VACATION OF 6<sup>TH</sup> STREET), "AS IF" VACANT  
FIFTY EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS  
(\$58,800,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SUBJECT SITE (WITH VACATION OF 6<sup>TH</sup> STREET)  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY EIGHT MILLION SEVEN HUNDRED SEVENTY THOUSAND DOLLARS  
(\$58,770,000)

Sincerely,



Jozef Alhale, MAI  
State Certified General Appraiser  
License No. RZ 0001557

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**ARQUITECTONICA**

2900 Oak Avenue  
Miami, FL 33133  
305.372.1812 T  
305.372.1175 F

PREPARED FOR :  
PROJECT # 0000.00

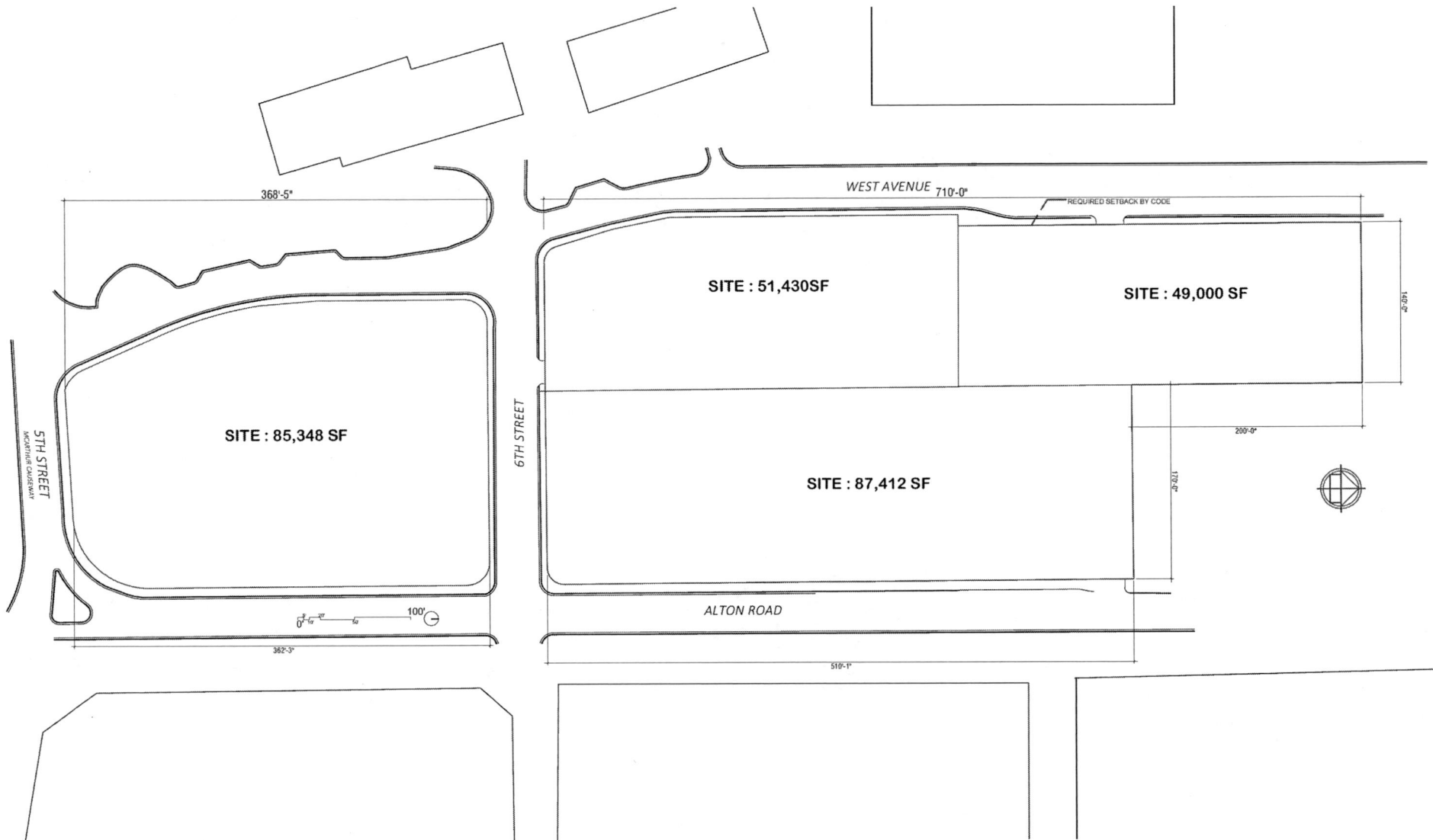
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500-600-700 ALTON  
MIAMI BEACH, FL

SITE LOCATION

06/15/2018





**ARQUITECTONICA**

2900 Oak Avenue  
Miami, FL 33133  
305.372.1812 T  
305.372.1175 F

PREPARED FOR :  
PROJECT # 0000.00

500-600-700 ALTON  
MIAMI BEACH, FL

SITE AREAS

06/15/2018

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## **SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

**Location:** 85,348 SF site which is the city block bound by 5<sup>th</sup> Street on the south, 6<sup>th</sup> Street on the north, Alton Road on the east and West Avenue on the west, Miami Beach, Florida

**Address:** 500 Alton Road & 1220 6<sup>th</sup> Street  
Miami Beach, Florida

**Census Tract/Block:** 44.060 / 1

**Folio No:** 02-4204-006-0010 and 02-4204-006-0070

**Owner of Record:** 500 Alton Road Ventures LLC and 1220 Sixth LLC  
2200 Biscayne Boulevard  
Miami, Florida 33137

**Legal Description:** Lots 1 through 8, and Lots 13 through 19, less street for road, and alley lying between and adjacent thereof closed per Resolution 2005-25869, and Lots 9 and 10, and the easterly ½ of the alley lying west and adjacent, closed as per Resolution 2013-28343; and Lots 11 and 12, and western ½ of the alley lying east and adjacent, closed as per Resolution 2013-28343, Amended Aquarium Site, as recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, Florida

**Description:** The subject site is an 85,348 SF (as per site survey; or 87,140 SF as per the public records) city-block which is bounded by 5<sup>th</sup> Street (Mc Arthur Causeway) on the south, 6<sup>th</sup> Street of the north, Alton Road on the east and West Avenue on the west. The site is level at street grade, and currently has a 5,723 SF improvement at the northwest corner, built in 1960. The vacant improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant. In conjunction with a 138,843 SF site at the 600 Block of Alton Road and a 49,000 SF site at the 700 Block of West Avenue, the site was proposed to be developed with a mixed-use residential/retail project under a "unified development plan" which would take advantage of the vacation of 6<sup>th</sup> Street which has approximately 12,613 SF of site area, along the subject site. The vacation of the 12,613 SF portion of street area and 85,348 SF main site area, provides 195,922 SF of buildable area ((85,348 SF + 12,613 SF) x 2.0 FAR = 195,922 SF).

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**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

|                                   |  |           |
|-----------------------------------|--|-----------|
| Site Area:                        | Site -   | 85,348 SF |
|                                   | Street -   | 12,613 SF |
| Flood Zone:                       | Flood Zone "AE" - An area inundated by 100-year flooding; National Flood Insurance Program, Community Panel Number 120651-12086C0317L, as revised on September 11, 2009.   |           |
| Zoning:                           | CPS-2 General Mixed-Use Commercial Performance District  |           |
| Highest and Best Use:             | The Highest and Best Use of the subject site is its development with a residential condominium apartment building, with an ancillary commercial component. This site already has approvals to be developed with a mixed-use residential/commercial building with 18,000 SF of retail and a 163-unit residential component (170,696 SF allowed on its own, without the two other sites and vacation of 6 <sup>th</sup> Street). Subject to satisfaction of certain property rights transfer among the three sites under a "unified development plan", the subject site is proposed to be developed with a high-rise residential apartment building which would be built to condominium quality standards, and possibly have an interim rental apartment use during the sell-out period. |           |
| Property Rights Appraised:        | Fee Simple Interest  |           |
| Date of Inspection and Valuation: | June 27, 2018  |           |
| Date of Appraisal Report:         | July 24, 2018  |           |

## **SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

### **MARKET VALUE ESTIMATES:**

|  |   |
|--|---|
| Income Capitalization Approach to Value: | Not Applicable  |
| Sales Comparison Approach to Value:      | \$58,800,000 As if Vacant<br>\$58,770,000 As Is               |
| Cost Approach to Value:                  | Not Applicable  |
| Reconciled Final Value Estimates:        | <b>\$58,800,000 As if Vacant</b><br><b>\$58,770,000 As Is</b> |

Note: The Market Value of the subject site, without vacating 6<sup>th</sup> Street, was estimated at \$51,200,000 "as if" vacant, and \$51,770,000 in "as is" condition (refer to the appraisal report dated July 16, 2018). Accordingly, the estimated contributory value of vacating the portion of 6<sup>th</sup> Street along the subject site, and adding approximately 25,226 SF (12,613 SF x 2.0 FAR) of buildable area to the subject site was estimated to be \$7,600,000.



## **PURPOSE/FUNCTION OF THE APPRAISAL**

The purpose of this appraisal report is to provide estimates of the Highest and Best Use, the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018.

The function of this appraisal report is to assist the client (The City of Miami Beach) in executive decision making and/or collateral/asset valuation relative to the allocation of the development rights among the three privately-owned sites, possible vacation of the portion of 6<sup>th</sup> Street along the subject site, as well as the potential transfer of one or portion of the sites to the City of Miami Beach to create a public park for the use and benefit of the surrounding densely populated residential neighborhood, in the South Beach section of Miami Beach. The intended user of this appraisal report is the City of Miami Beach or any of its assigns.

## **SCOPE OF THE APPRAISAL**

I have made a physical inspection of the subject site, and performed market research to provide estimates of the Highest and Best Use, the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018.

The scope of the appraisal involves the research and analysis of factual data relative to the subject property, as well as market data necessary for the development of the Sales Comparison Approach to Value (land valuation). The data and information used in developing our findings, projections and valuation estimates have been derived from published information, direct interviews, analysis of similar properties and other sources which were considered appropriate as of the valuation date.

## **PROPERTY RIGHTS APPRAISED**

This appraisal report is made with the understanding that the present ownership of the property includes all the rights that may be lawfully held under a fee simple estate.

Fee Simple Interest is defined in The Dictionary of Real Estate Appraisal, 2010 Edition, which was sponsored by the Appraisal Institute as follows: Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of eminent domain, escheat, police power and taxation.

## **DATE OF VALUATION AND REPORT**

The date of valuation is June 27, 2018. The date of the appraisal report is July 24, 2018.

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## **STATEMENT OF OWNERSHIP AND HISTORY**

The 73,890 SF portion of the subject site is owned by 500 Alton Ventures LLC which purchased it for \$5,000,000 from Africa Israel Vitri Developers, LLC on February 18, 2010, as recorded in Book 27190, Page 447 of the Official Public Records of Miami-Dade County, Florida.

The previous sale was from Pin-Pon Corporation to MacArthur Gateway LLC for \$9,800,000 on July 20, 2004, as recorded in Book 22515, Page 2137 of the Official Public Records of Miami-Dade County, Florida.

The 13,250 SF northwestern portion of the subject site is owned by 1220 Sixth LLC which purchased it for \$4,000,000 from Mau-Mau Corporation on December 1, 2011, as recorded in Book 27915, Page 3693 of the Official Public Records of Miami-Dade County, Florida.

As per the Public Records of Miami-Dade County, Florida, there was no other arm's length transfer of ownership at the subject property during the five year period prior to the valuation date. We have not been informed of any other current listings, options and/or pending contracts in effect at the subject property, as of the date of valuation.

## **ESTIMATED MARKETING AND EXPOSURE PERIOD**

Based on my analysis of the market, recent listings which have been since closed, as well as discussions with owners and Realtors active in the subject area, it is the appraiser's opinion that if the subject site was listed for sale with an experienced Realtor, the marketing and marketing and exposure period would be approximately six to twelve months. Accordingly, this marketing and exposure period is considered to currently represent the most probable amount of time necessary to expose and actively market the subject property to achieve a sale consistent with the Market Value.

## **DEFINITION OF MARKET VALUE**

Market Value is defined in The Interagency Appraisal and Evaluation Guidelines, dated December 2, 2010, as follows:

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 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:

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 interests;
3. A reasonable time is allowed for exposure in the open market;

## **DEFINITION OF MARKET VALUE**

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 the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

## **NEIGHBORHOOD ANALYSIS**

The subject site is located on the north side of 5<sup>th</sup> Street, south side of 6<sup>th</sup> Street, between Alton Road and West Avenue, in the South Beach section of Miami Beach, Florida. The immediate area surrounding the subject site is comprised of low-rise, mid-rise and high-rise rental and condominium apartment buildings along Bay Road and West Avenue, as well as mixed-use residential/retail buildings along West Avenue, and commercial buildings with retail, office and restaurant space; office buildings, and other retail/service uses along Alton Road.

Miami Beach is an island located just off the southeast coast of Miami-Dade County, Florida. The island is approximately one mile wide, ten miles long and travels in a northerly/southerly direction parallel to mainland Miami-Dade County. The town of Surfside borders Miami Beach to the north starting at approximately 87th Street. The Atlantic Ocean acts as the eastern and southeastern border, while Biscayne Bay/the Intracoastal Waterway lies to the west. Five causeways connect Miami Beach to the mainland; the MacArthur Causeway (Highway No. 41); the Venetian Causeway; the Julia Tuttle Causeway (Interstate 195); the Broad Causeway (State Road No. 922) and the North Dade Causeway (State Road No. 934).

As the City's economy drastically improved in the last twenty-five years, Miami Beach has experienced an influx of younger and more affluent residents. Close proximity to Miami's downtown business district, the Art Deco entertainment district and access to the beach are all considered to be contributing factors to the area's discovery as a place to live and work. The continued faith in the City's economy is reflected by the consistent increase in building permit activity over the last twenty years. Developers and real estate professionals in Miami Beach have been aggressively marketing their properties to local and out-of-town residents and families. In the last fifteen years, the development and redevelopment activity has well spread over the waterfront corridors of Ocean Drive, Collins Avenue and Ocean Drive, as well as the Art Deco district, the 5th Street corridor and the area south of 5th Street which is referred to as the overall South Pointe area.

The subject site is located just north of 5th Street (connecting to MacArthur Causeway) which is the gateway to the South Beach area of Miami Beach, connecting it with the Central Business District of Miami. The subject property is located 2/3 mile southeast of Lincoln Road which is an upscale pedestrian corridor which is considered ground-zero for retail/restaurant space in South Beach, commanding the highest rental rates and sale prices.



## **NEIGHBORHOOD ANALYSIS**

The subject site is within walking distance of the service, entertainment, retail corridors of Alton Road and Lincoln Road. The viability of the subject neighborhood is further enhanced by the ease of accessibility to/from downtown Miami and the Central Business District (CBD) and other major employment centers within Miami-Dade County.

The area surrounding the subject site has been developed with mostly residential facilities and therefore, no nuisances, hazards or other adverse influences were observed. No notable signs of external obsolescence were observed and the overall appeal of the improved properties is considered to be above average to good.

## **ACCESS TO THE SITE**

5<sup>th</sup> Street, 6<sup>th</sup> Street, West Avenue and Alton Road provide direct access to the subject site.

## **DESCRIPTION OF THE SITE**

The subject site is an 85,348 SF (as per site survey; or 87,140 SF as per the public records) city-block which is bounded by 5<sup>th</sup> Street (Mc Arthur Causeway) on the south, 6<sup>th</sup> Street of the north, Alton Road on the east and West Avenue on the west. The site is level at street grade, and currently has a 5,723 SF improvement at the northwest corner, built in 1960. The vacant improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant. In conjunction with a 138,843 SF site at the 600 Block of Alton Road and a 49,000 SF site at the 700 Block of West Avenue, the site was proposed to be developed with a mixed-use residential/retail project under a "unified development plan" which would take advantage of the vacation of 6<sup>th</sup> Street which has approximately 12,613 SF of site area, along the subject site. The vacation of the 12,613 SF portion of street area and 85,348 SF main site area, provides 195,922 SF of buildable area ((85,348 SF + 12,613 SF) x 2.0 FAR = 195,922 SF).

The subject site is level at street grade and does not have any apparent drainage or other problems which would restrict or limit the use of the site. No soil boring tests or engineering reports were submitted to the appraiser; however, the site is assumed to have stable subsoil conditions as do most properties in the immediate area.

The appraiser has not been informed of any adverse subsoil conditions revealed by an environmental assessment conducted by a firm with experience in identifying such substances, nor is he qualified to detect such substances that may exist. It is assumed that the subject site would be typical for properties located in the subject area with no apparent soil problems which would restrict or limit the usage of the site. If any adverse subsoil conditions are identified and do exist, these conditions would be considered to have a material affect on the Market Value estimates. The valuation analysis assumes the site to be free of any adverse subsoil conditions, and is subject to the satisfactory removal of any contaminating materials in accordance with technical, environmental and governmental guidelines.

## **UTILITIES**

Public utilities available to the subject site include electricity, water, sewer, gas and telephone service. Electricity is provided by FPL. Police and fire protection, water and sewer services are provided by the City of Miami Beach.

## **FLOOD ZONE**

Flood Zone "AE" - An area inundated by 100-year flooding; National Flood Insurance Program, Community Panel Number 120651-12086C0317L, as revised on September 11, 2009.

## **ZONING**

The subject site is zoned as CPS-2 General Mixed-Use Commercial Performance District which is designed to accommodate a range of business, commercial, office and hotel uses, as well as medium to high density residential development pursuant to performance standards which control the permissible type, density or intensity, and mix of development. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 170,696 SF.

## **ASSESSMENT AND REAL ESTATE TAXES**

The subject site is located within the City of Miami Beach and is subject to both the City of Miami Beach and Miami-Dade County ad valorem taxes. The Florida Statutes provide for assessment and collection of yearly Ad Valorem Taxes on Real and Personal Property. 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". The tax due is computed according to annual millage rates established by Dade County. Millage rates are the amount paid to each taxing body for every \$1,000 of assessed value. Taxes are payable in November with a 4% discount and become delinquent on April 1<sup>st</sup>.

The subject site is assessed at \$18,302,400 or \$214.44/SF for land, \$26,094 for the improvements, or a total of \$18,328,494, with real estate taxes of \$261,257.71, prior to a 4% discount for prompt payment.

## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

### Rental Apartment Market

According to the Housing Report prepared by Reinhold P. Wolff Economic Research, Inc., the vacancy rate in mature (18 months and older) rental apartment complexes in Miami-Dade County was 5.0% in May 2018, 4.7% in February 2018, 4.5% in November 2017; 4.4% in August 2017; 3.6% in May 2017, 3.6% in February 2017; 3.9% in November 2016; 3.9% in November 2016; 3.4% in August 2016; 2.9% in May 2016; 3.4% in February 2016; 2.9% in November 2015; 3.0% in August 2015; 3.3% in May 2015; and 3.9% in February 2015.

The subject South Beach sub-market had a vacancy rate of 4.0% for 2,046 units in February 2012; 4.7% for 2,046 units in May 2012; 4.6% for 2,046 units in August 2012; 4.3% for 2,046 units in November 2012; 8.1% for 2,046 units in February 2013; 2.5% for 2,046 units in May 2013; 4.1% for 2,046 units in August 2013; 1.4% for 2,046 units in November 2013; 4.5% for 2,046 units in February 2014; 5.4% for 2,046 units in May 2014; 5.2% in August 2014 for 1,617 units; 5.7% for 2,046 units in November 2014; 3.7% for 1,617 units in February 2015; 3.8% for 1,617 units in May 2015; and 4.4% for 1,872 units in August 2015; 6.3% for 1,617 units in November 2015; 5.7% for 1,617 units in February 2016; 5.9% for 1,617 units in May 2016; 4.3% for 1,872 units in August 2016; 3.3% for 1,872 units in November 2016; 4.4% for 1,872 units in February 2017; 3.7% for 1,872 units in May 2017; 7.7% for 1,872 units in August 2017; 7.4% for 1,872 units in November 2017; 5.8% for 1,872 units in February 2018; and 6.2% for 1,872 units in May 2018.

The neighboring sub-market of Central/North Beach sub-market had a vacancy rate of 2.8% for 1,281 units in February 2012; 4.9% for 1,281 units in May 2012; 4.4% for 1,617 units in August 2012; 3.4% for 1,617 units in November 2012; 9.1% for 1,617 units in February 2013; 6.1% for 1,617 units in May 2013; .2% in August 2013 for 1,617 units; 5.5% for 1,617 units in November 2013; 4.3% for 1,617 units in February 2014; 1.9% for 1,617 units in May 2014; 3.4% in August 2014 for 2,046 units; 1.9% for 1,617 units in November 2014; 1.7% for 1,617 units in February 2015; 2.4% for 1,617 units in May 2015; 2.5% for 1,617 units in August 2015; 4.0% for 1,617 units in November 2015; 1.1% for 1,617 units in February 2016; 1.5% for 1,617 units in May 2016; 2.7% for 1,902 units in August 2016; 2.0% for 1,902 units in November 2016; 4.0% for 1,902 units in February 2017; 5.0% for 1,902 units in May 2017; 5.0% for 1,902 units in August 2017; 5.2% for 1,902 units in November 2017; 4.5% for 1,902 units in February 2018; and 4.5% for 1,902 units in May 2018.

There were no new rental apartment units added to the inventory in South Beach, and there is 0 months of inventory.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$39 to \$1,869 from February 2018 to May 2018. The May 2018 overall average rent of \$1,869 is 6.7% greater than the \$1,751 average rent found a year earlier.

## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Rental Apartment Market (Continued)

The average rental rate for apartment units in South Beach were \$2,627 or \$\$3.235/SF for 779 one-bedroom units; \$3,563 or \$2.912/SF for 587 two-bedroom units; and \$5,224 or \$2.767/SF for 45 three-bedroom units. The rental rates in South Beach are among the highest in Miami-Dade County, due to its specific location.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$91 to \$1,830 from November 2017 to February 2018. The February 2018 overall average rent of \$1,830 is 4.9% greater than the \$1,744 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$2 to \$1,739 from August 2017 to November 2017. The November 2017 overall average rent of \$1,739 is .8% greater than the \$1,725 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **declined** by \$14 to \$1,737 from May 2017 to August 2017. The August 2017 overall average rent of \$1,737 is 4.4% greater than the \$1,664 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$7 to \$1,771 from February 2017 to May 2017. The May 2017 overall average rent of \$1,751 is 3.2% greater than the \$1,696 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$19 to \$1,744 from November 2016 to February 2017. The February 2017 overall average rent of \$1,744 is 5.1% greater than the \$1,660 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$61 to \$1,725 from August 2016 to November 2016. The November 2016 overall average rent of \$1,725 is 7.2% greater than the \$1,609 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **decreased** by \$32 to \$1,664 from May 2016 to August 2016. The August 2016 overall average rent of \$1,664 is 3% greater than the \$1,615 average rent found a year earlier.

## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$36 to \$1,696 from February 2016 to May 2016. The May 2016 overall average rent of \$1,696 is 5.3% greater than the \$1,611 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$51 to \$1,660 from November 2015 to February 2016. The February 2016 overall average rent of \$1,660 is 5.8% greater than the \$1,569 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **declined** by \$6 to \$1,609 from August to November 2015. The November 2015 overall average rent of \$1,609 is 5.0% greater than the \$1,532 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$4 to \$1,615 from May to August 2015. The August 2015 overall average rent of \$1,615 is 8.5% greater than the \$1,489 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$42 to \$1,611 from February 2015 to May 2015. The May 2015 overall average rent of \$1,611 is 8.1% greater than the \$1,490 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$37 to \$1,569 from November 2014 to February 2015. The February 2015 overall average rent of \$1,569 is 8.7% greater than the \$1,443 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$43 to \$1,532 from August 2014 to November 2014. The November 2014 overall average rent of \$1,532 is 8.4% greater than the \$1,413 average rent found a year earlier.

### Condominium Apartment Market

As per the 2<sup>nd</sup> Quarter 2018 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 137 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2018. The 1<sup>st</sup> quarter sales were **23.5%** less than the 179 units sold in the 4<sup>th</sup> quarter of 2017, and **24.7%** less than the 182 units sold in the 1<sup>st</sup> Quarter of 2017. New condominium sales in 2017, totaled 784 units, **23.7%** less than the 1,027 units sold in 2016. 61.6%, 30.2% and 35.0% of the total new condominium sales in Miami-Dade County in the 1<sup>st</sup> Quarter of 2017, 4<sup>th</sup> Quarter of 2017 and 1<sup>st</sup> Quarter of 2018, respectively, were above the \$900,000 price level, making up the largest segment.

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## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Condominium Apartment Market - Continued

There were 362, 340, 235, 307, 361, 290, 293 and 269 used condominium units were sold in the South Beach sub-market between 2<sup>nd</sup> Quarter of 2016 and 1<sup>st</sup> Quarter of 2018, respectively.

As per the 1<sup>st</sup> Quarter 2018 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 179 new condominium units were sold (deeded) in Dade County during the 4<sup>th</sup> quarter of 2017. The 4<sup>th</sup> quarter sales were **14.8%** less than the 210 units sold in the 3<sup>rd</sup> quarter of 2017, and **40.7%** less than the 302 units sold in the 4<sup>th</sup> Quarter of 2016.

As per the 4<sup>th</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 210 new condominium units were sold (deeded) in Dade County during the 3<sup>rd</sup> quarter of 2017. The 3<sup>rd</sup> quarter sales were **1.4%** less than the 213 units sold in the 2<sup>nd</sup> quarter of 2017, and **20.7%** more than the 174 units sold in the 3<sup>rd</sup> Quarter of 2016. New condominium sales through September 2017, totaled 605 units, **16.6%** less than the 725 units sold in the same period in 2016.

As per the 3<sup>rd</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 213 new condominium units were sold (deeded) in Dade County during the 2<sup>nd</sup> quarter of 2017. The 2<sup>nd</sup> quarter sales were **17%** more than the 182 units sold in the 1<sup>st</sup> quarter of 2017, and **13.3%** more than the 188 units sold in the 2<sup>nd</sup> Quarter of 2016. New condominium sales through June 2017, totaled 395 units, **28.3%** less than the 551 units sold in the same period in 2016.

As per the 2<sup>nd</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 182 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2017. The 1<sup>st</sup> quarter sales were **39.7%** less than the 302 units sold in the 4<sup>th</sup> quarter of 2016, and **49.9%** less than the 363 units sold in the 1<sup>st</sup> Quarter of 2016. New condominium sales in 2016 totaled 1,027 units, **42.5%** less than the 1,786 units sold in 2015.

As per the 1<sup>st</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 302 new condominium units were sold (deeded) in Dade County during the 4<sup>th</sup> quarter of 2016. The 4<sup>th</sup> quarter sales were **73.6%** more than the 174 units sold in the 3<sup>rd</sup> quarter of 2016, but **37.9%** less than the 486 units sold in the 4<sup>th</sup> Quarter of 2015.

As per the 4<sup>th</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 174 new condominium units were sold (deeded) in Dade County during the 3<sup>rd</sup> quarter of 2016. The 3<sup>rd</sup> quarter sales were **7.4%** less than the 188 units sold in the 2<sup>nd</sup> quarter of 2016, and **59.7%** less than the 432 units sold in the 3<sup>rd</sup> Quarter of 2015. New condominium sales through September 2016 totaled 725 units, **44.2%** less than the 1,300 units sold during the same period in 2015.

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## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Condominium Apartment Market - Continued

As per the 3<sup>rd</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 188 new condominium units were sold (deeded) in Dade County during the 2<sup>nd</sup> quarter of 2016. The 2<sup>nd</sup> quarter sales were **48.2%** less than the 363 units sold in the 1<sup>st</sup> quarter of 2016, and **57.4%** less than the 441 units sold in the 2<sup>nd</sup> Quarter of 2015. New condominium sales through June 2016 totaled 551 units, **36.5%** less than the 868 units sold during the same period in 2015.

As per the 2<sup>nd</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 363 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2016. The 1<sup>st</sup> quarter sales were **25.3%** less than the 486 units sold in the 4<sup>th</sup> quarter of 2015, and **15.0%** less than the 427 units sold in the 1<sup>st</sup> Quarter of 2015. New condominium sales in 2015 totaled 1,786 units, **2.2 times more** than the 827 units sold in 2014.

As per the 1<sup>st</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 486 new condominium units were sold in Dade County during the 4<sup>th</sup> quarter of 2015. The 4<sup>th</sup> quarter sales were **12.5%** greater than the 432 units sold in the 3<sup>rd</sup> quarter of 2015, and **7.8%** more than the 451 units sold in the 4<sup>th</sup> Quarter of 2014.

As per the 4<sup>th</sup> Quarter 2015 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 432 new condominium units were sold in Dade County during the 3<sup>rd</sup> quarter of 2015. The 3<sup>rd</sup> quarter sales were **2.0%** less than the 441 units sold in the 2<sup>nd</sup> quarter of 2015, and **2.5 times more** than the 176 units sold in the 3<sup>rd</sup> Quarter of 2014. New condominium sales through September 2015 totaled 1,300 units, **3.5 times more** than the 376 units sold during the same period in 2014.

As per the 3<sup>rd</sup> Quarter 2015 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 441 new condominium units were sold in Dade County during the 2<sup>nd</sup> quarter of 2015. The 2<sup>nd</sup> quarter sales were **3.3%** more than the 427 units sold in the 1<sup>st</sup> quarter of 2015, and **3.1 times** the 142 units sold in the 2<sup>nd</sup> Quarter of 2014. New condominium sales through June 2015 totaled 868 units, **4.3 times more** than the 200 units sold during the same period in 2014.

## HIGHEST AND BEST USE

### DEFINITION

The Highest and Best Use is a market-driven concept. It may be briefly defined as representing the most profitable, competitive use to which a site can be put, or that use which may reasonably be expected to produce the greatest net return to the land over a given period of time. In addition, the concept may further be defined as the available use and program of future utilization that produces the highest present land value.

Highest and Best Use is further defined in The Dictionary Real Estate Appraisal, 2010 Edition, which was sponsored by the Appraisal Institute as follows:

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

It is to be recognized that in cases where a site has existing improvements on it, the Highest and Best Use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its Highest and Best Use exceeds the total value of the property in its existing use.

The estimate of Highest and Best Use is based upon four stages of analysis:

1. The possible use or uses which are physically possible for the site under analysis.
2. The permissible use or uses which are permitted relative to zoning, historic preservation regulations, environmental controls and/or deed restriction of the site under analysis.
3. The feasible use or uses which are considered economically and financially feasible for the site in terms of existing and projected market conditions.
4. The Highest and Best Use in consideration of those legally permissible, physically possible, financially feasible and maximally productive uses which will result in the highest net return or the highest present worth.



## **HIGHEST AND BEST USE, AS VACANT**

The estimate of the Highest and Best Use of the land, as if vacant, requires market analysis in terms of market conditions of supply and demand. The value of land is based upon the level of utility that is in demand and that will produce amenities or net income to the user. Therefore, the use which creates the greatest land value and which is considered compatible in terms of the restriction imposed by the physical, legal, financial and maximally productive factors is inherent in this analysis.

The physically possible uses of the subject site, as vacant, would include a variety of commercial and multi-family residential uses. This is based upon analysis of the size, frontage, exposure, access, location and buildable utility characteristics of the 85,348 SF subject corner site.

Analysis of the permissible uses at the subject site takes into account those uses which would be permitted by existing zoning and/or deed restrictions, providing that no deed restrictions are in effect at the subject site which would restrict certain uses of the site.

The subject site is zoned as CPS-2 General Mixed-Use Commercial Performance District which is designed to accommodate a range of business, commercial, office and hotel uses, as well as medium to high density residential development pursuant to performance standards which control the permissible type, density or intensity, and mix of development. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 170,696 SF. Under a "unified development plan", there is a proposal to vacate the 12,613 SF portion of 6<sup>th</sup> Street along the subject site. The vacation of the 12,613 SF portion of street area and 85,348 SF main site area, provides 195,922 SF of buildable area ((85,348 SF + 12,613 SF) x 2.0 FAR = 195,922 SF).

After analysis of the physically possible and legally permissible uses to which the subject site could conceivably be put, a study of those uses which would be maximally productive is required. Therefore, an alternative use analysis was performed relative to that use which would represent the Highest and Best Use of the subject site, as if vacant.

The subject site is located on the north side of 5<sup>th</sup> Street, the south side of 6<sup>th</sup> Street, between Alton Road and West Avenue, in the South Beach section of Miami Beach, Florida. The immediate area surrounding the subject site is comprised of low-rise, mid-rise and high-rise rental and condominium apartment buildings along Bay Road and West Avenue, as well as mixed-use residential/retail buildings along West Avenue, and commercial buildings with retail, office and restaurant space; office buildings, and other retail/service uses along Alton Road.

## HIGHEST AND BEST USE, AS VACANT

Miami Beach is an island located just off the southeast coast of Miami-Dade County, Florida. The island is approximately one mile wide, ten miles long and travels in a northerly/southerly direction parallel to mainland Miami-Dade County. The town of Surfside borders Miami Beach to the north starting at approximately 87th Street. The Atlantic Ocean acts as the eastern and southeastern border, while Biscayne Bay/the Intracoastal Waterway lies to the west. Five causeways connect Miami Beach to the mainland; the MacArthur Causeway (Highway No. 41); the Venetian Causeway; the Julia Tuttle Causeway (Interstate 195); the Broad Causeway (State Road No. 922) and the North Dade Causeway (State Road No. 934).

As the City's economy drastically improved in the last twenty-five years, Miami Beach has experienced an influx of younger and more affluent residents. Close proximity to Miami's downtown business district, the Art Deco entertainment district and access to the beach are all considered to be contributing factors to the area's discovery as a place to live and work. The continued faith in the City's economy is reflected by the consistent increase in building permit activity over the last twenty years. Developers and real estate professionals in Miami Beach have been aggressively marketing their properties to local and out-of-town residents and families. In the last fifteen years, the development and redevelopment activity has well spread over the waterfront corridors of Ocean Drive, Collins Avenue and Ocean Drive, as well as the Art Deco district, the 5th Street corridor and the area south of 5th Street which is referred to as the overall South Pointe area.

The subject site is located just north of 5th Street (connecting to MacArthur Causeway) which is the gateway to the South Beach area of Miami Beach, connecting it with the Central Business District of Miami. The subject property is located 2/3 mile southeast of Lincoln Road which is an upscale pedestrian corridor which is considered ground-zero for retail/restaurant space in South Beach, commanding the highest rental rates and sale prices. The subject site is within walking distance of the service, entertainment, retail corridors of Alton Road and Lincoln Road. The viability of the subject neighborhood is further enhanced by the ease of accessibility to/from downtown Miami and the Central Business District (CBD) and other major employment centers within Miami-Dade County.

The area surrounding the subject site has been developed with mostly residential facilities and therefore, no nuisances, hazards or other adverse influences were observed. No notable signs of external obsolescence were observed and the overall appeal of the improved properties is considered to be above average to very good.

There are 30,271 residents within a 1-mile radius of the subject property, with a projected population growth rate of 3.6%, average age of 43 years, 18,180 households, with a growth rate of 3.0% and 1.6 people per household and \$48,312 of median household income and median home value of \$394,201.

## HIGHEST AND BEST USE, AS VACANT

There were no new rental apartment units added to the inventory in South Beach, and there is 0 months of inventory. The average rental rate for apartment units in South Beach were \$2,627 or \$3.235/SF for 779 one-bedroom units; \$3,563 or \$2.912/SF for 587 two-bedroom units; and \$5,224 or \$2.767/SF for 45 three-bedroom units. The rental rates in South Beach are among the highest in Miami-Dade County, due to its specific location.

There are 64,013 residents within a 3-mile radius of the subject property, with a projected population growth rate of 4.3%, average age of 42 years, 35,689 households, with a growth rate of 3.6% and 1.7 people per household and \$60,065 of median household income and median home value of \$486,248.

There are 256,499 residents within a 5-mile radius of the subject property, with a projected population growth rate of 5.8%, average age of 40 years, 119,610 households, with a growth rate of 5.3% and 2.0 people per household and \$49,109 of median household income and median home value of \$428,816.

As per the most recent Miami-Dade County Retail Market Survey prepared by CoStar, the Miami Beach retail sub-market had a net absorption of -41,100 SF in the last twelve months (lower than the historical average of 105,149 SF, and lower than the 609,814 SF peak in 3<sup>rd</sup> Quarter of 2007), with a vacancy rate of 5.3% and average quoted rental rate of \$81.06/SF (\$131.75/SF for malls, \$71.10/SF for power centers, \$100.31/SF for neighborhood shopping centers, \$71.34/SF for strip centers, and \$67.98 for general retail), with a rental rate growth rate of 5.2% in the last twelve months, with 74,702 SF delivered in the last twelve months, 60,091 SF to be delivered in the next twelve months and 142,173 SF proposed in the next four quarters.

Based upon analysis of those uses which would be considered physically possible, legally permissible and economically feasible, it is the appraiser's estimate that the Highest and Best Use of the subject site would be its development with a residential condominium apartment building, with an ancillary commercial component. This site already has approvals to be developed with a mixed-use residential/commercial building with 18,000 SF of retail and a 163-unit residential component (170,696 SF allowed on its own, without the two other sites and the vacation of 6<sup>th</sup> Street). Subject to satisfaction of certain property rights transferred among the three sites under a "unified development plan", the subject site is proposed to be developed with a high-rise residential apartment building which would be built to condominium quality standards, and possibly have an interim rental apartment use during the sell-out period.

## **THE VALUATION PROCEDURE**

The valuation procedure is defined in the 2010 Edition of the Dictionary of Real Estate Appraisal which was sponsored by the Appraisal Institute as follows: The act, manner and technique of performing the steps of a valuation method.

In order to provide estimates of the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018, we have utilized the Sales Comparison Approach to Value.

The Sales Comparison Approach to Value is based upon a comparison between recently sold sites and the subject site, utilizing the sale price per square foot of buildable area unit of comparison.

## **THE SALES COMPARISON APPROACH (LAND VALUATION)**

In order to estimate the value of the subject site, the land is analyzed as vacant and available to be put to its Highest and Best Use. There are several different techniques which can be utilized in the valuation of land. The technique selected must relate to the specific factors inherent in the appraisal problem at hand. The land valuation technique selected must reflect the prudent and rationale behavior of the most probable, typically informed purchaser/investor. In addition, the availability of reliable and verified market data further leads to the selection of the applicable land valuation technique.

1. The Sales Comparison Approach analyzes the sales of similar vacant sites, with comparison and adjustment made from these sales to the subject site. The Sales Comparison Approach to Value is based on the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property assuming no costly delay in making the substitution. The Sales Comparison Approach to Value is based on a comparison between recently sold sites in Miami Beach and the subject site, utilizing the sale price/SF of buildable area method of comparison.
2. The Abstraction Method analyzes the sales of improved properties with an allocation made between land and improvement value. The indicated allocation may establish a typical ratio of land value to total value or to derive from the portion of the sales price allocated to land an estimate of land value for use as a comparable land sale.
3. The Cost of Development Method provides an estimate of the value of undeveloped land based upon the creation of a platted subdivision, development and sale of said parcel. The method assumes that the most probable purchaser of the land would be a developer/investor who plans to dispose of the developed sites at a profit. The costs of development are subtracted from the estimated proceeds of sale resulting in a net income projection which is discounted over the market absorption period.
4. The Land Residual Method treats the net income available to support the investment in the site as a residual. The income required to cover the investment in new improvements that represent the Highest and Best Use of the site is deducted from the Net Operating Income resulting in an estimate of the net income to the land which is then capitalized to estimate the land value.

The comparable land sales are considered reasonably similar to the subject property in terms of zoning, location, physical characteristics, topography and buildable utility. The sales represent bona-fide "arm's length" transactions which are representative of prevailing market values. Our analysis has taken into account those differentials relative to financing, time of sale, size, location, frontage/exposure, zoning, developmental potential and functional utility of the comparable sales as they compare to the subject site.

COMPARABLE LAND SALES

| Address  | Subject Site Own                             | Land Sale 1                                | Land Sale 2                          | Land Sale 3   | Land Sale 4   | Land Sale 5                           | Land Sale 6                               | Land Sale 7  | Land Sale 8                          |
|--|--|--|--------------------------------------|---|---|---------------------------------------|---|--|--------------------------------------|
| 560 ALTON ROAD & 1220 6TH STREET MIAMI BEACH FLORIDA   | ALTON ROAD WEST AVENUE 6TH STREET 5TH STREET | 1663 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 603 5TH STREET MIAMI BEACH FLORIDA   | 1312-1320 14TH TERRACE MIAMI BEACH FLORIDA  | 601-609 WASHINGTON AVENUE MIAMI BEACH FLORIDA           | 1340 FLAMINGO WAY MIAMI BEACH FLORIDA | 251 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 304-312 OCEAN DRIVE MIAMI BEACH FLORIDA                  | 1255 WEST AVENUE MIAMI BEACH FLORIDA |
| 02-4204-004-0010<br>02-4204-006-0010                   | 02-4204-018-0710                             | 02-4203-009-4970                           | 02-3233-018-0400<br>02-3233-019-0410 | 02-4203-004-8620<br>02-4203-004-8610<br>02-4203-004-8600<br>02-4203-004-8570  | 02-3233-018-0310<br>02-3233-018-0280                    | 02-4203-001-1050<br>02-4203-001-1060  | 02-4203-005-0420<br>02-4203-005-0410      | 02-3233-018-0000<br>02-3233-018-1000<br>02-3233-018-1100 |                                      |
| Net Size Size (GSI)<br>Net Size Size (Acre)            | 65,348<br>1.96                               | 30,000<br>0.68                             | 9,000<br>0.21                        | 16,600<br>0.37  | 62,210<br>1.43  | 11,000<br>0.25                        | 13,000<br>0.30                            | 11,550<br>0.27   | 11,252<br>0.40                       |
| Zoning   | C-P-92                                       | CO-3                                       | C-P-92                               | RM-1  | CO-2  | RM-1                                  | RPS-3                                     | RPS-3  | RM-2                                 |
| Floor Area Ratio (FAR)                                 | 2.00   | 2.25                                       | 2.00                                 | 1.25  | 2.00  | 1.25                                  | 1.75                                      | 1.75   | 2.00                                 |
| Buildable Area   | 470,696                                      | 67,500                                     | 18,000                               | 20,000  | 123,540   | 13,150                                | 22,750                                    | 20,387   | 31,504                               |
| Extended Site Area Granted By Vending on Street        | 12,613<br>0.29                               |  |                                      |   |   |                                       |   |  |                                      |
| Zoning   | C-P-92                                       |  |                                      |   |   |                                       |   |  |                                      |
| Floor Area Ratio (FAR)                                 | 2.00   |  |                                      |   |   |                                       |   |  |                                      |
| Buildable Area   | 25,228                                       |  |                                      |   |   |                                       |   |  |                                      |
| Total Buildable Area                                   | 195,522                                      |  |                                      |   |   |                                       |   |  |                                      |
| Date of Sale   | 8/15/2017                                    | 6/25/2017                                  | 3/30/2017                            | 6/23/2016   | 4/25/2016   | 3/6/2015                              |   |  |                                      |
| Genrate  | SCORE  | THE P17H STREET HOTEL, LLC                 | M14 WEST AVENUE, LLC                 | WASHINGTON SQUARED OWNER, LLC   | TED HARBOR 286, LLC                                     | SOUTH LLC                             |   |  |                                      |
| Genrate  | CITIBANK, N.A.                               | SCORE S, LLC                               | CRSALUN, LLC                         | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 64-663 WASHINGTON AVE. PROPERTY, INC.; 63-65 WASHINGTON AVE. PROPERTY, INC. | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SCORE BECHCO STREET, LLC              | SEA SPRAY DEVELOPMENT, LLC                |  | 1247 BAYVIEW DEVELOPMENT CO.         |
| O.R. Book / Page                                       | 30656 / 1719                                 | 30584 / 1719                               | 30483 / 2416                         | 29574 / 1702<br>29574 / 1698<br>29574 / 1707<br>29574 / 1711  | 29601 / 774<br>29601 / 778                              | 29556 / 2117                          |   |  |                                      |
| Consideration  | \$19,200,000                                 | \$5,965,000                                | \$4,725,000                          | \$2,500,000   | \$2,700,000   | \$4,250,000                           | \$11,000,000                              | \$8,800,000  | \$11,000,000                         |
| Financing  | CASH TO THE SELLER                           | CASH TO THE SELLER                         | CASH TO THE SELLER                   | CASH TO THE SELLERS   | CASH TO THE SELLERS                                     | CASH TO THE SELLER                    | LISTED FOR SALE                           | LISTED FOR SALE  | LISTED FOR SALE                      |
| Sale Price   | \$19,200,000                                 | \$5,965,000                                | \$4,725,000                          | \$2,500,000   | \$2,700,000   | \$4,250,000                           | \$11,000,000                              | \$8,800,000  | \$11,000,000                         |
| Sub Precise of Net Sale Area                           | \$840.00                                     | \$622.73                                   | \$295.31                             | \$468.00  | \$216.45  | \$65.42                               | \$944.21                                  | \$379.06   | \$379.06                             |
| Sale Precise of Maximum Buildable Area                 | \$244.44                                     | \$311.38                                   | \$128.25                             | \$244.00  | \$198.33  | \$382.64                              | \$529.26                                  | \$289.53   | \$289.53                             |
| Time Adjustment  | 0%   | 0%   | 0%                                   | 0%  | 0%  | 0%                                    | 0%  | 0%   | 0%                                   |
| Total Adjusted Sale Price                              | \$19,200,000                                 | \$5,965,000                                | \$4,725,000                          | \$2,500,000   | \$2,700,000   | \$4,250,000                           | \$11,000,000                              | \$8,800,000  | \$11,000,000                         |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area      | \$440.00                                     | \$622.73                                   | \$289.31                             | \$468.00  | \$216.45  | \$65.42                               | \$944.21                                  | \$529.26   | \$289.53                             |
| Time Adjusted Sale Price Per Sq. Ft. of Buildable Area | \$244.44                                     | \$311.38                                   | \$216.25                             | \$244.00  | \$198.33  | \$382.64                              | \$529.26                                  | \$289.53   | \$289.53                             |
| ADJUSTMENTS:   |  |  |                                      |   |   |                                       |   |  |                                      |
| Location:  | 0%   | 0%   | 0%                                   | -5%   | 0%  | -5%                                   | -5%                                       | -5%  | 0%                                   |
| Foreign Exposure:                                      | -5%  | -5%  | 10%                                  | 0%  | 10%   | 0%                                    | 0%  | 0%   | 10%                                  |
| Size/Scale:  | 0%   | -10%                                       | -5%                                  | 0%  | -10%  | 0%                                    | -2%                                       | 10%  | -2%                                  |
| Physical Development Potential/Utility:                | 10%  | 20%  | 10%                                  | 2%  | 20%   | 20%                                   | 2%  | 2%   | 15%                                  |
| Time:  | 5%   | 5%   | 10%                                  | 0%  | 20%   | 0%                                    | 5%  | 5%   | 15%                                  |
| Price Estimated Question Cost                          | \$37,000                                     | \$0  | \$0                                  | \$165,000   | \$10,000  | \$0                                   | \$0                                       | \$0  | \$60,000                             |
| Adjusted Price   | \$20,197,000                                 | \$6,263,300                                | \$4,833,000                          | \$30,865,000  | \$3,250,000   | \$4,250,000                           | \$11,150,000                              | \$8,800,000  | \$11,060,000                         |
| Adjusted Precise of Net Sale Area                      | \$873.23                                     | \$695.32                                   | \$339.61                             | \$462.77  | \$285.45  | \$694.52                              | \$981.42                                  | \$686.54   | \$334.70                             |
| Adjusted Precise of Buildable Area (FAR Site Area)     | \$289.21                                     | \$347.98                                   | \$271.69                             | \$246.39  | \$238.39  | \$382.64                              | \$566.54                                  | \$289.53   | \$289.53                             |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

The subject site, with frontage on three streets and a highway ramp, is superior to Comparable Land Sale Numbers Three, Five and Eight; and inferior to Comparable Land Sale Numbers One and Two.

Configuration

The subject site and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites command a premium on a sale price per square foot basis.

Physical Development Potential and Functional Utility

The comparable sales were inferior to the subject site in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment.

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES - Continued**

Topography

The subject site and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales and the subject site, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price). The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90, \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price). After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$673.23, \$695.92, \$339.61, \$492.77, \$295.45, \$634.62, \$991.42 (asking price) and \$669.40 (asking price). After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$299.21, \$347.96, \$271.69, \$246.39, \$236.36, \$362.64, \$566.54 (asking price) and \$334.70 (asking price).

Based on the preceding analysis, \$300/SF of buildable area reflect a reasonable estimate of Market Value of the Fee Simple Interest in the subject site, as vacant. The estimated cost of demolition of the nearly 6,000 SF building was deducted to arrive at the "as is" value. In conjunction with a 138,843 SF site at the 600 Block of Alton Road and a 49,000 SF site at the 700 Block of West Avenue, the site was proposed to be developed with a mixed-use residential/retail project under a "unified development plan" which would take advantage of the vacation of 6<sup>th</sup> Street which has approximately 12,613 SF of site area, along the subject site. The vacation of the 12,613 SF portion of street area and 85,348 SF main site area, provides 195,922 SF of buildable area ((85,348 SF + 12,613 SF) x 2.0 FAR = 195,922 SF).

|                         |              |
|-------------------------|--------------|
| 170,696 SF x \$300/SF = | \$51,208,800 |
| 25,226 SF x \$300/SF =  | \$7,567,800  |

|   |                     |
|---|---------------------|
| Estimated Market Value of the Fee Simple Interest in the Subject Site, With "Vacation of 6 <sup>th</sup> Street" "as if" Vacant (Rounded) | <b>\$58,800,000</b> |
|---|---------------------|

|  |          |
|--|----------|
| Less: Estimated Cost of Demolition and Carting of Existing Vacant Improvements | \$30,000 |
|--|----------|

|   |                     |
|---|---------------------|
| Estimated Market Value of the Fee Simple Interest in the Subject Site, With "Vacation of 6 <sup>th</sup> Street" in "as is" Condition (Rd.) | <b>\$58,770,000</b> |
|---|---------------------|

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants



**RECONCILIATION AND FINAL VALUE ESTIMATE**

**MARKET VALUE ESTIMATES:**

|  |   |
|--|---|
| Income Capitalization Approach to Value: | Not Applicable  |
| Sales Comparison Approach to Value:      | \$58,800,000 As if Vacant<br>\$58,770,000 As Is               |
| Cost Approach to Value:                  | Not Applicable  |
| Reconciled Final Value Estimates:        | <b>\$58,800,000 As if Vacant</b><br><b>\$58,770,000 As Is</b> |

Note: The Market Value of the subject site, without vacating 6<sup>th</sup> Street, was estimated at \$51,200,000 “as if” vacant, and \$51,770,000 in “as is” condition (refer to the appraisal report dated July 16, 2018). Accordingly, the estimated contributory value of vacating the portion of 6<sup>th</sup> Street along the subject site, and adding approximately 25,226 SF (12,613 SF x 2.0 FAR) of buildable area to the subject site was estimated to be \$7,600,000.

In order to provide estimates of the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in “as is” condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018, we have utilized the Sales Comparison Approach to Value.

The Sales Comparison Approach to Value is based upon a comparison between recently sold site and the subject sites, utilizing the sale price per square foot of buildable area unit of comparison.

It is my estimate that the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in “as is” condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018, was:

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SUBJECT SITE (WITH VACATION OF 6<sup>TH</sup> STREET), “AS IF” VACANT  
FIFTY EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS  
(\$58,800,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SUBJECT SITE (WITH VACATION OF 6<sup>TH</sup> STREET)  
IN “AS IS” CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY EIGHT MILLION SEVEN HUNDRED SEVENTY THOUSAND DOLLARS  
(\$58,770,000)

## **CONTINGENT AND LIMITING CONDITIONS**

We assume no responsibility for matters legal in nature, nor do we render any opinion as to the title, which is assumed to be marketable. The property is appraised as though under responsible ownership and management.

When applicable, the sketch in this report is included to assist the reader in visualizing the properties, and we assume no responsibility for its accuracy. We have made no survey of the property. We are not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made thereof. Additional professional valuation services rendered would require further compensation under a separate contractual agreement.

Where applicable, the distribution of the total valuation in this report between land and improvements applies only under the existing program of utilizations. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

We assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. We assume no responsibility for such conditions or for engineering which might be required to discover such factors.

Information, estimates and opinions furnished to us and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy can be assumed by us.

No one other than the undersigned prepared the analyses, conclusions and estimates concerning the real estate set forth in this appraisal.

Neither all nor any part of the contents of this report, or copy thereof, shall be used for any purpose by any but the client without the previous written consent of the appraiser, and/or the client; nor shall it be conveyed by any including the client to the public through advertising, publications, news, sales or other media, without the written consent and approval of the author, particularly the valuation conclusions, identity of the appraiser, or any reference to any professional society or institute or any initialed designation conferred upon the appraiser.

This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation and the requirements of the State of Florida for state certified real estate appraisers, as well as current Federal regulatory agency criteria.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

## **CONTINGENT AND LIMITING CONDITIONS**

-- Continued --

The existence of hazardous materials, which may or may not be present on the property, was not observed. We have no knowledge of the existence of such materials on or in the properties, nor are we qualified to detect such substances. The presence of potentially hazardous materials and/or substances may affect the value of the property. The value estimate reflected in this appraisal report is predicated on the assumption that there is no such material on or in the property 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. The client is urged to retain an expert in this field, if desired.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We 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. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirement of "ADA" in estimating the value of the property.

The appraisal report can not be used in connection with a real estate syndicate(s) or securities related activity(ies) and is invalid if so used without the previous knowledge or written consent of the appraiser. Said activities include but would not be limited to activities which are required to be registered with the United States Securities and Exchange Commission or any state regulatory agency regulating investments made as a public offering, as well as activities involving Real Estate Investment Trusts, Limited Partnerships, Mortgage Backed Securities and any other transaction which is subject to the securities Exchange Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Advisors Act of 1940 or State Blue Sky or securities laws or any amendments thereto.

## **CERTIFICATION**

The undersigned do hereby certify that, to the best of our knowledge and belief, except as otherwise noted in the appraisal report:

- The statements of fact contained in this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.
- Other than the recent (dated July 16, 2018) appraisal of the subject site, with the two other sites, all owned by the same party, I have performed no services as an appraiser regarding the property that is the subject of this appraisal assignment, within the three year period preceding the acceptance of this assignment.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved.
- The amount of our compensation 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.
- Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation and the requirements of the State of Florida for state certified real estate appraisers, as well as current Federal regulatory agency criteria.
- My engagement in this assignment was not contingent upon developing or reporting predetermined values. The appraisal assignment has not been based on a required minimum valuation, a specific valuation, or the approval of a loan.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives, as well as the Florida Real Estate Appraisal Board.
- As of the date of this report, Jozef Alhale has completed the requirements of the continuing education program of The Appraisal Institute.
- The appraiser has visually inspected the perimeters of the subject site which is described in this report.

**J. ALHALE APPRAISALS, INC.**  
**Real Estate Appraisers and Consultants**

**CERTIFICATION**

- No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report, nor provided significant professional assistance to the person signing this report.

It is the opinion of the undersigned that the estimated Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 and the Market Value of the Fee Simple Interest in the subject property, with vacating portion of 6<sup>th</sup> Street along the site, as vacant (land value), as of June 27, 2018, was as described herein.



Jozef Alhale, MAI  
State Certified General Appraiser  
License No. RZ 0001557

**ADDENDA**

**J. ALHALE APPRAISALS, INC.**  
**Real Estate Appraisers and Consultants**

**JOZEF ALHALE, MAI**  
3475 Sheridan Street, Suite 313  
Hollywood, Florida 33021

(305) 613-7477 [jbalhale@aol.com](mailto:jbalhale@aol.com) [www.jalhaleappraisals.com](http://www.jalhaleappraisals.com)

#### QUALIFICATIONS

- Experience:** Thirty years in the field of real estate appraisal, appraisal review, consultation, expert witness, economic research and market analysis.
- Membership:** Appraisal Institute, MAI  
CCIM Institute  
Miami Society of Commercial Realtors  
Miami Association of Realtors
- Professional Experience:** J. Alhale Appraisals, Inc., President, September 2009 to present  
J.B. Alhale & Associates, Inc., President, May 1994 to present  
Dixon and Friedman, Inc., Senior Appraiser, Oct. 1991 - May 1994  
R.G. Davis & Associates, Inc., Fee Appraiser, Jan. 1991 - Oct. 1991  
Izenberg Appraisal Assoc., Inc., Staff Appraiser, July 1988 - Dec. 1990
- Education:** Master of Science, Computer Science  
Rensselaer Polytechnic Institute, Troy, New York
- Bachelor of Arts, Cum Laude, Computer Science  
New York University, New York, New York
- Associate Engineering Degree, Computer Science  
Tel Aviv University, Tel Aviv, Israel
- Licensed:** State Certified General Real Estate Appraiser - State of Florida  
Real Estate Salesman - State of Florida
- Assignments:** Vacant land, industrial facilities, shopping centers, office buildings, rental and condominium apartment buildings, hotel/motel facilities, other special-purpose properties, air rights, as well as valuation of Leased Fee and Leasehold Interests, undivided partial interests for financing, litigation, divorce, estate taxes, gift taxes, trusts, etc. Economic research, expert witness, Highest and Best Use analysis, market analysis, feasibility analysis pertaining to commercial, industrial, lodging, retail, office, multi-family residential and special-purpose properties.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

**APPRAISAL REPORT  
OF SEVERAL REDEVELOPMENT SITES  
LOCATED AT  
THE 500 AND 600 BLOCKS OF ALTON ROAD  
AND 600 AND 700 BLOCKS OF WEST AVENUE  
MIAMI BEACH, FLORIDA**

**DATE OF VALUATION:**

**JUNE 27, 2018**

**J. ALHALE APPRAISALS, INC.  
Real Estate Appraisers and Consultants**



**J. ALHALE APPRAISALS, INC.  
REAL ESTATE APPRAISERS AND CONSULTANTS  
3475 SHERIDAN STREET, SUITE 313  
HOLLYWOOD, FLORIDA 33021**

**JOZEF ALHALE, MAI  
STATE CERTIFIED GENERAL APPRAISER  
NO. RZ0001557**

**CELL: (305) 613-7477  
E-MAIL: jbalhale@aol.com  
WWW.jalhaleappraisals.com**

July 16, 2018

Mr. Eric T. Carpenter, P.E.  
Assistant City Manager  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Re: Site 1 ("500 Site"): 500 Alton Road & 1220 6<sup>th</sup> Street, Miami Beach, Florida  
Site 2 ("600 Site"): 630-650 Alton Road & 601-651 West Avenue, Miami Beach, Florida  
Site 3 ("700 Site"): 659-737 West Avenue, Miami Beach, Florida  
Site 4 ("Retail Site"): 600-650 Alton Road, Miami Beach, Florida  
Site 5 ("Park Site"): 601-737 West Avenue, Miami Beach, Florida

Dear Mr. Carpenter:

Pursuant to your request for an appraisal of the above referenced properties, I submit the following appraisal report.

**Legal Description:**

Site One - Lots 1 through 8, and Lots 13 through 19, less street for road, and alley lying between and adjacent thereof closed per Resolution 2005-25869, and Lots 9 and 10, and the easterly ½ of the alley lying west and adjacent, closed as per Resolution 2013-28343; and Lots 11 and 12, and western ½ of the alley lying east and adjacent, closed as per Resolution 2013-28343, Amended Aquarium Site, as recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, Florida

Site Two - Lots 1 through 4, less street, and Lots 5 through 7, and Lots 23 through 32, Block 2, and property interest in and to common elements not dedicated to the public, Fleetwood Subdivision, as recorded in Plat Book 28, Page 34 of the Public Records of Miami-Dade County, Florida

Site Three - Lots 8 through 14, less the western 10 feet for right of way, Block 2, and property interest in and to common elements not dedicated to the public, Fleetwood Subdivision, as recorded in Plat Book 28, Page 34 of the Public Records of Miami-Dade County, Florida

Note: Sites Four and Five are portions of Site Two and Three, as legally described herein

Mr. Eric T. Carpenter, P.E.

July 16, 2018

Page Two

I have made a physical inspection of the subject sites, and performed market research to provide estimates of the Highest and Best Use, Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018.

It is my estimate that the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018, was:

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 1 ("500 SITE"), "AS IF" VACANT  
FIFTY ONE MILLION TWO HUNDRED THOUSAND DOLLARS  
(\$51,200,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 1 ("500 SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY ONE MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS  
(\$51,170,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 2 ("600 SITE"), "AS IF" VACANT  
SEVENTY NINE MILLION EIGHT HUNDRED THOUSAND DOLLARS  
(\$79,800,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST IN SITE 2 ("600 SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
SEVENTY NINE MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$79,500,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 3 ("700 SITE" IN "AS IS" CONDITION (LAND VALUE)  
TWENTY FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$24,500,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 4 ("RETAIL SITE"), "AS IF" VACANT  
FIFTY MILLION THREE HUNDRED THOUSAND DOLLARS  
(\$50,300,000)

Mr. Eric T. Carpenter, P.E.

July 16, 2018

Page Three

MARKET VALUE OF THE FEE SIMPLE INTEREST IN SITE 4 ("RETAIL SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY MILLION DOLLARS  
(\$50,000,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 5 ("PARK SITE") IN "AS IS" CONDITION (LAND VALUE)  
FIFTY TWO MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$52,500,000)

Sincerely,



Jozef Alhale, MAI  
State Certified General Appraiser  
License No. RZ 0001557

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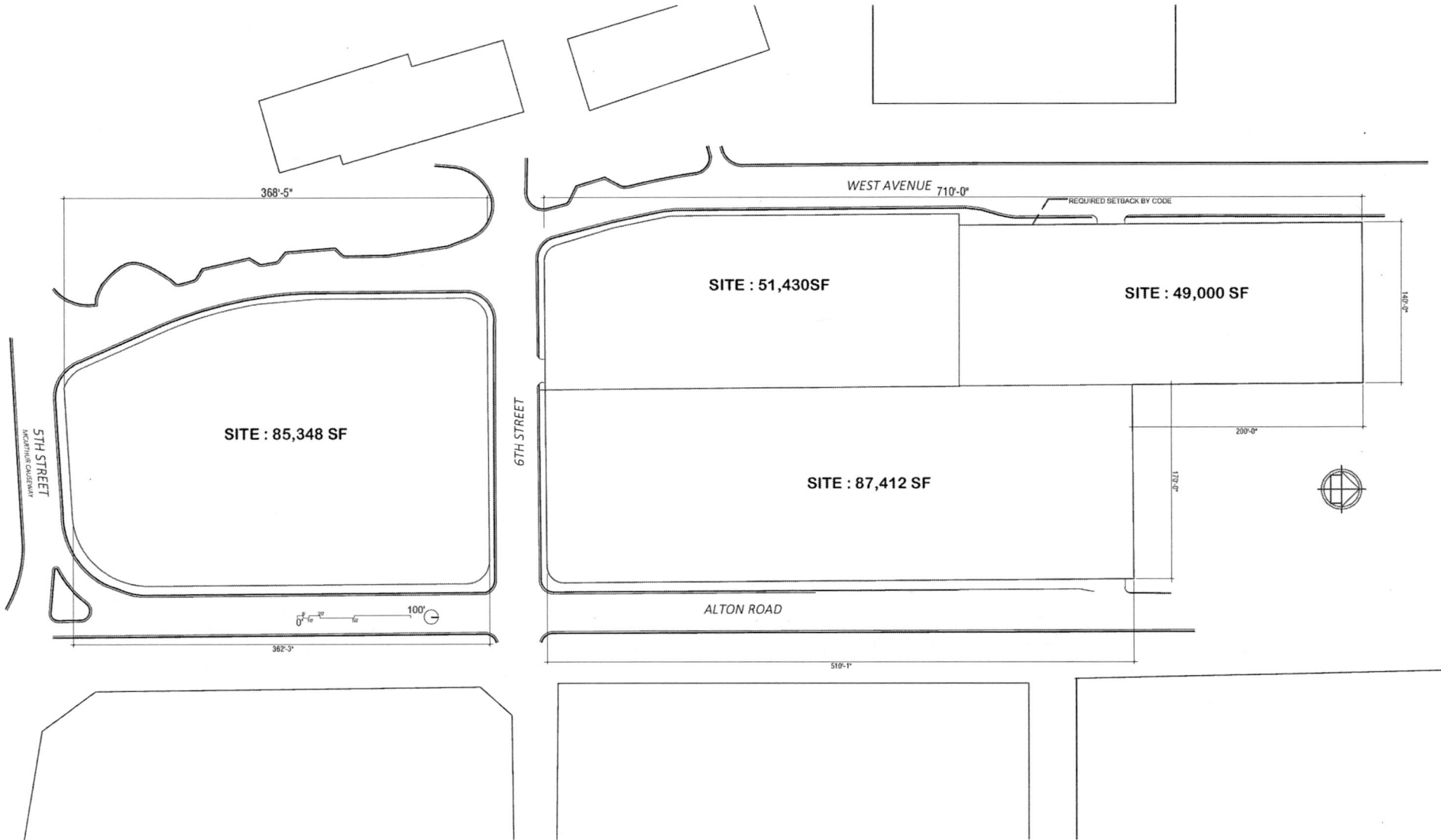
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500-600-700 ALTON  
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SITE LOCATION

06/15/2018

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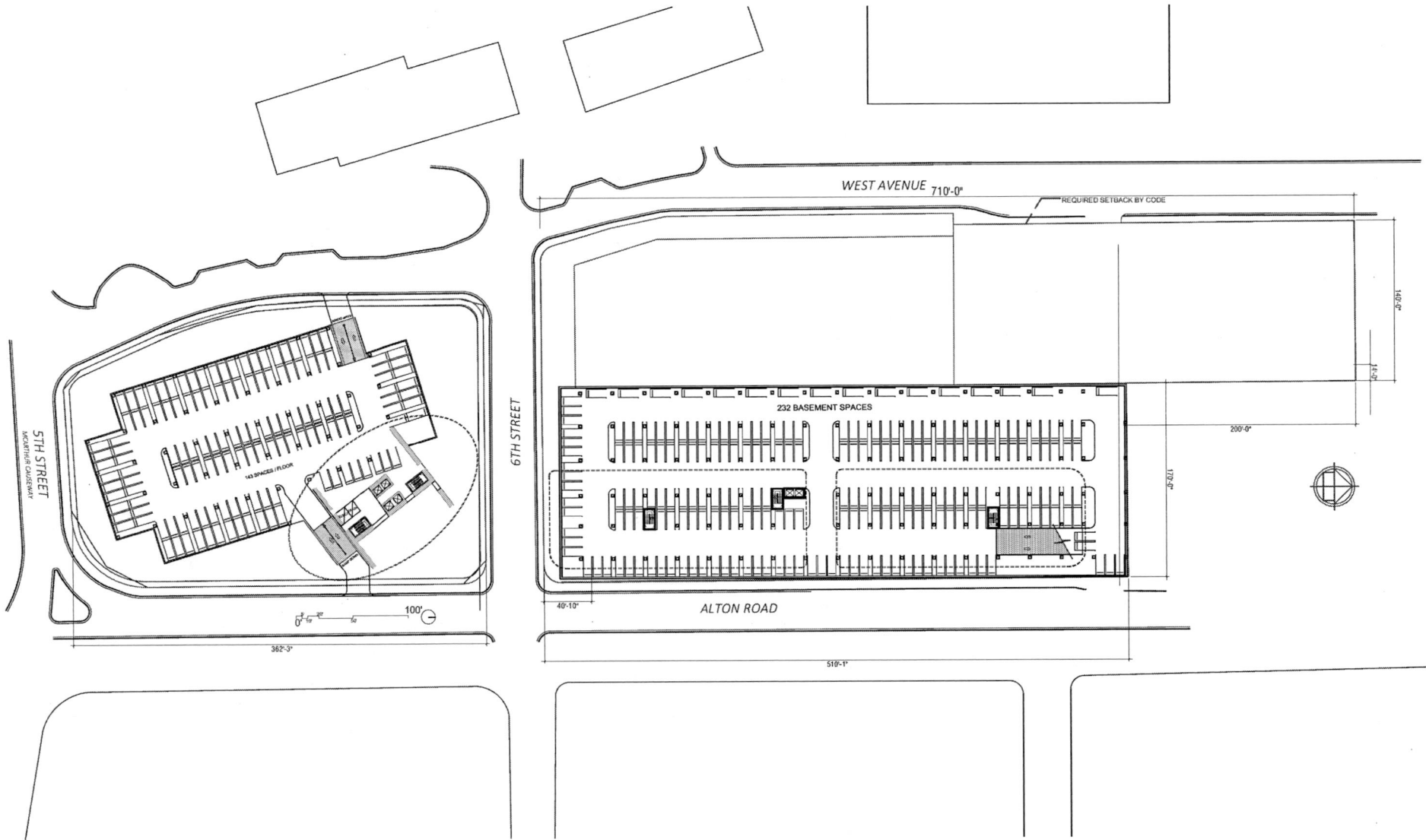
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SITE AREAS  
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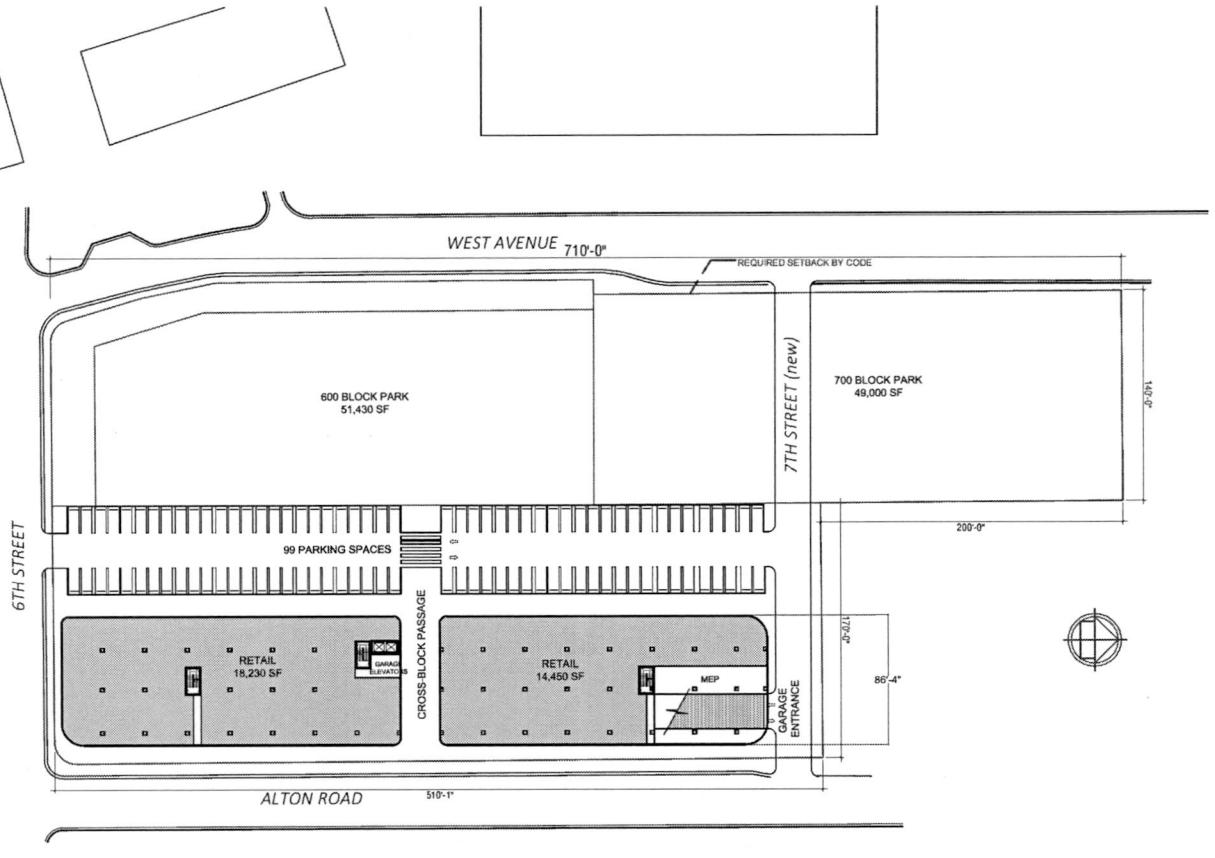
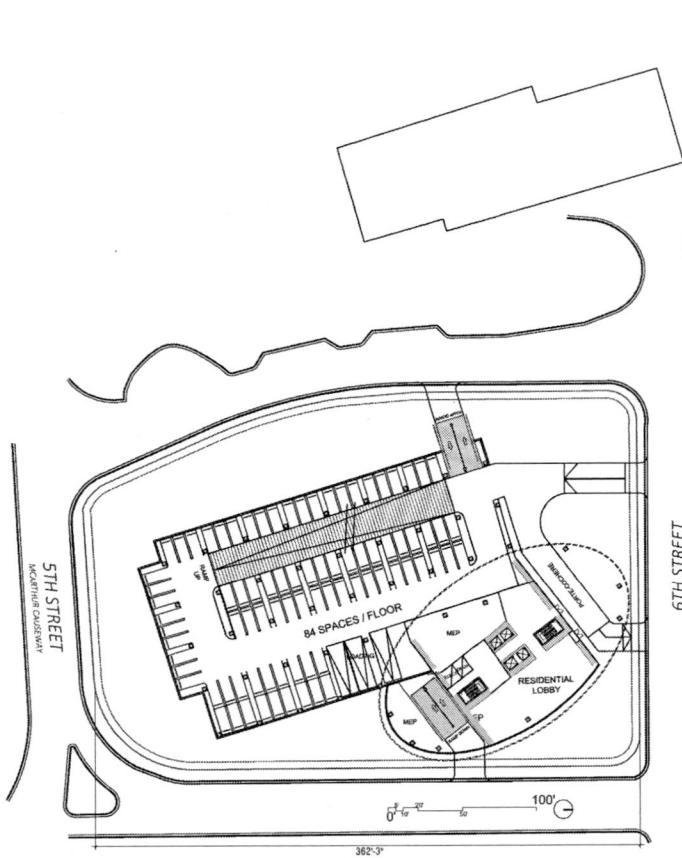
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500-600-700 ALTON  
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FLOODABLE BASEMENT LEVEL

06/15/2018

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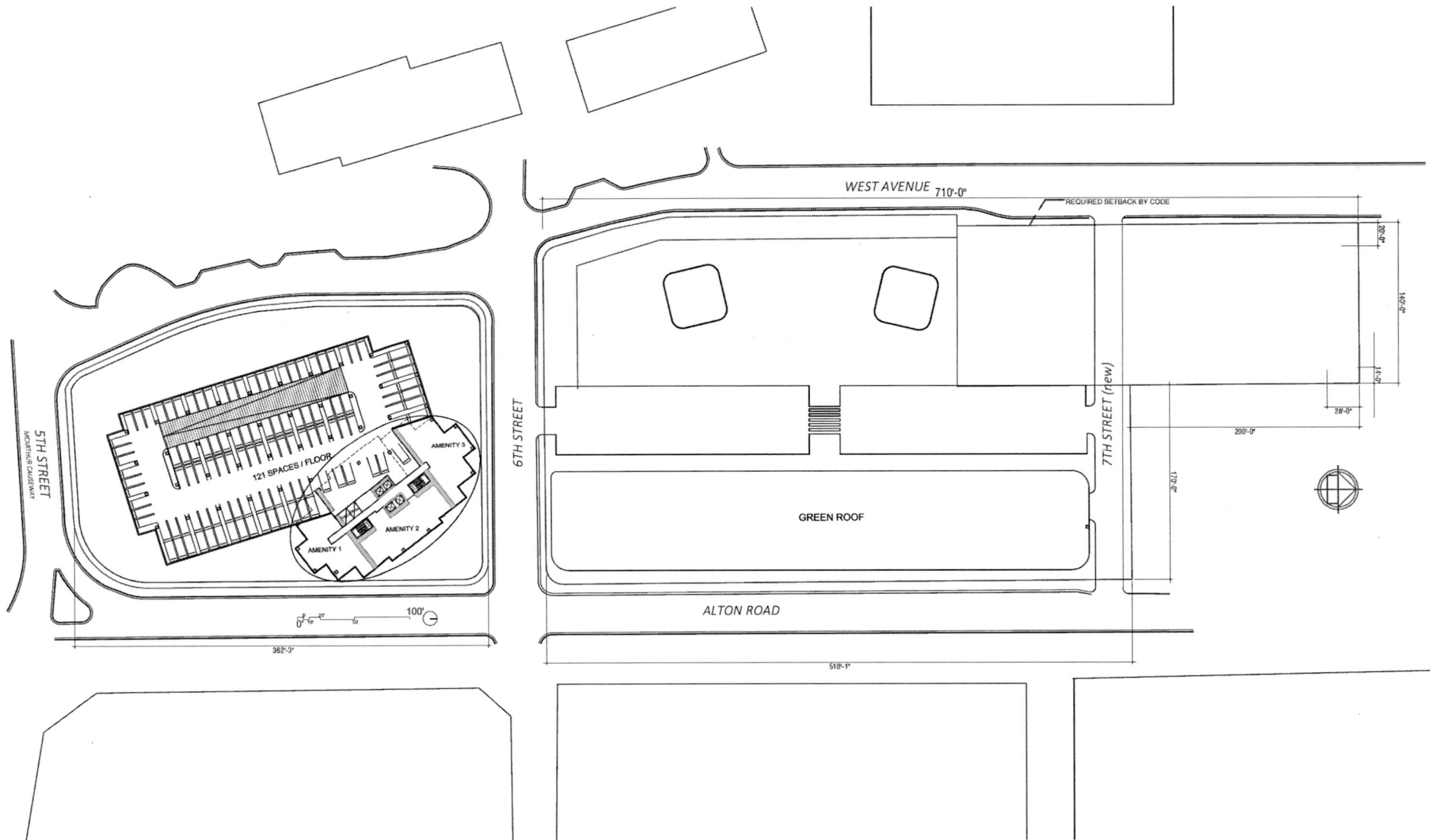
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GROUND FLOOR

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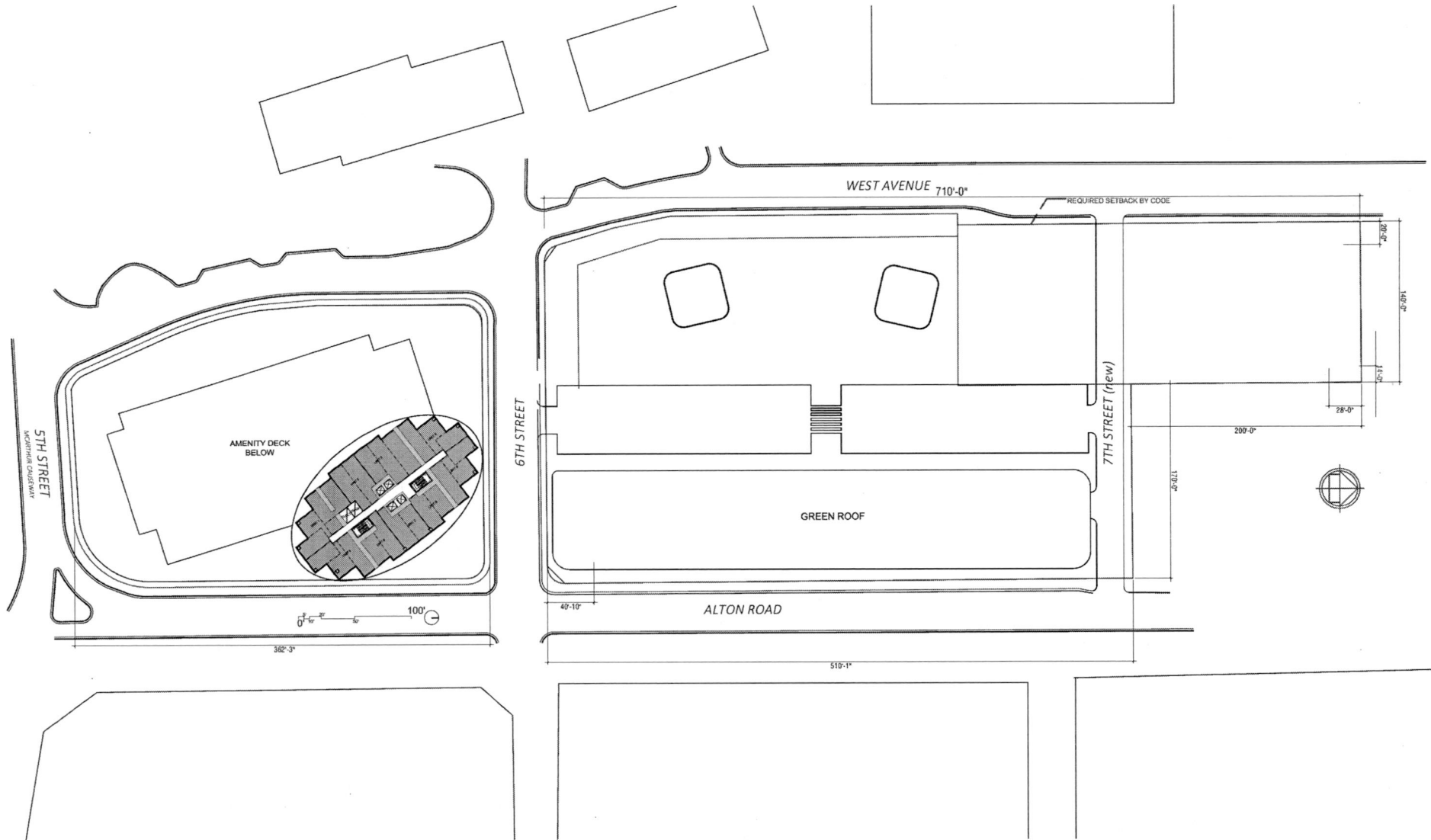
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500-600-700 ALTON  
MIAMI BEACH, FL

LEVEL 02 - 04 (500 ALTON ONLY)

06/15/2018

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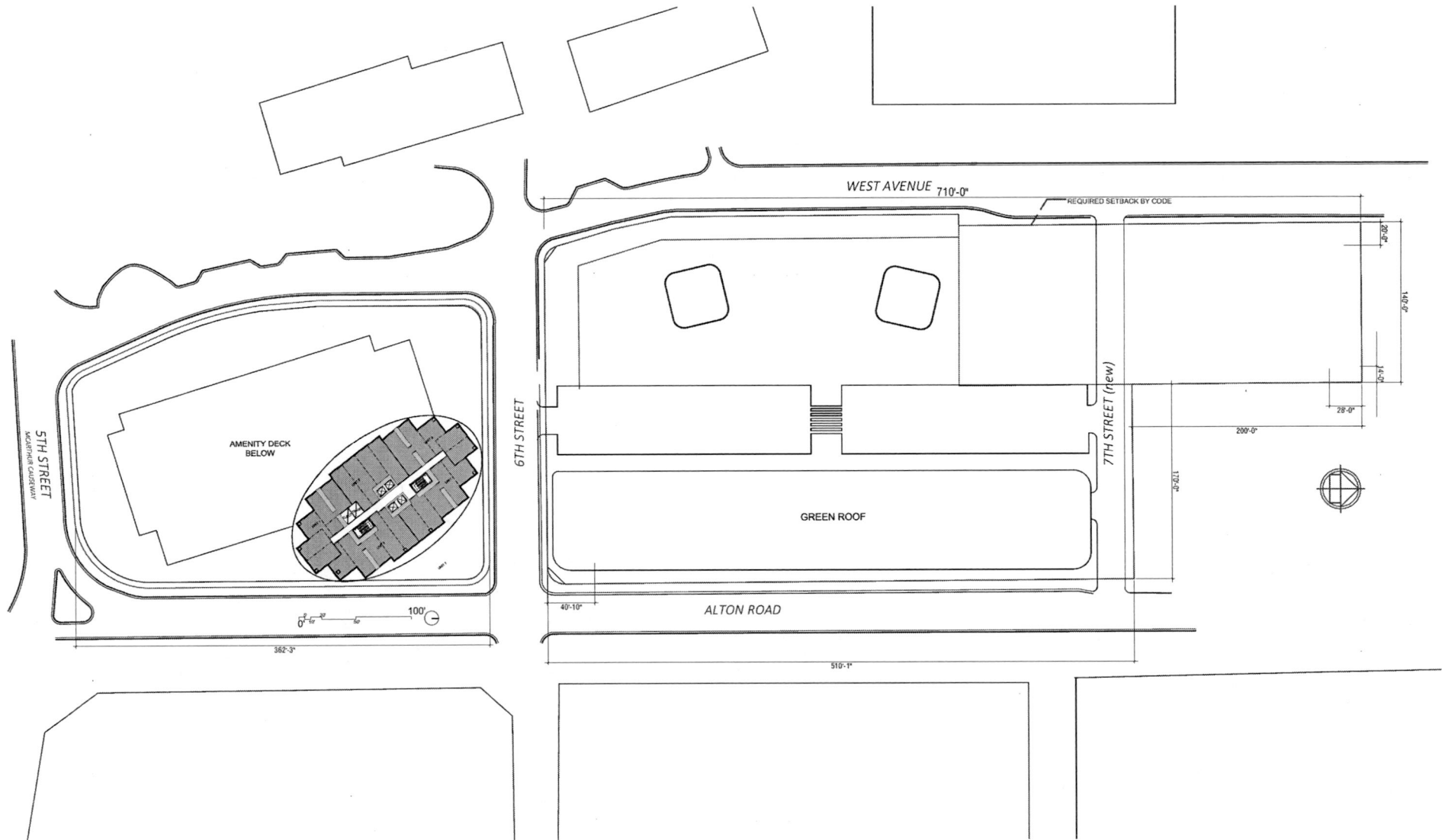
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500-600-700 ALTON  
MIAMI BEACH, FL

LEVEL 06 - 38 (500 ALTON ONLY)

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06/15/2018



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PROJECT # 0000.00

500-600-700 ALTON  
MIAMI BEACH, FL

LEVEL 39 - 42 (500 ALTON ONLY)

06/15/2018

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## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Location: Site One ("500 Site") - 85,348 SF site which is the city block bound by 5<sup>th</sup> Street on the south, 6<sup>th</sup> Street on the north, Alton Road on the east and West Avenue on the west, Miami Beach, Florida

Site Two ("600 Site") - 138,842 SF site which is located on the north side of 6<sup>th</sup> Street, extending from Alton Road on the east to West Avenue on the west, Miami Beach, Florida

Site Three ("700 Site") - 49,000 SF site which is located along the east side of West Avenue, approximately 360 feet north of the northeast corner of 6<sup>th</sup> Street and approximately 136.50 feet south of the southeast corner of 8<sup>th</sup> Street, Miami Beach, Florida

Site Four ("Retail Site") - The 87,412 SF eastern portion of the 138,842 SF site ("600 Site") which is located at the northwest corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida

Site Five ("Park Site") - The 100,430 SF site is comprised of the 49,000 SF "700 Site" and the 51,430 SF southwestern portion of the 138,842 SF site ("600 Site"), and is located at the northeast corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida

Address: Site 1 ("500 Site")  
500 Alton Road & 1220 6<sup>th</sup> Street  
Miami Beach, Florida

Site 2 ("600 Site")  
630-650 Alton Road &  
601-651 West Avenue  
Miami Beach, Florida

Site 3 ("700 Site")  
659-737 West Avenue  
Miami Beach, Florida

Site 4 ("Retail Site")  
600-650 Alton Road  
Miami Beach, Florida

Site 5 ("Park Site")  
601-737 West Avenue  
Miami Beach, Florida

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

Census Tract/Block: 44.060 / 1

Folio No: Site One  
02-4204-006-0010 and 02-4204-006-0070

Site Two  
02-4203-001-0100 and 02-4203-001-0280

Site Three  
02-4203-001-0161; 02-4203-001-0170; 02-4203-001-0180;  
02-4203-001-0190; 02-4203-001-0200; 02-4203-001-0201;  
02-4203-001-0210; 02-4203-001-0220

Site Four  
Portion of 02-4203-001-0100 and all of 02-4203-001-0280

Site Five  
Portion of 02-4203-001-0100 and all of  
02-4203-001-0161; 02-4203-001-0170; 02-4203-001-0180;  
02-4203-001-0190; 02-4203-001-0200; 02-4203-001-0201;  
02-4203-001-0210; 02-4203-001-0220

Owner of Record: Site One  
500 Alton Road Ventures LLC and 1220 Sixth LLC  
2200 Biscayne Boulevard  
Miami, Florida 33137

Site Two  
South Beach Heights I LLC  
2200 Biscayne Boulevard  
Miami, Florida 33137

Site Three  
KGM Equities LLC  
2200 Biscayne Boulevard  
Miami, Florida 33137

Note: Sites Four and Five are portions of Site Two and Three, as legally described herein

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

**Legal Description:** Site One - Lots 1 through 8, and Lots 13 through 19, less street for road, and alley lying between and adjacent thereof closed per Resolution 2005-25869, and Lots 9 and 10, and the easterly ½ of the alley lying west and adjacent, closed as per Resolution 2013-28343; and Lots 11 and 12, and western ½ of the alley lying east and adjacent, closed as per Resolution 2013-28343, Amended Aquarium Site, as recorded in Plat Book 21, Page 83 of the Public Records of Miami-Dade County, Florida

Site Two - Lots 1 through 4, less street, and Lots 5 through 7, and Lots 23 through 32, Block 2, and property interest in and to common elements not dedicated to the public, Fleetwood Subdivision, as recorded in Plat Book 28, Page 34 of the Public Records of Miami-Dade County, Florida

Site Three - Lots 8 through 14, less the western 10 feet for right of way, Block 2, and property interest in and to common elements not dedicated to the public, Fleetwood Subdivision, as recorded in Plat Book 28, Page 34 of the Public Records of Miami-Dade County, Florida

Note: Sites Four and Five are portions of Site Two and Three, as legally described herein

**Description:** Site One is an 85,348 SF (as per site survey; or 87,140 SF as per the public records) city-block which is bounded by 5<sup>th</sup> Street (Mc Arthur Causeway) on the south, 6<sup>th</sup> Street of the north, Alton Road on the east and West Avenue on the west. The site is level at street grade, and currently has a 5,723 SF improvement at the northwest corner, built in 1960. The vacant improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

Site Two is a 138,842 SF (as per site survey; or 140,700 SF as per the public records) site which is bounded by 6<sup>th</sup> Street on the south (320 feet of frontage), Alton Road on the east (approximately 510 feet of frontage) and West Avenue on the west (approximately 360 feet of frontage). The site is level at street grade, and currently has an approximately 60,000 SF 9-level "shell" of an older structure built in 1983. The improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

### Description:

Site Three is a 49,000 SF (as per site survey; and the public records) site which is located approximately 360 feet north of the northeast corner of 6<sup>th</sup> Street and West Avenue, with approximately 350 feet frontage along the east side of West Avenue, and a depth of 140 feet. The site is level at street grade, and currently being partially used for surface parking.

Site Four ("Retail Site") is the 87,412 SF eastern portion of the 138,842 SF site ("600 Site"), and is located at the northwest corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida. This portion of the site would have 170 feet of frontage along the north side of 6<sup>th</sup> Street and 510 feet of frontage along the west side of Alton Road. The site is level at street grade, and currently has an approximately 60,000 SF 9-level "shell" of an older structure built in 1983. The improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

Site Five ("Park Site") is a 100,430 SF site which is comprised of the 49,000 SF "700 Site" and the 51,430 SF southwestern portion of the 138,842 SF "600 Site", and is located at the northeast corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida. The site has approximately 710 feet of frontage along the east side of West Avenue and approximately 150 feet of frontage along the north side of 6<sup>th</sup> Street. The site is level at street grade, and currently being partially used for surface parking.

### Site Area:

|          |  |
|----------|--|
| Site 1 - | 85,348 SF  |
| Site 2 - | 138,842 SF   |
| Site 3 - | 49,000 SF  |
| Site 4 - | 87,412 SF (Portion of Site 2)                        |
| Site 5 - | 100,430 SF (Portion of Site 2,<br>and all of Site 3) |

### Flood Zone:

Flood Zone "AE" - An area inundated by 100-year flooding; National Flood Insurance Program, Community Panel Number 120651-12086C0317L, as revised on September 11, 2009.

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

Zoning:                    Site 1 - CPS-2 General Mixed-Use Commercial Performance District

                                 Site 2 - CD -2 Medium-Intensity Commercial District

                                 Site 3 - RM-2 Medium-Intensity Multi-Family Residential District

                                 Site 4 - CD -2 Medium-Intensity Commercial District

                                 Site 5 - CD -2 Medium-Intensity Commercial District (51,430 SF) and RM-2 Medium-Intensity Multi-Family Residential District (49,000 SF)

Highest and Best Use:                    The Highest and Best Use of Site One is its development with a residential condominium apartment building, with an ancillary commercial component. This site already has approvals to be developed with a mixed-use residential/commercial building with 18,000 SF of retail and approximately 159,650 SF 163-unit residential component (170,696 SF allowed). Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be developed with a high-rise residential apartment building which would be built to condominium quality standards, and possibly have an interim rental apartment use during the sell-out period.

The Highest and Best Use of Site Two is its development with a mixed-use residential/commercial condominium building. This site already has approvals to be developed with a mixed-use residential/commercial building with 42,915 SF of retail and 253,840 SF 256-unit residential component, totaling 275,298 SF of buildable FAR area (277,684 SF allowed). Subject to satisfaction of certain property rights among Site 1, 2 and 3, the 87,412 SF southeastern section of this site (Site 4) is proposed to be developed with a one-story multi-tenant 35,960 SF retail strip.



## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

**Highest and  
Best Use:**

The Highest and Best Use of Site Three is its development with a residential condominium apartment building. This site already has approvals to be developed with a mixed-use residential/commercial building with 12,756 SF of retail and 83,349 SF 66-unit residential component, totaling 96,105 SF of buildable FAR area (98,000 SF allowed). Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site (in conjunction with the 51,430 SF southwestern portion of Site 2) is proposed to be dedicated to create a City-owned public park to serve the surrounding residential neighborhood.

The Highest and Best Use of Site Four is its development with a mixed-use residential/commercial condominium building. Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be developed with a one-story multi-tenant 35,960 SF retail strip.

The Highest and Best Use of Site Five is its development with a mixed-use residential/commercial condominium apartment building. Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be dedicated to create a City-owned public park to serve the surrounding residential neighborhood.

**Property Rights  
Appraised:**

Fee Simple Interest

**Date of Inspection  
and Valuation:**

June 27, 2018

**Date of Appraisal  
Report:**

June 16, 2018

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

**MARKET VALUE ESTIMATES:**

|  |   |
|--|---|
| Income Capitalization Approach to Value: | Not Applicable  |
| Sales Comparison Approach to Value:      | \$51,200,000 Site 1 As if Vacant<br>\$51,170,000 Site 1 As Is               |
|  | \$79,800,000 Site 2 As If Vacant<br>\$79,500,000 Site 2 As Is               |
|  | \$24,500,000 Site 3 As Is (Vacant)  |
|  | \$50,300,000 Site 4 As If Vacant<br>\$50,000,000 Site 4 As Is               |
|  | \$52,500,000 Site 5 As Is (Vacant)  |
| Cost Approach to Value:                  | Not Applicable  |
| Reconciled Final Value Estimates:        | <b>\$51,200,000 Site 1 As if Vacant</b><br><b>\$51,170,000 Site 1 As Is</b> |
|  | <b>\$79,800,000 Site 2 As If Vacant</b><br><b>\$79,500,000 Site 2 As Is</b> |
|  | <b>\$24,500,000 Site 3 As Is (Vacant)</b>                                   |
|  | <b>\$50,300,000 Site 4 As If Vacant</b><br><b>\$50,000,000 Site 4 As Is</b> |
|  | <b>\$52,500,000 Site 5 As Is (Vacant)</b>                                   |









## **PURPOSE/FUNCTION OF THE APPRAISAL**

The purpose of this appraisal report is to provide estimates of the Highest and Best Use, the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018.

The function of this appraisal report is to assist the client (The City of Miami Beach) in executive decision making and/or collateral/asset valuation relative to the allocation of the development rights among the three privately-owned sites, as well as the potential transfer of one or portion of the sites to the City of Miami Beach to create a public park for the use and benefit of the surrounding densely populated residential neighborhood, in the South Beach section of Miami Beach. The intended user of this appraisal report is the City of Miami Beach or any of its assigns.

## **SCOPE OF THE APPRAISAL**

I have made a physical inspection of the subject sites, and performed market research to provide estimates of the Highest and Best Use, Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018.

The scope of the appraisal involves the research and analysis of factual data relative to the subject properties, as well as market data necessary for the development of the Sales Comparison Approach to Value (land valuation). The data and information used in developing our findings, projections and valuation estimates have been derived from published information, direct interviews, analysis of similar properties and other sources which were considered appropriate as of the valuation date.

## **PROPERTY RIGHTS APPRAISED**

This appraisal report is made with the understanding that the present ownership of the properties includes all the rights that may be lawfully held under a fee simple estate.

Fee Simple Interest is defined in The Dictionary of Real Estate Appraisal, 2010 Edition, which was sponsored by the Appraisal Institute as follows: Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of eminent domain, escheat, police power and taxation.

## **DATE OF VALUATION AND REPORT**

The date of valuation is June 27, 2018. The date of the appraisal report is June 16, 2018.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

## **STATEMENT OF OWNERSHIP AND HISTORY**

The 73,890 SF portion of Site One is owned by 500 Alton Ventures LLC which purchased it for \$5,000,000 from Africa Israel Vitri Developers, LLC on February 18, 2010, as recorded in Book 27190, Page 447 of the Official Public Records of Miami-Dade County, Florida.

The previous sale was from Pin-Pon Corporation to MacArthur Gateway LLC for \$9,800,000 on July 20, 2004, as recorded in Book 22515, Page 2137 of the Official Public Records of Miami-Dade County, Florida.

The 13,250 SF northwestern portion of Site One is owned by 1220 Sixth LLC which purchased it for \$4,000,000 from Mau-Mau Corporation on December 1, 2011, as recorded in Book 27915, Page 3693 of the Official Public Records of Miami-Dade County, Florida.

Site Two is owned by South Beach Heights I LLC which purchased it for \$28,000,000 from Geriatrics Service Complex Foundation, Inc. and South Shore Hospital Foundation, Inc. on February 24, 2004, as recorded in Book 22085, Page 1733 of the Official Public Records of Miami-Dade County, Florida.

Site Three is owned by KGM Equities LLC which purchased it for \$8,000,000 from West Alton Corporation on December 31, 2012, as recorded in Book 28428, Page 56 of the Official Public Records of Miami-Dade County, Florida.

As per the Public Records of Miami-Dade County, Florida, there was no other arm's length transfer of ownership at the subject properties during the five year period prior to the valuation date. We have not been informed of any other current listings, options and/or pending contracts in effect at the subject properties, as of the date of valuation.

## **ESTIMATED MARKETING AND EXPOSURE PERIOD**

Based on my analysis of the market, recent listings which have been since closed, as well as discussions with owners and Realtors active in the subject area, it is the appraiser's opinion that if the individual subject sites were listed for sale with an experienced Realtor, the marketing and marketing and exposure period would be approximately six to twelve months. Accordingly, this marketing and exposure period is considered to currently represent the most probable amount of time necessary to expose and actively market the subject properties to achieve a sale consistent with the Market Value.

## **DEFINITION OF MARKET VALUE**

Market Value is defined in The Interagency Appraisal and Evaluation Guidelines, dated December 2, 2010, as follows:

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 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:

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 interests;
3. A reasonable time is allowed for exposure in 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 the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

## **NEIGHBORHOOD ANALYSIS**

The subject sites are located on the north and south sides of 6<sup>th</sup> Street, between Alton Road and West Avenue, in the South Beach section of Miami Beach, Florida. The immediate area surrounding the subject sites is comprised of low-rise, mid-rise and high-rise rental and condominium apartment buildings along Bay Road and West Avenue, as well as mixed-use residential/retail buildings along West Avenue, and commercial buildings with retail, office and restaurant space; office buildings, and other retail/service uses along Alton Road.

Miami Beach is an island located just off the southeast coast of Miami-Dade County, Florida. The island is approximately one mile wide, ten miles long and travels in a northerly/southerly direction parallel to mainland Miami-Dade County. The town of Surfside borders Miami Beach to the north starting at approximately 87th Street. The Atlantic Ocean acts as the eastern and southeastern border, while Biscayne Bay/the Intracoastal Waterway lies to the west. Five causeways connect Miami Beach to the mainland; the MacArthur Causeway (Highway No. 41); the Venetian Causeway; the Julia Tuttle Causeway (Interstate 195); the Broad Causeway (State Road No. 922) and the North Dade Causeway (State Road No. 934).



## **NEIGHBORHOOD ANALYSIS**

As the City's economy drastically improved in the last twenty-five years, Miami Beach has experienced an influx of younger and more affluent residents. Close proximity to Miami's downtown business district, the Art Deco entertainment district and access to the beach are all considered to be contributing factors to the area's discovery as a place to live and work. The continued faith in the City's economy is reflected by the consistent increase in building permit activity over the last twenty years. Developers and real estate professionals in Miami Beach have been aggressively marketing their properties to local and out-of-town residents and families. In the last fifteen years, the development and redevelopment activity has well spread over the waterfront corridors of Ocean Drive, Collins Avenue and Ocean Drive, as well as the Art Deco district, the 5th Street corridor and the area south of 5th Street which is referred to as the overall South Pointe area.

The subject sites are located just north of 5th Street (connecting to MacArthur Causeway) which is the gateway to the South Beach area of Miami Beach, connecting it with the Central Business District of Miami. The subject properties are located 2/3 mile southeast of Lincoln Road which is an upscale pedestrian corridor which is considered ground-zero for retail/restaurant space in South Beach, commanding the highest rental rates and sale prices. The subject sites are within walking distance of the service, entertainment, retail corridors of Alton Road and Lincoln Road. The viability of the subject neighborhood is further enhanced by the ease of accessibility to/from downtown Miami and the Central Business District (CBD) and other major employment centers within Miami-Dade County. The area surrounding the subject sites has been developed with mostly residential facilities and therefore, no nuisances, hazards or other adverse influences were observed. No notable signs of external obsolescence were observed and the overall appeal of the improved properties is considered to be above average to good.

## **ACCESS TO THE SITES**

6<sup>th</sup> Street, West Avenue and Alton Road provides direct access to Sites One and Two. West Avenue provides direct access to Site Three.

## **DESCRIPTION OF THE SITES**

Site One is an 85,348 SF (as per site survey; or 87,140 SF as per the public records) city-block which is bounded by 5<sup>th</sup> Street (Mc Arthur Causeway) on the south, 6<sup>th</sup> Street of the north, Alton Road on the east and West Avenue on the west. The site is level at street grade, and currently has a 5,723 SF improvement at the northwest corner, built in 1960. The vacant improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

Site Two is a 138,842 SF (as per site survey; or 140,700 SF as per the public records) site which is bounded by 6<sup>th</sup> Street on the south (320 feet of frontage), Alton Road on the east (approximately 510 feet of frontage) and West Avenue on the west (approximately 360 feet of frontage). The site is level at street grade, and currently has an approximately 60,000 SF 9-level "shell" of an older structure built in 1983. The improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

## **DESCRIPTION OF THE SITES**

Site Three is a 49,000 SF (as per site survey; and the public records) site which is located approximately 360 feet north of the northeast corner of 6<sup>th</sup> Street and West Avenue, with approximately 350 feet frontage along the east side of West Avenue, and a depth of 140 feet. The site is level at street grade, and currently being partially used for surface parking.

Site Four ("Retail Site") is the 87,412 SF eastern portion of the 138,842 SF site ("600 Site"), and is located at the northwest corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida. This portion of the site would have 170 feet of frontage along the north side of 6<sup>th</sup> Street and 510 feet of frontage along the west side of Alton Road. The site is level at street grade, and currently has an approximately 60,000 SF 9-level "shell" of an older structure built in 1983. The improvements have no contributory value, as they do not reflect the Highest and Best Use of the site, as improved or as if vacant.

Site Five ("Park Site") is a 100,430 SF site which is comprised of the 49,000 SF "700 Site" and the 51,430 SF southwestern portion of the 138,842 SF "600 Site", and is located at the northeast corner of 6<sup>th</sup> Street and Alton Road, Miami Beach, Florida. The site has approximately 710 feet of frontage along the east side of West Avenue and approximately 150 feet of frontage along the north side of 6<sup>th</sup> Street. The site is level at street grade, and currently being partially used for surface parking.

The subject sites are level at street grade and do not have any apparent drainage or other problems which would restrict or limit the use of the sites. No soil boring tests or engineering reports were submitted to the appraiser; however, the sites are assumed to have stable subsoil conditions as do most properties in the immediate area.

The appraiser has not been informed of any adverse subsoil conditions revealed by an environmental assessment conducted by a firm with experience in identifying such substances, nor is he qualified to detect such substances that may exist. It is assumed that the subject sites would be typical for properties located in the subject area with no apparent soil problems which would restrict or limit the usage of the sites.

If any adverse subsoil conditions are identified and do exist, these conditions would be considered to have a material affect on the Market Value estimates. The valuation analysis assumes the sites to be free of any adverse subsoil conditions, and is subject to the satisfactory removal of any contaminating materials in accordance with technical, environmental and governmental guidelines.

## **UTILITIES**

Public utilities available to the subject sites include electricity, water, sewer, gas and telephone service. Electricity is provided by FPL. Police and fire protection, water and sewer services are provided by the City of Miami Beach.

## **FLOOD ZONE**

Flood Zone "AE" - An area inundated by 100-year flooding; National Flood Insurance Program, Community Panel Number 120651-12086C0317L, as revised on September 11, 2009.

## **ZONING**

Site One is zoned as CPS-2 General Mixed-Use Commercial Performance District which is designed to accommodate a range of business, commercial, office and hotel uses, as well as medium to high density residential development pursuant to performance standards which control the permissible type, density or intensity, and mix of development. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 170,696 SF.

Site One is zoned as CD -2 Medium-Intensity Commercial District which provides for commercial activities, services, offices and related activities which serve the entire city. The maximum permitted Floor Area Ratio is 1.5; however, when more than 25% of the total area of the building is used for residential or hotel units, the Floor Area Ratio range shall be set as 2.0, as in the RM-2 District, which would result in a buildable area of 277,684 SF.

Site Three is zoned as RM-2 Medium-Intensity Multi-Family Residential District which allows single-family detached dwellings, townhomes, apartments apartment-hotels, hotels, hostels, and suite hotels. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 98,000 SF.

## **ASSESSMENT AND REAL ESTATE TAXES**

The subject sites are located within the City of Miami Beach and are subject to both the City of Miami Beach and Miami-Dade County ad valorem taxes. The Florida Statutes provide for assessment and collection of yearly Ad Valorem Taxes on Real and Personal Property. 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". The tax due is computed according to annual millage rates established by Dade County. Millage rates are the amount paid to each taxing body for every \$1,000 of assessed value. Taxes are payable in November with a 4% discount and become delinquent on April 1<sup>st</sup>.

Site One is assessed at \$18,302,400 or \$214.44/SF for land, \$26,094 for the improvements, or a total of \$18,328,494, with real estate taxes of \$261,257.71, prior to a 4% discount for prompt payment.

Site Two is assessed at \$29,547,000 or \$212.81/SF for land, \$308 for the improvements, or a total of \$29,547,308, with real estate taxes of \$352,201.89, prior to a 4% discount for prompt payment.

Site Three is assessed at \$12,250,000 or \$250/SF for land, \$0 for the improvements, or a total of \$12,250,000, with real estate taxes of \$193,430.76, prior to a 4% discount for prompt payment.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

## **MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW**

### Rental Apartment Market

According to the Housing Report prepared by Reinhold P. Wolff Economic Research, Inc., the vacancy rate in mature (18 months and older) rental apartment complexes in Miami-Dade County was 5.0% in May 2018, 4.7% in February 2018, 4.5% in November 2017; 4.4% in August 2017; 3.6% in May 2017, 3.6% in February 2017; 3.9% in November 2016; 3.9% in November 2016; 3.4% in August 2016; 2.9% in May 2016; 3.4% in February 2016; 2.9% in November 2015; 3.0% in August 2015; 3.3% in May 2015; and 3.9% in February 2015.

The subject South Beach sub-market had a vacancy rate of 4.0% for 2,046 units in February 2012; 4.7% for 2,046 units in May 2012; 4.6% for 2,046 units in August 2012; 4.3% for 2,046 units in November 2012; 8.1% for 2,046 units in February 2013; 2.5% for 2,046 units in May 2013; 4.1% for 2,046 units in August 2013; 1.4% for 2,046 units in November 2013; 4.5% for 2,046 units in February 2014; 5.4% for 2,046 units in May 2014; 5.2% in August 2014 for 1,617 units; 5.7% for 2,046 units in November 2014; 3.7% for 1,617 units in February 2015; 3.8% for 1,617 units in May 2015; and 4.4% for 1,872 units in August 2015; 6.3% for 1,617 units in November 2015; 5.7% for 1,617 units in February 2016; 5.9% for 1,617 units in May 2016; 4.3% for 1,872 units in August 2016; 3.3% for 1,872 units in November 2016; 4.4% for 1,872 units in February 2017; 3.7% for 1,872 units in May 2017; 7.7% for 1,872 units in August 2017; 7.4% for 1,872 units in November 2017; 5.8% for 1,872 units in February 2018; and 6.2% for 1,872 units in May 2018.

The neighboring sub-market of Central/North Beach sub-market had a vacancy rate of 2.8% for 1,281 units in February 2012; 4.9% for 1,281 units in May 2012; 4.4% for 1,617 units in August 2012; 3.4% for 1,617 units in November 2012; 9.1% for 1,617 units in February 2013; 6.1% for 1,617 units in May 2013; .2% in August 2013 for 1,617 units; 5.5% for 1,617 units in November 2013; 4.3% for 1,617 units in February 2014; 1.9% for 1,617 units in May 2014; 3.4% in August 2014 for 2,046 units; 1.9% for 1,617 units in November 2014; 1.7% for 1,617 units in February 2015; 2.4% for 1,617 units in May 2015; 2.5% for 1,617 units in August 2015; 4.0% for 1,617 units in November 2015; 1.1% for 1,617 units in February 2016; 1.5% for 1,617 units in May 2016; 2.7% for 1,902 units in August 2016; 2.0% for 1,902 units in November 2016; 4.0% for 1,902 units in February 2017; 5.0% for 1,902 units in May 2017; 5.0% for 1,902 units in August 2017; 5.2% for 1,902 units in November 2017; 4.5% for 1,902 units in February 2018; and 4.5% for 1,902 units in May 2018.

There were no new rental apartment units added to the inventory in South Beach, and there is 0 months of inventory.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$39 to \$1,869 from February 2018 to May 2018. The May 2018 overall average rent of \$1,869 is 6.7% greater than the \$1,751 average rent found a year earlier.

## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Rental Apartment Market (Continued)

The average rental rate for apartment units in South Beach were \$2,627 or \$\$3.235/SF for 779 one-bedroom units; \$3,563 or \$2.912/SF for 587 two-bedroom units; and \$5,224 or \$2.767/SF for 45 three-bedroom units. The rental rates in South Beach are among the highest in Miami-Dade County, due to its specific location.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$91 to \$1,830 from November 2017 to February 2018. The February 2018 overall average rent of \$1,830 is 4.9% greater than the \$1,744 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$2 to \$1,739 from August 2017 to November 2017. The November 2017 overall average rent of \$1,739 is .8% greater than the \$1,725 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **declined** by \$14 to \$1,737 from May 2017 to August 2017. The August 2017 overall average rent of \$1,737 is 4.4% greater than the \$1,664 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$7 to \$1,771 from February 2017 to May 2017. The May 2017 overall average rent of \$1,751 is 3.2% greater than the \$1,696 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$19 to \$1,744 from November 2016 to February 2017. The February 2017 overall average rent of \$1,744 is 5.1% greater than the \$1,660 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$61 to \$1,725 from August 2016 to November 2016. The November 2016 overall average rent of \$1,725 is 7.2% greater than the \$1,609 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **decreased** by \$32 to \$1,664 from May 2016 to August 2016. The August 2016 overall average rent of \$1,664 is 3% greater than the \$1,615 average rent found a year earlier.

## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$36 to \$1,696 from February 2016 to May 2016. The May 2016 overall average rent of \$1,696 is 5.3% greater than the \$1,611 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$51 to \$1,660 from November 2015 to February 2016. The February 2016 overall average rent of \$1,660 is 5.8% greater than the \$1,569 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **declined** by \$6 to \$1,609 from August to November 2015. The November 2015 overall average rent of \$1,609 is 5.0% greater than the \$1,532 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$4 to \$1,615 from May to August 2015. The August 2015 overall average rent of \$1,615 is 8.5% greater than the \$1,489 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$42 to \$1,611 from February 2015 to May 2015. The May 2015 overall average rent of \$1,611 is 8.1% greater than the \$1,490 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$37 to \$1,569 from November 2014 to February 2015. The February 2015 overall average rent of \$1,569 is 8.7% greater than the \$1,443 average rent found a year earlier.

The overall average monthly rent for apartments in mature rental developments in Miami-Dade County **increased** by \$43 to \$1,532 from August 2014 to November 2014. The November 2014 overall average rent of \$1,532 is 8.4% greater than the \$1,413 average rent found a year earlier.

### Condominium Apartment Market

As per the 2<sup>nd</sup> Quarter 2018 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 137 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2018. The 1<sup>st</sup> quarter sales were **23.5%** less than the 179 units sold in the 4<sup>th</sup> quarter of 2017, and **24.7%** less than the 182 units sold in the 1<sup>st</sup> Quarter of 2017. New condominium sales in 2017, totaled 784 units, **23.7%** less than the 1,027 units sold in 2016. 61.6%, 30.2% and 35.0% of the total new condominium sales in Miami-Dade County in the 1<sup>st</sup> Quarter of 2017, 4<sup>th</sup> Quarter of 2017 and 1<sup>st</sup> Quarter of 2018, respectively, were above the \$900,000 price level, making up the largest segment.

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## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Condominium Apartment Market - Continued

There were 362, 340, 235, 307, 361, 290, 293 and 269 used condominium units were sold in the South Beach sub-market between 2<sup>nd</sup> Quarter of 2016 and 1<sup>st</sup> Quarter of 2018, respectively.

As per the 1<sup>st</sup> Quarter 2018 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 179 new condominium units were sold (deeded) in Dade County during the 4<sup>th</sup> quarter of 2017. The 4<sup>th</sup> quarter sales were **14.8%** less than the 210 units sold in the 3<sup>rd</sup> quarter of 2017, and **40.7%** less than the 302 units sold in the 4<sup>th</sup> Quarter of 2016.

As per the 4<sup>th</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 210 new condominium units were sold (deeded) in Dade County during the 3<sup>rd</sup> quarter of 2017. The 3<sup>rd</sup> quarter sales were **1.4%** less than the 213 units sold in the 2<sup>nd</sup> quarter of 2017, and **20.7%** more than the 174 units sold in the 3<sup>rd</sup> Quarter of 2016. New condominium sales through September 2017, totaled 605 units, **16.6%** less than the 725 units sold in the same period in 2016.

As per the 3<sup>rd</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 213 new condominium units were sold (deeded) in Dade County during the 2<sup>nd</sup> quarter of 2017. The 2<sup>nd</sup> quarter sales were **17%** more than the 182 units sold in the 1<sup>st</sup> quarter of 2017, and **13.3%** more than the 188 units sold in the 2<sup>nd</sup> Quarter of 2016. New condominium sales through June 2017, totaled 395 units, **28.3%** less than the 551 units sold in the same period in 2016.

As per the 2<sup>nd</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 182 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2017. The 1<sup>st</sup> quarter sales were **39.7%** less than the 302 units sold in the 4<sup>th</sup> quarter of 2016, and **49.9%** less than the 363 units sold in the 1<sup>st</sup> Quarter of 2016. New condominium sales in 2016 totaled 1,027 units, **42.5%** less than the 1,786 units sold in 2015.

As per the 1<sup>st</sup> Quarter 2017 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 302 new condominium units were sold (deeded) in Dade County during the 4<sup>th</sup> quarter of 2016. The 4<sup>th</sup> quarter sales were **73.6%** more than the 174 units sold in the 3<sup>rd</sup> quarter of 2016, but **37.9%** less than the 486 units sold in the 4<sup>th</sup> Quarter of 2015.

As per the 4<sup>th</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 174 new condominium units were sold (deeded) in Dade County during the 3<sup>rd</sup> quarter of 2016. The 3<sup>rd</sup> quarter sales were **7.4%** less than the 188 units sold in the 2<sup>nd</sup> quarter of 2016, and **59.7%** less than the 432 units sold in the 3<sup>rd</sup> Quarter of 2015. New condominium sales through September 2016 totaled 725 units, **44.2%** less than the 1,300 units sold during the same period in 2015.

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## MULTI-FAMILY RESIDENTIAL MARKET OVERVIEW

-- Continued --

### Condominium Apartment Market - Continued

As per the 3<sup>rd</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 188 new condominium units were sold (deeded) in Dade County during the 2<sup>nd</sup> quarter of 2016. The 2<sup>nd</sup> quarter sales were **48.2%** less than the 363 units sold in the 1<sup>st</sup> quarter of 2016, and **57.4%** less than the 441 units sold in the 2<sup>nd</sup> Quarter of 2015. New condominium sales through June 2016 totaled 551 units, **36.5%** less than the 868 units sold during the same period in 2015.

As per the 2<sup>nd</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 363 new condominium units were sold (deeded) in Dade County during the 1<sup>st</sup> quarter of 2016. The 1<sup>st</sup> quarter sales were **25.3%** less than the 486 units sold in the 4<sup>th</sup> quarter of 2015, and **15.0%** less than the 427 units sold in the 1<sup>st</sup> Quarter of 2015. New condominium sales in 2015 totaled 1,786 units, **2.2 times more** than the 827 units sold in 2014.

As per the 1<sup>st</sup> Quarter 2016 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 486 new condominium units were sold in Dade County during the 4<sup>th</sup> quarter of 2015. The 4<sup>th</sup> quarter sales were **12.5%** greater than the 432 units sold in the 3<sup>rd</sup> quarter of 2015, and **7.8%** more than the 451 units sold in the 4<sup>th</sup> Quarter of 2014.

As per the 4<sup>th</sup> Quarter 2015 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 432 new condominium units were sold in Dade County during the 3<sup>rd</sup> quarter of 2015. The 3<sup>rd</sup> quarter sales were **2.0%** less than the 441 units sold in the 2<sup>nd</sup> quarter of 2015, and **2.5 times more** than the 176 units sold in the 3<sup>rd</sup> Quarter of 2014. New condominium sales through September 2015 totaled 1,300 units, **3.5 times more** than the 376 units sold during the same period in 2014.

As per the 3<sup>rd</sup> Quarter 2015 Dade County Housing Market Report prepared by Reinhold P. Wolff Economic Research, Inc., a total of 441 new condominium units were sold in Dade County during the 2<sup>nd</sup> quarter of 2015. The 2<sup>nd</sup> quarter sales were **3.3%** more than the 427 units sold in the 1<sup>st</sup> quarter of 2015, and **3.1 times** the 142 units sold in the 2<sup>nd</sup> Quarter of 2014. New condominium sales through June 2015 totaled 868 units, **4.3 times more** than the 200 units sold during the same period in 2014.



## **HIGHEST AND BEST USE**

### **DEFINITION**

The Highest and Best Use is a market-driven concept. It may be briefly defined as representing the most profitable, competitive use to which a site can be put, or that use which may reasonably be expected to produce the greatest net return to the land over a given period of time. In addition, the concept may further be defined as the available use and program of future utilization that produces the highest present land value.

Highest and Best Use is further defined in The Dictionary Real Estate Appraisal, 2010 Edition, which was sponsored by the Appraisal Institute as follows:

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

It is to be recognized that in cases where a site has existing improvements on it, the Highest and Best Use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its Highest and Best Use exceeds the total value of the property in its existing use.

The estimate of Highest and Best Use is based upon four stages of analysis:

1. The possible use or uses which are physically possible for the site under analysis.
2. The permissible use or uses which are permitted relative to zoning, historic preservation regulations, environmental controls and/or deed restriction of the site under analysis.
3. The feasible use or uses which are considered economically and financially feasible for the site in terms of existing and projected market conditions.
4. The Highest and Best Use in consideration of those legally permissible, physically possible, financially feasible and maximally productive uses which will result in the highest net return or the highest present worth.

## **HIGHEST AND BEST USE, AS VACANT**

The estimate of the Highest and Best Use of the land, as if vacant, requires market analysis in terms of market conditions of supply and demand. The value of land is based upon the level of utility that is in demand and that will produce amenities or net income to the user. Therefore, the use which creates the greatest land value and which is considered compatible in terms of the restriction imposed by the physical, legal, financial and maximally productive factors is inherent in this analysis.

The physically possible uses of the subject sites, as vacant, would include a variety of commercial and multi-family residential uses. This is based upon analysis of the size, frontage, exposure, access, location and buildable utility characteristics of the 85,348 SF, 138,842 SF and 49,000 SF subject corner sites.

Analysis of the permissible uses at the subject sites takes into account those uses which would be permitted by existing zoning and/or deed restrictions, providing that no deed restrictions are in effect at the subject sites which would restrict certain uses of the sites.

Site One is zoned as CPS-2 General Mixed-Use Commercial Performance District which is designed to accommodate a range of business, commercial, office and hotel uses, as well as medium to high density residential development pursuant to performance standards which control the permissible type, density or intensity, and mix of development. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 170,696 SF.

Site One is zoned as CD -2 Medium-Intensity Commercial District which provides for commercial activities, services, offices and related activities which serve the entire city. The maximum permitted Floor Area Ratio is 1.5; however, when more than 25% of the total area of the building is used for residential or hotel units, the Floor Area Ratio range shall be set as 2.0, as in the RM-2 District, which would result in a buildable area of 277,684 SF.

Site Three is zoned as RM-2 Medium-Intensity Multi-Family Residential District which allows single-family detached dwellings, townhomes, apartments apartment-hotels, hotels, hostels, and suite hotels. The maximum permitted Floor Area Ratio is 2.0, which would result in a buildable area of 98,000 SF.

After analysis of the physically possible and legally permissible uses to which the subject sites could conceivably be put, a study of those uses which would be maximally productive is required. Therefore, an alternative use analysis was performed relative to that use which would represent the Highest and Best Use of the subject sites, as if vacant.

The subject sites are located on the north and south sides of 6<sup>th</sup> Street, between Alton Road and West Avenue, in the South Beach section of Miami Beach, Florida. The immediate area surrounding the subject sites is comprised of low-rise, mid-rise and high-rise rental and condominium apartment buildings along Bay Road and West Avenue, as well as mixed-use residential/retail buildings along West Avenue, and commercial buildings with retail, office and restaurant space; office buildings, and other retail/service uses along Alton Road.

## **HIGHEST AND BEST USE, AS VACANT**

Miami Beach is an island located just off the southeast coast of Miami-Dade County, Florida. The island is approximately one mile wide, ten miles long and travels in a northerly/southerly direction parallel to mainland Miami-Dade County. The town of Surfside borders Miami Beach to the north starting at approximately 87th Street. The Atlantic Ocean acts as the eastern and southeastern border, while Biscayne Bay/the Intracoastal Waterway lies to the west. Five causeways connect Miami Beach to the mainland; the MacArthur Causeway (Highway No. 41); the Venetian Causeway; the Julia Tuttle Causeway (Interstate 195); the Broad Causeway (State Road No. 922) and the North Dade Causeway (State Road No. 934).

As the City's economy drastically improved in the last twenty-five years, Miami Beach has experienced an influx of younger and more affluent residents. Close proximity to Miami's downtown business district, the Art Deco entertainment district and access to the beach are all considered to be contributing factors to the area's discovery as a place to live and work. The continued faith in the City's economy is reflected by the consistent increase in building permit activity over the last twenty years. Developers and real estate professionals in Miami Beach have been aggressively marketing their properties to local and out-of-town residents and families. In the last fifteen years, the development and redevelopment activity has well spread over the waterfront corridors of Ocean Drive, Collins Avenue and Ocean Drive, as well as the Art Deco district, the 5th Street corridor and the area south of 5th Street which is referred to as the overall South Pointe area.

The subject sites are located just north of 5th Street (connecting to MacArthur Causeway) which is the gateway to the South Beach area of Miami Beach, connecting it with the Central Business District of Miami. The subject properties are located 2/3 mile southeast of Lincoln Road which is an upscale pedestrian corridor which is considered ground-zero for retail/restaurant space in South Beach, commanding the highest rental rates and sale prices. The subject sites are within walking distance of the service, entertainment, retail corridors of Alton Road and Lincoln Road. The viability of the subject neighborhood is further enhanced by the ease of accessibility to/from downtown Miami and the Central Business District (CBD) and other major employment centers within Miami-Dade County.

The area surrounding the subject sites has been developed with mostly residential facilities and therefore, no nuisances, hazards or other adverse influences were observed. No notable signs of external obsolescence were observed and the overall appeal of the improved properties is considered to be above average to very good.

There are 30,271 residents within a 1-mile radius of the subject property, with a projected population growth rate of 3.6%, average age of 43 years, 18,180 households, with a growth rate of 3.0% and 1.6 people per household and \$48,312 of median household income and median home value of \$394,201.

## HIGHEST AND BEST USE, AS VACANT

There were no new rental apartment units added to the inventory in South Beach, and there is 0 months of inventory. The average rental rate for apartment units in South Beach were \$2,627 or \$3.235/SF for 779 one-bedroom units; \$3,563 or \$2.912/SF for 587 two-bedroom units; and \$5,224 or \$2.767/SF for 45 three-bedroom units. The rental rates in South Beach are among the highest in Miami-Dade County, due to its specific location.

There are 64,013 residents within a 3-mile radius of the subject property, with a projected population growth rate of 4.3%, average age of 42 years, 35,689 households, with a growth rate of 3.6% and 1.7 people per household and \$60,065 of median household income and median home value of \$486,248.

There are 256,499 residents within a 5-mile radius of the subject property, with a projected population growth rate of 5.8%, average age of 40 years, 119,610 households, with a growth rate of 5.3% and 2.0 people per household and \$49,109 of median household income and median home value of \$428,816.

As per the most recent Miami-Dade County Retail Market Survey prepared by CoStar, the Miami Beach retail sub-market had a net absorption of -41,100 SF in the last twelve months (lower than the historical average of 105,149 SF, and lower than the 609,814 SF peak in 3<sup>rd</sup> Quarter of 2007), with a vacancy rate of 5.3% and average quoted rental rate of \$81.06/SF (\$131.75/SF for malls, \$71.10/SF for power centers, \$100.31/SF for neighborhood shopping centers, \$71.34/SF for strip centers, and \$67.98 for general retail), with a rental rate growth rate of 5.2% in the last twelve months, with 74,702 SF delivered in the last twelve months, 60,091 SF to be delivered in the next twelve months and 142,173 SF proposed in the next four quarters.

The five comparable rental located south of 5<sup>th</sup> Street reflected a rental rate range of \$54/SF to \$80/SF on a triple-net basis; four comparable rental properties located along West Avenue, Purdy Avenue and Bay Road reflected a rental rate range of \$70/SF to \$90/SF on a triple net basis and \$82.11/SF on a modified-gross basis; while four comparable rental properties located along Alton Road, Washington Avenue and Pennsylvania Avenue reflected a rental rate range of \$50/SF to \$90/SF on a triple net basis (refer to the Addenda).

As per CoStar, the nineteen sales of commercial properties in Miami Beach has indicated an average capitalization rate of 5.7% which indicates strong demand from investors, with an average sale price/SF of \$1,052. Six comparable sales of retail properties in South Beach in the last three years reflected a sale price/SF range of \$894/SF to \$1,080/SF (refer to the Addenda).

We have analyzed the condominium sale prices, floor/view premiums, rate of sales, rental rates, as well as average price/SF for one-bedroom, two-bedroom, three-bedroom and four-bedroom units within eleven condominium apartment buildings in South Beach which would be comparable/competitive to the proposed condominium tower for the 500-block of Alton Road ("Site One"). Refer to the Addenda.

## HIGHEST AND BEST USE, AS VACANT

Based upon analysis of those uses which would be considered physically possible, legally permissible and economically feasible, it is the appraiser's estimate that the Highest and Best Use of the subject sites would be:

the Highest and Best Use of Site One is its development with a residential condominium apartment building, with an ancillary commercial component. This site already has approvals to be developed with a mixed-use residential/commercial building with 18,000 SF of retail and approximately 159,650 SF 163-unit residential component (170,696 SF allowed). Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be developed with a high-rise residential apartment building which would be built to condominium quality standards, and possibly have an interim rental apartment use during the sell-out period;

the Highest and Best Use of Site Two is its development with a mixed-use residential/commercial condominium building. This site already has approvals to be developed with a mixed-use residential/commercial building with 42,915 SF of retail and 253,840 SF 256-unit residential component, totaling 275,298 SF of buildable FAR area (277,684 SF allowed). Subject to satisfaction of certain property rights among Site 1, 2 and 3, the 87,412 SF southeastern section of this site (Site 4) is proposed to be developed with a one-story multi-tenant 35,960 SF retail strip;

the Highest and Best Use of Site Three is its development with a residential condominium apartment building. This site already has approvals to be developed with a mixed-use residential/commercial building with 12,756 SF of retail and 83,349 SF 66-unit residential component, totaling 96,105 SF of buildable FAR area (98,000 SF allowed). Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site (in conjunction with the 51,430 SF southwestern portion of Site 2) is proposed to be dedicated to create a City-owned public park to serve the surrounding residential neighborhood;

the Highest and Best Use of Site Four is its development with a mixed-use residential/commercial condominium building. Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be developed with a one-story multi-tenant 35,960 SF retail strip;

the Highest and Best Use of Site Five is its development with a mixed-use residential/commercial condominium apartment building. Subject to satisfaction of certain property rights among Sites 1, 2 and 3, this site is proposed to be dedicated to create a City-owned public park to serve the surrounding residential neighborhood.

## **THE VALUATION PROCEDURE**

The valuation procedure is defined in the 2010 Edition of the Dictionary of Real Estate Appraisal which was sponsored by the Appraisal Institute as follows: The act, manner and technique of performing the steps of a valuation method.

In order to provide estimates of the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018, we have utilized the Sales Comparison Approach to Value.

The Sales Comparison Approach to Value is based upon a comparison between recently sold sites and the subject sites, utilizing the sale price per square foot of buildable area unit of comparison.

## **THE SALES COMPARISON APPROACH (LAND VALUATION)**

In order to estimate the value of the subject sites, the land is analyzed as vacant and available to be put to its Highest and Best Use. There are several different techniques which can be utilized in the valuation of land. The technique selected must relate to the specific factors inherent in the appraisal problem at hand. The land valuation technique selected must reflect the prudent and rationale behavior of the most probable, typically informed purchaser/investor. In addition, the availability of reliable and verified market data further leads to the selection of the applicable land valuation technique.

1. The Sales Comparison Approach analyzes the sales of similar vacant sites, with comparison and adjustment made from these sales to the subject sites. The Sales Comparison Approach to Value is based on the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property assuming no costly delay in making the substitution. The Sales Comparison Approach to Value is based on a comparison between recently sold sites in Miami Beach and the subject site, utilizing the sale price/SF of buildable area method of comparison.

2. The Abstraction Method analyzes the sales of improved properties with an allocation made between land and improvement value. The indicated allocation may establish a typical ratio of land value to total value or to derive from the portion of the sales price allocated to land an estimate of land value for use as a comparable land sale.

3. The Cost of Development Method provides an estimate of the value of undeveloped land based upon the creation of a platted subdivision, development and sale of said parcel. The method assumes that the most probable purchaser of the land would be a developer/investor who plans to dispose of the developed sites at a profit. The costs of development are subtracted from the estimated proceeds of sale resulting in a net income projection which is discounted over the market absorption period.

4. The Land Residual Method treats the net income available to support the investment in the site as a residual. The income required to cover the investment in new improvements that represent the Highest and Best Use of the site is deducted from the Net Operating Income resulting in an estimate of the net income to the land which is then capitalized to estimate the land value.

### **THE SALES COMPARISON APPROACH (LAND VALUATION)**

The comparable land sales are considered reasonably similar to the subject property in terms of zoning, location, physical characteristics, topography and buildable utility. The sales represent bona-fide "arm's length" transactions which are representative of prevailing market values. Our analysis has taken into account those differentials relative to financing, time of sale, size, location, frontage/exposure, zoning, developmental potential and functional utility of the comparable sales as they compare to the subject sites.



COMPARABLE LAND SALES

|  | Subject Site One                                     | Land Sale 1                                | Land Sale 2                        | Land Sale 3                                | Land Sale 4   | Land Sale 5   | Land Sale 6                               | Land Listing 7                          | Land Listing 8   |
|--|--|--|------------------------------------|--|---|---|---|---|--|
| Address  | 500 ALTON ROAD & 1220 6TH STREET MIAMI BEACH FLORIDA | 1685 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 803 5TH STREET MIAMI BEACH FLORIDA | 1312-1320 14TH TERRACE MIAMI BEACH FLORIDA | 601-699 WASHINGTON AVENUE MIAMI BEACH FLORIDA   | 1340 FLAMINGO WAY MIAMI BEACH FLORIDA                   | 251 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 304-312 OCEAN DRIVE MIAMI BEACH FLORIDA | 1255 WEST AVENUE MIAMI BEACH FLORIDA                     |
| Frontage/Exposure On                                   | ALTON ROAD WEST AVENUE 6TH STREET                    | WASHINGTON AVE. 17TH STREET                | MERIDIAN AVE. 5TH STREET           | 14TH TERRACE WEST AVENUE                   | WASHINGTON AVE. 6TH STREET 7TH STREET   | FLAMINGO WAY BAY ROAD                                   | WASHINGTON AVE. 3RD STREET                | OCEAN DRIVE 3RD STREET                  | WEST AVENUE 13TH STREET                                  |
| Folio No.  | 02-4204-006-0010<br>02-4204-006-0070                 | 02-3234-019-0730                           | 02-4203-009-4970                   | 02-3233-016-0460<br>02-3233-016-0470       | 02-4203-004-0820<br>02-4203-004-0830<br>02-4203-004-0810<br>02-4203-004-0860<br>02-4203-004-0870  | 02-3233-016-0310<br>02-3233-016-0320                    | 02-4203-003-1090<br>02-4203-003-1080      | 02-4203-003-0500<br>02-4203-003-0510    | 02-3233-018-0090<br>02-3233-018-0100<br>02-3233-018-0110 |
| Net Site Size (SF)                                     | 85,348   | 30,000                                     | 9,000                              | 16,000                                     | 62,270  | 11,000  | 13,000                                    | 11,650                                  | 17,252   |
| Net Site Size (Acre)                                   | 1.96   | 0.69                                       | 0.21                               | 0.37                                       | 1.43  | 0.25  | 0.30                                      | 0.27                                    | 0.40   |
| Zoning   | C-PS2  | CD-3                                       | C-PS2                              | RM-1                                       | CD-2  | RM-1  | R-PS3                                     | R-PS3                                   | RM-2   |
| Floor Area Ratio (FAR)                                 | 2.00   | 2.25                                       | 2.00                               | 1.25                                       | 2.00  | 1.25  | 1.75                                      | 1.75                                    | 2.00   |
| Buildable Area   | 170,696  | 67,500                                     | 18,000                             | 20,000                                     | 124,540   | 13,750  | 22,750                                    | 20,387                                  | 34,504   |
| Date of Sale   | -  | 8/16/2017                                  | 6/9/2017                           | 3/30/2017                                  | 6/23/2015   | 4/28/2015   | 3/4/2015                                  | LISTED FOR SALE                         | LISTED FOR SALE  |
| Grantee  | -  | SOBE CENTER, LLC                           | THE FIFTH STREET HOTEL, LLC        | 1414 WEST AVENUE, LLC                      | WASHINGTON SQUARED OWNER, LLC   | TBD HARBOR 265, LLC                                     | SOUTHS, LLC                               | LISTED FOR SALE                         | LISTED FOR SALE  |
| Grantor  | -  | CITIBANK, N.A.                             | SOBE 5, LLC                        | CASALUNA LLC                               | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 643-655 WASHINGTON AVE. PROPERTY, INC.; 657-685 WASHINGTON AVE. PROPERTY, INC.; | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SOBE SECOND STREET, LLC                   | SEA SPRAY DEVELOPMENT LLC               | 1247 BAYVIEW DEVELOPMENT CO.                             |
| O.R. Book / Page                                       | -  | 30658 / 1799                               | 30584 / 1769                       | 30483 / 2416                               | 29674 / 1702<br>29674 / 1698<br>29674 / 1707<br>29674 / 1711  | 29601 / 784<br>29601 / 788                              | 29526 / 2117                              | LISTED FOR SALE                         | LISTED FOR SALE  |
| Consideration  | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000  | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Financing  | -  | CASH TO THE SELLER                         | CASH TO THE SELLER                 | CASH TO THE SELLER                         | CASH TO THE SELLERS   | CASH TO THE SELLERS                                     | CASH TO THE SELLER                        | LISTED FOR SALE                         | LISTED FOR SALE  |
| Sale Price   | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000  | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Sale Price/SF of Net Site Area                         | -  | \$640.00                                   | \$662.78                           | \$295.31                                   | \$489.80  | \$245.45  | \$634.62                                  | \$944.21                                | \$579.06   |
| Sale Price/SF of Maximum Buildable Area                | -  | \$284.44                                   | \$331.39                           | \$236.25                                   | \$244.90  | \$198.36  | \$362.64                                  | \$539.56                                | \$289.53   |
| Time Adjustment  | -  | 0%   | 0%                                 | 0%   | 0%  | 0%  | 0%  | 0%                                      | 0%   |
| Time Adjusted Sale Price                               | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000  | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area      | -  | \$640.00                                   | \$662.78                           | \$295.31                                   | \$489.80  | \$245.45  | \$634.62                                  | \$944.21                                | \$579.06   |
| Time Adjusted Sale Price Per Sq. Ft. of Buildable Area | -  | \$284.44                                   | \$331.39                           | \$236.25                                   | \$244.90  | \$198.36  | \$362.64                                  | \$539.56                                | \$289.53   |
| ADJUSTMENTS:   |  |  |                                    |  |   |   |   |   |  |
| Location:  | -  | 0%   | 0%                                 | 0%   | -5%   | 0%  | -5%                                       | -5%                                     | 0%   |
| Frontage / Exposure:                                   | -  | -5%  | -5%                                | 10%  | 0%  | 10%   | 0%  | 0%                                      | 10%  |
| Size/Scale:  | -  | 0%   | -10%                               | -5%  | 0%  | -10%  | -5%                                       | -10%                                    | -5%  |
| Physical Development Potential/Utility:                | -  | 10%  | 20%                                | 10%  | 5%  | 20%   | 10%                                       | 20%                                     | 10%  |
| Total:   | -  | 5%   | 5%                                 | 15%  | 0%  | 20%   | 0%  | 5%                                      | 15%  |
| Plus: Estimated Demolition Cost                        | -  | \$37,000                                   | \$0                                | \$0  | \$185,000   | \$10,000  | \$0                                       | \$0                                     | \$60,000   |
| Adjusted Price   | -  | \$20,197,000                               | \$6,263,300                        | \$5,433,800                                | \$30,685,000  | \$3,250,000   | \$8,250,000                               | \$11,550,000                            | \$11,548,500   |
| Adjusted Price/SF of Net Site Area                     | -  | \$673.23                                   | \$695.92                           | \$339.61                                   | \$492.77  | \$295.45  | \$634.62                                  | \$991.42                                | \$669.40   |
| Adjusted Price/SF of Buildable Area (FAR x Site Area)  | -  | \$299.21                                   | \$347.96                           | \$271.69                                   | \$246.39  | \$236.36  | \$362.64                                  | \$566.54<br>Asking Price                | \$334.70<br>Asking Price                                 |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES (SITE ONE / "500 SITE")**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

Site One, with frontage on three streets and a highway ramp, is superior to Comparable Land Sale Numbers Three, Five and Eight; and inferior to Comparable Land Sale Numbers One and Two.

Configuration

Site One and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites command a premium on a sale price per square foot basis.

Physical Development Potential and Functional Utility

The comparable sales were inferior to Site One in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment.

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES (SITE ONE / "500 SITE)- Continued**

Topography

Site One and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales and the subject site, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price).

**The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90 \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price).**

After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$673.23, \$695.92, \$339.61, \$492.77, \$295.45, \$634.62, \$991.42 (asking price) and \$669.40 (asking price).

**After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$299.21, \$347.96, \$271.69, \$246.39, \$236.36, \$362.64, \$566.54 (asking price) and \$334.70 (asking price).**

Based on the preceding analysis, \$300/SF of buildable area reflect a reasonable estimate of Market Value of the Fee Simple Interest in Site One, as vacant. The estimated cost of demolition of the nearly 6,000 SF building was deducted to arrive at the "as is" value. Then:

|  |                     |
|--|---------------------|
| 170,696 SF x \$300/SF =  | \$51,208,800        |
| Estimated Market Value of the Fee Simple Interest in Site One, "as if" Vacant (Rounded)      | <b>\$51,200,000</b> |
| Less: Estimated Cost of Demolition and Carting of Existing Vacant Improvements               | \$30,000            |
| Estimated Market Value of the Fee Simple Interest in Site One in "as is" Condition (Rounded) | <b>\$51,170,000</b> |

COMPARABLE LAND SALES

|  | Subject Site Two                             | Land Sale 1                                      | Land Sale 2                              | Land Sale 3                                      | Land Sale 4   | Land Sale 5   | Land Sale 6                                     | Land Listing 7                                | Land Listing 8   |
|--|--|--|--|--|---|---|---|---|--|
| Address  | 630-660 ALTON ROAD<br>MIAMI BEACH<br>FLORIDA | 1685 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 803 5TH STREET<br>MIAMI BEACH<br>FLORIDA | 1312-1320 14TH TERRACE<br>MIAMI BEACH<br>FLORIDA | 601-699 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA   | 1340 FLAMINGO WAY<br>MIAMI BEACH<br>FLORIDA             | 251 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 304-312 OCEAN DRIVE<br>MIAMI BEACH<br>FLORIDA | 1255 WEST AVENUE<br>MIAMI BEACH<br>FLORIDA               |
| Frontage/Exposure On                                   | ALTON ROAD<br>WEST AVENUE<br>6TH STREET      | WASHINGTON AVE.<br>17TH STREET                   | MERIDIAN AVE.<br>5TH STREET              | 14TH TERRACE<br>WEST AVENUE                      | WASHINGTON AVE.<br>6TH STREET<br>7TH STREET   | FLAMINGO WAY<br>BAY ROAD                                | WASHINGTON AVE.<br>3RD STREET                   | OCEAN DRIVE<br>3RD STREET                     | WEST AVENUE<br>13TH STREET                               |
| Folio No.  | 02-4203-001-0100<br>02-4203-001-0280         | 02-3234-019-0730                                 | 02-4203-009-4970                         | 02-3233-016-0460<br>02-3233-016-0470             | 02-4203-004-0820<br>02-4203-004-0830<br>02-4203-004-0810<br>02-4203-004-0860<br>02-4203-004-0870  | 02-3233-016-0310<br>02-3233-016-0320                    | 02-4203-003-1090<br>02-4203-003-1080            | 02-4203-003-0500<br>02-4203-003-0510          | 02-3233-018-0090<br>02-3233-018-0100<br>02-3233-018-0110 |
| Net Site Size (SF)                                     | 138,842                                      | 30,000   | 9,000                                    | 16,000   | 62,270  | 11,000  | 13,000  | 11,650  | 17,252   |
| Net Site Size (Acres)                                  | 3.19   | 0.69   | 0.21                                     | 0.37   | 1.43  | 0.25  | 0.30  | 0.27  | 0.40   |
| Zoning   | CD-2   | CD-3   | C-PS2                                    | RM-1   | CD-2  | RM-1  | R-PS3   | R-PS3   | RM-2   |
| Floor Area Ratio (FAR)                                 | 2.00   | 2.25   | 2.00                                     | 1.25   | 2.00  | 1.25  | 1.75  | 1.75  | 2.00   |
| Buildable Area   | 277,684                                      | 67,500   | 18,000                                   | 20,000   | 124,540   | 13,750  | 22,750  | 20,387  | 34,504   |
| Date of Sale   | -  | 8/16/2017  | 6/9/2017                                 | 3/30/2017  | 6/23/2015   | 4/28/2015   | 3/4/2015  | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantee  | -  | SOBE CENTER, LLC                                 | THE FIFTH STREET HOTEL, LLC              | 1414 WEST AVENUE, LLC                            | WASHINGTON SQUARED OWNER, LLC   | TBD HARBOR 265, LLC                                     | SOUTH5, LLC                                     | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantor  | -  | CITIBANK, N.A.                                   | SOBE 5, LLC                              | CASALUNA LLC                                     | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 643-655 WASHINGTON AVE. PROPERTY, INC.; 657-685 WASHINGTON AVE. PROPERTY, INC.; | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SOBE SECOND STREET, LLC                         | SEA SPRAY DEVELOPMENT LLC                     | 1247 BAYVIEW DEVELOPMENT CO.                             |
| O.R. Book / Page                                       | -  | 30658 / 1799                                     | 30584 / 1769                             | 30483 / 2416                                     | 29674 / 1702<br>29674 / 1698<br>29674 / 1707<br>29674 / 1711  | 29601 / 1784<br>29601 / 1788                            | 29526 / 2117                                    | LISTED FOR SALE                               | LISTED FOR SALE  |
| Consideration  | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Financing  | -  | CASH TO THE SELLER                               | CASH TO THE SELLER                       | CASH TO THE SELLER                               | CASH TO THE SELLERS   | CASH TO THE SELLERS                                     | CASH TO THE SELLER                              | LISTED FOR SALE                               | LISTED FOR SALE  |
| Sale Price   | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Sale Price/SF of Net Site Area                         | -  | \$640.00   | \$662.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Sale Price/SF of Maximum Buildable Area                | -  | \$284.44   | \$331.39                                 | \$236.25   | \$244.90  | \$196.36  | \$362.64  | \$539.56                                      | \$289.53   |
| Time Adjustment  | -  | 0%   | 0%                                       | 0%   | 0%  | 0%  | 0%  | 0%  | 0%   |
| Time Adjusted Sale Price                               | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area      | -  | \$640.00   | \$662.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Time Adjusted Sale Price Per Sq. Ft. of Buildable Area | -  | \$284.44   | \$331.39                                 | \$236.25   | \$244.90  | \$196.36  | \$362.64  | \$539.56                                      | \$289.53   |
| ADJUSTMENTS:   |  |  |  |  |   |   |   |   |  |
| Location:  | -  | 0%   | 0%                                       | 0%   | -5%   | 0%  | -5%   | -5%   | 0%   |
| Frontage / Exposure:                                   | -  | -5%  | -5%                                      | 10%  | 0%  | 20%   | 0%  | 0%  | 10%  |
| Size/Scale:  | -  | 0%   | -10%                                     | -5%  | 0%  | -10%  | -10%  | -5%   | -5%  |
| Physical Development Potential/Utility:                | -  | 10%  | 20%                                      | 10%  | 5%  | 20%   | 10%   | 20%   | 10%  |
| Total:   | -  | 5%   | 5%                                       | 15%  | 0%  | 30%   | 0%  | 5%  | 15%  |
| Plus: Estimated Demolition Cost                        | -  | \$37,000   | \$0                                      | \$0  | \$185,000   | \$10,000  | \$0   | \$0   | \$60,000   |
| Adjusted Price   | -  | \$20,197,000                                     | \$6,263,300                              | \$5,433,800                                      | \$30,685,000  | \$3,520,000   | \$8,250,000                                     | \$11,550,000                                  | \$11,548,500   |
| Adjusted Price/SF of Net Site Area                     | -  | \$673.23   | \$695.92                                 | \$339.61   | \$492.77  | \$320.00  | \$634.62  | \$991.42                                      | \$669.40   |
| Adjusted Price/SF of Buildable Area (FAR x Site Area)  | -  | \$299.21   | \$347.96                                 | \$271.69   | \$246.39  | \$256.00  | \$362.64  | \$566.54<br>Asking Price                      | \$334.70<br>Asking Price                                 |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES (SITE TWO / "600 SITE")**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

Site Two, with frontage on three streets, is superior to Comparable Land Sale Numbers Three, Five and Eight; and inferior to Comparable Land Sale Numbers One and Two.

Configuration

Site Two and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites command a premium on a sale price per square foot basis.

Physical Development Potential and Functional Utility

The comparable sales were inferior to Site Two in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment.

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES (SITE TWO / "600 SITE")- Continued**

Topography

Site Two and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales and the subject site, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price).

**The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90 \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price).**

After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$673.23, \$695.92, \$339.61, \$492.77, \$320.00, \$634.62, \$991.42 (asking price) and \$669.40 (asking price).

**After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$299.21, \$347.96, \$271.69, \$246.39, \$256.00, \$362.64, \$66.54 (asking price) and \$334.70 (asking price).**

Based on the preceding analysis, \$275/SF to \$300/SF of buildable area reflect a reasonable range of Market Value of the Fee Simple Interest in Site Two, as vacant. The estimated cost of demolition of the nearly 60,000 SF building was deducted to arrive at the "as is" value. Then:

|  |                     |
|--|---------------------|
| 277,684 SF x \$275/SF =  | \$76,363,100        |
| 277,684 SF x \$300/SF =  | \$83,305,200        |
| Estimated Market Value of the Fee Simple Interest in Site Two, "as if" Vacant (Rounded)      | <b>\$79,800,000</b> |
| Less: Estimated Cost of Demolition and Carting of Existing Vacant Improvements               | \$300,000           |
| Estimated Market Value of the Fee Simple Interest in Site Two in "as is" Condition (Rounded) | <b>\$79,500,000</b> |

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

COMPARABLE LAND SALES

|   | Subject Site Three   | Land Sale 1                                | Land Sale 2                        | Land Sale 3                                | Land Sale 4  | Land Sale 5   | Land Sale 6                               | Land Listing 7                          | Land Listing 8   |
|---|--|--|------------------------------------|--|--|---|---|---|--|
| Address   | 659-737 WEST AVENUE MIAMI BEACH FLORIDA  | 1685 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 803 5TH STREET MIAMI BEACH FLORIDA | 1312-1320 14TH TERRACE MIAMI BEACH FLORIDA | 601-699 WASHINGTON AVENUE MIAMI BEACH FLORIDA  | 1340 FLAMINGO WAY MIAMI BEACH FLORIDA                   | 251 WASHINGTON AVENUE MIAMI BEACH FLORIDA | 304-312 OCEAN DRIVE MIAMI BEACH FLORIDA | 1255 WEST AVENUE MIAMI BEACH FLORIDA                     |
| Frontage/Exposure On                                  | WEST AVENUE  | WASHINGTON AVE. 17TH STREET                | MERIDIAN AVE. 5TH STREET           | 14TH TERRACE WEST AVENUE                   | WASHINGTON AVE. 6TH STREET 7TH STREET  | FLAMINGO WAY BAY ROAD                                   | WASHINGTON AVE. 3RD STREET                | OCEAN DRIVE 3RD STREET                  | WEST AVENUE 13TH STREET                                  |
| Folio No.   | 02-4203-001-0161<br>02-4203-001-0170<br>02-4203-001-0180<br>02-4203-001-0190<br>02-4203-001-0200<br>02-4203-001-0201<br>02-4203-001-0210<br>02-4203-001-0220 | 02-3234-019-0730                           | 02-4203-009-0970                   | 02-3233-016-0460<br>02-3233-016-0470       | 02-4203-004-0920<br>02-4203-004-0930<br>02-4203-004-0910<br>02-4203-004-0860<br>02-4203-004-0870   | 02-3233-016-0310<br>02-3233-016-0320                    | 02-4203-003-1090<br>02-4203-003-1080      | 02-4203-003-0500<br>02-4203-003-0510    | 02-3233-018-0090<br>02-3233-018-0100<br>02-3233-018-0110 |
| Net Site Size (SF)                                    | 49,000   | 30,000                                     | 9,000                              | 16,000                                     | 62,270   | 11,000  | 13,000                                    | 11,650                                  | 17,252   |
| Net Site Size (Acres)                                 | 1.12   | 0.69                                       | 0.21                               | 0.37                                       | 1.43   | 0.25  | 0.30                                      | 0.27                                    | 0.40   |
| Zoning  | RM-2   | CD-3                                       | C-PS2                              | RM-1                                       | CD-2   | RM-1  | R-PS3                                     | R-PS3                                   | RM-2   |
| Floor Area Ratio (FAR)                                | 2.00   | 2.25                                       | 2.00                               | 1.25                                       | 2.00   | 1.25  | 1.75                                      | 1.75                                    | 2.00   |
| Bulkable Area   | 98,000   | 67,500                                     | 18,000                             | 20,000                                     | 124,540  | 13,750  | 22,750                                    | 20,387                                  | 34,504   |
| Date of Sale  | -  | 8/16/2017                                  | 6/9/2017                           | 3/30/2017                                  | 6/23/2015  | 4/28/2015   | 3/4/2015                                  | LISTED FOR SALE                         | LISTED FOR SALE  |
| Grantee   | -  | SOBE CENTER, LLC                           | THE FIFTH STREET HOTEL, LLC        | 1414 WEST AVENUE, LLC                      | WASHINGTON SQUARED OWNER, LLC  | TBD HARBOR 265, LLC                                     | SOUTH5, LLC                               | LISTED FOR SALE                         | LISTED FOR SALE  |
| Grantor   | -  | CITIBANK N.A.                              | SOBE 6, LLC                        | CASALUNA LLC                               | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 643-655 WASHINGTON AVE. PROPERTY, INC.; 657-685 WASHINGTON AVE. PROPERTY, INC. | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SOBE SECOND STREET, LLC                   | SEA SPRAY DEVELOPMENT LLC               | 1247 BAYVIEW DEVELOPMENT CO.                             |
| O.R. Book / Page                                      | -  | 30658 / 1799                               | 30584 / 1769                       | 30483 / 2416                               | 29674 / 1702<br>29574 / 1698<br>29674 / 1707<br>29674 / 1711   | 29601 / 784<br>29601 / 786                              | 29526 / 2117                              | LISTED FOR SALE                         | LISTED FOR SALE  |
| Consideration   | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000   | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Financing   | -  | CASH TO THE SELLER                         | CASH TO THE SELLER                 | CASH TO THE SELLER                         | CASH TO THE SELLERS  | CASH TO THE SELLER                                      | CASH TO THE SELLER                        | LISTED FOR SALE                         | LISTED FOR SALE  |
| Sale Price  | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000   | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Sale Price/SF of Net Site Area                        | -  | \$640.00                                   | \$662.78                           | \$295.31                                   | \$489.80   | \$245.45  | \$634.62                                  | \$944.21                                | \$579.08   |
| Sale Price/SF of Maximum Bulkable Area                | -  | \$284.44                                   | \$331.39                           | \$238.25                                   | \$244.80   | \$196.38  | \$382.84                                  | \$539.58                                | \$289.53   |
| Time Adjustment                                       | -  | 0%   | 0%                                 | 0%   | 0%   | 0%  | 0%  | 0%                                      | 0%   |
| Time Adjusted Sale Price                              | -  | \$19,200,000                               | \$5,965,000                        | \$4,725,000                                | \$30,500,000   | \$2,700,000   | \$8,250,000                               | \$11,000,000                            | \$9,990,000  |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area     | -  | \$640.00                                   | \$662.78                           | \$295.31                                   | \$489.80   | \$245.45  | \$634.62                                  | \$944.21                                | \$579.08   |
| Time Adjusted Sale Price Per Sq. Ft. of Bulkable Area | -  | \$284.44                                   | \$331.39                           | \$238.25                                   | \$244.80   | \$196.38  | \$382.84                                  | \$539.58                                | \$289.53   |
| ADJUSTMENTS:  |  |  |                                    |  |  |   |   |   |  |
| Location:   | -  | 0%   | 0%                                 | 0%   | -5%  | 0%  | -5%                                       | -5%                                     | 0%   |
| Frontage / Exposure:                                  | -  | -10%                                       | -10%                               | 0%   | -10%   | 0%  | -10%                                      | -10%                                    | 0%   |
| Size/Scale:   | -  | 0%   | -5%                                | -5%  | 5%   | -5%   | -5%                                       | -5%                                     | -5%  |
| Physical Development Potential/Utility:               | -  | 5%   | 15%                                | 10%  | -5%  | 15%   | 10%                                       | 15%                                     | 10%  |
| Total:  | -  | -5%  | -0%                                | 5%   | -15%   | 10%   | -10%                                      | -5%                                     | 5%   |
| Plus: Estimated Demolition Cost                       | -  | \$37,000                                   | \$0                                | \$0  | \$165,000  | \$10,000  | \$0                                       | \$0                                     | \$60,000   |
| Adjusted Price  | -  | \$18,277,000                               | \$5,965,000                        | \$4,891,300                                | \$28,110,000   | \$2,880,000   | \$7,425,000                               | \$10,450,000                            | \$10,549,500   |
| Adjusted Price/SF of Net Site Area                    | -  | \$609.23                                   | \$662.78                           | \$310.08                                   | \$419.30   | \$270.91  | \$571.15                                  | \$897.00                                | \$611.49   |
| Adjusted Price/SF of Bulkable Area (FAR x Site Area)  | -  | \$270.77                                   | \$331.39                           | \$248.07                                   | \$209.65   | \$216.73  | \$326.37                                  | \$512.58<br>Asking Price                | \$305.75<br>Asking Price                                 |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES (SITE THREE / "700 SITE")**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

Site Three, with frontage on West Avenue, is inferior to Comparable Land Sale Numbers One, Two, Four, Six and Seven.

Configuration

Site Three and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites typically command a premium on a sale price per square foot basis. Comparable Sale Number Four required a slight positive size/ scale adjustment as larger sites typically reflect a discount on a sale price per square foot basis.



**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES (SITE THREE / "700 SITE")- Continued**

Physical Development Potential and Functional Utility

Comparable Sale Numbers One through Three, and Five through Eight were inferior to Site Three in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment. Comparable Sale Number Four was superior to Site Three in terms of physical development potential and functional utility due to its larger size, thereby requiring a slight negative adjustment.

Topography

Site Three and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price).

**The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90 \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price).**

After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$609.23, \$662.78, \$310.08, \$419.30, \$270.91, \$571.15, \$897.00 (asking) and \$611.49 (asking price).

**After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$270.77, \$331.39, \$248.07, \$209.65, \$216.73, \$326.37, \$512.58 (asking price) and \$305.75 (asking price).**

Based on the preceding analysis, \$250/SF of buildable area reflect a reasonable estimate of Market Value of the Fee Simple Interest in Site Three, as vacant. Then:

|   |              |
|---|--------------|
| 98,000 SF x \$250/SF =  | \$24,500,000 |
| Estimated Market Value of the Fee Simple Interest in Site Three in "as is" Condition (Vacant land; Rounded) | \$24,500,000 |

COMPARABLE LAND SALES

|  | *Retail Site*  | Land Sale 1                                      | Land Sale 2                              | Land Sale 3                                      | Land Sale 4   | Land Sale 5   | Land Sale 6                                     | Land Listing 7                                | Land Listing 8   |
|--|--|--|--|--|---|---|---|---|--|
| Address  | 630-650 ALTON ROAD<br>MIAMI BEACH<br>FLORIDA                                 | 1685 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 803 5TH STREET<br>MIAMI BEACH<br>FLORIDA | 1312-1320 14TH TERRACE<br>MIAMI BEACH<br>FLORIDA | 601-699 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA   | 1340 FLAMINGO WAY<br>MIAMI BEACH<br>FLORIDA             | 251 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 304-312 OCEAN DRIVE<br>MIAMI BEACH<br>FLORIDA | 1255 WEST AVENUE<br>MIAMI BEACH<br>FLORIDA               |
| Frontage/Exposure On                                   | ALTON ROAD<br>6TH STREET   | WASHINGTON AVE.<br>17TH STREET                   | MERIDIAN AVE.<br>5TH STREET              | 14TH TERRACE<br>WEST AVENUE                      | WASHINGTON AVE.<br>6TH STREET<br>7TH STREET   | FLAMINGO WAY<br>BAY ROAD                                | WASHINGTON AVE.<br>3RD STREET                   | OCEAN DRIVE<br>3RD STREET                     | WEST AVENUE<br>13TH STREET                               |
| Folio No.  | (A 53,412 SF<br>southern portion of<br>02-4203-001-0100<br>&<br>02-4203-0280 | 02-3234-019-0730                                 | 02-4203-009-4970                         | 02-3233-016-0460<br>02-3233-016-0470             | 02-4203-004-0820<br>02-4203-004-0830<br>02-4203-004-0810<br>02-4203-004-0860<br>02-4203-004-0870  | 02-3233-016-0310<br>02-3233-016-0320                    | 02-4203-003-1090<br>02-4203-003-1080            | 02-4203-003-0500<br>02-4203-003-0510          | 02-3233-018-0090<br>02-3233-018-0100<br>02-3233-018-0110 |
| Net Site Size (SF)                                     | 87,412   | 30,000   | 9,000                                    | 16,000   | 62,270  | 11,000  | 13,000  | 11,650  | 17,252   |
| Net Site Size (Acre)                                   | 2.01   | 0.69   | 0.21                                     | 0.37   | 1.43  | 0.25  | 0.30  | 0.27  | 0.40   |
| Zoning   | CD-2   | CD-3   | C-PS2                                    | RM-1   | CD-2  | RM-1  | R-PS3   | R-PS3   | RM-2   |
| Floor Area Ratio (FAR)                                 | 2.00   | 2.25   | 2.00                                     | 1.25   | 2.00  | 1.25  | 1.75  | 1.75  | 2.00   |
| Buildable Area   | 174,824  | 67,500   | 18,000                                   | 20,000   | 124,540   | 13,750  | 22,750  | 20,387  | 34,504   |
| Date of Sale   | -  | 8/16/2017  | 6/9/2017                                 | 3/30/2017  | 6/23/2015   | 4/28/2015   | 3/4/2015  | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantee  | -  | SOBE CENTER, LLC                                 | THE FIFTH STREET HOTEL, LLC              | 1414 WEST AVENUE, LLC                            | WASHINGTON SQUARED OWNER, LLC   | TBD HARBOR 265, LLC                                     | SOUTH5, LLC                                     | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantor  | -  | CITIBANK, N.A.                                   | SOBE 5, LLC                              | CASALUNA LLC                                     | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 643-855 WASHINGTON AVE. PROPERTY, INC.; 657-885 WASHINGTON AVE. PROPERTY, INC.; | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SOBE SECOND STREET, LLC                         | SEA SPRAY DEVELOPMENT LLC                     | 1247 BAYVIEW DEVELOPMENT CO.                             |
| O.R. Book / Page                                       | -  | 30658 / 1799                                     | 30584 / 1769                             | 30483 / 2416                                     | 29674 / 1702<br>29674 / 1698<br>29674 / 1707<br>29674 / 1711  | 29601 / 784<br>29601 / 788                              | 29526 / 2117                                    | LISTED FOR SALE                               | LISTED FOR SALE  |
| Consideration  | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Financing  | -  | CASH TO THE SELLER                               | CASH TO THE SELLER                       | CASH TO THE SELLER                               | CASH TO THE SELLERS   | CASH TO THE SELLERS                                     | CASH TO THE SELLER                              | LISTED FOR SALE                               | LISTED FOR SALE  |
| Sale Price   | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Sale Price/SF of Net Site Area                         | -  | \$640.00   | \$662.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Sale Price/SF of Maximum Buildable Area                | -  | \$284.44   | \$331.39                                 | \$236.25   | \$244.90  | \$196.36  | \$362.64  | \$539.56                                      | \$289.53   |
| Time Adjustment  | -  | 0%   | 0%                                       | 0%   | 0%  | 0%  | 0%  | 0%  | 0%   |
| Time Adjusted Sale Price                               | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area      | -  | \$640.00   | \$662.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Time Adjusted Sale Price Per Sq. Ft. of Buildable Area | -  | \$284.44   | \$331.39                                 | \$236.25   | \$244.90  | \$196.36  | \$362.64  | \$539.56                                      | \$289.53   |
| ADJUSTMENTS:   |  |  |  |  |   |   |   |   |  |
| Location:  | -  | 0%   | 0%                                       | 0%   | -5%   | 0%  | -5%   | -5%   | 0%   |
| Frontage / Exposure:                                   | -  | -10%   | -10%                                     | 10%  | -10%  | 10%   | -5%   | -5%   | 10%  |
| Size/Scale:  | -  | 0%   | -10%                                     | -5%  | 0%  | -10%  | -5%   | -10%  | -5%  |
| Physical Development Potential/Utility:                | -  | 10%  | 20%                                      | 10%  | 5%  | 20%   | 10%   | 20%   | 10%  |
| Total:   | -  | 0%   | 0%                                       | 15%  | -10%  | 20%   | -5%   | 0%  | 15%  |
| Plus: Estimated Demolition Cost                        | -  | \$37,000   | \$0                                      | \$0  | \$185,000   | \$10,000  | \$0   | \$0   | \$60,000   |
| Adjusted Price   | -  | \$19,237,000                                     | \$5,965,000                              | \$5,433,800                                      | \$27,635,000  | \$3,250,000   | \$7,837,500                                     | \$11,000,000                                  | \$11,548,500   |
| Adjusted Price/SF of Net Site Area                     | -  | \$641.23   | \$662.78                                 | \$339.61   | \$443.79  | \$295.45  | \$602.88  | \$944.21                                      | \$669.40   |
| Adjusted Price/SF of Buildable Area (FAR x Site Area)  | -  | \$284.99   | \$331.39                                 | \$271.69   | \$221.90  | \$236.36  | \$344.51  | \$539.56<br>Asking Price                      | \$334.70<br>Asking Price                                 |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES (SITE FOUR / "RETAIL SITE")**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

Site Four, with frontage on Alton Road and 6<sup>th</sup> Street, is superior to Comparable Land Sale Numbers Three, Five and Eight; and inferior to Comparable Land Sale Numbers One, Two, Four, Six and Seven.

Configuration

Site Four and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites command a premium on a sale price per square foot basis.

Physical Development Potential and Functional Utility

The comparable sales were inferior to Site Four in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment.

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES  
(SITE FOUR / "RETAIL SITE")- Continued**

Topography

Site Four and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales and the subject site, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price).

**The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90 \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price).**

After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$641.23, \$662.78, \$339.61, \$443.79, \$795.45, \$602.88, \$944.21 (asking price) and \$669.40 (asking price).

**After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$284.99, \$331.39, \$271.69, \$221.90, \$236.36, \$344.51, \$539.56 (asking price) and \$334.70 (asking price).**

Based on the preceding analysis, \$275/SF to \$300/SF of buildable area reflect a reasonable range of Market Value of the Fee Simple Interest in Site Four, as vacant. The estimated cost of demolition of the nearly 60,000 SF building was deducted to arrive at the "as is" value. Then:

|   |                     |
|---|---------------------|
| 174,824 SF x \$275/SF =   | \$48,076,600        |
| 174,824 SF x \$300/SF =   | \$52,447,200        |
| Estimated Market Value of the Fee Simple Interest in Site Four, "as if" Vacant (Rounded)      | <b>\$50,300,000</b> |
| Less: Estimated Cost of Demolition and Carting of Existing Vacant Improvements                | \$300,000           |
| Estimated Market Value of the Fee Simple Interest in Site Four in "as is" Condition (Rounded) | <b>\$50,000,000</b> |

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

COMPARABLE LAND SALES

|  | "Park Site"  | Land Sale 1                                      | Land Sale 2                              | Land Sale 3                                      | Land Sale 4   | Land Sale 5   | Land Sale 6                                     | Land Listing 7                                | Land Listing 8   |
|--|--|--|--|--|---|---|---|---|--|
| Address  | 601-737 WEST AVENUE<br>MIAMI BEACH<br>FLORIDA  | 1685 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 823 5TH STREET<br>MIAMI BEACH<br>FLORIDA | 1312-1320 14TH TERRACE<br>MIAMI BEACH<br>FLORIDA | 601-699 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA   | 1340 FLAMINGO WAY<br>MIAMI BEACH<br>FLORIDA             | 251 WASHINGTON AVENUE<br>MIAMI BEACH<br>FLORIDA | 304-312 OCEAN DRIVE<br>MIAMI BEACH<br>FLORIDA | 1255 WEST AVENUE<br>MIAMI BEACH<br>FLORIDA               |
| Frontage/Exposure On                                   | WEST AVENUE<br>6TH STREET  | WASHINGTON AVE.<br>17TH STREET                   | MERIDIAN AVE.<br>5TH STREET              | 14TH TERRACE<br>WEST AVENUE                      | WASHINGTON AVE.<br>6TH STREET<br>7TH STREET   | FLAMINGO WAY<br>BAY ROAD                                | WASHINGTON AVE.<br>3RD STREET                   | OCEAN DRIVE<br>3RD STREET                     | WEST AVENUE<br>13TH STREET                               |
| Folio No.  | (A 51,430 SF western portion of 02-4203-001-0100 &<br>02-4203-001-0161<br>02-4203-001-0170<br>02-4203-001-0180<br>02-4203-001-0190<br>02-4203-001-0200<br>02-4203-001-0201<br>02-4203-001-0210<br>02-4203-001-0220 | 02-3234-019-0730                                 | 02-4203-009-4970                         | 02-3233-016-0460<br>02-3233-016-0470             | 02-4203-004-0820<br>02-4203-004-0830<br>02-4203-004-0810<br>02-4203-004-0880<br>02-4203-004-0870  | 02-3233-016-0310<br>02-3233-016-0320                    | 02-4203-003-1090<br>02-4203-003-1080            | 02-4203-003-0500<br>02-4203-003-0510          | 02-3233-016-0050<br>02-3233-016-0100<br>02-3233-016-0110 |
| Net Site Size (SF)                                     | 100,430  | 30,000   | 8,000                                    | 16,000   | 62,270  | 11,000  | 13,000  | 11,659  | 17,252   |
| Net Site Size (Acre)                                   | 2.31   | 0.69   | 0.21                                     | 0.37   | 1.43  | 0.25  | 0.30  | 0.27  | 0.40   |
| Zoning   | RM-2 & CD-2  | CD-3   | C-PS2                                    | RM-1   | CD-2  | RM-1  | R-PS3   | R-PS3   | RM-2   |
| Floor Area Ratio (FAR)                                 | 2.00   | 2.25   | 2.00                                     | 1.25   | 2.00  | 1.25  | 1.75  | 1.75  | 2.00   |
| Buildable Area   | 200,660  | 67,500   | 18,000                                   | 20,000   | 124,540   | 13,750  | 22,750  | 20,387  | 34,504   |
| Date of Sale   | -  | 8/19/2017  | 8/8/2017                                 | 3/30/2017  | 6/23/2015   | 4/28/2015   | 3/4/2015  | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantor  | -  | SOBE CENTER, LLC                                 | THE FIFTH STREET HOTEL, LLC              | 1414 WEST AVENUE, LLC                            | WASHINGTON SQUARED OWNER, LLC   | TBD HARBOR 285, LLC                                     | SOUTH5, LLC                                     | LISTED FOR SALE                               | LISTED FOR SALE  |
| Grantor  | -  | CITIBANK, N.A.                                   | SOBE 5, LLC                              | CASALUNA LLC                                     | WASHINGTON GARDENS NO. 2, INC.; 601-615 WASHINGTON AVE. PROPERTY, INC.; 643-655 WASHINGTON AVE. PROPERTY, INC.; 657-685 WASHINGTON AVE. PROPERTY, INC.; | RS REALTY INVESTMENTS, LLC; SJ REALTY INVESTMENTS, LLC; | SOBE SECOND STREET, LLC                         | SEA SPRAY DEVELOPMENT LLC                     | 1247 BAYVIEW DEVELOPMENT CO.                             |
| O.R. Book / Page                                       | -  | 30658 / 1799                                     | 30584 / 1769                             | 30483 / 2418                                     | 25674 / 1702<br>29674 / 1698<br>29674 / 1707<br>29674 / 1711  | 29601 / 764<br>29601 / 768                              | 29526 / 2117                                    | LISTED FOR SALE                               | LISTED FOR SALE  |
| Consideration  | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Financing  | -  | CASH TO THE SELLER                               | CASH TO THE SELLER                       | CASH TO THE SELLER                               | CASH TO THE SELLERS   | CASH TO THE SELLERS                                     | CASH TO THE SELLER                              | LISTED FOR SALE                               | LISTED FOR SALE  |
| Sale Price   | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Sale Price/SF of Net Site Area                         | -  | \$640.00   | \$682.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Sale Price/SF of Maximum Buildable Area                | -  | \$284.44   | \$331.39                                 | \$238.25   | \$244.90  | \$198.38  | \$382.64  | \$539.58                                      | \$289.53   |
| Time Adjustment  | -  | 0%   | 0%                                       | 0%   | 0%  | 0%  | 0%  | 0%  | 0%   |
| Time Adjusted Sale Price                               | -  | \$19,200,000                                     | \$5,965,000                              | \$4,725,000                                      | \$30,500,000  | \$2,700,000   | \$8,250,000                                     | \$11,000,000                                  | \$9,990,000  |
| Time Adjusted Sale Price Per Sq. Ft. of Site Area      | -  | \$640.00   | \$682.78                                 | \$295.31   | \$489.80  | \$245.45  | \$634.62  | \$944.21                                      | \$579.06   |
| Time Adjusted Sale Price Per Sq. Ft. of Buildable Area | -  | \$284.44   | \$331.39                                 | \$238.25   | \$244.90  | \$198.38  | \$382.64  | \$539.58                                      | \$289.53   |
| ADJUSTMENTS:   |  |  |  |  |   |   |   |   |  |
| Location:  | -  | 0%   | 0%                                       | 0%   | -5%   | 0%  | -6%   | -5%   | 0%   |
| Frontage / Exposure:                                   | -  | -10%   | -10%                                     | 10%  | -10%  | 10%   | -10%  | -10%  | 10%  |
| Size/Shape:  | -  | 0%   | -10%                                     | -5%  | 0%  | -10%  | -5%   | -10%  | -5%  |
| Physical Development Potential/Utility:                | -  | 10%  | 20%                                      | 10%  | 5%  | 20%   | 10%   | 20%   | 10%  |
| Total:   | -  | 0%   | 0%                                       | 16%  | -10%  | 20%   | -10%  | -5%   | 15%  |
| Plus: Estimated Demolition Cost                        | -  | \$37,000   | \$0                                      | \$0  | \$185,000   | \$10,000  | \$0   | \$0   | \$60,000   |
| Adjusted Price   | -  | \$19,237,000                                     | \$5,965,000                              | \$5,433,800                                      | \$27,835,000  | \$3,250,000   | \$7,425,000                                     | \$10,450,000                                  | \$11,548,500   |
| Adjusted Price/SF of Net Site Area                     | -  | \$641.23   | \$682.78                                 | \$338.81   | \$443.79  | \$295.45  | \$571.15  | \$897.00                                      | \$669.40   |
| Adjusted Price/SF of Buildable Area (FAR x Site Area)  | -  | \$284.59   | \$331.39                                 | \$271.69   | \$221.90  | \$238.38  | \$328.37  | \$512.58<br>Asking Price                      | \$334.70<br>Asking Price                                 |

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE SALES (SITE FIVE / "PARK SITE")**

Financing

The comparable sales were "arm's length" and "cash to the seller" transactions, with typical terms of purchase and therefore, no adjustment for financing was required.

Time of Sale

The comparable land sales analyzed herein have occurred between March 2015 and August 2017, in addition to two current listings. The comparable sales reflect current market conditions in the subject area and therefore, no quantitative adjustment was applied to the comparable sales.

Location

The comparable sales are located between 3<sup>rd</sup> Street and 17<sup>th</sup> Street, in the South Beach section of Miami Beach. However, Comparable Land Sale Numbers Four, Six and Seven required a negative locational adjustment due to their specific location on 6<sup>th</sup> Street and Washington Avenue, 3<sup>rd</sup> Street and Washington Avenue; and 3<sup>rd</sup> Street and Ocean Drive.

Frontage/Visibility/Exposure

Site Five, with frontage on West Avenue and 6<sup>th</sup> Street, is superior to Comparable Land Sale Numbers Three, Five and Eight; and inferior to Comparable Land Sale Numbers One, Two, Four, Six and Seven.

Configuration

Site Five and the comparable sites are generally shaped rectangular, with adequate frontage and depth, thereby requiring no adjustment for configuration.

Size/Scale

Comparable Sale Numbers Two, Three, and Five through Eight required a negative size/scale adjustment as significantly smaller sites command a premium on a sale price per square foot basis.

Physical Development Potential and Functional Utility

The comparable sales were inferior to Site Five in terms of physical development potential and functional utility due to their significantly smaller size, thereby requiring a positive adjustment.

**THE SALES COMPARISON APPROACH (LAND VALUATION) -- Continued --**

**ANALYSIS OF COMPARABLE LAND SALES  
(SITE FIVE / "PARK SITE")- Continued**

Topography

Site Five and the comparable land sales were generally level at street-grade. However, we have estimated the cost of demolition at the comparable sales, if there were older improvements which would be razed for redevelopment.

**CORRELATION OF VALUE**

The comparable sales indicated unadjusted sale price/SF of site area of \$640.00, \$662.78, \$295.31, \$489.80, \$245.45, \$634.62, \$944.21 (asking price) and \$579.06 (asking price).

**The comparable sales indicated unadjusted sale price/SF of buildable area of \$284.44, \$331.39, \$236.25, \$244.90 \$196.36, \$362.64, \$539.56 (asking price) and \$289.53 (asking price).**

After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of site area of \$641.23, \$662.78, \$339.61, \$443.79, \$295.45, \$571.15, \$897.00 (asking price) and \$669.40 (asking price).

**After the analytical adjustments, the comparable sales indicated adjusted sale price/SF of buildable area of \$284.99, \$331.39, \$271.69, \$221.90, \$236.36, \$326.37, \$512.58 (asking price) and \$334.70 (asking price).**

Based on the preceding analysis, \$250/SF to \$275/SF of buildable area reflect a reasonable range of Market Value of the Fee Simple Interest in Site Five, as vacant. Then:

200,860 SF x \$250/SF = \$50,215,000

200,860 SF x \$275/SF = \$55,236,500

Estimated Market Value of the Fee  
Simple Interest in Site Five in "as is"  
Condition (Vacant land; Rounded) **\$52,500,000**

**RECONCILIATION AND FINAL VALUE ESTIMATE**

**MARKET VALUE ESTIMATES:**

|  |   |
|--|---|
| Income Capitalization Approach to Value: | Not Applicable  |
| Sales Comparison Approach to Value:      | \$51,200,000 Site 1 As if Vacant<br>\$51,170,000 Site 1 As Is               |
|  | \$79,800,000 Site 2 As If Vacant<br>\$79,500,000 Site 2 As Is               |
|  | \$24,500,000 Site 3 As Is (Vacant)  |
|  | \$50,300,000 Site 4 As If Vacant<br>\$50,000,000 Site 4 As Is               |
|  | \$52,500,000 Site 5 As Is (Vacant)  |
| Cost Approach to Value:                  | Not Applicable  |
| Reconciled Final Value Estimates:        | <b>\$51,200,000 Site 1 As if Vacant</b><br><b>\$51,170,000 Site 1 As Is</b> |
|  | <b>\$79,800,000 Site 2 As If Vacant</b><br><b>\$79,500,000 Site 2 As Is</b> |
|  | <b>\$24,500,000 Site 3 As Is (Vacant)</b>                                   |
|  | <b>\$50,300,000 Site 4 As If Vacant</b><br><b>\$50,000,000 Site 4 As Is</b> |
|  | <b>\$52,500,000 Site 5 As Is (Vacant)</b>                                   |

In order to provide estimates of the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018, we have utilized the Sales Comparison Approach to Value.

The Sales Comparison Approach to Value is based upon a comparison between recently sold sites and the subject sites, utilizing the sale price per square foot of buildable area unit of comparison.



**RECONCILIATION AND FINAL VALUE ESTIMATE**

It is my estimate that the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018, was:

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 1 ("500 SITE"), "AS IF" VACANT  
FIFTY ONE MILLION TWO HUNDRED THOUSAND DOLLARS  
(\$51,200,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 1 ("500 SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY ONE MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS  
(\$51,170,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 2 ("600 SITE"), "AS IF" VACANT  
SEVENTY NINE MILLION EIGHT HUNDRED THOUSAND DOLLARS  
(\$79,800,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST IN SITE 2 ("600 SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
SEVENTY NINE MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$79,500,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 3 ("700 SITE" IN "AS IS" CONDITION (LAND VALUE)  
TWENTY FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$24,500,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 4 ("RETAIL SITE"), "AS IF" VACANT  
FIFTY MILLION THREE HUNDRED THOUSAND DOLLARS  
(\$50,300,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST IN SITE 4 ("RETAIL SITE")  
IN "AS IS" CONDITION (LAND VALUE, LESS DEMOLITION COST)  
FIFTY MILLION DOLLARS  
(\$50,000,000)

MARKET VALUE OF THE FEE SIMPLE INTEREST  
IN SITE 5 ("PARK SITE") IN "AS IS" CONDITION (LAND VALUE)  
FIFTY TWO MILLION FIVE HUNDRED THOUSAND DOLLARS  
(\$52,500,000)

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

## **CONTINGENT AND LIMITING CONDITIONS**

We assume no responsibility for matters legal in nature, nor do we render any opinion as to the title, which is assumed to be marketable. The properties are appraised as though under responsible ownership and management.

When applicable, the sketch in this report is included to assist the reader in visualizing the properties, and we assume no responsibility for its accuracy. We have made no survey of the properties. We are not required to give testimony or appear in court because of having made this appraisal, with reference to the properties in question, unless arrangements have been previously made thereof. Additional professional valuation services rendered would require further compensation under a separate contractual agreement.

Where applicable, the distribution of the total valuation in this report between land and improvements applies only under the existing program of utilizations. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

We assume that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. We assume no responsibility for such conditions or for engineering which might be required to discover such factors.

Information, estimates and opinions furnished to us and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy can be assumed by us.

No one other than the undersigned prepared the analyses, conclusions and estimates concerning the real estate set forth in this appraisal.

Neither all nor any part of the contents of this report, or copy thereof, shall be used for any purpose by any but the client without the previous written consent of the appraiser, and/or the client; nor shall it be conveyed by any including the client to the public through advertising, publications, news, sales or other media, without the written consent and approval of the author, particularly the valuation conclusions, identity of the appraiser, or any reference to any professional society or institute or any initialed designation conferred upon the appraiser.

This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation and the requirements of the State of Florida for state certified real estate appraisers, as well as current Federal regulatory agency criteria.

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**Real Estate Appraisers and Consultants**

## CONTINGENT AND LIMITING CONDITIONS

-- Continued --

The existence of hazardous materials, which may or may not be present on the properties, was not observed. We have no knowledge of the existence of such materials on or in the properties, nor are we qualified to detect such substances. The presence of potentially hazardous materials and/or substances may affect the value of the properties. The value estimate reflected in this appraisal report is predicated on the assumption that there is no such material on or in the properties 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. The client is urged to retain an expert in this field, if desired.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We 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. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirement of "ADA" in estimating the value of the property.

The appraisal report can not be used in connection with a real estate syndicate(s) or securities related activity(ies) and is invalid if so used without the previous knowledge or written consent of the appraiser. Said activities include but would not be limited to activities which are required to be registered with the United States Securities and Exchange Commission or any state regulatory agency regulating investments made as a public offering, as well as activities involving Real Estate Investment Trusts, Limited Partnerships, Mortgage Backed Securities and any other transaction which is subject to the securities Exchange Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Advisors Act of 1940 or State Blue Sky or securities laws or any amendments thereto.

As part of the Highest and Best Use analysis and scope of the consulting assignment, we have provided additional illustrative analysis relative to the conceptual 42-story residential apartment building at Site One and the one-story retail strip at the eastern portion of Site Two. The plans for these potential proposed uses are preliminary in nature, and have not been finalized or have approvals to be built. Accordingly, our analysis is illustrative and is intended to provide a comparative analysis. Extraordinary assumption is defined as an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject properties; or about conditions external to the subject properties, such as market conditions or trends; or about the integrity of the data used in an analysis. The use of the extraordinary assumption, as described herein, might affect the conclusion(s) of the comparative analysis as it relates to the subject properties. The use of this appraisal is limited to the client, and it should be further noted that the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

## **CERTIFICATION**

The undersigned do hereby certify that, to the best of our knowledge and belief, except as otherwise noted in the appraisal report:

- The statements of fact contained in this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.
- I have performed no services as an appraiser regarding the properties that are the subject of this appraisal assignment, within the three year period preceding the acceptance of this assignment.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the properties that are the subject of this report and we have no personal interest or bias with respect to the parties involved.
- The amount of our compensation 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.
- Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation and the requirements of the State of Florida for state certified real estate appraisers, as well as current Federal regulatory agency criteria.
- My engagement in this assignment was not contingent upon developing or reporting predetermined values. The appraisal assignment has not been based on a required minimum valuation, a specific valuation, or the approval of a loan.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives, as well as the Florida Real Estate Appraisal Board.
- As of the date of this report, Jozef Alhale has completed the requirements of the continuing education program of The Appraisal Institute.
- The appraiser has visually inspected the perimeters of the subject vacant sites which are described in this report.

**J. ALHALE APPRAISALS, INC.**  
**Real Estate Appraisers and Consultants**

## **CERTIFICATION**

- No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report, nor provided significant professional assistance to the person signing this report.

It is the opinion of the undersigned that the estimated the Market Value of the Fee Simple Interest in Properties One, Two and Four in "as is" condition (land value, less estimated cost of demolition and carting), as of June 27, 2018 Market Value of the Fee Simple Interest in Properties One through Five, as vacant (land value), as of June 27, 2018, was as described herein.



Jozef Alhale, MAI  
State Certified General Appraiser  
License No. RZ 0001557

**ADDENDA**

**J. ALHALE APPRAISALS, INC.**  
**Real Estate Appraisers and Consultants**

**SUMMARY OF COMPARABLE COMMERCIAL AND OFFICE SPACE RENTAL RATES**

**FIFTH STREET AND SOUTH**

|                        | <u>Comparable Rental One</u>                              | <u>Comparable Rental Two</u>                              | <u>Comparable Rental Three</u>                            | <u>Comparable Rental Four</u>                             | <u>Comparable Rental Five</u>                             |
|------------------------|---|---|---|---|---|
| Address                | 40 S. Pointe Drive<br>Miami Beach<br>Florida              | 850 Commerce Street<br>Miami Beach<br>Florida             | 500 S. Pointe Drive<br>Miami Beach<br>Florida             | 515-541 Jefferson Avenue<br>Miami Beach<br>Florida        | 729-741 5th Street<br>Miami Beach<br>Florida              |
| Use                    | 1st Floor Retail  | 1st Floor Retail  | 1st Floor Retail  | 1st Floor Retail/Office                                   | 1st Floor Retail/Office                                   |
| Leased Space Size (SF) | 1,129   | 9,000   | 1,068 to 2,402  | 400   | 733 to 950  |
| Net Rentable Area (SF) | 7,619   | 24,887  | 30,016  | 3,200   | 14,267  |
| Year Built             | 2010  | 1920  | 2001  | 1971  | 1930  |
| Condition              | + Average   | + Average to Good<br>(Renovated)                          | + Average to Good   | + Average to Good<br>(Renovated)                          | Average   |
| Lease Term             | 3-5 Years   | 3-5 Years   | 3-5 Years   | 1 Year and Up   | 3-5 Years   |
| Space Available (SF)   | 0   | 0   | 0   | 0   | 0   |
| Occupancy Rate         | 100%  | 100%  | 100%  | 100%  | 100%  |
| Rental Escalations     | CPI or Stepped-up   | CPI or Stepped-up   | CPI or Stepped-up   | CPI or Stepped-up   | CPI or Stepped-up   |
| Tenant Expenses        | Pro-Rated Share of Operating Expenses                     | Pro-Rated Share of Operating Expenses                     | Pro-Rated Share of Operating Expenses                     | Pro-Rated Share of Operating Expenses                     | Pro-Rated Share of Operating Expenses                     |
| Landlord Expenses      | All other variable expenses; and reserves for replacement | All other variable expenses; and reserves for replacement | All other variable expenses; and reserves for replacement | All other variable expenses; and reserves for replacement | All other variable expenses; and reserves for replacement |
| Rental Rate/SF         | <b>\$61.65</b>  | <b>\$80.00</b>  | <b>\$60 to \$62</b>                                       | <b>\$73.50</b>  | <b>\$54 to \$60</b>                                       |
|                        | <b>(Triple-Net)</b>                                       | <b>(Triple-Net)</b>                                       | <b>(Triple-Net)</b>                                       | <b>(Triple-Net)</b>                                       | <b>(Triple-Net)</b>                                       |

J. ALHALE APPRAISALS, INC.

**SUMMARY OF COMPARABLE COMMERCIAL AND OFFICE SPACE RENTAL RATES**

**WEST AVENUE, PURDY AVENUE AND BAY ROAD, NORTH OF 17 STREET**

|                        | <u>Comparable<br/>Rental Six</u>                                   | <u>Comparable<br/>Rental Seven</u>                                 | <u>Comparable<br/>Rental Eight</u>  | <u>Comparable<br/>Rental Nine</u>                                  |
|------------------------|--|--|---|--|
| Address                | 1784 West<br>Avenue<br>Miami Beach<br>Florida                      | 1835-1885 Purdy<br>Avenue<br>Miami Beach<br>Florida                | 1935 West<br>Avenue<br>Miami Beach<br>Florida   | 1916 Bay<br>Road<br>Miami Beach<br>Florida                         |
| Use                    | 1st Floor Retail   | 1st Floor Retail   | 1st Floor Retail  | 1st Floor Retail   |
| Leased Space Size (SF) | 1,000  | 1,020  | 950   | 2,710  |
| Net Rentable Area (SF) | 7,021  | 30,000   | 16,265  | 6,323  |
| Year Built             | 2004   | 2012   | 1940  | 1962   |
| Condition              | + Average<br>to Good   | Good   | Average   | Average  |
| Lease Term             | 3-5 Years  | 3-5 Years  | 3-5 Years   | 5 Years  |
| Space Available (SF)   | 0  | 0  | 2,180   | 0  |
| Occupancy Rate         | 100%   | 100%   | 87%   | 100%   |
| Rental Escalations     | CPI or<br>Stepped-up   | CPI or<br>Stepped-up   | CPI or<br>Stepped-up  | CPI or<br>Stepped-up   |
| Tenant Expenses        | Pro-Rated Share<br>of Operating<br>Expenses                        | Pro-Rated Share<br>of Operating<br>Expenses                        | Utilities and<br>Pro-Rated Share<br>of Increases Above<br>Base-Year Operating<br>Expenses           | Pro-Rated Share<br>of Operating<br>Expenses                        |
| Landlord Expenses      | All other<br>variable expenses;<br>and reserves for<br>replacement | All other<br>variable expenses;<br>and reserves for<br>replacement | All other Base Year<br>All other fixed and<br>variable expenses;<br>and reserves for<br>replacement | All other<br>variable expenses;<br>and reserves for<br>replacement |
| Rental Rate/SF         | <b>\$70.00</b>   | <b>\$90.00</b>   | <b>\$82.11</b>  | <b>\$70.00</b>   |
|                        | <b>(Triple-Net)</b>  | <b>(Triple-Net)</b>  | <b>(Modified Gross)</b>   | <b>(Triple-Net)</b>  |



**SUMMARY OF COMPARABLE COMMERCIAL AND OFFICE SPACE RENTAL RATES**

**WASHINGTON AVE, ALTON ROAD, PENNSYLVANIA AVE, NORTH OF 5TH STREET**

|                        | <b><u>Comparable<br/>Rental Ten</u></b>                            | <b><u>Comparable<br/>Rental Eleven</u></b>                         | <b><u>Comparable<br/>Rental Twelve</u></b>                         | <b><u>Comparable<br/>Rental Thirteen</u></b>                       |
|------------------------|--|--|--|--|
| Address                | 801-817 Washington<br>Avenue<br>Miami Beach<br>Florida             | 901 Pennsylvania<br>Avenue<br>Miami Beach<br>Florida               | 1428-1440 Alton<br>Road<br>Miami Beach<br>Florida                  | 1501-1539 Alton<br>Road<br>Miami Beach<br>Florida                  |
| Use                    | 1st Floor Retail   | 1st Floor Retail   | 1st Floor Retail   | 1st Floor Retail   |
| Leased Space Size (SF) | 850  | 911  | 2,239  | 1,260  |
| Net Rentable Area (SF) | 15,975   | 7,266  | 7,000  | 25,000   |
| Year Built             | 1935   | 1948   | 1940   | 1991   |
| Condition              | + Average<br>(Renovated)   | + Average  | + Average<br>to Good<br>(Renovated)                                | + Average  |
| Lease Term             | 5 Years  | 3 Years  | 3-5 Years  | 3-5 Years  |
| Space Available (SF)   | 0  | 0  | 0  | 0  |
| Occupancy Rate         | 100%   | 100%   | 100%   | 100%   |
| Rental Escalations     | CPI or<br>Stepped-up   | CPI or<br>Stepped-up   | CPI or<br>Stepped-up   | CPI or<br>Stepped-up   |
| Tenant Expenses        | Pro-Rated Share<br>of Operating<br>Expenses                        | Pro-Rated Share<br>of Operating<br>Expenses                        | Pro-Rated Share<br>of Operating<br>Expenses                        | Pro-Rated Share<br>of Operating<br>Expenses                        |
| Landlord Expenses      | All other<br>variable expenses;<br>and reserves for<br>replacement | All other<br>variable expenses;<br>and reserves for<br>replacement | All other<br>variable expenses;<br>and reserves for<br>replacement | All other<br>variable expenses;<br>and reserves for<br>replacement |
| Rental Rate/SF         | <b>\$50.00</b>   | <b>\$55.00</b>   | <b>\$90.00</b>   | <b>\$70.48</b>   |
|                        | <b>(Triple-Net)</b>  | <b>(Triple-Net)</b>  | <b>(Triple-Net)</b>  | <b>(Triple-Net)</b>  |

J. ALHALE APPRAISALS, INC.

**SUMMARY OF COMMERCIAL PROPERTY SALES IN SOUTH BEACH**

|                                 | <b>Sale<br/>1</b>                              | <b>Sale<br/>2</b>                              | <b>Sale<br/>3</b>                          | <b>Sale<br/>4</b>   | <b>Sale<br/>5</b>                              | <b>Sale<br/>6</b>                                   |
|---------------------------------|--|--|--|---|--|---|
| Address                         | 1550-1554 Alton Road<br>Miami Beach<br>Florida | 1671-1673 Alton Road<br>Miami Beach<br>Florida | 919 Collins Road<br>Miami Beach<br>Florida | 915-955 Washington Avenue<br>Miami Beach<br>Florida                           | 1609-1613 Alton Road<br>Miami Beach<br>Florida | 749-755 Washington Avenue<br>Miami Beach<br>Florida |
| Property ID:                    | 02-3234-018-0500                               | 02-3234-017-0130                               | 02-3234-008-0090                           | 02-3234-008-1410<br>02-3234-008-1420<br>02-3234-008-1400                      | 02-3234-018-0320                               | 02-4203-004-0690                                    |
| Type                            | 1-Story Retail/Office                          | 1-Story Retail/Office                          | 1-Story Retail                             | 1-Story Retail  | 2-Story Retail/Office                          | 1-Story Retail                                      |
| Building Area (SF)              | 5,000  | 7,523  | 7,941                                      | 30,100  | 8,700  | 17,500  |
| Year Built                      | 1938   | 1936   | 1924                                       | 1942, 1936, 1937  | 1947   | 1965  |
| Condition                       | + Average                                      | + Average                                      | + Average                                  | Average   | + Average                                      | Good  |
| Site Area (SF)                  | 7,500  | 7,500  | 7,000                                      | 39,000  | 7,500  | 19,500  |
| Site Area (SF)                  | 0.17   | 0.17   | 0.16                                       | 0.90  | 0.17   | 0.45  |
| Zoning                          | CD-2   | CD-2   | MXE  | CD-2  | CD-2   | CD-2  |
| Land-to-Building Ratio          | 1.50   | 1.00   | 0.88                                       | 1.30  | 0.86   | 1.11  |
| Buyer                           | Espartano LLC                                  | Alton Road Owner LLC                           | Silver Hill One LLC                        | Washington Avenue Associates LLC  | 1609 Alton Owner LLC                           | Jamestown Premier 755 Washington Avenue, LLC        |
| Seller                          | ARRP Miami II, LLC                             | Alton Florida Properties, Inc.                 | S & S Properties                           | ESTI's, LLC;<br>955 Washington Owner, LLC;<br>Grand Trine Limited Partnership | L.O.D. Enterprises, Inc.                       | 8th Street Washington Holdings, Inc.                |
| Deed Book & Page                | 30669 / 4193                                   | 30488 / 715                                    | 30397 / 2780                               | 30127 / 4584<br>30127 / 4589<br>30127 / 4581                                  | 30012 / 3612                                   | 29822 / 2086  |
| Date of Sale                    | 8/25/2017                                      | 3/31/2017                                      | 1/23/2017                                  | 6/22/2016   | 3/23/2016                                      | 10/20/2015  |
| Capitaization Rate              | 3.76%  | 5.50%  | 6.60%                                      | -   | 4.15%  | 4.03%   |
| Sale Price                      | \$5,400,000                                    | \$7,425,000                                    | \$7,100,000                                | \$29,000,000  | \$8,650,000                                    | \$18,550,000  |
| Terms                           | Cash to the Seller                             | Cash to the Seller                             | Cash to the Seller                         | Cash to the Sellers   | Cash to the Seller                             | Cash to the Seller                                  |
| Cash Equivalent Sale Price/SF   | \$1,080.00                                     | \$986.97                                       | \$894.09                                   | \$963.46  | \$994.25                                       | \$1,060.00  |
| Time Adjustment                 | 0%   | 0%   | 0%   | 0%  | 0%   | 0%  |
| Time Adjusted Sale Price        | \$5,400,000                                    | \$7,425,000                                    | \$7,100,000                                | \$29,000,000  | \$8,650,000                                    | \$18,550,000  |
| Time Adjusted Sale Price/SF     | \$1,080.00                                     | \$986.97                                       | \$894.09                                   | \$963.46  | \$994.25                                       | \$1,060.00  |
| <b>UnAdjusted Sale Price/SF</b> | <b>\$1,080.00</b>                              | <b>\$986.97</b>                                | <b>\$894.09</b>                            | <b>\$963.46</b>   | <b>\$994.25</b>                                | <b>\$1,060.00</b>                                   |

| DEVELOPMENT              | UNIT#  | RENT      | % CHANGE | BEDS   | BATHS     | SQ. FT. | RENT/SQ. FT. | FURNISHED |
|--------------------------|--------|-----------|----------|--------|-----------|---------|--------------|-----------|
| Floridian in South Beach | 308    | \$ 2,700  | 0.0%     | 1 beds | 1 baths   | 600     | \$ 4.50      | Yes       |
| Floridian in South Beach | 303    | \$ 2,200  | 0.0%     | 1 beds | 1 baths   | 687     | \$ 3.20      | Yes       |
| Floridian in South Beach | 304    | \$ 1,700  | 0.0%     | 1 beds | 1 baths   | 735     | \$ 3.67      | Yes       |
| Floridian in South Beach | 2306   | \$ 2,800  | 0.0%     | 1 beds | 1 baths   | 746     | \$ 3.75      | No        |
| Floridian in South Beach | 1205   | \$ 3,000  | 0.0%     | 1 beds | 1 baths   | 746     | \$ 4.02      | Yes       |
| Bentley South            | 1003   | \$ 3,250  | 0.0%     | 1 beds | 1 baths   | 776     | \$ 4.19      | Yes       |
| Bentley South            | 1404   | \$ 3,250  | 0.0%     | 1 beds | 1 baths   | 776     | \$ 4.19      | Yes       |
| Bentley South            | 503    | \$ 3,500  | 0.0%     | 1 beds | 1 baths   | 776     | \$ 4.51      | Yes       |
| Bentley North            | 1513   | \$ 3,100  | -6.3%    | 1 beds | 1 baths   | 777     | \$ 3.99      | Yes       |
| Bentley North            | 512    | \$ 2,990  | -9.1%    | 1 beds | 1 baths   | 779     | \$ 3.84      | Yes       |
| Bentley North            | 2412   | \$ 3,600  | -8.0%    | 1 beds | 1 baths   | 779     | \$ 4.62      | Yes       |
| Wawerly at South Beach   | 1105   | \$ 2,200  | 0.0%     | 1 beds | 1 baths   | 793     | \$ 2.77      | No        |
| Wawerly at South Beach   | 2305   | \$ 2,250  | 0.0%     | 1 beds | 1 baths   | 793     | \$ 2.84      | No        |
| Wawerly at South Beach   | 1803   | \$ 2,250  | 0.0%     | 1 beds | 1 baths   | 806     | \$ 2.79      | No        |
| Floridian in South Beach | 2605   | \$ 3,100  | -6.3%    | 1 beds | 1 baths   | 840     | \$ 3.69      | Yes       |
|                          |        |           |          |        |           |         | \$ 3.76      |           |
| Icon South Beach         | 3208   | \$ 3,300  | -5.9%    | 1 beds | 1.5 baths | 851     | \$ 3.88      | No        |
| Icon South Beach         | 2908   | \$ 3,000  | -23.5%   | 1 beds | 1.5 baths | 851     | \$ 3.53      | Yes       |
| Icon South Beach         | 1908   | \$ 3,000  | -6.5%    | 1 beds | 1.5 baths | 851     | \$ 3.53      | Yes       |
| Icon South Beach         | 1208   | \$ 3,300  | -11.4%   | 1 beds | 1.5 baths | 851     | \$ 3.88      | Yes       |
| Icon South Beach         | 3108   | \$ 4,000  | -11.8%   | 1 beds | 1.5 baths | 851     | \$ 4.70      | Yes       |
| Murano at Portofino      | 906    | \$ 4,000  | 0.0%     | 1 beds | 1.5 baths | 1008    | \$ 3.97      | Yes       |
| Murano Grande            | TH-4M  | \$ 6,500  | 0.0%     | 1 beds | 1.5 baths | 1310    | \$ 4.96      | No        |
| Murano Grande            | TH-3M  | \$ 7,500  | 0.0%     | 1 beds | 1.5 baths | 1336    | \$ 5.61      | Yes       |
|                          |        |           |          |        |           |         | \$ 4.37      |           |
| Murano at Portofino      | TH-A1  | \$ 3,900  | 0.0%     | 1 beds | 2 baths   | 1207    | \$ 3.23      | No        |
| Bentley North            | 514    | \$ 4,200  | 0.0%     | 2 beds | 2 baths   | 1058    | \$ 3.97      | No        |
| Bentley North            | 1814   | \$ 4,200  | 0.0%     | 2 beds | 2 baths   | 1058    | \$ 3.97      | Yes       |
| Bentley North            | 2114   | \$ 6,500  | 0.0%     | 2 beds | 2 baths   | 1058    | \$ 6.14      | Yes       |
| Bentley North            | 2314   | \$ 5,200  | -5.6%    | 2 beds | 2 baths   | 1059    | \$ 4.91      | Yes       |
| Floridian in South Beach | 2509   | \$ 3,500  | 0.0%     | 2 beds | 2 baths   | 1078    | \$ 3.25      | No        |
| Floridian in South Beach | 2803   | \$ 3,900  | 0.0%     | 2 beds | 2 baths   | 1078    | \$ 3.62      | No        |
| Floridian in South Beach | 1910   | \$ 3,400  | 0.0%     | 2 beds | 2 baths   | 1078    | \$ 3.15      | Yes       |
| Floridian in South Beach | 3110   | \$ 3,400  | -5.7%    | 2 beds | 2 baths   | 1078    | \$ 3.15      | Yes       |
| Floridian in South Beach | 903    | \$ 3,750  | 0.0%     | 2 beds | 2 baths   | 1078    | \$ 3.48      | Yes       |
| Floridian in South Beach | 711    | \$ 3,850  | 0.0%     | 2 beds | 2 baths   | 1147    | \$ 3.36      | Yes       |
| Bentley South            | 1904   | \$ 4,600  | -6.3%    | 2 beds | 2 baths   | 1210    | \$ 3.80      | Yes       |
| Bentley South            | 1405   | \$ 5,200  | 0.0%     | 2 beds | 2 baths   | 1210    | \$ 4.30      | Yes       |
| Floridian in South Beach | 2904   | \$ 4,100  | 5.0%     | 2 beds | 2 baths   | 1225    | \$ 3.35      | No        |
| Floridian in South Beach | 1110   | \$ 2,950  | -8.1%    | 2 beds | 2 baths   | 1225    | \$ 2.41      | Yes       |
| Bentley North            | 711    | \$ 5,500  | 0.0%     | 2 beds | 2 baths   | 1252    | \$ 4.39      | Yes       |
| Floridian in South Beach | 3111   | \$ 4,950  | -5.4%    | 2 beds | 2 baths   | 1258    | \$ 3.93      | Yes       |
| Floridian in South Beach | 1203   | \$ 5,000  | -16.5%   | 2 beds | 2 baths   | 1300    | \$ 3.85      | Yes       |
| Bentley North            | 2311   | \$ 8,000  | 0.0%     | 2 beds | 2 baths   | 1331    | \$ 6.01      | Yes       |
| Icon South Beach         | 1510   | \$ 4,900  | 0.0%     | 2 beds | 2 baths   | 1370    | \$ 3.58      | No        |
| Icon South Beach         | 2710   | \$ 5,900  | 0.0%     | 2 beds | 2 baths   | 1370    | \$ 4.31      | No        |
| Icon South Beach         | 1210   | \$ 5,350  | 0.0%     | 2 beds | 2 baths   | 1370    | \$ 3.91      | Yes       |
| Icon South Beach         | 2110   | \$ 5,500  | 0.0%     | 2 beds | 2 baths   | 1370    | \$ 4.01      | Yes       |
| Icon South Beach         | 3010   | \$ 6,250  | -3.9%    | 2 beds | 2 baths   | 1370    | \$ 4.56      | Yes       |
| Murano Grande            | 1905   | \$ 5,700  | -5.1%    | 2 beds | 2 baths   | 1400    | \$ 4.07      | No        |
| Murano Grande            | 505    | \$ 5,600  | -6.9%    | 2 beds | 2 baths   | 1400    | \$ 4.00      | Yes       |
| Murano Grande            | 2409   | \$ 6,100  | -10.9%   | 2 beds | 2 baths   | 1437    | \$ 4.24      | No        |
| Icon South Beach         | 1406   | \$ 4,750  | -10.0%   | 2 beds | 2 baths   | 1452    | \$ 3.27      | Yes       |
| Icon South Beach         | 2006   | \$ 6,700  | -4.4%    | 2 beds | 2 baths   | 1452    | \$ 4.61      | Yes       |
| Icon South Beach         | 3306   | \$ 7,900  | 0.0%     | 2 beds | 2 baths   | 1452    | \$ 5.44      | Yes       |
| Bentley South            | 1002   | \$ 7,650  | 0.0%     | 2 beds | 2 baths   | 1499    | \$ 5.10      | Yes       |
| Icon South Beach         | 3604   | \$ 6,700  | 0.0%     | 2 beds | 2 baths   | 1526    | \$ 4.39      | No        |
| Icon South Beach         | 2004   | \$ 5,500  | -12.0%   | 2 beds | 2 baths   | 1536    | \$ 3.58      | No        |
| Icon South Beach         | 3702   | \$ 9,250  | 0.0%     | 2 beds | 2 baths   | 1536    | \$ 6.02      | No        |
| Icon South Beach         | 1004   | \$ 7,200  | 0.0%     | 2 beds | 2 baths   | 1536    | \$ 4.69      | Yes       |
| Icon South Beach         | Ph4104 | \$ 9,200  | 0.0%     | 2 beds | 2 baths   | 1536    | \$ 5.99      | Yes       |
| Murano Grande            | 2907   | \$ 6,500  | 0.0%     | 2 beds | 2 baths   | 1759    | \$ 3.70      | No        |
|                          |        |           |          |        |           |         | \$ 4.22      |           |
| Murano at Portofino      | 307    | \$ 6,000  | 0.0%     | 2 beds | 2.5 baths | 1390    | \$ 4.32      | Yes       |
| Murano at Portofino      | 1707   | \$ 6,900  | -26.4%   | 2 beds | 2.5 baths | 1390    | \$ 4.96      | Yes       |
| Murano at Portofino      | 1507   | \$ 7,250  | 0.0%     | 2 beds | 2.5 baths | 1390    | \$ 5.22      | Yes       |
| Murano at Portofino      | 905    | \$ 4,000  | 0.0%     | 2 beds | 2.5 baths | 1407    | \$ 2.84      | Yes       |
| Icon South Beach         | 1604   | \$ 7,000  | 0.0%     | 2 beds | 2.5 baths | 1536    | \$ 4.56      | No        |
| Icon South Beach         | 2405   | \$ 7,500  | -14.8%   | 2 beds | 2.5 baths | 1750    | \$ 4.29      | Yes       |
| Icon South Beach         | 1805   | \$ 7,500  | -2.6%    | 2 beds | 2.5 baths | 1750    | \$ 4.29      | Yes       |
| Icon South Beach         | 1705   | \$ 8,000  | 0.0%     | 2 beds | 2.5 baths | 1750    | \$ 4.57      | Yes       |
| Icon South Beach         | 1405   | \$ 7,495  | -5.9%    | 2 beds | 2.5 baths | 1751    | \$ 4.28      | Yes       |
| Icon South Beach         | 3107   | \$ 9,500  | 0.0%     | 2 beds | 2.5 baths | 1815    | \$ 5.23      | Yes       |
| Murano Grande            | 1602   | \$ 7,650  | 10.3%    | 2 beds | 2.5 baths | 1874    | \$ 4.08      | Yes       |
| Murano Grande            | 1102   | \$ 7,700  | 0.0%     | 2 beds | 2.5 baths | 1874    | \$ 4.11      | Yes       |
| Bentley South            | 2102   | \$ 5,900  | 0.0%     | 2 beds | 2.5 baths | 1929    | \$ 3.06      | No        |
| Icon South Beach         | 1602   | \$ 7,500  | 0.0%     | 2 beds | 2.5 baths | 1933    | \$ 3.88      | No        |
| Icon South Beach         | 3402   | \$ 9,250  | 0.0%     | 2 beds | 2.5 baths | 1933    | \$ 4.79      | Yes       |
| Icon South Beach         | 2902   | \$ 9,500  | 0.0%     | 2 beds | 2.5 baths | 1933    | \$ 4.91      | Yes       |
| Murano at Portofino      | 2503   | \$ 8,900  | 0.0%     | 2 beds | 2.5 baths | 2008    | \$ 4.43      | Yes       |
| Murano at Portofino      | 503    | \$ 11,000 | 0.0%     | 2 beds | 2.5 baths | 2008    | \$ 5.48      | Yes       |
|                          |        |           |          |        |           |         | \$ 4.45      |           |
| Bentley South            | 1902   | \$ 7,000  | 0.0%     | 2 beds | 3 baths   | 1929    | \$ 3.63      | No        |
| Floridian in South Beach | 1108   | \$ 3,550  | 0.0%     | 3 beds | 2 baths   | 1191    | \$ 2.98      | No        |
| Floridian in South Beach | 2908   | \$ 4,100  | 0.0%     | 3 beds | 2 baths   | 1191    | \$ 3.44      | Yes       |
| Floridian in South Beach | 2008   | \$ 4,500  | 0.0%     | 3 beds | 2 baths   | 1191    | \$ 3.78      | Yes       |
|                          |        |           |          |        |           |         | \$ 3.40      |           |
| Murano at Portofino      | 504    | \$ 9,600  | -3.1%    | 3 beds | 3 baths   | 2190    | \$ 4.38      | No        |
| Murano at Portofino      | 1104   | \$ 11,000 | -23.3%   | 3 beds | 3 baths   | 2190    | \$ 5.02      | Yes       |
|                          |        |           |          |        |           |         | \$ 4.70      |           |
| Bentley South            | 1401   | \$ 8,700  | -8.8%    | 3 beds | 3.5 baths | 1991    | \$ 4.37      | Yes       |
| Murano at Portofino      | 3802   | \$ 25,000 | 0.0%     | 3 beds | 3.5 baths | 2618    | \$ 9.55      | Yes       |
| Murano Grande            | 2303   | \$ 14,500 | -15.9%   | 3 beds | 3.5 baths | 3058    | \$ 4.74      | No        |
| Murano Grande            | 1203   | \$ 15,900 | 0.0%     | 3 beds | 3.5 baths | 3058    | \$ 5.20      | No        |
| Murano Grande            | 903    | \$ 12,500 | 0.0%     | 3 beds | 3.5 baths | 3058    | \$ 4.09      | Yes       |
|                          |        |           |          |        |           |         | \$ 5.56      |           |
| Murano Grande            | 2604   | \$ 15,200 | 0.0%     | 4 beds | 4.5 baths | 2974    | \$ 5.11      | Yes       |
| Murano Grande            | 2110   | \$ 15,500 | 0.0%     | 4 beds | 5.5 baths | 3197    | \$ 4.85      | No        |



**THE WAVERLY AT SOUTH BEACH - 1330 WEST AVENUE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 512          | \$ 327,500        | 0.0%            | 1 beds      | 1 baths      | 806                | \$ 406.33       | No               | \$ 601             |
| 805          | \$ 339,000        | -7.4%           | 1 beds      | 1 baths      | 793                | \$ 427.49       | No               | \$ 600             |
| 1512         | \$ 360,000        | 2.8%            | 1 beds      | 1 baths      | 806                | \$ 446.65       | No               | \$ 576             |
| 810          | \$ 365,000        | -9.2%           | 1 beds      | 1 baths      | 793                | \$ 460.28       | Yes              | \$ 630             |
| 2605         | \$ 425,000        | -5.5%           | 1 beds      | 1 baths      | 793                | \$ 535.94       | No               | \$ 600             |
|              |                   |                 |             |              | Average            | \$ 455.15       |                  |                    |

|       |              |        |        |         |         |           |     |        |
|-------|--------------|--------|--------|---------|---------|-----------|-----|--------|
| 711   | \$ 499,900   | 0.0%   | 2 beds | 2 baths | 1084    | \$ 461.16 | No  | \$ 822 |
| 1511  | \$ 538,000   | 0.0%   | 2 beds | 2 baths | 1084    | \$ 496.31 | No  | \$ 756 |
| 506   | \$ 543,000   | 0.0%   | 2 beds | 2 baths | 1127    | \$ 481.81 | No  | \$ 851 |
| 414   | \$ 550,000   | 0.0%   | 2 beds | 2 baths | 1262    | \$ 435.82 | No  | \$ 943 |
| 2107  | \$ 589,000   | 0.0%   | 2 beds | 2 baths | 1269    | \$ 464.14 | No  | \$ 950 |
| 1714  | \$ 590,000   | -5.0%  | 2 beds | 2 baths | 1262    | \$ 467.51 | No  | \$ 944 |
| 2204  | \$ 615,000   | -4.8%  | 2 beds | 2 baths | 1084    | \$ 567.34 | No  | \$ 783 |
| 914   | \$ 619,888   | -3.2%  | 2 beds | 2 baths | 1262    | \$ 491.19 | No  | \$ 898 |
| 2213  | \$ 635,000   | -2.3%  | 2 beds | 2 baths | 1262    | \$ 503.17 | No  | \$ 894 |
| 913   | \$ 655,000   | 0.0%   | 2 beds | 2 baths | 1262    | \$ 519.02 | No  | \$ 783 |
| 1407  | \$ 689,000   | 0.0%   | 2 beds | 2 baths | 1350    | \$ 510.37 | No  | \$ 956 |
| LPH04 | \$ 710,000   | -7.5%  | 2 beds | 2 baths | 1084    | \$ 654.98 | No  | \$ 783 |
| 2302  | \$ 749,000   | -16.1% | 2 beds | 2 baths | 1262    | \$ 593.50 | No  | \$ 895 |
| 2708  | \$ 770,000   | -26.0% | 2 beds | 2 baths | 1384    | \$ 556.36 | Yes | \$ 979 |
| 1508  | \$ 799,000   | -11.8% | 2 beds | 2 baths | 1384    | \$ 577.31 | Yes | \$ 978 |
| 2208  | \$ 825,000   | -24.0% | 2 beds | 2 baths | 1384    | \$ 596.10 | No  | \$ 979 |
| 3002  | \$ 940,000   | 0.0%   | 2 beds | 2 baths | 1262    | \$ 744.85 | No  | \$ 894 |
| 3101  | \$ 1,100,000 | 0.0%   | 2 beds | 2 baths | 1262    | \$ 871.63 | No  | \$ 894 |
| 808   | \$ 1,100,000 | 0.0%   | 2 beds | 2 baths | 1384    | \$ 794.80 | Yes | \$ 974 |
|       |              |        |        |         | Average | \$ 569.99 |     |        |

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| 3202         | \$ 930,000        | -9.2%           | 2 beds      | 2 baths      | 1262               | \$ 736.93       | No               | \$ 894             | 5/21/2018           |
| 2614         | \$ 625,000        | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 495.25       | No               | \$ 875             | 5/11/2018           |
| 902          | \$ 699,000        | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 553.88       | No               | \$ 944             | 4/30/2018           |
| 1406         | \$ 549,000        | 0.0%            | 2 beds      | 2 baths      | 1127               | \$ 487.13       | No               | \$ 810             | 4/16/2018           |
|              |                   |                 |             |              | Average            | \$ 570.53       |                  |                    |                     |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 910          | \$ 320,000         | -54.6%          | 1 beds      | 1 baths      | 793                | \$ 403.53       | No               | \$ 600             | 3/20/2018          |
| 1503         | \$ 315,000         | 0.0%            | 1 beds      | 1 baths      | 806                | \$ 390.82       | No               | \$ 630             | 2/8/2018           |
| 912          | \$ 338,000         | 0.0%            | 1 beds      | 1 baths      | 806                | \$ 419.35       | No               | \$ 603             | 2/1/2018           |
| 2403         | \$ 360,000         | -2.6%           | 1 beds      | 1 baths      | 806                | \$ 446.65       | No               | \$ 605             | 12/14/2017         |
| 1110         | \$ 310,000         | -5.7%           | 1 beds      | 1 baths      | 793                | \$ 390.92       | No               | \$ 580             | 10/5/2017          |
| 703          | \$ 340,000         | -9.0%           | 1 beds      | 1 baths      | 806                | \$ 421.84       | No               | \$ 600             | 7/31/2017          |
| 3503         | \$ 410,000         | 0.0%            | 1 beds      | 1 baths      | 806                | \$ 508.68       | Yes              | \$ 600             | 6/12/2017          |
| 2210         | \$ 357,500         | 0.0%            | 1 beds      | 1 baths      | 793                | \$ 450.82       | No               | \$ 605             | 2/24/2017          |
| 2605         | \$ 380,000         | 0.0%            | 1 beds      | 1 baths      | 793                | \$ 479.19       | No               | \$ 600             | 2/16/2017          |
| 612          | \$ 305,000         | -6.1%           | 1 beds      | 1 baths      | 806                | \$ 378.41       | No               | \$ 605             | 1/12/2017          |
| 2610         | \$ 355,000         | 0.0%            | 1 beds      | 1 baths      | 793                | \$ 447.67       | No               | \$ 580             | 1/10/2017          |
| 3003         | \$ 400,000         | 0.0%            | 1 beds      | 1 baths      | 806                | \$ 496.28       | No               | \$ 600             | 1/6/2017           |
| 1805         | \$ 362,500         | 0.0%            | 1 beds      | 1 baths      | 793                | \$ 457.12       | Yes              | \$ 605             | 9/15/2016          |
| 2103         | \$ 380,000         | -3.7%           | 1 beds      | 1 baths      | 806                | \$ 471.46       | No               | \$ 894             | 7/22/2016          |
| 1903         | \$ 360,000         | -2.6%           | 1 beds      | 1 baths      | 806                | \$ 446.65       | No               | \$ 605             | 7/15/2016          |
|              |                    |                 |             |              | Average            | \$ 440.64       |                  |                    |                    |
| 1908         | \$ 725,000         | -7.2%           | 2 beds      | 2 baths      | 1384               | \$ 523.84       | No               | \$ 1,050           | 6/8/2018           |
| 2004         | \$ 535,000         | -9.4%           | 2 beds      | 2 baths      | 1084               | \$ 493.54       | No               | \$ 778             | 5/22/2018          |
| 1701         | \$ 750,000         | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 594.29       | No               | \$ 944             | 5/15/2018          |
| 2811         | \$ 540,000         | 0.0%            | 2 beds      | 2 baths      | 1084               | \$ 498.15       | No               | \$ 821             | 4/27/2018          |
| 2802         | \$ 860,000         | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 681.46       | Yes              | \$ 894             | 3/12/2018          |
| 2807         | \$ 619,000         | 0.0%            | 2 beds      | 2 baths      | 1350               | \$ 458.52       | No               | \$ 980             | 2/1/2018           |
| 1204         | \$ 440,000         | -15.0%          | 2 beds      | 2 baths      | 1084               | \$ 405.90       | No               | \$ 782             | 11/2/2017          |
| 407          | \$ 575,000         | -3.8%           | 2 beds      | 2 baths      | 1350               | \$ 425.93       | No               | \$ 954             | 11/2/2017          |
| 3001         | \$ 889,000         | -4.7%           | 2 beds      | 2 baths      | 1262               | \$ 704.44       | No               | \$ 894             | 10/3/2017          |
| 1608         | \$ 725,000         | 0.0%            | 2 beds      | 2 baths      | 1384               | \$ 523.84       | No               | \$ 975             | 6/21/2017          |
| 1814         | \$ 730,000         | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 578.45       | No               | \$ 875             | 5/22/2017          |
| 2706         | \$ 560,000         | -4.1%           | 2 beds      | 2 baths      | 1127               | \$ 496.89       | No               | \$ 810             | 4/24/2017          |
| 1613         | \$ 570,000         | -4.9%           | 2 beds      | 2 baths      | 1262               | \$ 451.66       | No               | \$ 898             | 4/13/2017          |
| 1709         | \$ 490,000         | -14.0%          | 2 beds      | 2 baths      | 1127               | \$ 434.78       | No               | \$ 811             | 3/7/2017           |
| 2406         | \$ 515,484         | 0.0%            | 2 beds      | 2 baths      | 1127               | \$ 457.39       | No               | \$ 806             | 12/15/2016         |
| 3202         | \$ 980,000         | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 776.55       | No               | \$ 894             | 11/22/2016         |
| 2509         | \$ 490,000         | -21.0%          | 2 beds      | 2 baths      | 1127               | \$ 434.78       | No               | \$ 810             | 11/2/2016          |
| 2911         | \$ 555,000         | -8.3%           | 2 beds      | 2 baths      | 1084               | \$ 511.99       | No               | \$ 782             | 8/11/2016          |
| 2511         | \$ 555,000         | 0.0%            | 2 beds      | 2 baths      | 1084               | \$ 511.99       | No               | \$ 782             | 7/29/2016          |
| 1702         | \$ 895,000         | 0.0%            | 2 beds      | 2 baths      | 1262               | \$ 709.19       | No               | \$ 894             | 7/21/2016          |
|              |                    |                 |             |              | Average            | \$ 536.46       |                  |                    |                    |
| PH3601       | \$ 2,400,000       | -13.1%          | 3 beds      | 3 baths      | 2582               | \$ 929.51       | No               | \$ 1,764           | 1/2/2018           |

**THE FLORIDIAN CONDOMINIUMS IN SOUTH BEACH - 650 WEST AVENUE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 704          | \$ 560,000        | 0.0%            | 2 beds      | 2 baths      | 1078               | \$ 519.48       | No               | \$ 1,217           |
| 1004         | \$ 572,000        | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 466.94       | No               | \$ 1,012           |
| 1110         | \$ 589,900        | -12.0%          | 2 beds      | 2 baths      | 1225               | \$ 481.55       | Yes              | \$ 1,012           |
| 702          | \$ 650,000        | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 566.70       | No               | \$ 1,040           |
| 2904         | \$ 699,900        | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 571.35       | No               | \$ 1,012           |
| 2610         | \$ 725,000        | 0.0%            | 2 beds      | 2 baths      | 1078               | \$ 672.54       | No               | \$ 1,018           |
| 1702         | \$ 749,000        | -4.7%           | 2 beds      | 2 baths      | 1147               | \$ 653.01       | No               | \$ 1,024           |
| 1001         | \$ 749,000        | -11.3%          | 2 beds      | 2 baths      | 1147               | \$ 653.01       | No               | \$ 1,040           |
| 711          | \$ 749,000        | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 653.01       | No               | \$ 1,040           |
| 2401         | \$ 895,000        | -20.1%          | 2 beds      | 2 baths      | 1258               | \$ 711.45       | No               | \$ 1,024           |
| 2611         | \$ 920,000        | 0.0%            | 2 beds      | 2 baths      | 1258               | \$ 731.32       | No               | \$ 1,040           |
| 2011         | \$ 935,000        | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 815.17       | Yes              | \$ 1,040           |
| 3001         | \$ 945,000        | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 823.89       | No               | \$ 1,049           |
| 3111         | \$ 1,149,000      | -12.3%          | 2 beds      | 2 baths      | 1258               | \$ 913.35       | Yes              | \$ 1,040           |
| PH09         | \$ 1,499,000      | 0.0%            | 2 beds      | 2 baths      | 1351               | \$ 1,109.55     | No               | \$ 1,300           |
|              |                   |                 |             |              | Average            | \$ 694.41       |                  |                    |

|      |              |      |        |           |         |             |     |          |
|------|--------------|------|--------|-----------|---------|-------------|-----|----------|
| PH01 | \$ 2,499,000 | 0.0% | 2 beds | 2.5 baths | 1500    | \$ 1,666.00 | No  | \$ 1,314 |
| 1908 | \$ 799,000   | 0.0% | 3 beds | 2 baths   | 1324    | \$ 603.47   | No  | \$ 1,140 |
| 2008 | \$ 850,000   | 0.0% | 3 beds | 2 baths   | 1324    | \$ 641.99   | Yes | \$ 1,140 |
| 2808 | \$ 879,900   | 0.0% | 3 beds | 2 baths   | 1345    | \$ 654.20   | No  | \$ 1,094 |
|      |              |      |        |           | Average | \$ 633.33   |     |          |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 1801         | \$ 740,000         | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 645.16       | No               | \$ 1,040           | 5/23/2018          |
| 1202         | \$ 635,000         | -3.8%           | 2 beds      | 2 baths      | 1147               | \$ 553.62       | No               | \$ 1,040           | 5/21/2018          |
| 2411         | \$ 800,000         | 0.0%            | 2 beds      | 2 baths      | 1258               | \$ 635.93       | No               | \$ 1,040           | 5/17/2018          |
| 2104         | \$ 575,000         | -6.6%           | 2 beds      | 2 baths      | 1078               | \$ 533.40       | No               | \$ 1,012           | 5/4/2018           |
| 1112         | \$ 585,000         | -13.3%          | 2 beds      | 2 baths      | 1147               | \$ 510.03       | No               | \$ 1,040           | 4/4/2018           |
| 1503         | \$ 715,000         | -2.6%           | 2 beds      | 2 baths      | 1225               | \$ 583.67       | No               | \$ 998             | 12/4/2017          |
| 1510         | \$ 599,900         | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 489.71       | No               | \$ 998             | 9/19/2017          |
| 2901         | \$ 850,000         | 0.0%            | 2 beds      | 2 baths      | 1258               | \$ 675.68       | No               | \$ 1,026           | 8/29/2017          |
| 2910         | \$ 640,000         | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 522.45       | No               | \$ 998             | 8/15/2017          |
| 2601         | \$ 830,000         | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 723.63       | No               | \$ 1,049           | 8/14/2017          |
| 901          | \$ 735,000         | 3.2%            | 2 beds      | 2 baths      | 1147               | \$ 640.80       | No               | \$ 1,049           | 8/1/2017           |
| 2304         | \$ 599,900         | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 489.71       | No               | \$ 998             | 6/16/2017          |
| 605          | \$ 740,000         | 0.0%            | 2 beds      | 2 baths      | 1088               | \$ 680.15       | No               | \$ 1,018           | 5/24/2017          |
| 1911         | \$ 900,000         | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 784.66       | No               | \$ 1,100           | 5/10/2017          |
| 3011         | \$ 750,000         | -8.9%           | 2 beds      | 2 baths      | 1258               | \$ 596.18       | No               | \$ 1,025           | 5/1/2017           |
| 1203         | \$ 820,000         | 0.0%            | 2 beds      | 2 baths      | 1225               | \$ 669.39       | No               | \$ 1,018           | 4/3/2017           |
| 2412         | \$ 760,000         | 0.0%            | 2 beds      | 2 baths      | 1258               | \$ 604.13       | No               | \$ 1,046           | 3/14/2017          |
| 1211         | \$ 705,000         | 0.0%            | 2 beds      | 2 baths      | 1147               | \$ 614.65       | No               | \$ 1,100           | 1/30/2017          |
| 1703         | \$ 675,000         | -4.3%           | 2 beds      | 2 baths      | 1078               | \$ 626.16       | No               | \$ 1,018           | 12/29/2016         |
| 2410         | \$ 645,000         | 0.0%            | 2 beds      | 2 baths      | 1078               | \$ 598.33       | No               | \$ 1,018           | 11/28/2016         |
| 2502         | \$ 800,000         | -1.2%           | 2 beds      | 2 baths      | 1147               | \$ 697.47       | No               | \$ 1,100           | 11/21/2016         |
| 2703         | \$ 770,000         | 0.0%            | 2 beds      | 2 baths      | 1078               | \$ 714.29       | No               | \$ 992             | 10/31/2016         |
| 1604         | \$ 550,000         | -1.7%           | 2 beds      | 2 baths      | 1225               | \$ 448.98       | Yes              | \$ 1,018           | 10/29/2016         |
| 803          | \$ 655,000         | -12.0%          | 2 beds      | 2 baths      | 1225               | \$ 534.69       | No               | \$ 1,018           | 10/3/2016          |
| 3110         | \$ 750,000         | 0.0%            | 2 beds      | 2 baths      | 1078               | \$ 695.73       | No               | \$ 1,182           | 8/29/2016          |
| 2812         | \$ 680,000         | -3.4%           | 2 beds      | 2 baths      | 1147               | \$ 592.85       | No               | \$ 1,046           | 6/30/2016          |
|              |                    |                 |             |              | Average            | \$ 608.55       |                  |                    |                    |
| 1207         | \$ 830,000         | -8.1%           | 3 beds      | 2 baths      | 1234               | \$ 672.61       | No               | \$ 1,118           | 8/8/2017           |
| 2807         | \$ 915,000         | 0.0%            | 3 beds      | 2 baths      | 1324               | \$ 691.09       | No               | \$ 1,140           | 4/27/2017          |
| 1508         | \$ 700,000         | -12.5%          | 3 beds      | 2 baths      | 1345               | \$ 520.45       | No               | \$ 1,100           | 2/1/2017           |
| 1507         | \$ 900,000         | -14.1%          | 3 beds      | 2 baths      | 1372               | \$ 655.98       | Yes              | \$ 1,100           | 9/6/2016           |
|              |                    |                 |             |              | Average            | \$ 634.12       |                  |                    |                    |

**BENTLEY BAY NORTH AND SOUTH - 520 & 540 WEST AVENUE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 501          | \$ 590,000.00     | 0.0%            | 1 beds      | 1 baths      | 983                | \$ 600.20       | Yes              | \$ 1,020           |
| 612          | \$ 625,000.00     | 2.6%            | 1 beds      | 1 baths      | 779                | \$ 802.31       | No               | \$ 800             |
| 512          | \$ 629,000.00     | 0.0%            | 1 beds      | 1 baths      | 779                | \$ 807.45       | Yes              | \$ 840             |
| 1812         | \$ 639,000.00     | 0.0%            | 1 beds      | 1 baths      | 779                | \$ 820.28       | No               | \$ 911             |
| 2112         | \$ 649,000.00     | 0.0%            | 1 beds      | 1 baths      | 779                | \$ 833.12       | No               | \$ 970             |
| 1113         | \$ 649,000.00     | 0.0%            | 1 beds      | 1 baths      | 777                | \$ 835.26       | No               | \$ 749             |
| 903          | \$ 659,000.00     | 0.0%            | 1 beds      | 1 baths      | 776                | \$ 849.23       | No               | \$ 877             |
| 1813         | \$ 660,000.00     | -1.5%           | 1 beds      | 1 baths      | 777                | \$ 849.42       | Yes              | \$ 749             |
| 1403         | \$ 695,000.00     | -0.6%           | 1 beds      | 1 baths      | 776                | \$ 895.62       | No               | \$ 877             |
|              |                   |                 |             |              | Average            | \$ 804.30       |                  |                    |

|      |                 |        |        |         |         |           |     |          |
|------|-----------------|--------|--------|---------|---------|-----------|-----|----------|
| 1904 | \$ 899,900.00   | -20.0% | 2 beds | 2 baths | 1210    | \$ 743.72 | Yes | \$ 1,415 |
| 1714 | \$ 950,000.00   | 0.0%   | 2 beds | 2 baths | 1058    | \$ 897.92 | No  | \$ 1,237 |
| 611  | \$ 980,000.00   | 0.0%   | 2 beds | 2 baths | 1252    | \$ 782.75 | No  | \$ 1,415 |
| 2211 | \$ 999,000.00   | -9.5%  | 2 beds | 2 baths | 1252    | \$ 797.92 | No  | \$ 1,415 |
| 1903 | \$ 1,050,000.00 | -9.1%  | 2 beds | 2 baths | 1175    | \$ 893.62 | Yes | \$ 1,350 |
| 1911 | \$ 1,150,000.00 | 0.0%   | 2 beds | 2 baths | 1252    | \$ 918.53 | Yes | \$ 1,415 |
| 1405 | \$ 1,150,000.00 | 0.0%   | 2 beds | 2 baths | 1210    | \$ 950.41 | Yes | \$ 1,415 |
| 1602 | \$ 1,350,000.00 | -5.4%  | 2 beds | 3 baths | 1929    | \$ 699.84 | No  | \$ 2,200 |
|      |                 |        |        |         | Average | \$ 825.00 |     |          |

|      |                  |        |        |           |      |             |     |          |
|------|------------------|--------|--------|-----------|------|-------------|-----|----------|
| 1401 | \$ 1,795,000.00  | 0.0%   | 3 beds | 3.5 baths | 1991 | \$ 901.56   | No  | \$ 2,250 |
| PH-A | \$ 7,990,000.00  | -44.0% | 4 beds | 4.5 baths | 5000 | \$ 1,598.00 | Yes | \$ 5,172 |
| PH-B | \$ 11,990,000.00 | 0.0%   | 5 beds | 5.5 baths | 6111 | \$ 1,962.04 | Yes | \$ 6,875 |

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| 1001         | \$ 1,890,000      | 0.0%            | 2 beds      | 2.5 baths    | 1991               | \$ 949.27       | Yes              | \$ 2,170           | 5/15/2018           |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 413          | \$ 550,000         | -2.7%           | 1 beds      | 1 baths      | 777                | \$ 707.85       | No               | \$ 909             | 5/22/2018          |
| 311          | \$ 610,000         | 3.2%            | 1 beds      | 1 baths      | 776                | \$ 786.08       | No               | \$ 845             | 9/6/2017           |
| 2012         | \$ 615,800         | -3.9%           | 1 beds      | 1 baths      | 779                | \$ 790.50       | Yes              | \$ 100             | 7/20/2017          |
| 712          | \$ 590,000         | -3.1%           | 1 beds      | 1 baths      | 779                | \$ 757.38       | No               | \$ 800             | 7/1/2017           |
| 1512         | \$ 550,013         | -8.5%           | 1 beds      | 1 baths      | 779                | \$ 706.05       | No               | \$ 848             | 3/15/2017          |
| 2212         | \$ 620,000         | -14.3%          | 1 beds      | 1 baths      | 777                | \$ 797.94       | No               | \$ 800             | 7/6/2016           |
| 1713         | \$ 590,000         | -12.1%          | 1 beds      | 1 baths      | 777                | \$ 759.33       | No               | \$ 793             | 6/23/2016          |
|              |                    |                 |             |              | Average            | \$ 757.86       |                  |                    |                    |

|     |            |        |        |         |         |           |    |          |           |
|-----|------------|--------|--------|---------|---------|-----------|----|----------|-----------|
| 511 | \$ 800,000 | -24.2% | 2 beds | 2 baths | 1252    | \$ 638.98 | No | \$ 1,363 | 3/28/2017 |
| 614 | \$ 782,500 | -6.1%  | 2 beds | 2 baths | 1058    | \$ 739.60 | No | \$ 1,152 | 1/13/2017 |
|     |            |        |        |         | Average | \$ 685.06 |    |          |           |

|        |              |        |        |           |         |           |    |          |            |
|--------|--------------|--------|--------|-----------|---------|-----------|----|----------|------------|
| PH2503 | \$ 1,900,000 | -14.9% | 2 beds | 2.5 baths | 1909    | \$ 995.29 | No | \$ 2,079 | 2/24/2017  |
| 1502   | \$ 1,300,000 | 0.0%   | 3 beds | 3 baths   | 1929    | \$ 673.92 | No | \$ 2,180 | 10/23/2017 |
| 1802   | \$ 1,350,000 | 0.0%   | 3 beds | 3 baths   | 1929    | \$ 699.84 | No | \$ 2,180 | 3/20/2017  |
| 601    | \$ 1,730,000 | -4.9%  | 3 beds | 3 baths   | 1994    | \$ 867.60 | No | \$ 2,035 | 3/2/2017   |
|        |              |        |        |           | Average | \$ 748.46 |    |          |            |
| 901    | \$ 1,490,000 | -4.7%  | 3 beds | 3.5 baths | 1991    | \$ 748.37 | No | \$ 2,168 | 5/15/2017  |

ICON SOUTH BEACH - 450 ALTON ROAD, MIAMI BEACH

| <u>UNIT#</u> | <u>LIST PRICE</u>  | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |                     |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| 1008         | \$ 689,000         | 0.0%            | 1 beds      | 1.5 baths    | 851                | \$ 809.64       | No               | \$ 850             |                     |
| 2508         | \$ 695,000         | 0.0%            | 1 beds      | 1.5 baths    | 851                | \$ 816.69       | No               | \$ 850             |                     |
|              |                    |                 |             |              | Average            | \$ 813.16       |                  |                    |                     |
| 604          | \$ 975,900         | 0.0%            | 2 beds      | 2 baths      | 1434               | \$ 680.54       | No               | \$ 4,311           |                     |
| 1004         | \$ 995,000         | -14.5%          | 2 beds      | 2 baths      | 1536               | \$ 647.79       | No               | \$ 1,584           |                     |
| 706          | \$ 1,099,000       | 0.0%            | 2 beds      | 2 baths      | 1452               | \$ 756.89       | No               | \$ 1,300           |                     |
| 1410         | \$ 1,350,000       | -8.9%           | 2 beds      | 2 baths      | 1370               | \$ 985.40       | Yes              | \$ 1,300           |                     |
| 2804         | \$ 1,470,000       | 0.0%            | 2 beds      | 2 baths      | 1536               | \$ 957.03       | No               | \$ 1,584           |                     |
| 2110         | \$ 1,475,000       | -3.3%           | 2 beds      | 2 baths      | 1370               | \$ 1,076.64     | No               | \$ 1,300           |                     |
| 3206         | \$ 1,600,000       | 0.0%            | 2 beds      | 2 baths      | 1452               | \$ 1,101.93     | No               | \$ 1,000           |                     |
| 1906         | \$ 1,800,000       | 0.0%            | 2 beds      | 2 baths      | 1452               | \$ 1,239.67     | No               | \$ 1,000           |                     |
| 3306         | \$ 1,850,000       | -2.7%           | 2 beds      | 2 baths      | 1452               | \$ 1,274.10     | Yes              | \$ 4,184           |                     |
| 1002         | \$ 1,899,000       | -5.1%           | 2 beds      | 2 baths      | 1933               | \$ 982.41       | No               | \$ 1,664           |                     |
|              |                    |                 |             |              | Average            | \$ 968.43       |                  |                    |                     |
| 602          | \$ 1,650,000       | -14.1%          | 2 beds      | 2.5 baths    | 1933               | \$ 853.60       | No               | \$ 1,937           |                     |
| 1805         | \$ 1,700,000       | 0.0%            | 2 beds      | 2.5 baths    | 1750               | \$ 971.43       | Yes              | \$ 5,415           |                     |
| 802          | \$ 1,770,000       | -0.4%           | 2 beds      | 2.5 baths    | 1933               | \$ 915.68       | No               | \$ 5,812           |                     |
| 1705         | \$ 1,849,000       | -1.1%           | 2 beds      | 2.5 baths    | 1750               | \$ 1,056.57     | No               | \$ 1,804           |                     |
| 3005         | \$ 1,985,000       | 0.0%            | 2 beds      | 2.5 baths    | 1750               | \$ 1,134.29     | No               | \$ 1,713           |                     |
| 1807         | \$ 2,379,000       | -11.7%          | 2 beds      | 2.5 baths    | 1815               | \$ 1,310.74     | No               | \$ 5,615           |                     |
| 2502         | \$ 2,475,000       | -10.5%          | 2 beds      | 2.5 baths    | 1933               | \$ 1,280.39     | No               | \$ 1,664           |                     |
| 3107         | \$ 2,495,000       | -14.7%          | 2 beds      | 2.5 baths    | 1815               | \$ 1,374.66     | No               | \$ 1,819           |                     |
| 2202         | \$ 2,900,000       | 27.9%           | 2 beds      | 2.5 baths    | 1933               | \$ 1,500.26     | Yes              | \$ 1,664           |                     |
| 3902         | \$ 3,625,000       | -9.7%           | 2 beds      | 2.5 baths    | 1933               | \$ 1,875.32     | No               | \$ 1,937           |                     |
|              |                    |                 |             |              | Average            | \$ 1,230.95     |                  |                    |                     |
| 1603         | \$ 2,100,000       | -4.7%           | 3 beds      | 3 baths      | 2158               | \$ 973.12       | No               | \$ 2,073           |                     |
| 1903         | \$ 2,300,000       | 0.0%            | 3 beds      | 3 baths      | 2158               | \$ 1,065.80     | No               | \$ 6,678           |                     |
| 2903         | \$ 2,590,000       | 0.0%            | 3 beds      | 3 baths      | 2158               | \$ 1,200.19     | No               | \$ 2,162           |                     |
| 2203         | \$ 2,720,000       | 0.0%            | 3 beds      | 3 baths      | 2158               | \$ 1,260.43     | No               | \$ 2,073           |                     |
| 3303         | \$ 3,195,000       | 0.0%            | 3 beds      | 3 baths      | 2158               | \$ 1,480.54     | No               | \$ 2,162           |                     |
|              |                    |                 |             |              | Average            | \$ 1,196.01     |                  |                    |                     |
| 2101         | \$ 3,693,000       | 0.0%            | 3 beds      | 3.5 baths    | 2145               | \$ 1,721.68     | No               | \$ 2,100           |                     |
| 3401         | \$ 3,850,000       | -1.3%           | 3 beds      | 3.5 baths    | 2145               | \$ 1,794.87     | No               | \$ 2,100           |                     |
|              |                    |                 |             |              | Average            | \$ 1,758.28     |                  |                    |                     |
| 1007/10      | \$ 4,995,000       | -9.6%           | 4 beds      | 4.5 baths    | 3185               | \$ 1,568.29     | Yes              | \$ 2,394           |                     |
| <u>UNIT#</u> | <u>LIST PRICE</u>  | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
| 1108         | \$ 595,000         | -4.9%           | 1 beds      | 1.5 baths    | 851                | \$ 699.18       | No               | \$ 2,634           | 5/8/2018            |
| 2908         | \$ 675,000         | 0.0%            | 1 beds      | 1.5 baths    | 851                | \$ 793.18       | No               | \$ 890             | 5/2/2018            |
|              |                    |                 |             |              | Average            | \$ 746.18       |                  |                    |                     |
| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u>  |
| 1908         | \$ 675,000         | 9.4%            | 1 beds      | 1.5 baths    | 851                | \$ 793.18       | No               | \$ 733             | 1/4/2017            |
| 2408         | \$ 730,000         | 0.0%            | 1 beds      | 1.5 baths    | 851                | \$ 857.81       | No               | \$ 733             | 11/1/2016           |
| 1208         | \$ 625,000         | -6.5%           | 1 beds      | 1.5 baths    | 851                | \$ 734.43       | No               | \$ 770             | 7/8/2016            |
|              |                    |                 |             |              | Average            | \$ 795.14       |                  |                    |                     |
| 1506         | \$ 922,000         | -14.8%          | 2 beds      | 2 baths      | 1452               | \$ 634.99       | No               | \$ 1,498           | 4/23/2018           |
| 1804         | \$ 1,080,000       | -4.0%           | 2 beds      | 2 baths      | 1536               | \$ 703.13       | No               | \$ 1,389           | 12/1/2017           |
| 1406         | \$ 950,000         | -25.5%          | 2 beds      | 2 baths      | 1452               | \$ 654.27       | No               | \$ 1,395           | 8/4/2017            |
| 806          | \$ 1,325,000       | 0.0%            | 2 beds      | 2 baths      | 1452               | \$ 912.53       | No               | \$ 1,200           | 11/1/2016           |
| 2606         | \$ 1,320,000       | -13.9%          | 2 beds      | 2 baths      | 1452               | \$ 909.09       | No               | \$ 1,430           | 9/9/2016            |
| 2106         | \$ 1,275,000       | -5.6%           | 2 beds      | 2 baths      | 1452               | \$ 878.10       | No               | \$ 1,239           | 8/16/2016           |
|              |                    |                 |             |              | Average            | \$ 781.26       |                  |                    |                     |
| 605          | \$ 1,315,000       | 0.0%            | 2 beds      | 2.5 baths    | 1750               | \$ 751.43       | Yes              | \$ 1,753           | 5/18/2018           |
| 1105         | \$ 1,500,000       | -25.1%          | 2 beds      | 2.5 baths    | 1750               | \$ 857.14       | No               | \$ 1,681           | 3/21/2018           |
| 2807         | \$ 2,125,000       | 0.0%            | 2 beds      | 2.5 baths    | 1815               | \$ 1,170.80     | No               | \$ 1,819           | 3/1/2018            |
| 1602         | \$ 1,750,000       | -15.4%          | 2 beds      | 2.5 baths    | 1933               | \$ 905.33       | No               | \$ 5,570           | 6/19/2017           |
| 3202         | \$ 2,325,000       | -4.7%           | 2 beds      | 2.5 baths    | 1933               | \$ 1,202.79     | No               | \$ 1,856           | 3/30/2017           |
| 1507         | \$ 2,200,000       | 0.0%            | 2 beds      | 2.5 baths    | 1815               | \$ 1,212.12     | No               | \$ 1,743           | 11/17/2016          |
|              |                    |                 |             |              | Average            | \$ 1,019.92     |                  |                    |                     |
| 3701         | \$ 3,618,000       | 0.0%            | 3 beds      | 3 baths      | 2145               | \$ 1,686.71     | Yes              | \$ 6,480           | 1/10/2018           |



MURANO GRANDE - 400 ALTON ROAD, MIAMI BEACH

| UNIT# | LIST PRICE   | % CHANGE | BEDS   | BATHS   | SQ. FOOTAGE | PRICE/SF  | FURNISHED | MAINTENANCE |
|-------|--------------|----------|--------|---------|-------------|-----------|-----------|-------------|
| 709   | \$ 930,000   | -7.2%    | 2 beds | 2 baths | 1437        | \$ 647.18 | No        | \$ 1,357    |
| 705   | \$ 979,000   | -6.9%    | 2 beds | 2 baths | 1427        | \$ 686.05 | No        | \$ 1,357    |
| 1609  | \$ 1,024,000 | 0.0%     | 2 beds | 2 baths | 1437        | \$ 712.60 | No        | \$ 1,368    |
| 1709  | \$ 1,050,000 | -17.3%   | 2 beds | 2 baths | 1437        | \$ 730.69 | No        | \$ 1,296    |
| 711   | \$ 1,250,000 | 0.0%     | 2 beds | 2 baths | 1649        | \$ 758.04 | No        | \$ 1,601    |
| 1507  | \$ 1,279,900 | -5.3%    | 2 beds | 2 baths | 1658        | \$ 771.95 | Yes       | \$ 1,550    |
| 1211  | \$ 1,288,800 | 0.0%     | 2 beds | 2 baths | 1649        | \$ 781.56 | No        | \$ 1,601    |
| 1111  | \$ 1,295,000 | -2.3%    | 2 beds | 2 baths | 1649        | \$ 785.32 | No        | \$ 1,545    |
| 1411  | \$ 1,298,000 | 0.0%     | 2 beds | 2 baths | 1649        | \$ 787.14 | No        | \$ 1,601    |
| 1011  | \$ 1,299,000 | -7.5%    | 2 beds | 2 baths | 1649        | \$ 787.75 | No        | \$ 1,601    |
| 2607  | \$ 1,450,000 | -3.4%    | 2 beds | 2 baths | 1759        | \$ 824.33 | Yes       | \$ 1,272    |
| 2907  | \$ 1,490,000 | 0.0%     | 2 beds | 2 baths | 1759        | \$ 847.07 | No        | \$ 1,272    |
|       |              |          |        |         |             | Average   | \$        | 763.80      |

|       |              |       |        |           |      |             |    |          |
|-------|--------------|-------|--------|-----------|------|-------------|----|----------|
| 902   | \$ 1,375,000 | 0.0%  | 2 beds | 2.5 baths | 1874 | \$ 733.72   | No | \$ 1,796 |
| 702   | \$ 1,388,000 | 0.0%  | 2 beds | 2.5 baths | 1874 | \$ 740.66   | No | \$ 1,810 |
| 504   | \$ 1,400,000 | 0.0%  | 2 beds | 2.5 baths | 1425 | \$ 982.46   | No | \$ 1,392 |
| 1110  | \$ 1,450,000 | -3.4% | 2 beds | 2.5 baths | 1548 | \$ 936.69   | No | \$ 1,393 |
| TH-4A | \$ 1,595,000 | 0.0%  | 2 beds | 2.5 baths | 1998 | \$ 798.30   | No | \$ 1,845 |
| 1710  | \$ 1,600,000 | -3.1% | 2 beds | 2.5 baths | 1548 | \$ 1,033.59 | No | \$ 1,505 |
| 1602  | \$ 1,895,000 | 0.0%  | 2 beds | 2.5 baths | 1874 | \$ 1,011.21 | No | \$ 1,810 |
| 1104  | \$ 2,150,000 | 0.0%  | 2 beds | 2.5 baths | 1425 | \$ 1,508.77 | No | \$ 1,480 |
| 601   | \$ 2,285,000 | 0.0%  | 2 beds | 2.5 baths | 2003 | \$ 1,140.79 | No | \$ 1,863 |
| 1001  | \$ 2,495,000 | 0.0%  | 2 beds | 2.5 baths | 2003 | \$ 1,245.63 | No | \$ 1,930 |
| 1401  | \$ 3,568,000 | 0.0%  | 2 beds | 2.5 baths | 2003 | \$ 1,781.33 | No | \$ 1,930 |
|       |              |       |        |           |      | Average     | \$ | 1,083.07 |

|      |              |        |        |         |      |             |    |          |
|------|--------------|--------|--------|---------|------|-------------|----|----------|
| 1106 | \$ 2,550,000 | -11.1% | 2 beds | 3 baths | 2024 | \$ 1,259.88 | No | \$ 1,541 |
| 906  | \$ 2,575,000 | -6.6%  | 2 beds | 3 baths | 2024 | \$ 1,272.23 | No | \$ 1,949 |
|      |              |        |        |         |      | Average     | \$ | 1,266.06 |

|      |               |        |        |         |      |             |     |          |
|------|---------------|--------|--------|---------|------|-------------|-----|----------|
| 1906 | \$ 2,790,000  | -2.1%  | 3 beds | 3 baths | 2024 | \$ 1,378.46 | No  | \$ 1,949 |
| 1206 | \$ 2,899,000  | 0.0%   | 3 beds | 3 baths | 2024 | \$ 1,432.31 | No  | \$ 1,949 |
| PH-B | \$ 10,800,000 | -14.6% | 3 beds | 3 baths | 4379 | \$ 2,466.32 | Yes | \$ 4,293 |
|      |               |        |        |         |      | Average     | \$  | 1,956.69 |

|      |              |        |        |           |      |             |     |          |
|------|--------------|--------|--------|-----------|------|-------------|-----|----------|
| 703  | \$ 2,750,000 | -4.4%  | 3 beds | 3.5 baths | 3058 | \$ 899.28   | No  | \$ 2,911 |
| 2403 | \$ 4,200,000 | 0.0%   | 3 beds | 3.5 baths | 3058 | \$ 1,373.45 | No  | \$ 2,911 |
| 2104 | \$ 4,495,000 | -4.4%  | 3 beds | 3.5 baths | 2974 | \$ 1,511.43 | Yes | \$ 2,800 |
| 2804 | \$ 4,800,000 | -3.1%  | 3 beds | 3.5 baths | 2974 | \$ 1,613.99 | No  | \$ 2,800 |
| 3303 | \$ 5,099,000 | 0.0%   | 3 beds | 3.5 baths | 3284 | \$ 1,552.68 | No  | \$ 3,100 |
| 2303 | \$ 5,800,000 | 196.0% | 3 beds | 3.5 baths | 3058 | \$ 1,896.66 | No  | \$ 2,911 |
|      |              |        |        |           |      | Average     | \$  | 1,474.74 |

|           |              |      |        |           |      |             |     |          |
|-----------|--------------|------|--------|-----------|------|-------------|-----|----------|
| 1510/1511 | \$ 3,900,000 | 0.0% | 4 beds | 4.5 baths | 3200 | \$ 1,218.75 | Yes | \$ 3,300 |
| 2604      | \$ 4,950,000 | 0.0% | 4 beds | 4.5 baths | 2974 | \$ 1,664.43 | No  | \$ 2,800 |
| LPH3601   | \$ 6,950,000 | 0.0% | 4 beds | 4.5 baths | 3979 | \$ 1,746.67 | No  | \$ 3,742 |
|           |              |      |        |           |      | Average     | \$  | 1,556.19 |

UNIT# LIST PRICE % CHANGE BEDS BATHS SQ. FOOTAGE PRICE/SF FURNISHED MAINTENANCE PENDING DATE

|      |              |        |        |           |      |             |    |          |           |
|------|--------------|--------|--------|-----------|------|-------------|----|----------|-----------|
| 911  | \$ 1,069,000 | -11.1% | 2 beds | 2 baths   | 1649 | \$ 648.27   | No | \$ 1,592 | 6/12/2018 |
| 3001 | \$ 5,800,000 | -17.3% | 3 beds | 3.5 baths | 3979 | \$ 1,457.65 | No | \$ 3,742 | 4/16/2018 |

UNIT# SALES PRICE % CHANGE BEDS BATHS SQ. FOOTAGE PRICE/SF FURNISHED MAINTENANCE CLOSED DATE

|      |              |        |        |         |      |             |    |          |            |
|------|--------------|--------|--------|---------|------|-------------|----|----------|------------|
| 1405 | \$ 900,000   | -23.5% | 2 beds | 2 baths | 1400 | \$ 642.86   | No | \$ 1,264 | 6/7/2018   |
| 2707 | \$ 1,210,000 | 0.0%   | 2 beds | 2 baths | 1759 | \$ 687.89   | No | \$ 1,690 | 7/21/2017  |
| 2309 | \$ 950,000   | -23.1% | 2 beds | 2 baths | 1437 | \$ 661.10   | No | \$ 1,050 | 5/19/2017  |
| 1909 | \$ 950,000   | 0.0%   | 2 beds | 2 baths | 1437 | \$ 661.10   | No | \$ 1,350 | 3/30/2017  |
| 2407 | \$ 1,070,000 | -22.5% | 2 beds | 2 baths | 1658 | \$ 645.36   | No | \$ 1,550 | 3/23/2017  |
| PH06 | \$ 3,200,000 | -14.1% | 2 beds | 2 baths | 2183 | \$ 1,465.87 | No | \$ 1,930 | 11/15/2016 |
| 2411 | \$ 1,725,000 | 0.0%   | 2 beds | 2 baths | 1649 | \$ 1,046.09 | No | \$ 1,545 | 10/14/2016 |
| 1505 | \$ 905,000   | -29.8% | 2 beds | 2 baths | 1400 | \$ 646.43   | No | \$ 1,264 | 9/15/2016  |
|      |              |        |        |         |      | Average     | \$ | 844.23   |            |

|      |              |        |        |           |      |             |     |          |            |
|------|--------------|--------|--------|-----------|------|-------------|-----|----------|------------|
| 710  | \$ 950,000   | -18.9% | 2 beds | 2.5 baths | 1548 | \$ 613.70   | Yes | \$ 1,454 | 6/11/2018  |
| 610  | \$ 860,000   | 0.0%   | 2 beds | 2.5 baths | 1548 | \$ 555.56   | No  | \$ 1,470 | 4/20/2018  |
| 1004 | \$ 1,675,000 | 0.0%   | 2 beds | 2.5 baths | 1425 | \$ 1,175.44 | No  | \$ 1,330 | 2/28/2018  |
| 1701 | \$ 2,475,000 | 0.0%   | 2 beds | 2.5 baths | 2003 | \$ 1,235.65 | No  | \$ 1,916 | 12/20/2017 |
| 1908 | \$ 1,545,000 | 0.0%   | 2 beds | 2.5 baths | 1600 | \$ 965.63   | No  | \$ 1,501 | 6/30/2017  |
| 1104 | \$ 1,800,000 | -16.0% | 2 beds | 2.5 baths | 1425 | \$ 1,263.16 | No  | \$ 1,343 | 6/5/2017   |
| 2206 | \$ 3,200,000 | 0.0%   | 2 beds | 2.5 baths | 2024 | \$ 1,581.03 | No  | \$ 1,733 | 5/31/2017  |
| 1610 | \$ 1,592,500 | 0.0%   | 2 beds | 2.5 baths | 1548 | \$ 1,028.75 | No  | \$ 1,400 | 3/22/2017  |
| 2010 | \$ 1,562,500 | 0.0%   | 2 beds | 2.5 baths | 1548 | \$ 1,009.37 | No  | \$ 1,393 | 12/30/2016 |
| 2507 | \$ 1,150,000 | 0.0%   | 2 beds | 2.5 baths | 1658 | \$ 693.61   | No  | \$ 1,550 | 11/18/2016 |
| 1008 | \$ 1,690,000 | 0.0%   | 2 beds | 2.5 baths | 1600 | \$ 1,056.25 | Yes | \$ 4,502 | 10/4/2016  |
|      |              |        |        |           |      | Average     | \$  | 1,031.96 |            |

|      |              |        |        |         |      |             |     |          |           |
|------|--------------|--------|--------|---------|------|-------------|-----|----------|-----------|
| 1506 | \$ 2,550,000 | -2.6%  | 2 beds | 3 baths | 2024 | \$ 1,259.88 | No  | \$ 1,541 | 6/22/2017 |
| 2806 | \$ 2,950,000 | -17.9% | 2 beds | 3 baths | 2183 | \$ 1,351.35 | Yes | \$ 1,878 | 1/9/2017  |
|      |              |        |        |         |      | Average     | \$  | 1,307.34 |           |

|        |              |      |        |         |      |             |    |          |           |
|--------|--------------|------|--------|---------|------|-------------|----|----------|-----------|
| PH3104 | \$ 5,350,000 | 0.0% | 3 beds | 3 baths | 2974 | \$ 1,798.92 | No | \$ 1,841 | 9/15/2016 |
|--------|--------------|------|--------|---------|------|-------------|----|----------|-----------|

|      |              |        |        |           |      |             |    |          |          |
|------|--------------|--------|--------|-----------|------|-------------|----|----------|----------|
| 3203 | \$ 3,800,000 | -10.8% | 3 beds | 3.5 baths | 3058 | \$ 1,242.64 | No | \$ 2,694 | 6/9/2017 |
| 803  | \$ 2,700,000 | 0.0%   | 3 beds | 3.5 baths | 3058 | \$ 882.93   | No | \$ 2,891 | 6/7/2017 |
|      |              |        |        |           |      | Average     | \$ | 1,062.79 |          |

|      |              |      |        |           |      |             |     |          |           |
|------|--------------|------|--------|-----------|------|-------------|-----|----------|-----------|
| 2501 | \$ 6,100,000 | 0.0% | 4 beds | 4.5 baths | 3990 | \$ 1,528.82 | Yes | \$ 3,641 | 11/9/2016 |
|------|--------------|------|--------|-----------|------|-------------|-----|----------|-----------|

**MURANO AT PORTOFINO - 1000 S. POINTE DRIVE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| PH06         | \$ 1,299,000      | -5.7%           | 1 beds      | 1.5 baths    | 1008               | \$ 1,288.69     | No               | \$ 940             |
| 507          | \$ 1,695,000      | -2.9%           | 2 beds      | 2.5 baths    | 1390               | \$ 1,219.42     | No               | \$ 1,267           |
| 1707         | \$ 1,800,000      | -15.2%          | 2 beds      | 2.5 baths    | 1390               | \$ 1,294.96     | Yes              | \$ 1,203           |
| 1107         | \$ 1,980,000      | 0.0%            | 2 beds      | 2.5 baths    | 1390               | \$ 1,424.46     | Yes              | \$ 1,210           |
| 1507         | \$ 2,050,000      | 0.0%            | 2 beds      | 2.5 baths    | 1390               | \$ 1,474.82     | No               | \$ 1,202           |
| 1705         | \$ 2,120,000      | -2.8%           | 2 beds      | 2.5 baths    | 1407               | \$ 1,506.75     | No               | \$ 1,278           |
|              |                   |                 |             |              | Average            | \$ 1,384.38     |                  |                    |

|      |              |        |        |           |         |             |     |          |
|------|--------------|--------|--------|-----------|---------|-------------|-----|----------|
| 1104 | \$ 3,390,000 | -2.9%  | 3 beds | 3 baths   | 2190    | \$ 1,547.95 | No  | \$ 1,870 |
| 2104 | \$ 3,900,000 | 0.0%   | 3 beds | 3 baths   | 2190    | \$ 1,780.82 | No  | \$ 1,450 |
| 2604 | \$ 4,395,000 | -12.8% | 3 beds | 3 baths   | 2190    | \$ 2,006.85 | Yes | \$ 1,861 |
|      |              |        |        |           | Average | \$ 1,778.54 |     |          |
| 501  | \$ 5,999,000 | -6.1%  | 3 beds | 3.5 baths | 3365    | \$ 1,782.76 | Yes | \$ 2,900 |

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| TH-A10       | \$ 795,000        | -3.7%           | 1 beds      | 1.5 baths    | 1207               | \$ 658.66       | No               | \$ 1,050           | 5/17/2018           |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| TH-A3        | \$ 988,000         | 3.6%            | 1 beds      | 1 baths      | 1207               | \$ 818.56       | No               | \$ 1,050.00        | 6/23/2017          |
| 506          | \$ 685,000         | -17.8%          | 1 beds      | 1.5 baths    | 1008               | \$ 679.56       | Yes              | \$ 1,288.69        | 4/25/2018          |
| TH-A7        | \$ 887,500         | 0.0%            | 1 beds      | 1.5 baths    | 1207               | \$ 735.29       | No               | \$ 1,050.00        | 4/16/2018          |
|              |                    |                 |             |              | Average            | \$ 709.93       |                  |                    |                    |

|      |              |       |        |           |         |             |     |             |           |
|------|--------------|-------|--------|-----------|---------|-------------|-----|-------------|-----------|
| 403  | \$ 2,450,000 | 0.0%  | 2 beds | 2.5 baths | 2008    | \$ 1,220.12 | Yes | \$ 1,713.00 | 3/29/2018 |
| 1403 | \$ 2,600,000 | -3.5% | 2 beds | 2.5 baths | 2008    | \$ 1,294.82 | No  | \$ 1,623.00 | 6/16/2017 |
| 1503 | \$ 2,595,000 | 0.0%  | 2 beds | 2.5 baths | 2008    | \$ 1,292.33 | Yes | \$ 1,623.00 | 4/3/2017  |
|      |              |       |        |           | Average | \$ 1,269.09 |     |             |           |

|       |              |        |        |         |         |             |     |             |            |
|-------|--------------|--------|--------|---------|---------|-------------|-----|-------------|------------|
| 1202  | \$ 4,000,000 | -2.4%  | 3 beds | 3 baths | 2618    | \$ 1,527.88 | No  | \$ 2,200.00 | 12/20/2017 |
| TH-M1 | \$ 5,800,000 | 0.0%   | 3 beds | 3 baths | 2986    | \$ 1,942.40 | Yes | \$ 2,172.00 | 5/3/2017   |
| 2604  | \$ 3,200,000 | -14.5% | 3 beds | 3 baths | 2190    | \$ 1,461.19 | No  | \$ 1,550.00 | 7/8/2016   |
|       |              |        |        |         | Average | \$ 1,667.95 |     |             |            |

|      |              |      |        |           |         |             |    |             |            |
|------|--------------|------|--------|-----------|---------|-------------|----|-------------|------------|
| 2201 | \$ 6,000,000 | 0.0% | 3 beds | 3.5 baths | 3365    | \$ 1,783.06 | No | \$ 2,835.00 | 10/27/2017 |
| 3602 | \$ 4,700,000 | 0.0% | 3 beds | 3.5 baths | 2618    | \$ 1,795.26 | No | \$ 2,203.00 | 6/30/2017  |
| 2601 | \$ 6,000,000 | 0.0% | 3 beds | 3.5 baths | 3365    | \$ 1,783.06 | No | \$ 2,827.00 | 3/8/2017   |
| 2202 | \$ 4,000,000 | 0.0% | 3 beds | 3.5 baths | 2618    | \$ 1,527.88 | No | \$ 2,203.00 | 6/16/2016  |
|      |              |      |        |           | Average | \$ 1,729.90 |    |             |            |

|      |              |       |        |           |      |             |    |             |          |
|------|--------------|-------|--------|-----------|------|-------------|----|-------------|----------|
| 1401 | \$ 5,000,000 | -6.9% | 3 beds | 4.5 baths | 3365 | \$ 1,485.88 | No | \$ 2,835.00 | 2/6/2018 |
|------|--------------|-------|--------|-----------|------|-------------|----|-------------|----------|

YACHT CLUB AT PORTOFINO - 90 ALTON ROAD, MIAMI BEACH

| UNIT#   | LIST PRICE    | % CHANGE | BEDS   | BATHS     | SQ. FOOTAGE | PRICE/SF    | FURNISHED | MAINTENANCE | CLOSED DATE  |
|---------|---------------|----------|--------|-----------|-------------|-------------|-----------|-------------|--------------|
| 505     | \$ 440,000    | -3.4%    | 1 beds | 1 baths   | 740         | \$ 594.59   | Yes       |             | 6/40         |
| 1907    | \$ 469,000    | -2.1%    | 1 beds | 1 baths   | 740         | \$ 633.78   | No        |             | 7/14         |
| 907     | \$ 470,000    | 0.0%     | 1 beds | 1 baths   | 740         | \$ 635.14   | No        |             | 7/14         |
| 2307    | \$ 499,000    | -7.9%    | 1 beds | 1 baths   | 740         | \$ 674.32   | No        |             | 7/16         |
| 2805    | \$ 555,000    | 0.0%     | 1 beds | 1 baths   | 740         | \$ 722.97   | Yes       |             | 7/15         |
| 1206    | \$ 555,000    | 0.0%     | 1 beds | 1 baths   | 740         | \$ 750.00   | No        |             | 7/14         |
| 1708    | \$ 559,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 716.67   | No        |             | 6/48         |
| PH3307  | \$ 569,000    | -3.5%    | 1 beds | 1 baths   | 740         | \$ 768.92   | No        |             | 7/15         |
| 2208    | \$ 617,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 791.03   | No        |             | 7/50         |
| 2606    | \$ 619,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 793.59   | No        |             | 1/42         |
| 2906    | \$ 626,000    | 0.8%     | 1 beds | 1 baths   | 780         | \$ 802.56   | No        |             | 5/74         |
| Average |               |          |        |           |             | \$ 717.83   |           |             |              |
| 703     | \$ 699,000    | -6.9%    | 2 beds | 2 baths   | 1080        | \$ 647.22   | No        |             | 1,047        |
| 903     | \$ 725,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 641.59   | No        |             | 8/70         |
| 2609    | \$ 735,000    | -10.8%   | 2 beds | 2 baths   | 1080        | \$ 680.56   | No        |             | 1,046        |
| 1009    | \$ 740,000    | 0.0%     | 2 beds | 2 baths   | 1080        | \$ 685.19   | No        |             | 1,046        |
| 1211    | \$ 779,000    | -5.1%    | 2 beds | 2 baths   | 1130        | \$ 689.38   | No        |             | 1,092        |
| 702     | \$ 799,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 707.08   | Yes       |             | 8/70         |
| 604     | \$ 799,000    | -9.1%    | 2 beds | 2 baths   | 1090        | \$ 733.03   | No        |             | 1,025        |
| 2603    | \$ 819,000    | -7.8%    | 2 beds | 2 baths   | 1080        | \$ 758.33   | No        |             | 8/25         |
| 1501    | \$ 825,000    | -10.8%   | 2 beds | 2 baths   | 1130        | \$ 730.09   | Yes       |             | 8/70         |
| 1611    | \$ 869,900    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 769.82   | Yes       |             | 8/70         |
| 2503    | \$ 879,500    | 0.0%     | 2 beds | 2 baths   | 1080        | \$ 814.35   | No        |             | 1,047        |
| 2209    | \$ 890,000    | 0.0%     | 2 beds | 2 baths   | 1080        | \$ 824.07   | Yes       |             | 1,046        |
| 612     | \$ 895,000    | -0.6%    | 2 beds | 2 baths   | 1130        | \$ 792.04   | No        |             | 903          |
| 1203    | \$ 910,000    | 0.0%     | 2 beds | 2 baths   | 1080        | \$ 842.59   | No        |             | 739          |
| Average |               |          |        |           |             | \$ 758.27   |           |             |              |
| TH-12   | \$ 2,199,999  | -16.7%   | 3 beds | 2.5 baths | 1750        | \$ 1,257.14 | No        |             | 1,800        |
| PH3408  | \$ 3,575,000  | 0.0%     | 3 beds | 3 baths   | 1980        | \$ 1,805.56 | No        |             | 1,926        |
| TH3/TH4 | \$ 18,000,000 | 0.0%     | 7 beds | 6 baths   | 4700        | \$ 3,829.79 | No        |             | 3,000        |
| UNIT#   | LIST PRICE    | % CHANGE | BEDS   | BATHS     | SQ. FOOTAGE | PRICE/SF    | FURNISHED | MAINTENANCE | PENDING DATE |
| 1205    | \$ 499,000    | 0.0%     | 1 beds | 1 baths   | 783         | \$ 637.29   | No        |             | 5/30/2018    |
| 1804    | \$ 880,000    | -12.7%   | 2 beds | 2 baths   | 1090        | \$ 807.34   | No        |             | 5/24/2018    |
| UNIT#   | SALES PRICE   | % CHANGE | BEDS   | BATHS     | SQ. FOOTAGE | PRICE/SF    | FURNISHED | MAINTENANCE | CLOSED DATE  |
| 2206    | \$ 565,000    | -3.3%    | 1 beds | 1 baths   | 780         | \$ 724.36   | No        |             | 5/31/2018    |
| 2306    | \$ 605,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 775.64   | No        |             | 4/7/2018     |
| 905     | \$ 470,000    | -2.4%    | 1 beds | 1 baths   | 740         | \$ 557.57   | No        |             | 4/13/2018    |
| 2707    | \$ 505,000    | -4.7%    | 1 beds | 1 baths   | 740         | \$ 682.43   | No        |             | 3/2/2018     |
| 1207    | \$ 475,000    | -7.8%    | 1 beds | 1 baths   | 740         | \$ 641.89   | No        |             | 7/14         |
| PH3308  | \$ 619,000    | 0.0%     | 1 beds | 1 baths   | 760         | \$ 814.47   | No        |             | 11/22/2017   |
| 2108    | \$ 525,000    | -7.5%    | 1 beds | 1 baths   | 780         | \$ 673.08   | No        |             | 7/14         |
| 2505    | \$ 530,000    | 0.0%     | 1 beds | 1 baths   | 740         | \$ 716.22   | No        |             | 6/20/2017    |
| 1608    | \$ 555,000    | -13.5%   | 1 beds | 1 baths   | 780         | \$ 711.54   | No        |             | 6/20/2017    |
| 2405    | \$ 500,000    | -2.6%    | 1 beds | 1 baths   | 740         | \$ 675.68   | Yes       |             | 6/16/2017    |
| 2408    | \$ 545,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 698.72   | No        |             | 6/15/2017    |
| 1105    | \$ 445,000    | -12.2%   | 1 beds | 1 baths   | 740         | \$ 601.35   | No        |             | 5/18/2017    |
| 2308    | \$ 523,476    | -5.7%    | 1 beds | 1 baths   | 780         | \$ 671.12   | No        |             | 4/13/2017    |
| 2807    | \$ 515,000    | -5.5%    | 1 beds | 1 baths   | 740         | \$ 695.95   | No        |             | 4/7/2017     |
| 1806    | \$ 565,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 724.36   | Yes       |             | 3/31/2017    |
| 2605    | \$ 512,000    | 0.0%     | 1 beds | 1 baths   | 740         | \$ 691.89   | No        |             | 1/26/2017    |
| 1008    | \$ 525,000    | 0.0%     | 1 beds | 1 baths   | 780         | \$ 673.08   | No        |             | 12/22/2016   |
| Average |               |          |        |           |             | \$ 691.14   |           |             |              |
| 3011    | \$ 850,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 752.21   | No        |             | 6/1/2018     |
| 1901    | \$ 588,000    | -17.7%   | 2 beds | 2 baths   | 1130        | \$ 520.35   | No        |             | 5/24/2018    |
| 2401    | \$ 720,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 637.17   | No        |             | 9/78         |
| 2611    | \$ 940,000    | -5.4%    | 2 beds | 2 baths   | 1130        | \$ 831.86   | No        |             | 2/20/2018    |
| 2410    | \$ 840,000    | 0.0%     | 2 beds | 2 baths   | 1090        | \$ 770.64   | Yes       |             | 2/2/2018     |
| 2910    | \$ 842,500    | -2.3%    | 2 beds | 2 baths   | 1090        | \$ 772.94   | No        |             | 2/5/2018     |
| 2312    | \$ 925,000    | -1.8%    | 2 beds | 2 baths   | 1130        | \$ 818.58   | No        |             | 11/30/2017   |
| 1210    | \$ 700,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 619.47   | Yes       |             | 11/8/2017    |
| 2210    | \$ 810,000    | -25.8%   | 2 beds | 2 baths   | 1090        | \$ 743.12   | No        |             | 10/5/2017    |
| 2604    | \$ 850,000    | -12.8%   | 2 beds | 2 baths   | 1090        | \$ 779.82   | No        |             | 7/6/2017     |
| 1010    | \$ 759,000    | -11.9%   | 2 beds | 2 baths   | 1090        | \$ 696.33   | Yes       |             | 5/15/2017    |
| 1003    | \$ 705,000    | -7.8%    | 2 beds | 2 baths   | 1080        | \$ 652.78   | No        |             | 4/28/2017    |
| 209     | \$ 512,500    | -8.7%    | 2 beds | 2 baths   | 1130        | \$ 453.44   | No        |             | 4/12/2017    |
| 2701    | \$ 940,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 831.86   | No        |             | 3/22/2017    |
| 1502    | \$ 979,000    | 0.0%     | 2 beds | 2 baths   | 1130        | \$ 866.37   | Yes       |             | 2/21/2017    |
| 2509    | \$ 950,000    | 0.0%     | 2 beds | 2 baths   | 1080        | \$ 879.63   | No        |             | 1/1/2017     |
| 1012    | \$ 1,050,000  | -2.6%    | 2 beds | 2 baths   | 1130        | \$ 929.20   | No        |             | 8/26/2016    |
| 1812    | \$ 1,020,000  | -21.3%   | 2 beds | 2 baths   | 1130        | \$ 902.65   | No        |             | 8/5/2016     |

**ONE OCEAN - 1 COLLINS AVENUE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 109          | \$ 2,395,000      | -15.6%          | 2 beds      | 2.5 baths    | 1791               | \$ 1,337.24     | No               | \$ 2,047           |
| 404          | \$ 3,490,000      | -25.1%          | 3 beds      | 3.5 baths    | 2486               | \$ 1,403.86     | No               | \$ 3,273           |
| 605          | \$ 3,500,000      | 0.0%            | 3 beds      | 3.5 baths    | 2183               | \$ 1,603.30     | No               | \$ 2,179           |
| 203          | \$ 3,795,000      | -2.6%           | 3 beds      | 3.5 baths    | 2750               | \$ 1,380.00     | No               | \$ 2,954           |
| 304          | \$ 4,300,000      | 0.0%            | 3 beds      | 3.5 baths    | 2570               | \$ 1,673.15     | Yes              | \$ 3,146           |
| 604          | \$ 4,495,000      | -6.6%           | 3 beds      | 3.5 baths    | 2860               | \$ 1,571.68     | No               | \$ 3,136           |
| 704          | \$ 5,100,000      | -16.1%          | 3 beds      | 3.5 baths    | 2569               | \$ 1,985.21     | No               | \$ 3,021           |
|              |                   |                 |             |              | Average            | \$ 1,600.73     |                  |                    |

|     |              |       |        |           |         |             |     |          |
|-----|--------------|-------|--------|-----------|---------|-------------|-----|----------|
| 707 | \$ 7,900,000 | 0.0%  | 4 beds | 4.5 baths | 3110    | \$ 2,540.19 | No  | \$ 3,575 |
| 306 | \$ 4,999,000 | -8.6% | 4 beds | 5.5 baths | 3242    | \$ 1,541.95 | No  | \$ 4,268 |
| 307 | \$ 5,945,000 | 0.0%  | 4 beds | 5.5 baths | 3041    | \$ 1,954.95 | Yes | \$ 3,721 |
|     |              |       |        |           | Average | \$ 1,741.84 |     |          |

|     |               |      |        |           |      |             |    |          |
|-----|---------------|------|--------|-----------|------|-------------|----|----------|
| 207 | \$ 15,100,000 | 0.0% | 5 beds | 5.5 baths | 5586 | \$ 2,703.19 | No | \$ 6,569 |
|-----|---------------|------|--------|-----------|------|-------------|----|----------|

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 108          | \$ 1,160,000       | 0.0%            | 1 beds      | 1 baths      | 889                | \$ 1,304.84     | No               | \$ 1,001           | 1/12/2018          |
| 505          | \$ 3,100,000       | 0.0%            | 3 beds      | 3.5 baths    | 2122               | \$ 1,460.89     | Yes              | \$ 2,200           | 1/16/2018          |
| 402          | \$ 2,975,000       | 0.0%            | 3 beds      | 3.5 baths    | 2190               | \$ 1,358.45     | No               | \$ 2,503           | 6/20/2017          |
| 403          | \$ 3,975,000       | 0.0%            | 3 beds      | 3.5 baths    | 2860               | \$ 1,389.86     | No               | \$ 3,255           | 4/19/2017          |
| 303          | \$ 3,300,000       | -22.5%          | 3 beds      | 3.5 baths    | 2750               | \$ 1,200.00     | No               | \$ 2,954           | 3/31/2017          |
| 405          | \$ 2,450,000       | -14.8%          | 3 beds      | 3.5 baths    | 2060               | \$ 1,189.32     | No               | \$ 2,200           | 11/15/2016         |
|              |                    |                 |             |              | Average            | \$ 1,318.64     |                  |                    |                    |
| 701          | \$ 6,500,000       | 8.3%            | 4 beds      | 4.5 baths    | 3420               | \$ 1,900.58     | No               | \$ 3,933           | 2/28/2018          |
| 301          | \$ 3,760,000       | -19.8%          | 4 beds      | 4.5 baths    | 3534               | \$ 1,063.95     | No               | \$ 3,945           | 10/10/2017         |
|              |                    |                 |             |              | Average            | \$ 1,475.41     |                  |                    |                    |
| 407          | \$ 4,345,000       | -3.9%           | 5 beds      | 5.5 baths    | 3133               | \$ 1,386.85     | No               | \$ 3,515           | 5/12/2017          |

**CAPRI SOUTH BEACH - 1445 & 1460 16TH STREET, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 401          | \$ 1,249,000      | -1.3%           | 2 beds      | 2 baths      | 1128               | \$1,107.27      | No               | \$ 1,100           |
| 505          | \$ 1,300,000      | -10.9%          | 2 beds      | 2.5 baths    | 1396               | \$ 931.23       | No               | \$ 1,550           |
| 805          | \$ 1,350,000      | 0.0%            | 2 beds      | 2.5 baths    | 1396               | \$ 967.05       | No               | \$ 1,584           |
| UP-5         | \$ 1,395,000      | -13.4%          | 2 beds      | 2.5 baths    | 1396               | \$ 999.28       | No               | \$ 1,584           |
| 102          | \$ 1,549,000      | -6.3%           | 2 beds      | 2.5 baths    | 1380               | \$1,122.46      | No               | \$ 1,566           |
|              |                   |                 |             |              | Average            | \$1,004.67      |                  |                    |
| 1103         | \$ 2,200,000      | -6.6%           | 2 beds      | 3 baths      | 1919               | \$1,146.43      | No               | \$ 2,137           |
| 501          | \$ 1,895,000      | 0.0%            | 3 beds      | 2.5 baths    | 1974               | \$ 959.98       | No               | \$ 2,057           |
| 702          | \$ 2,700,000      | 0.0%            | 3 beds      | 3 baths      | 1842               | \$1,465.80      | Yes              | \$ 2,104           |
| 403          | \$ 1,895,000      | 0.0%            | 3 beds      | 3.5 baths    | 1919               | \$ 987.49       | No               | \$ 2,137           |
| 604/605      | \$ 2,250,000      | 0.0%            | 3 beds      | 3.5 baths    | 2179               | \$1,032.58      | No               | \$ 2,449           |
|              |                   |                 |             |              | Average            | \$1,011.47      |                  |                    |

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| 704/705      | \$ 1,997,900      | 0.0%            | 4 beds      | 3 baths      | 2179               | \$ 916.89       | No               | \$ 2,498           | 6/1/2018            |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 301          | \$ 1,150,000       | 0.0%            | 2 beds      | 2 baths      | 1128               | \$1,019.50      | Yes              | \$ 1,100           | 4/29/2017          |
| 803          | \$ 2,000,000       | -4.2%           | 2 beds      | 3 baths      | 1919               | \$1,042.21      | No               | \$ 2,090           | 10/14/2016         |
| PH-4         | \$ 2,100,000       | -21.6%          | 3 beds      | 3 baths      | 2165               | \$ 969.98       | No               | \$ 2,474           | 10/21/2016         |
| PH-1         | \$ 5,500,000       | 0.0%            | 3 beds      | 3.5 baths    | 2970               | \$1,851.85      | No               | \$ 3,377           | 5/25/2017          |

**MAREA MIAMI BEACH - 801 S. POINTE DRIVE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 305          | \$ 1,650,000      | -16.7%          | 2 beds      | 2.5 baths    | 1854               | \$ 889.97       | No               | \$ 3,313           |
| 303          | \$ 1,595,000      | -9.3%           | 3 beds      | 2.5 baths    | 1525               | \$1,045.90      | Yes              | \$ 2,647           |
| 301          | \$ 3,500,000      | 0.0%            | 3 beds      | 2.5 baths    | 2140               | \$1,635.51      | Yes              | \$ 3,522           |
|              |                   |                 |             |              | Average            | \$1,390.18      |                  |                    |
| 401          | \$ 3,550,000      | -18.9%          | 3 beds      | 3.5 baths    | 2140               | \$1,658.88      | Yes              | \$ 3,803           |
| 501          | \$ 3,675,000      | -3.3%           | 3 beds      | 3.5 baths    | 2332               | \$1,575.90      | No               | \$ 250             |
| PH-3         | \$ 6,989,000      | 0.0%            | 3 beds      | 3.5 baths    | 2788               | \$2,506.81      | No               | \$ 4,900           |
|              |                   |                 |             |              | Average            | \$1,957.85      |                  |                    |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 304          | \$ 1,550,000       | -43.8%          | 2 beds      | 2.5 baths    | 1525               | \$1,016.39      | No               | \$ 2,351           | 2/28/2017          |
| 402          | \$ 2,200,000       | -24.1%          | 3 beds      | 2.5 baths    | 1854               | \$1,186.62      | No               | \$ 2,900           | 3/1/2017           |
| 506          | \$ 3,320,000       | -8.1%           | 3 beds      | 3.5 baths    | 2154               | \$1,541.32      | No               | \$ 4,129           | 5/18/2018          |
| PH2          | \$ 5,995,000       | -7.5%           | 3 beds      | 3.5 baths    | 2898               | \$2,068.67      | Yes              | \$ 5,325           | 5/10/2018          |
|              |                    |                 |             |              | Average            | \$1,843.82      |                  |                    |                    |

**THE COSMOPOLITAN SOUTH BEACH - 110 WASHINGTON AVENUE, MIAMI BEACH**

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|
| 1422         | \$ 409,900        | -9.1%           | 1 beds      | 1 baths      | 686                | \$ 597.52       | No               | \$ 573             |
| 2311         | \$ 449,000        | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 654.52       | Yes              | \$ 573             |
| 1210         | \$ 499,000        | 0.0%            | 1 beds      | 1 baths      | 861                | \$ 579.56       | No               | \$ 699             |
|              |                   |                 |             |              | Average            | \$ 608.11       |                  |                    |
| 1503         | \$ 539,500        | -6.4%           | 1 beds      | 1.5 baths    | 826                | \$ 653.15       | No               | \$ 690             |
| 2602         | \$ 565,000        | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 684.02       | No               | \$ 690             |
| 1307         | \$ 580,000        | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 702.18       | No               | \$ 690             |
| 1413         | \$ 584,500        | -0.9%           | 1 beds      | 1.5 baths    | 826                | \$ 707.63       | No               | \$ 690             |
|              |                   |                 |             |              | Average            | \$ 686.74       |                  |                    |
| 1505         | \$ 729,000        | -8.5%           | 2 beds      | 2 baths      | 1010               | \$ 721.78       | No               | \$ 849             |
| 1804         | \$ 780,000        | 0.0%            | 2 beds      | 2 baths      | 1010               | \$ 772.28       | No               | \$ 850             |
| 1605         | \$ 789,000        | -1.3%           | 2 beds      | 2 baths      | 1010               | \$ 781.19       | No               | \$ 850             |
| 2601         | \$ 830,000        | 0.0%            | 2 beds      | 2 baths      | 1196               | \$ 693.98       | No               | \$ 1,006           |
|              |                   |                 |             |              | Average            | \$ 740.18       |                  |                    |
| 2516         | \$ 775,000        | 0.0%            | 2 beds      | 2.5 baths    | 1177               | \$ 658.45       | No               | \$ 958             |
| 1614         | \$ 785,000        | 0.0%            | 2 beds      | 2.5 baths    | 1247               | \$ 629.51       | No               | \$ 1,051           |
|              |                   |                 |             |              | Average            | \$ 643.56       |                  |                    |

| <u>UNIT#</u> | <u>LIST PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>PENDING DATE</u> |
|--------------|-------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|---------------------|
| 1512         | \$ 435,000        | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 634.11       | No               | \$ 572             | 4/26/2018           |

| <u>UNIT#</u> | <u>SALES PRICE</u> | <u>% CHANGE</u> | <u>BEDS</u> | <u>BATHS</u> | <u>SQ. FOOTAGE</u> | <u>PRICE/SF</u> | <u>FURNISHED</u> | <u>MAINTENANCE</u> | <u>CLOSED DATE</u> |
|--------------|--------------------|-----------------|-------------|--------------|--------------------|-----------------|------------------|--------------------|--------------------|
| 1306         | \$ 490,000         | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 714.29       | Yes              | \$ 572             | 2/14/2018          |
| 1312         | \$ 400,000         | -10.1%          | 1 beds      | 1 baths      | 686                | \$ 583.09       | No               | \$ 571             | 12/29/2017         |
| 2420         | \$ 415,000         | -3.7%           | 1 beds      | 1 baths      | 686                | \$ 604.96       | No               | \$ 571             | 10/20/2017         |
| 1806         | \$ 375,000         | -2.5%           | 1 beds      | 1 baths      | 686                | \$ 546.65       | No               | \$ 573             | 10/13/2017         |
| 2520         | \$ 398,000         | -21.7%          | 1 beds      | 1 baths      | 686                | \$ 580.17       | No               | \$ 571             | 6/19/2017          |
| 1411         | \$ 435,000         | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 634.11       | No               | \$ 573             | 5/30/2017          |
| 2614         | \$ 415,000         | -3.0%           | 1 beds      | 1 baths      | 686                | \$ 604.96       | No               | \$ 551             | 4/5/2017           |
| 1718         | \$ 420,000         | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 612.24       | No               | \$ 573             | 11/21/2016         |
| 1512         | \$ 410,000         | 0.0%            | 1 beds      | 1 baths      | 686                | \$ 597.67       | No               | \$ 573             | 11/15/2016         |
| 1316         | \$ 476,500         | 0.0%            | 1 beds      | 1 baths      | 826                | \$ 576.88       | No               | \$ 690             | 9/26/2016          |
|              |                    |                 |             |              | Average            | \$ 604.93       |                  |                    |                    |
| 2502         | \$ 520,000         | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 629.54       | No               | \$ 690             | 6/11/2018          |
| 1213         | \$ 580,000         | 0.0%            | 1 beds      | 1.5 baths    | 899                | \$ 645.16       | No               | \$ 742             | 2/13/2018          |
| 1619         | \$ 560,000         | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 677.97       | Yes              | \$ 690             | 11/15/2017         |
| 1823         | \$ 560,000         | -1.7%           | 1 beds      | 1.5 baths    | 826                | \$ 677.97       | No               | \$ 690             | 9/18/2017          |
| 2322         | \$ 625,000         | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 756.66       | No               | \$ 691             | 1/27/2017          |
| 2309         | \$ 510,000         | 0.0%            | 1 beds      | 1.5 baths    | 826                | \$ 617.43       | No               | \$ 665             | 11/23/2016         |
| 2318         | \$ 490,000         | -5.6%           | 1 beds      | 1.5 baths    | 826                | \$ 593.22       | No               | \$ 690             | 10/17/2016         |
|              |                    |                 |             |              | Average            | \$ 656.70       |                  |                    |                    |
| 2507         | \$ 748,000         | 0.0%            | 2 beds      | 2 baths      | 1196               | \$ 625.42       | No               | \$ 1,007           | 5/17/2018          |
| 1805         | \$ 635,000         | -5.7%           | 2 beds      | 2 baths      | 1010               | \$ 628.71       | No               | \$ 850             | 4/27/2018          |
| 1315         | \$ 775,000         | 0.0%            | 2 beds      | 2 baths      | 1196               | \$ 647.99       | No               | \$ 1,006           | 12/7/2017          |
| 1305         | \$ 750,000         | 0.0%            | 2 beds      | 2 baths      | 1010               | \$ 742.57       | Yes              | \$ 843             | 10/30/2017         |
| 1821         | \$ 785,000         | 0.0%            | 2 beds      | 2 baths      | 1196               | \$ 656.35       | No               | \$ 999             | 6/15/2017          |
| 2521         | \$ 715,000         | -2.6%           | 2 beds      | 2 baths      | 1196               | \$ 597.83       | No               | \$ 1,005           | 5/31/2017          |
| 1515         | \$ 760,000         | 0.0%            | 2 beds      | 2 baths      | 1196               | \$ 635.45       | Yes              | \$ 1,005           | 3/14/2017          |
|              |                    |                 |             |              | Average            | \$ 646.00       |                  |                    |                    |
| 1414         | \$ 770,000         | 0.0%            | 2 beds      | 2.5 baths    | 1247               | \$ 617.48       | No               | \$ 1,041           | 7/28/2016          |
| 1601 & 1603  | \$ 1,375,000       | -28.6%          | 4 beds      | 3 baths      | 2022               | \$ 680.02       | No               | \$ 1,512           | 4/1/2017           |

**500 BLOCK**

|              | Units            | Resi NSF          | Retail SF | GSF                | Floorplate        | Parking           |
|--------------|------------------|-------------------|-----------|--------------------|-------------------|-------------------|
| Roof         |                  |                   |           |                    |                   |                   |
| Level 42     | 5 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 41     | 5 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 40     | 5 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 39     | 5 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 38     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 37     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 36     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 35     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 34     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 33     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 32     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 31     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 30     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 29     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 28     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 27     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 26     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 25     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 24     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 23     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 22     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 21     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 20     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 19     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 18     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 17     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 16     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 15     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 14     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 13     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 12     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 11     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 10     | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 9      | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 8      | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 7      | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 6      | 9 Units          | 11,125 SF         |           | 13,793 GSF         | 17,070 SF         |                   |
| Level 5      | 0 Units          | 0 SF              |           | 6,753 GSF          | 17,070 SF         | AMENITY           |
| Level 4      | 0 Units          | 0 SF              |           | 0 GSF              | 35,060 SF         | 84 Spaces         |
| Level 3      | 0 Units          | 0 SF              |           | 10,252 GSF         | 47,460 SF         | 121 Spaces        |
| Level 2      | 0 Units          | 0 SF              |           | 0 GSF              | 35,060 SF         | 121 Spaces        |
| Level 1      | 0 Units          | 0 SF              |           | 8,300 GSF          | 47,460 SF         | 84 Spaces         |
| Basement     | 0 Units          | 0 SF              |           | 0 GSF              | -43,945 SF        | 143 Spaces        |
| <b>Total</b> | <b>317 Units</b> | <b>411,625 SF</b> |           | <b>535,646 GSF</b> | <b>857,645 SF</b> | <b>553 Spaces</b> |

**42 STORIES**

|                       |                   |
|-----------------------|-------------------|
| <b>Total Units</b>    | <b>317 Units</b>  |
| <b>Total Resi NSF</b> | <b>411,625 SF</b> |
| <b>Avg. Unit Size</b> | <b>1,299 SF</b>   |
| <b>Total Parking</b>  | <b>553 Spaces</b> |
| <b>FAR</b>            | <b>535,646 SF</b> |

**600 BLOCK**

|              | Units          | Resi NSF    | Retail SF        | GSF               | Floorplate       | Parking            |
|--------------|----------------|-------------|------------------|-------------------|------------------|--------------------|
| Level 1      | N/A            | N/A         | 32,680 SF        | 35,960 GSF        | N/A              | 99 On-Grade Spaces |
| Basement     | 0 Units        | 0 SF        | 0                |                   | 87,450 GSF       | 232 Spaces         |
| <b>Total</b> | <b>0 Units</b> | <b>0 SF</b> | <b>32,680 SF</b> | <b>35,960 GSF</b> | <b>87,450 SF</b> | <b>331 Spaces</b>  |

**500-600 Alton Assumptions**

| Unit Breakdown | Unit Type | Unit Mix    | Units Count      | Unit Size | FAR for Res'l     | FAR/FL     |
|----------------|-----------|-------------|------------------|-----------|-------------------|------------|
|                | 1 BR      | 42%         | 132 Units        | 975 SF    | 128,700 SF        | 510,341 SF |
|                | 2 BR      | 42%         | 132 Units        | 1,375 SF  | 181,500 SF        | 510,341 SF |
|                | 3 BR      | 12%         | 37 Units         | 1,775 SF  | 65,675 SF         |            |
|                | 4 BR      | 5%          | 16 Units         | 2,215 SF  | 35,440 SF         | 11,341 SF  |
| <b>Total</b>   |           | <b>100%</b> | <b>317 Units</b> |           | <b>411,315 SF</b> |            |

|                              |           |
|------------------------------|-----------|
| Unit Avg. Size               | 1,298 SF  |
| 42-story FAR per Tower Floor | 13,793 SF |

|                             |            |                           |
|-----------------------------|------------|---------------------------|
| 500-600-700 Alton Total FAR | 571,606 SF | (170,696 SF + 400,910 SF) |
| 600-700 Alton Retail FAR    | 35,960 SF  |                           |
| 500 Alton FAR               | 535,646 SF |                           |
| 500 Alton NSF               | 411,315 SF |                           |
| Efficiency (NSF/FAR)        | 76.79%     |                           |

**Reduction of Density and Intensity**

|                            | As Approved | Proposed  | Difference |
|----------------------------|-------------|-----------|------------|
| Intensity - Commerical FAR | 70,576 SF   | 35,960 SF | 34,616 SF  |
| Densit - Residential Units | 503 Units   | 317 Units | 186 Units  |





|   |               |
|---|---------------|
| Potential Gross Income (Year 1) :       | \$1,589,980   |
| Estimated Monthly Rent Per Square Foot: | \$3.50        |
| Estimated Average Monthly Rent/Unit:    | \$3,278       |
| Total Condominium Area (SF) :           | 454,280       |
| Total Condominium Units:                | 485           |
| Average Unit Size (SF) :                | 937           |
| Estimated Gross Sell-Out Value:         | \$227,140,000 |
| Average Sale Price/Unit:                | \$468,330     |
| Average Sale Price/SF:                  | \$500.00      |
| Income & Expense Escalation Rate:       | 3%            |
| Condominium Appreciation Rate:          | 0%            |

**500 & 600 ALTON ROAD AND 659-737 WEST AVENUE, MIAMI BEACH, FLORIDA**  
**DISCOUNTED CASH FLOW ANALYSIS**  
**IN A POTENTIAL RENTAL-CONDOMINIUM SELL-OUT SCENARIO (FOR ILLUSTRATIVE PURPOSES)**

|   | YEAR<br><u>ONE</u>  | YEAR<br><u>TWO</u>  | YEAR<br><u>THREE</u> | YEAR<br><u>FOUR</u> | <u>TOTAL</u>         |
|---|---------------------|---------------------|----------------------|---------------------|----------------------|
| POTENTIAL GROSS RENTAL INCOME   | \$1,589,980         | \$1,637,680         | \$1,686,810          | \$1,737,410         |                      |
| Vacancy and Collection Loss % (See Effective Occupancy Below)   | 0%                  | 0%                  | 0%                   | 0%                  |                      |
| Less: Vacancy and Collection Loss   | \$0                 | \$0                 | \$0                  | \$0                 |                      |
| POTENTIAL GROSS RENTAL INCOME   | \$1,589,980         | \$1,637,680         | \$1,686,810          | \$1,737,410         |                      |
| POTENTIAL EXPENSE PASS-THROUGH  | \$0                 | \$0                 | \$0                  | \$0                 |                      |
| Vacancy and Collection Loss % (See Effective Occupancy Below)   | 0%                  | 0%                  | 0%                   | 0%                  |                      |
| Less: Vacancy and Collection Loss   | \$0                 | \$0                 | \$0                  | \$0                 |                      |
| POTENTIAL EXPENSE PASS-THROUGH  | \$0                 | \$0                 | \$0                  | \$0                 |                      |
| <b>TOTAL POTENTIAL GROSS RENTAL INCOME</b>  | <b>\$1,589,980</b>  | <b>\$1,637,680</b>  | <b>\$1,686,810</b>   | <b>\$1,737,410</b>  |                      |
| EFFECTIVE OCCUPANCY RATE FOR INCOME (AVERAGE UNSOLD RENTAL SPACE) ,LESS 10%<br>(Based on the amount of unsold rental space at the beginning and end of each period) | 77.11%              | 51.34%              | 25.57%               | 1.34%               |                      |
| <b>TOTAL EFFECTIVE GROSS RENTAL INCOME</b>  | <b>\$1,226,088</b>  | <b>\$840,788</b>    | <b>\$431,267</b>     | <b>\$23,285</b>     |                      |
| TOTAL FIXED AND VARIABLE OPERATING EXPENSES 40%   | \$490,435           | \$336,315           | \$172,507            | \$9,314             |                      |
| <b>PRO-RATED NET OPERATING INCOME FROM UNSOLD SPACE</b>   | <b>\$735,653</b>    | <b>\$504,473</b>    | <b>\$258,760</b>     | <b>\$13,971</b>     | <b>\$1,512,857</b>   |
| Total Condominium Area Available For Sale (1)   | 454,280             | 337,198             | 220,115              | 103,033             |                      |
| Projected Annual Absorption Rate  | 117,082             | 117,082             | 117,082              | 103,033             |                      |
| Condominium Area to be Sold   | 117,082             | 117,082             | 117,082              | 103,033             |                      |
| Condominium Units to be Sold  | 125                 | 125                 | 125                  | 110                 |                      |
| Remaining Condominium Area to be Sold (2)   | 337,198             | 220,115             | 103,033              | 0                   |                      |
| Average Amount of Unsold Space Generating Rent [ (1) + (2) ] / 2  | 395,739             | 278,656             | 161,574              | 51,516              |                      |
| Percentage of Total Space   | 87.11%              | 61.34%              | 35.57%               | 11.34%              |                      |
| Projected Sale Price/SF in "As Is" Condition  | \$500.00            | \$500.00            | \$500.00             | \$500.00            |                      |
| <b>PROJECTED CONDOMINIUM SALES REVENUE</b>  | <b>\$58,541,237</b> | <b>\$58,541,237</b> | <b>\$58,541,237</b>  | <b>\$51,516,289</b> | <b>\$227,140,000</b> |
| Less: Sales Commissions (6%)  | \$3,512,470         | \$3,512,470         | \$3,512,470          | \$3,090,980         |                      |
| Less: Condominium Administrative and Contingencies (3%)   | \$1,756,240         | \$1,756,240         | \$1,756,240          | \$1,545,490         |                      |
| <b>CONDOMINIUM SALES COST</b>   | <b>\$5,268,710</b>  | <b>\$5,268,710</b>  | <b>\$5,268,710</b>   | <b>\$4,636,470</b>  | <b>\$20,442,600</b>  |
| <b>NET CONDOMINIUM SALES REVENUE</b>  | <b>\$53,272,527</b> | <b>\$53,272,527</b> | <b>\$53,272,527</b>  | <b>\$46,879,819</b> | <b>\$208,697,400</b> |
| <b>PLUS: PRO-RATED NET OPERATING INCOME</b><br>(Based on period beginning and end unsold space)   | <b>\$735,653</b>    | <b>\$504,473</b>    | <b>\$258,760</b>     | <b>\$13,971</b>     | <b>\$1,512,857</b>   |
| <b>TOTAL CASH FLOW (RENTAL NOI, AND NET SALES REVENUE; RESIDENTIAL COMPONENT)</b>   | <b>\$54,008,180</b> | <b>\$53,777,000</b> | <b>\$53,531,287</b>  | <b>\$46,893,790</b> | <b>\$208,210,257</b> |

|                          | <u>I.R.R.</u> | <u>CASH FLOW</u> | <u>ROUNDED</u> | <u>VALUE/SF</u> | <u>VALUE/UNIT</u> |
|--------------------------|---------------|------------------|----------------|-----------------|-------------------|
| Net Present Value at 16% | 16%           | \$146,718,100    | \$146,720,000  | \$322.97        | \$302,515         |
| Net Present Value at 15% | 15%           | \$149,636,100    | \$149,635,000  | \$329.39        | \$308,526         |
| Net Present Value at 14% | 14%           | \$152,652,200    | \$152,650,000  | \$336.03        | \$314,742         |

|  |                      |
|--|----------------------|
| DISCOUNTED NET PRESENT VALUE TO A SINGLE PURCHASER<br>IN A CONDOMINIUM SELL-OUT, WITH INTERIM RENTAL USE (Rounded)               | \$149,600,000        |
| ESTIMATED PROSPECTIVE MARKET VALUE OF THE RETAIL COMPONENT<br>(73,671 SF OF RETAIL AT MULTIPLE BUILDINGS, AT \$900/SF) (Rounded) | \$66,300,000         |
| <b>TOTAL ESTIMATED PROSPECTIVE VALUE AT COMPLETION</b>   | <b>\$215,900,000</b> |

|   |               |
|---|---------------|
| Potential Gross Income (Year 1) :       | \$1,540,958   |
| Estimated Monthly Rent Per Square Foot: | \$3.75        |
| Estimated Average Monthly Rent/Unit:    | \$4,861       |
| Total Condominium Area (SF) :           | 410,922       |
| Total Condominium Units:                | 317           |
| Average Unit Size (SF) :                | 1,296         |
| Estimated Gross Sell-Out Value:         | \$367,032,000 |
| Average Sale Price/Unit:                | \$1,157,830   |
| Average Sale Price/SF:                  | \$893.19      |
| Income & Expense Escalation Rate:       | 3%            |
| Condominium Appreciation Rate:          | 0%            |

| 500 ALTON ROAD, MIAMI BEACH, FLORIDA<br>DISCOUNTED CASH FLOW ANALYSIS<br>IN A POTENTIAL RENTAL-CONDOMINIUM SELL-OUT SCENARIO (FOR ILLUSTRATIVE PURPOSES)            |              |               |               |               |               |
|---|--------------|---------------|---------------|---------------|---------------|
|   | YEAR ONE     | YEAR TWO      | YEAR THREE    | YEAR FOUR     | TOTAL         |
| POTENTIAL GROSS RENTAL INCOME   | \$1,540,958  | \$1,587,190   | \$1,634,810   | \$1,683,850   |               |
| Vacancy and Collection Loss % (See Effective Occupancy Below)   | 0%           | 0%            | 0%            | 0%            |               |
| Less: Vacancy and Collection Loss   | \$0          | \$0           | \$0           | \$0           |               |
| POTENTIAL GROSS RENTAL INCOME   | \$1,540,958  | \$1,587,190   | \$1,634,810   | \$1,683,850   |               |
| POTENTIAL EXPENSE PASS-THROUGH  | \$0          | \$0           | \$0           | \$0           |               |
| Vacancy and Collection Loss % (See Effective Occupancy Below)   | 0%           | 0%            | 0%            | 0%            |               |
| Less: Vacancy and Collection Loss   | \$0          | \$0           | \$0           | \$0           |               |
| POTENTIAL EXPENSE PASS-THROUGH  | \$0          | \$0           | \$0           | \$0           |               |
| TOTAL POTENTIAL GROSS RENTAL INCOME   | \$1,540,958  | \$1,587,190   | \$1,634,810   | \$1,683,850   |               |
| EFFECTIVE OCCUPANCY RATE FOR INCOME (AVERAGE UNSOLD RENTAL SPACE) ,LESS 10%<br>(Based on the amount of unsold rental space at the beginning and end of each period) | 78.96%       | 56.88%        | 31.64%        | 3.72%         |               |
| TOTAL EFFECTIVE GROSS RENTAL INCOME   | \$1,216,724  | \$902,746     | \$517,260     | \$62,680      |               |
| TOTAL FIXED AND VARIABLE OPERATING EXPENSES 40%   | \$486,690    | \$361,098     | \$206,904     | \$25,072      |               |
| PRO-RATED NET OPERATING INCOME FROM UNSOLD SPACE  | \$730,035    | \$541,647     | \$310,356     | \$37,608      | \$1,619,646   |
| Total Condominium Area Available For Sale (1)   | 410,922      | 320,182       | 229,442       | 112,777       |               |
| Projected Annual Absorption Rate  | 90,740       | 90,740        | 116,666       | 112,777       |               |
| Condominium Area to be Sold   | 90,740       | 90,740        | 116,666       | 112,777       |               |
| Condominium Units to be Sold  | 70           | 70            | 90            | 87            |               |
| Remaining Condominium Area to be Sold (2)   | 320,182      | 229,442       | 112,777       | 0             |               |
| Average Amount of Unsold Space Generating Rent [ (1) + (2) ] / 2  | 365,552      | 274,812       | 171,109       | 56,388        |               |
| Percentage of Total Space   | 88.96%       | 66.88%        | 41.64%        | 13.72%        |               |
| Projected Sale Price/SF in "As Is" Condition  | \$893.19     | \$893.19      | \$893.19      | \$893.19      |               |
| PROJECTED CONDOMINIUM SALES REVENUE   | \$81,048,076 | \$81,048,076  | \$104,204,669 | \$100,731,180 | \$367,032,000 |
| Less: Sales Commissions (6%)  | \$4,862,880  | \$4,862,880   | \$6,252,280   | \$6,043,870   |               |
| Less: Condominium Administrative and Contingencies (3%)   | \$2,431,440  | \$2,431,440   | \$3,126,140   | \$3,021,940   |               |
| CONDOMINIUM SALES COST  | \$7,294,320  | \$7,294,320   | \$9,378,420   | \$9,065,810   | \$33,032,870  |
| NET CONDOMINIUM SALES REVENUE   | \$73,753,756 | \$73,753,756  | \$94,826,249  | \$91,665,370  | \$333,999,130 |
| PLUS; PRO-RATED NET OPERATING INCOME<br>(Based on period beginning and end unsold space)  | \$730,035    | \$541,647     | \$310,356     | \$37,608      | \$1,619,646   |
| TOTAL CASH FLOW (RENTAL NOI, AND NET SALES REVENUE; RESIDENTIAL COMPONENT)  | \$74,483,790 | \$74,295,403  | \$95,136,605  | \$91,702,978  | \$335,618,776 |
|   | I.R.R.       | CASH FLOW     | ROUNDED       | VALUE/SF      | VALUE/UNIT    |
| Net Present Value at 16%  |              | \$231,020,500 | \$231,020,000 | \$562.20      | \$728,770     |
| Net Present Value at 15%  |              | \$235,931,800 | \$235,930,000 | \$574.15      | \$744,259     |
| Net Present Value at 14%  |              | \$241,014,600 | \$241,015,000 | \$586.52      | \$760,300     |
| DISCOUNTED NET PRESENT VALUE TO A SINGLE PURCHASER<br>IN A CONDOMINIUM SELL-OUT, WITH INTERIM RENTAL USE (Rounded)  |              |               |               | \$235,900,000 |               |
| PLUS: ESTIMATED PROSPECTIVE MARKET VALUE OF THE RETAIL COMPONENT<br>(32,680 SF AT 600 ALTON ROAD, AT \$900/SF) (Rounded)  |              |               |               | \$29,400,000  |               |
| TOTAL ESTIMATED PROSPECTIVE VALUE AT COMPLETION   |              |               |               | \$265,300,000 |               |

**DEVELOPMENT COST SUMMARY OF THE 42-STORY RESIDENTIAL COMPONENT AT THE "500 SITE"**

Address: 500 Alton Road  
Miami Beach, FLORIDA

Gross Building Area (SF) : 535,646  
 Gross Building Area (SF) of Tower: 510,341  
 Gross Building Area (SF) of Amenities Space: 6,753  
 Gross Building Area (SF) of Above-ground Parking Garage: 165,040  
 Gross Building Area (SF) of Below-ground Parking Garage: 43,945  
 Site Area (SF) : 85,348  
 Number of Floors of Pedestal: 5  
 Number of Floors of Residential Tower: 37

|   | SQUARE<br>FOOT | COST<br>\$/SF   | COST                 | TOTAL<br>COST        |
|---|----------------|-----------------|----------------------|----------------------|
| Construction Cost (High-rise Residential Building; Section 11, Page 15; Floors 6-8 )                          | 41,379         | \$249.87        | \$10,339,321         |                      |
| Construction Cost (High-rise Residential Building; Section 11, Page 15; Floors 9-38 )                         | 413,790        | \$251.12        | \$103,910,177        |                      |
| Construction Cost (High-rise Residential Building; Section 11, Page 15; Floors 39-42 )                        | 55,172         | \$252.12        | \$13,910,109         |                      |
| Construction Cost (Amenities/Clubhouse Space; Section 11, Page 30 )   | 6,753          | \$191.81        | \$1,295,279          |                      |
| Construction Cost (Above-ground Parking Garage; Section 14, Page 34 )   | 165,040        | \$71.69         | \$11,831,388         |                      |
| Construction Cost (Below-ground Parking Garage; Section 13, Page 26 )   | 43,945         | \$59.82         | \$2,628,895          |                      |
| Construction Cost (Site Improvements; Landscaping )   | 85,348         | \$0.70          | <u>\$60,000</u>      |                      |
|   |                |                 | \$143,975,169        |                      |
| <b>A) Total Hard Construction Cost</b>  | <b>535,646</b> | <b>\$268.79</b> | <b>\$143,975,169</b> | <b>\$143,975,169</b> |
| Indirect Costs (Architect, engineers, professional, supervision and legal fees )                              | 8%             | \$21.50         | \$11,518,000         |                      |
| Real Estate Taxes (During Construction )  | 535,646        | \$0.10          | <u>\$54,400</u>      |                      |
| <b>B) Total Indirect Cost</b>   | <b>535,646</b> | <b>\$21.60</b>  | <b>\$11,572,400</b>  | <b>\$155,547,569</b> |
| Financing Cost / Interest (at 5.5%, outstanding for an average of 1.5 years )                                 |                |                 | \$12,832,700         |                      |
| Financing Cost / Points (1% of Loan )   |                |                 | <u>\$1,555,500</u>   |                      |
| <b>C) Total Financing Cost</b>  | <b>535,646</b> | <b>\$26.86</b>  | <b>\$14,388,200</b>  | <b>\$169,935,769</b> |
| <b>D) Profit / Overhead</b>   | <b>10%</b>     | <b>\$31.73</b>  | <b>\$16,994,000</b>  | <b>\$186,929,769</b> |
| <b>REPLACEMENT COST NEW OF IMPROVEMENTS (Rounded )</b>  | <b>535,646</b> | <b>\$348.92</b> | <b>\$186,900,000</b> |                      |
| INCURABLE PHYSICAL DEPRECIATION (New/proposed construction )  | 0%             |                 | \$0                  |                      |
| FUNCTIONAL OBSOLESCENCE   | 0%             |                 | \$0                  |                      |
| CURABLE PHYSICAL DEPRECIATION (No deferred maintenance )  | 0%             |                 | <u>\$0</u>           |                      |
| <b>TOTAL PHYSICAL DEPRECIATION</b>  |                |                 | <b>\$0</b>           |                      |
| <b>ESTIMATED COST OF CONSTRUCTION (RESIDENTIAL COMPONENT)</b>   |                |                 | <b>\$187,000,000</b> |                      |
| (Based on preliminary construction details for a conceptual building which does not yet have approved plans ) |                |                 |                      |                      |

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#### QUALIFICATIONS

**Experience:** Thirty years in the field of real estate appraisal, appraisal review, consultation, expert witness, economic research and market analysis.

**Membership:** Appraisal Institute, MAI  
CCIM Institute  
Miami Society of Commercial Realtors  
Miami Association of Realtors

**Professional Experience:** J. Alhale Appraisals, Inc., President, September 2009 to present  
J.B. Alhale & Associates, Inc., President, May 1994 to present  
Dixon and Friedman, Inc., Senior Appraiser, Oct. 1991 - May 1994  
R.G. Davis & Associates, Inc., Fee Appraiser, Jan. 1991 - Oct. 1991  
Izenberg Appraisal Assoc., Inc., Staff Appraiser, July 1988 - Dec. 1990

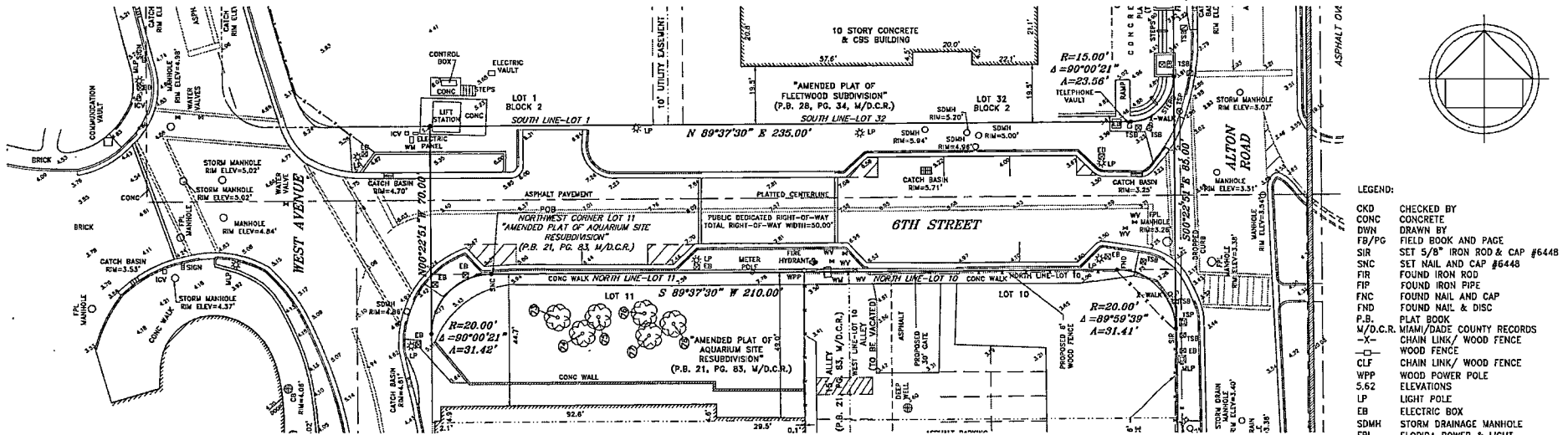
**Education:** Master of Science, Computer Science  
Rensselaer Polytechnic Institute, Troy, New York  
  
Bachelor of Arts, Cum Laude, Computer Science  
New York University, New York, New York  
  
Associate Engineering Degree, Computer Science  
Tel Aviv University, Tel Aviv, Israel

**Licensed:** State Certified General Real Estate Appraiser - State of Florida  
Real Estate Salesman - State of Florida

**Assignments:** Vacant land, industrial facilities, shopping centers, office buildings, rental and condominium apartment buildings, hotel/motel facilities, other special-purpose properties, air rights, as well as valuation of Leased Fee and Leasehold Interests, undivided partial interests for financing, litigation, divorce, estate taxes, gift taxes, trusts, etc. Economic research, expert witness, Highest and Best Use analysis, market analysis, feasibility analysis pertaining to commercial, industrial, lodging, retail, office, multi-family residential and special-purpose properties.

**J. ALHALE APPRAISALS, INC.**  
Real Estate Appraisers and Consultants

# SKETCH OF SURVEY



LAND DESCRIPTION: (6TH STREET)

A PORTION OF 6TH STREET AS SHOWN ON "AMENDED PLAT OF FLEETWOOD SUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 28, PAGE 34, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, AND "AMENDED PLAT OF AQUARIUM SITE RESUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 21, PAGE 83, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1, BLOCK 2, OF SAID "AMENDED PLAT OF FLEETWOOD SUBDIVISION";

THENCE NORTH 89°37'30" EAST ALONG THE SOUTH LINE OF LOT 32, BLOCK 2 OF SAID "AMENDED PLAT OF FLEETWOOD SUBDIVISION" AND THE NORTH RIGHT OF WAY LINE OF SAID 6TH STREET, A DISTANCE OF 155.00 FEET TO A POINT ON A TANGENT CURVE CONCAVE TO THE NORTHWEST;

THENCE NORTHEASTERLY ALONG SAID NORTH RIGHT OF WAY LINE AND ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 15.00 FEET, A CENTRAL ANGLE OF 90°00'21" AND AN ARC DISTANCE OF 23.56 FEET;

THENCE SOUTH 00°22'51" EAST, A DISTANCE OF 85.00 FEET TO A POINT ON A TANGENT CURVE CONCAVE TO THE SOUTHWEST;

THENCE NORTHWESTERLY ALONG THE SOUTH RIGHT OF WAY LINE OF SAID 6TH STREET AND ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 20.00 FEET, A CENTRAL ANGLE OF 89°59'39" AND AN ARC DISTANCE OF 31.41 FEET;

THENCE SOUTH 89°37'30" WEST ALONG THE NORTH LINE OF LOT 10 AND LOT 11 OF "AMENDED PLAT OF AQUARIUM SITE RESUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 21, PAGE 83, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, AND THE SOUTH RIGHT OF WAY LINE OF SAID 6TH STREET, A DISTANCE OF 210.00 FEET TO A POINT ON A TANGENT CURVE CONCAVE TO THE SOUTHEAST;

THENCE SOUTHWESTERLY ALONG SAID SOUTH RIGHT OF WAY LINE AND ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 20.00 FEET, A CENTRAL ANGLE OF 90°00'21" AND AN ARC DISTANCE OF 31.42 FEET;

THENCE NORTH 00°22'51" WEST, A DISTANCE OF 70.00 FEET;

THENCE CONTINUE ALONG SAID NORTH RIGHT OF WAY LINE AND ALONG THE SOUTH LINE OF SAID LOT 1, BLOCK 2, NORTH 89°37'30" EAST, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

SAID LANDS SITUATE, LYING AND BEING IN THE CITY OF MIAMI BEACH, MIAMI/DADE COUNTY, FLORIDA; CONTAINING 12,720 SQUARE FEET MORE OR LESS.

| FLOOD ZONE INFORMATION |          |
|------------------------|----------|
| COMMUNITY NUMBER       | 120651   |
| PANEL NUMBER           | 0319 L   |
| ZONE                   | AE       |
| BASE FLOOD ELEVATION   | B        |
| EFFECTIVE DATE         | 09/11/09 |

NOTES :

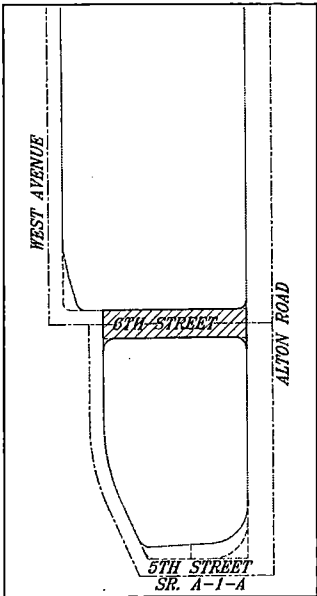
- NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
- LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR RIGHTS-OF-WAY, EASEMENTS, OWNERSHIP, OR OTHER INSTRUMENTS OF RECORD.
- THIS SURVEY WAS DONE SOLELY FOR BOUNDARY PURPOSES AND DOES NOT DEPICT THE JURISDICTION OF ANY MUNICIPAL, STATE, FEDERAL OR OTHER ENTITIES.
- THE LAND DESCRIPTION SHOWN HEREON WAS PREPARED BY THE SURVEYOR.
- UNDERGROUND IMPROVEMENTS NOT SHOWN.
- ELEVATIONS SHOWN HEREON ARE BASED ON THE NATIONAL GEODETIC VERTICAL DATUM OF 1929.
- BENCHMARK REFERENCE : MIAMI/DADE COUNTY BENCHMARK # D-151 ELEVATION=3.72'
- BEARINGS SHOWN HEREON ARE ASSUMED.

I HEREBY CERTIFY THAT THE "SKETCH OF SURVEY" OF THE HEREON DESCRIBED PROPERTY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS SURVEYED IN THE FIELD UNDER MY DIRECTION IN AUGUST, 2018. I FURTHER CERTIFY THAT THIS SURVEY MEETS THE STANDARDS OF PRACTICE FOR SURVEYING IN THE STATE OF FLORIDA, ACCORDING TO CHAPTER 54-17 OF THE FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES. THERE ARE NO ABOVE GROUND ENCROACHMENTS OTHER THAN THOSE SHOWN HEREON, SUBJECT TO THE QUALIFICATIONS NOTED HEREON.

FOR THE FIRM, BY: *Richard E. Cousins*

RICHARD E. COUSINS  
PROFESSIONAL SURVEYOR AND MAPPER  
FLORIDA REGISTRATION NO. 4188

SURVEY DATE : 08/30/18



COUSINS SURVEYORS & ASSOCIATES, INC.  
3921 SW 47TH AVENUE, SUITE 1011  
DAVIE, FLORIDA 33314  
CERTIFICATE OF AUTHORIZATION : LB # 6448  
PHONE (954) 689-7766 FAX (954) 689-7759

CLIENT :  
CRESCENT HEIGHTS

6TH STREET  
MIAMI BEACH, FLORIDA

SKETCH OF SURVEY

| REVISIONS                | DATE     | BY/PG  | DWN | CKD |
|--------------------------|----------|--------|-----|-----|
| APPROVE FINAL SURVEY     | 08/30/18 | RECTOR | AC  | RES |
| REVISED LAND DESCRIPTION | 09/26/18 | RECTOR | AC  | RES |

PROJECT NUMBER : 6844-12

SCALE : 1" = 16'

SHEET  
1  
OF  
1  
SHEET

**COUSINS SURVEYORS & ASSOCIATES, INC.**

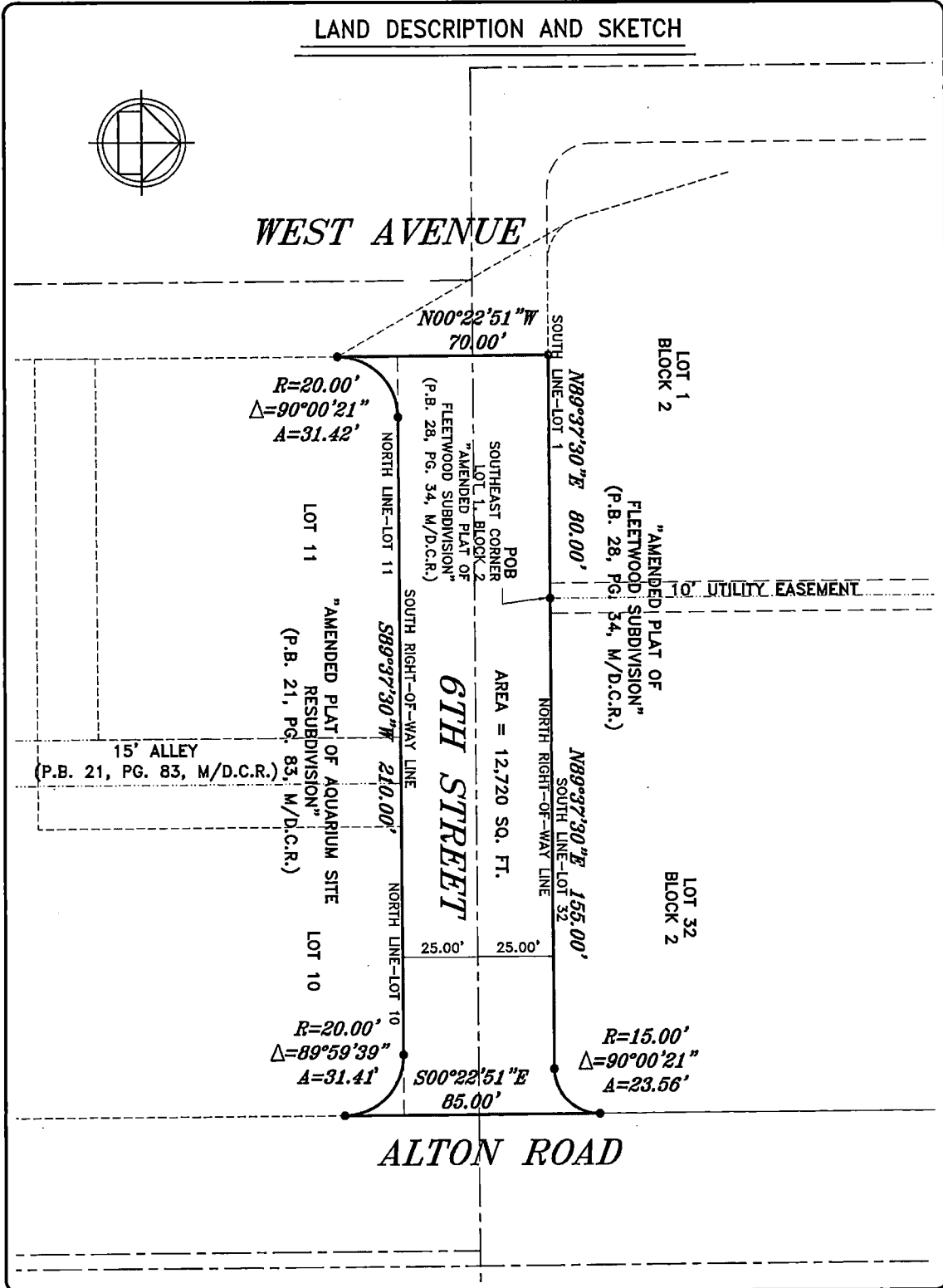


3921 SW 47TH AVENUE, SUITE 1011  
 DAVIE, FLORIDA 33314  
 CERTIFICATE OF AUTHORIZATION : LB # 6448  
 PHONE (954) 689-7766 FAX (954) 689-7799

PROJECT NUMBER : 6844-12

CLIENT :  
 CRESCENT HEIGHTS

**LAND DESCRIPTION AND SKETCH**



| REVISIONS                         | DATE     | FB/PG | DWN | CKD |
|-----------------------------------|----------|-------|-----|-----|
| LAND DESCRIPTION & SKETCH         | 09/12/18 | ----  | AM  | REC |
| REVISED LAND DESCRIPTION & SKETCH | 10/22/18 | ----  | AM  | REC |
|                                   |          |       |     |     |
|                                   |          |       |     |     |

**LAND DESCRIPTION  
 AND SKETCH  
 FOR  
 6TH STREET VACATION**

PROPERTY ADDRESS :  
 6TH STREET, MIAMI BEACH

SCALE: 1" = 40'  
 SHEET 2 OF 3

**COUSINS SURVEYORS & ASSOCIATES, INC.**



3921 SW 47TH AVENUE, SUITE 1011  
 DAVIE, FLORIDA 33314  
 CERTIFICATE OF AUTHORIZATION : LB # 6448  
 PHONE (954) 689-7766 FAX (954) 689-7799

PROJECT NUMBER : 6844-12

CLIENT :  
 CRESCENT HEIGHTS

LAND DESCRIPTION AND SKETCH

LEGEND:

CKD CHECKED BY  
 DWN DRAWN BY  
 FB/PG FIELD BOOK AND PAGE  
 P.B. PLAT BOOK  
 M/D.C.R. MIAMI/DADE COUNTY RECORDS  
 POB POINT OF BEGINNING  
 POC POINT OF COMMENCEMENT  
 R RADIUS  
 A ARC DISTANCE  
 Δ CENTRAL ANGLE

NOTES:

1. NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR RIGHTS-OF-WAY, EASEMENTS, OWNERSHIP, OR OTHER INSTRUMENTS OF RECORD.
3. DATA SHOWN HEREON DOES NOT CONSTITUTE A FIELD SURVEY AS SUCH.
4. THE LAND DESCRIPTION SHOWN HEREON WAS PREPARED BY THE SURVEYOR.
5. BEARINGS SHOWN HEREON ARE ASSUMED.

I HEREBY CERTIFY THAT THE ATTACHED "LAND DESCRIPTION AND SKETCH" IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS PREPARED UNDER MY DIRECTION IN SEPTEMBER, 2018. I FURTHER CERTIFY THAT THIS "LAND DESCRIPTION AND SKETCH" MEETS THE STANDARDS OF PRACTICE FOR SURVEYING IN THE STATE OF FLORIDA ACCORDING TO CHAPTER 5J-17 OF THE FLORIDA ADMINISTRATIVE CODE. PURSUANT TO SECTION 472.027, FLORIDA STATUTES. SUBJECT TO THE QUALIFICATIONS NOTED HEREON.

*Richard E. Cousins*

FOR THE FIRM, BY: \_\_\_\_\_

RICHARD E. COUSINS  
 PROFESSIONAL SURVEYOR AND MAPPER  
 FLORIDA REGISTRATION NO. 4188

| REVISIONS                         | DATE     | FB/PG | DWN | CKD |
|-----------------------------------|----------|-------|-----|-----|
| LAND DESCRIPTION & SKETCH         | 09/12/18 | ----  | AM  | REC |
| REVISED LAND DESCRIPTION & SKETCH | 10/22/18 | ----  | AM  | REC |
|                                   |          |       |     |     |
|                                   |          |       |     |     |

LAND DESCRIPTION  
 AND SKETCH  
 FOR  
 6TH STREET VACATION

PROPERTY ADDRESS :  
 6TH STREET, MIAMI BEACH

SCALE: N/A

SHEET 3 OF 3



**COUSINS SURVEYORS & ASSOCIATES, INC.**



3921 SW 47TH AVENUE, SUITE 1011  
 DAVIE, FLORIDA 33314  
 CERTIFICATE OF AUTHORIZATION : LB # 6448  
 PHONE (954) 689-7766 FAX (954) 689-7799

PROJECT NUMBER : 6844-12

CLIENT :  
 CRESCENT HEIGHTS

LAND DESCRIPTION AND SKETCH

LAND DESCRIPTION: (6TH STREET)

A PORTION OF 6TH STREET AS SHOWN ON "AMENDED PLAT OF FLEETWOOD SUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 28, PAGE 34, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, AND "AMENDED PLAT OF AQUARIUM SITE RESUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 21, PAGE 83, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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| REVISIONS                         | DATE     | FB/PG | DWN | CKD |
|-----------------------------------|----------|-------|-----|-----|
| LAND DESCRIPTION & SKETCH         | 09/12/18 | ----  | AM  | REC |
| REVISED LAND DESCRIPTION & SKETCH | 10/22/18 | ----  | AM  | REC |
|                                   |          |       |     |     |
|                                   |          |       |     |     |

LAND DESCRIPTION  
 AND SKETCH  
 FOR  
 6TH STREET VACATION

PROPERTY ADDRESS :  
 6TH STREET, MIAMI BEACH

SCALE: N/A

SHEET 1 OF 3

# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

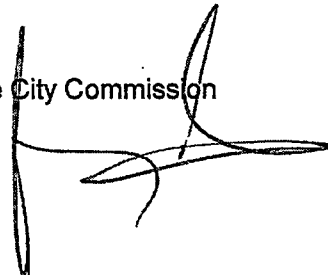
## COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: November 14, 2018

SUBJECT: **Analysis of Proposed Right of Way (ROW) Vacation – 6<sup>th</sup> Street**



### **BACKGROUND**

Section 82-38 of the Code of the City of Miami Beach requires that any proposed sale or lease of City-owned land be analyzed from a planning perspective so that the City Commission and the public are fully apprised of all conditions relating to the proposed sale or lease.

The proposal is to vacate 6<sup>th</sup> Street between Alton Road and West Avenue. The right of way contains approximately 50 feet wide and contains approximately 13,902 square feet in area. The adjacent property will be providing a 50 foot wide perpetual utility, roadway, and pedestrian access easement across the vacated city ROW. The following is an analysis based on the criteria delineated in the Code.

### **ANALYSIS**

1. **Whether or not the proposed use is in keeping with city goals and objectives and conforms to the city comprehensive plan.**

**Consistent** – The vacated ROW will continue to be used in a similar fashion as it is used today. As part of the overall development of the area that will incorporate the ROW, improvements will be made for pedestrians and bicyclists in the vicinity. This is consistent with Comprehensive Plan Transportation Element Objective 5, which states the following:

*Objective 5: Pedestrian and Bicycle Circulation*

*The City shall strive to increase and promote the safe and convenient use of its bicycle and pedestrian networks including the creation, extension, and improvements of bicycle and pedestrian facilities between and among present and potential major generators of bicycle and pedestrian traffic.*

Additionally, the proposal will allow for improved access to the Biscayne Bay Baywalk. This is consistent with the Comprehensive Plan Conservation/Coastal Zone Management Element Objective 10, which states the following:

*Objective 10: PUBLIC SHORELINE ACCESS*

*Increase the amount of public access to the beach or shoreline consistent with*

*the estimated public need.*

2. **The impact on adjacent property, including the potential positive or negative impacts such as diminution of open space, increased traffic, noise level or enhanced property values, improved development patterns and provision of necessary services. Based on the proposed use of the property, the city shall determine the potential impact of the project on city utilities and other infrastructure needs and the magnitude of costs associated with needed infrastructure improvements. Should it become apparent that further evaluation of traffic impact is needed, the proponent shall be responsible for obtaining a traffic impact analysis from a reputable traffic engineer.**

**Consistent** – No negative impacts are anticipated by the proposal. The property being vacated by the City is within the Medium Intensity Commercial Category (CD-2) future land use category. This category allows for a maximum floor area ratio (FAR) of 2.0. Vacation of the ROW will allow approximately 27,804 additional square feet to be developed within a unified development site with the parcels to the north and south.

- Though a ROW is proposed to be vacated, no construction is being proposed within the vacated ROW; therefore there will be no diminution of open space.
- Vacation of the ROW as vehicular and pedestrian access will be maintained. The use of the floor area that is made available from the vacation of the ROW could be used for up to 27,804 SF of floor area or up to approximately 25 residential units. If the floor area is utilized for high rise residential development, there is the potential to generate approximately 19 peak hour trips if used for residential purposes. This does not represent a significant increase in peak hour volumes, and the level of service adopted in the Comprehensive Plan will continue to be maintained along Alton Road/Washington Avenue Sub Area within the South Beach Transportation Concurrency Management Area (TCMA).
- No noise level impacts are anticipated from the vacation, as the use of the property will remain similar in nature.
- The appearance of the property will improve with the proposed vacation, as it is expected that a future development will be providing landscaping, pavers, improved pedestrian paths, and other enhancements. These improvements should enhance surrounding property values.
- Vacation of the ROW will allow for improved utilization of the adjacent parcels by allowing for the creation of a unified development site and the movement of floor area between the 500 and 700 blocks and lead to the development of a public park on the adjacent site.
- Vacation of the ROW way will not impact adopted levels of service for public infrastructure. Compliance with water, sewer, stormwater, parks, and transportation concurrency for utilization of the ROW's floor area if utilized, along with the impact of any related development, will be determined and mitigated in conjunction with the building permit process; however no additional utilities or infrastructure are expected to be necessary specifically as result of the ROW vacation.
- Vacation of the ROW will not impact utilities; such as electric, water, sewer, and stormwater transmission, because a utility easement will be provided to the City.

3. **A determination as to whether or not the proposed use is in keeping with a public purpose and community needs, such as expanding the city's revenue base, creating jobs, creating a significant revenue stream, and improving the community's overall quality of life.**

**Consistent** - This proposal expands the City's revenue base by adding untaxed public property to the tax rolls. The additional floor area that is made available to the adjacent properties will create additional taxable value. In addition, the vacation will result in the development of a public park on the site to the north of the ROW that will be paid for by the property owner and improvements will be made to the ROW area while maintaining vehicular, pedestrian, and utility access.

4. **A determination as to whether or not the development is in keeping with the surrounding neighborhood, will block views or create environmental intrusions, and evaluation of the design and aesthetic considerations of the project.**

**Consistent** - The surrounding neighborhood will not be negatively affected. The proposed ROW vacation will result in the ability to move floor area within a large development site. This ability will result in lower scale development throughout much of the site that will not block views, while allowing that floor area to be concentrated on one end of the property in a way that will minimize impacts to views. No environmental intrusions will be created by the proposed ROW vacation. The proposed public park that will be developed as a result of the vacation can be utilized to improve long-standing environmental issues.

5. **The impact on adjacent properties, whether or not there is adequate parking, street and infrastructure needs.**

**Consistent** – Vacation of this ROW will not affect the parking or infrastructure needs of adjacent properties. Surrounding properties are not dependent on the parking provided within this ROW should it be removed in the future. Any future development on the adjacent sites that take advantage of the additional floor area that is made available will have to provide parking pursuant to the requirements of the Land Development Regulations.

6. **Such other issues as the city manager or his authorized designee, who shall be the city's planning director, may deem appropriate in analysis of the proposed disposition.**

**Not applicable** - The Planning Department has no other issues it deems appropriate to analyze for this proposal.

**CONCLUSION**

Vacation of the public ROW is consistent with the Goals, Objectives, and Policies based on the approved proposals for the property. The vacation of the 6<sup>th</sup> Street public ROW will generate no negative impacts for the surrounding area. The property would continue to serve in much the same manner; as utility, vehicular, and pedestrian access will continue to be provided.

TRM/RAM

F:\PLAN\SPLB\2018\9-25-18\PB 18-0231 - 500-700 Alton Road – 6th Street Vacation\6th Street Vacation - Planning Analysis.doc

**MIAMI BEACH**  
**CITY OF MIAMI BEACH**  
**NOTICE OF PUBLIC HEARING**  
**VACATION OF 6TH STREET, WEST OF**  
**ALTON ROAD AND EAST OF WEST AVENUE**  
**December 12, 2018**

**NOTICE IS HEREBY** given that a Second Reading/Public Hearing will be heard by the Mayor and City Commission of the City of Miami Beach, Florida, in the Commission Chamber, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida, on **Wednesday, December 12, 2018 at 9:35 a.m.**, or as soon thereafter as the matter can be heard, to consider:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, PURSUANT TO SECTION 82-39 OF THE CITY CODE, APPROVING, ON SECOND READING OF THIS RESOLUTION, THE VACATION OF 6TH STREET, WEST OF ALTON ROAD AND EAST OF WEST AVENUE, IN FAVOR OF THE ABUTTING PROPERTY OWNERS, SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, AND 1220 SIXTH, LLC (COLLECTIVELY, THE "APPLICANTS"); CONDITIONING THE VACATION UPON THE CITY COMMISSION'S APPROVAL OF, APPLICANTS' EXECUTION AND SATISFACTION OF CERTAIN TERMS AND CONDITIONS OF THAT CERTAIN DEVELOPMENT AGREEMENT BETWEEN SOUTH BEACH HEIGHTS I, LLC, 500 ALTON ROAD VENTURES, LLC, 1220 SIXTH, LLC, AND KGM EQUITIES, LLC (COLLECTIVELY, THE "DEVELOPER") WHICH, AMONG OTHER THINGS, SHALL REQUIRE APPLICANTS (AS A CONDITION OF THE CITY'S AGREEMENT TO VACATE 6TH STREET) TO: (1) GRANT TO THE CITY A 50 FOOT WIDE PERPETUAL NON-REVOCABLE UTILITY, ROADWAY AND PEDESTRIAN ACCESS EASEMENT ACROSS THE VACATED 6TH STREET RIGHT-OF-WAY; AND (2) CONVEY TO THE CITY, IN FEE SIMPLE, A MINIMUM OF 3.0 ACRES, WITHIN THE 5TH - 7TH STREET BLOCKS, BETWEEN WEST AVENUE AND ALTON ROAD, FOR A WORLD CLASS PUBLIC MUNICIPAL PARK TO BE DESIGNED AND CONSTRUCTED AT APPLICANTS' EXPENSE; FURTHER WAIVING BY 5/7THS VOTE, THE COMPETITIVE BIDDING REQUIREMENT, PURSUANT TO SECTION 82-38 OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY.

This Resolution is being heard pursuant to Section §166.041 F.S. and § 82-37 of the City of Miami Beach City Code. Inquiries may be directed to the Public Works Department at 305.673.7080.

**INTERESTED PARTIES** are invited to appear at this meeting, or be represented by an agent, or to express their views in writing addressed to the City Commission, c/o the City Clerk, 1700 Convention Center Drive, 1<sup>st</sup> Floor, City Hall, Miami Beach, Florida 33139. This item is available for public inspection during normal business hours in the City Clerk's Office, 1700 Convention Center Drive, 1<sup>st</sup> Floor, City Hall, Miami Beach, Florida 33139. This meeting, or any item herein, may be continued, and under such circumstances, additional legal notice need not be provided. Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any City-sponsored proceedings, call 305.604.2489 and select option 6; TTY users may call via 711 (Florida Relay Service).

Rafael E. Granado, City Clerk  
City of Miami Beach