

CBRE VALUATION & ADVISORY SERVICES

APPRAISAL REPORT

ALTON COURT ALLEY VACATION
MIAMI BEACH, FLORIDA 33139
CBRE FILE NO. CB22US074656-1

CLIENT: CITY OF MIAMI BEACH, FLORIDA

CBRE

Date of Report: June 23, 2022

Ms. Alina T. Hudak, City Manager
CITY OF MIAMI BEACH, FLORIDA
1700 Convention Center Drive
Miami Beach, Florida 33139

RE: Appraisal of: Alton Court Alley Vacation
Miami Beach, Miami-Dade County, Florida
CBRE, Inc. File No. CB22US074656-1

Dear Ms. Hudak:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a 0.18-acre (8,000-SF) paved & improved public alleyway (20-feet in width) located at 1656 to 1680 Alton Court in the South Beach submarket in Miami Beach, Florida. The abutting owner/developer of 1656 to 1680 Alton Road and 1677 West Avenue, BH The Alton, LLC, is interested in acquiring portions of the subject alleyway (500-SF & 1,000-SF) from the City of Miami Beach in order to create a unified development site between the parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels. In turn, the City of Miami Beach would retain a perpetual easement "at & below" surface grade for continued use as an alley with access to all utilities and other public benefits to be negotiated with the developer.

Because there are limited "arm's length" comparable sales of alleyways and-or public rights-of-way necessary for a reasonable & supportable valuation process, we have applied the "across the fence" (ATF) valuation methodology. In theory, ATF is applicable when undevelopable sites with limited marketability can be joined to an adjacent parcel and can legally assume the adjacent parcel's highest & best use and unit value. With regards to the subject site, we have employed the ATF methodology based on the existing the CD-2, Commercial, Medium Intensity District "as of right" zoning density.

Based on the foregoing and at the specific request of the client, we have estimated the market value As Is for the subject property; the As Proposed Perpetual Easement; the Market Value of the Transferable Floor Area; and the Investment Value of the Transferable Floor Area. The investment value is a specific value to a particular investor and-or developer based on specific & individual investment requirement, such as an assemblage by an abutting property owner and is distinguished from market value, which is impersonal and detached.

Based on the analysis contained in the following report, the market values of the subject property, as of the effective date of this report, is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is, "As of Right"	Fee Simple Estate	June 18, 2022	\$5,600,000
As Proposed Perpetual Easement	Fee Simple Estate	June 18, 2022	\$1,586,480
Market Value of Transferable Floor Area	Fee Simple Estate	June 18, 2022	\$233.00 PSF
Investment Value of Transferable Floor Area	Fee Simple Estate	June 18, 2022	\$291.25 PSF

Compiled by CBRE

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Florida.
7. The reported 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 Appraisal Practice of the Appraisal Institute.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. As of the date of this report, Stuart Lieberman, MAI and Kristin Repp, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
10. Stuart Lieberman, MAI has and Kristin Repp, MAI has not made a personal inspection of the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the persons signing this report.
12. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
13. Stuart Lieberman, MAI and Kristin Repp, MAI have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding agreement to perform this assignment.

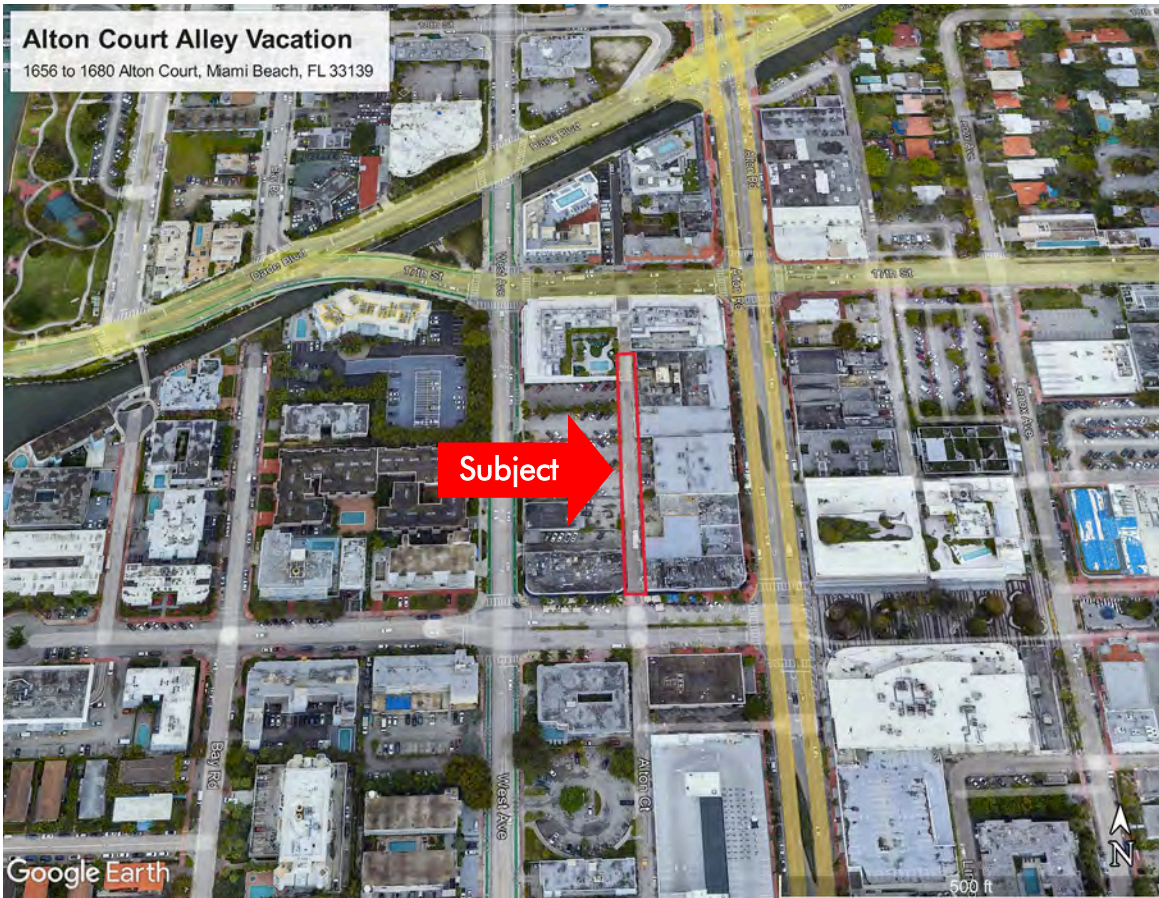


Stuart Lieberman, MAI
Cert Gen RZ1074



Kristin Repp, MAI
Cert Gen RZ2454

Subject Photographs



Aerial View



Photo 1 – Alton Court Looking North



Photo 2 – Alton Court Looking South

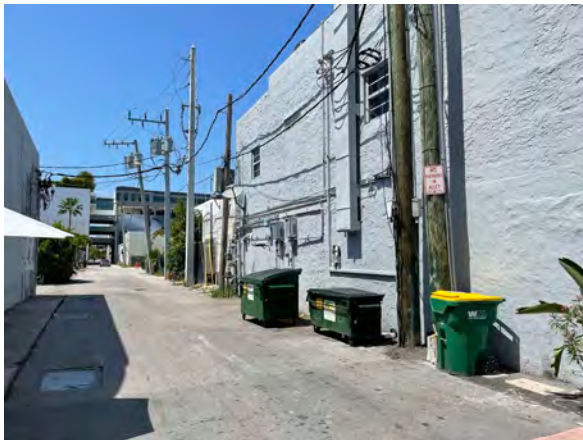


Photo 3 – Alton Court Alley to be Vacated



Photo 4 – Alton Court to be Vacated



Photo 5 – Alton Road Frontage



Photo 6 – Alton Road Frontage



Photo 7 – West Avenue Looking North



Photo 8 – Lincoln Road Looking East



Photo 9 – Alton Road Looking South



Photo 10 – Lincoln Road Pedestrian Mall

Executive Summary

Property Name	Alton Court Alley Vacation
Location	1656 to 1680 Alton Court Miami Beach, Miami-Dade County, FL 33139
Client	City of Miami Beach, Florida
Highest and Best Use	
As If Vacant	High density, mixed-use retail, office & multi-family apartment uses
As Improved	Existing public alley way with potential for a higher density, mixed-use retail & office redevelopment opportunity in concert with an abutting property
Property Rights Appraised	Fee Simple Estate & Easement Estate
Date of Inspection	June 18, 2022
Estimated Exposure Time	3 - 9 Months
Estimated Marketing Time	3 - 9 Months
Primary Land Area	0.18 AC 8,000 SF
Zoning	CD-2, Commercial, Medium Intensity District
Buyer Profile	Developer

VALUATION		Total	PSF of FAR	PSF of Site
Market Value As Is Road On	June 18, 2022			
Cost Approach		Not Applicable	---	---
Sales Comparison Approach		\$5,600,000	\$466.67	\$700.00
Income Capitalization Approach		Not Applicable	---	---

CONCLUDED MARKET VALUE			
Appraisal Premise	Interest Appraised	Date of Value	Value
As Is, "As of Right"	Fee Simple Estate	June 18, 2022	\$5,600,000
As Proposed Perpetual Easement	Fee Simple Estate	June 18, 2022	\$1,586,480
Market Value of Transferable Floor Area	Fee Simple Estate	June 18, 2022	\$233.00 PSF
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Compiled by CBRE

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths/ Opportunities

- The subject property is located within the world renowned South Beach submarket in Miami Beach, Florida.
- The subject submarket is a built-out, barrier island & resort community.
- The subject property abuts a proposed mixed-use retail/office development.
- Potential to develop & redevelop the subject site to higher density, mixed-uses with in-demand live-work lifestyle environments.
- The South Florida and Miami Beach real estate market is very active as high net worth individuals, celebrities, domestic & foreign investors, hedge fund advisors, local, regional & national developers and "star" architects seek out mixed-use development opportunities for boutique hotels, retail, restaurant, entertainment & office projects.

Weaknesses/ Threats

- None.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.”¹

- Our value conclusions assume stable geotechnical subsurface conditions and no environmental hazards or concerns. If there are any unstable subsurface conditions and-or environmental deficiencies or concerns, our value conclusions could be impacted and we reserve the right to amend or revise this report accordingly.
- The use of these extraordinary assumptions may have affected the assignment results.

HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis.”²

- None

OWNERSHIP AND PROPERTY HISTORY

Title to the subject property is vested to the City of Miami Beach, a municipal government. CBRE is unaware of any arm’s length ownership transfers of the property within three-to-five years of the date of appraisal. Further, the property is not reportedly being offered for sale as of the current date.

As previously noted, the abutting owner/developer of 1656 to 1680 Alton Road and 1677 West Avenue, BH The Alton, LLC, is interested in acquiring portions of the subject alleyway (500-SF & 1,000-SF) from the City of Miami Beach in order to create a unified development site between the parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels. In turn, the City of Miami Beach would retain a perpetual easement "at & below" surface grade for continued use as an alley with access to all utilities and other public benefits to be negotiated with the developer.

CBRE is unaware of any arm’s length ownership transfers of the property within three-to-five years of the date of appraisal. Further, the properties are not reportedly being offered for sale as of the current date.

¹ The Appraisal Foundation, *USPAP, 2020-2021 (Effective January 1, 2020 through December 31, 2022)*

² The Appraisal Foundation, *USPAP, 2020-2021 (Effective January 1, 2020 through December 31, 2022)*

EXPOSURE/MARKETING TIME

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- exposure/marketing time information from the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA			
Investment Type	Exposure/Mktg. (Months)		
	Range	Average	
Comparable Land Sales Data	1.0 - 18.0	6.4	
<i>PwC Suburban Office</i>			
National Data	1.0 - 15.0	7.0	
Local Market Professionals	3.0 - 9.0	6.0	
CBRE Exposure Time Estimate	3 - 9 Months		
CBRE Marketing Period Estimate	3 - 9 Months		
Various Sources Compiled by CBRE			

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Scope of Work

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

INTENDED USE OF REPORT

This appraisal is to be used by the client for internal decision making and negotiations with a potential buyer/developer and no other use is permitted.

CLIENT

The client is City of Miami Beach, Florida, municipal government.

INTENDED USER OF REPORT

This appraisal is to be used by City of Miami Beach, Florida. No other user(s) may rely on our report unless as specifically indicated in this report.

Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience.³

RELIANCE LANGUAGE

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for

³ Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property As Is; the market value of the proposed perpetual easement; the market value of the transferable floor area; and the investment value of the transferable floor area.

DEFINITION OF VALUE

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is 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 each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best 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.⁴

INTEREST APPRAISED

The value estimated represents Fee Simple Estate and Easement Estate as defined below:

Fee Simple Estate - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.⁵

Easement Estate – A nonpossessory (incorporeal) interest in real property conveying use, but not ownership, of a portion of that property.⁶

⁴ Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472.

⁵ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022), 90.

⁶ The Dictionary of Real Estate Appraisal, 5th ed., Chicago: Appraisal Institute, 2010., p.246

Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- site sketch provided by client

Extent to Which the Property is Inspected

Stuart Lieberman, MAI inspected the interior and exterior of the subject site, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- comparable sale & listing data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. For vacant land, the sales comparison approach has been employed for this assignment.

STATEMENT OF COMPETENCY

Stuart Lieberman, MAI and Kristin Repp, MAI both have the appropriate knowledge, education and experience to complete this assignment competently.

Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	Source(s):
Site Data	
Size	Legal description, recorded plat, site sketch and the Miami-Dade County Property Appraiser's website
Improved Data	
Building Area	"As of right" zoning
No. Bldgs.	Not applicable
Parking Spaces	Not applicable
Year Built/Developed	TBD
Economic Data	
Deferred Maintenance:	Not applicable
Building Costs:	Not applicable
Income Data:	Not applicable
Expense Data:	Not applicable
Compiled by CBRE	

APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available. Depending on a specific appraisal assignment, any of the following four methods may be used to determine the market value of the fee simple interest of land:

- Sales Comparison Approach;
- Income Capitalization Procedures;
- Allocation; and
- Extraction.

The following summaries of each method are paraphrased from the text.

The first is the sales comparison approach. This is a process of analyzing sales of similar, recently sold parcels in order to derive an indication of the most probable sales price (or value) of the property being appraised. The reliability of this approach is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data regarding size, price, terms of sale, etc., (c) the degree of comparability or extent of adjustment necessary for differences between the subject and the comparables, and (d) the absence of nontypical conditions affecting the sales price. This is the primary and most reliable method used to value land (if adequate data exists).

The income capitalization procedures include three methods: land residual technique, ground rent capitalization, and Subdivision Development Analysis. A discussion of each of these three techniques is presented in the following paragraphs.

The land residual method may be used to estimate land value when sales data on similar parcels of vacant land are lacking. This technique is based on the principle of balance and the related concept of contribution, which are concerned with equilibrium

among the agents of production--i.e. labor, capital, coordination, and land. The land residual technique can be used to estimate land value when: 1) building value is known or can be accurately estimated, 2) stabilized, annual net operating income to the property is known or estimable, and 3) both building and land capitalization rates can be extracted from the market. Building value can be estimated for new or proposed buildings that represent the highest and best use of the property and have not yet incurred physical deterioration or functional obsolescence.

The subdivision development method is used to value land when subdivision and development represent the highest and best use of the appraised parcel. In this method, an appraiser determines the number and size of lots that can be created from the appraised land physically, legally, and economically. The value of the underlying land is then estimated through a discounted cash flow analysis with revenues based on the achievable sale price of the finished product and expenses based on all costs required to complete and sell the finished product.

The ground rent capitalization procedure is predicated upon the assumption that ground rents can be capitalized at an appropriate rate to indicate the market value of a site. Ground rent is paid for the right to use and occupy the land according to the terms of the ground lease; it corresponds to the value of the landowner's interest in the land. Market-derived capitalization rates are used to convert ground rent into market value. This procedure is useful when an analysis of comparable sales of leased land indicates a range of rents and reasonable support for capitalization rates can be obtained.

The allocation method is typically used when sales are so rare that the value cannot be estimated by direct comparison. This method is based on the principle of balance and the related concept of contribution, which affirm that there is a normal or typical ratio of land value to property value for specific categories of real estate in specific locations. This ratio is generally more reliable when the subject property includes relatively new improvements. The allocation method does not produce conclusive value indications, but it can be used to establish land value when the number of vacant land sales is inadequate.

The extraction method is a variant of the allocation method in which land value is extracted from the sale price of an improved property by deducting the contribution of the improvements, which is estimated from their depreciated costs. The remaining value represents the value of the land. Value indications derived in this way are generally unpersuasive because the assessment ratios may be unreliable and the extraction method does not reflect market considerations.

Because there are limited "arm's length" comparable sales of alleyways and-or public rights-of-way necessary for a reasonable & supportable valuation process, we have applied the "across the fence" (ATF) valuation methodology. In theory, ATF is applicable when undevelopable sites with limited marketability can be joined to an adjacent parcel and can legally assume the adjacent parcel's highest & best use and unit value. With regards to the subject site, we have employed the ATF methodology based on the existing the CD-2, Commercial, Medium Intensity District "as of right" zoning density. The other methodologies are used primarily when comparable land sales data is non-existent. Therefore, these approaches have not been used.

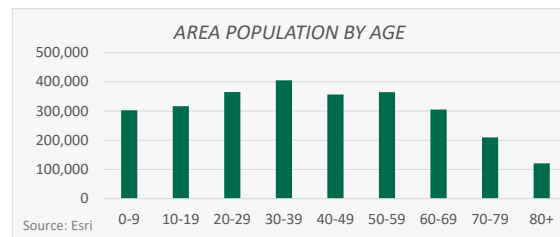
Area Analysis



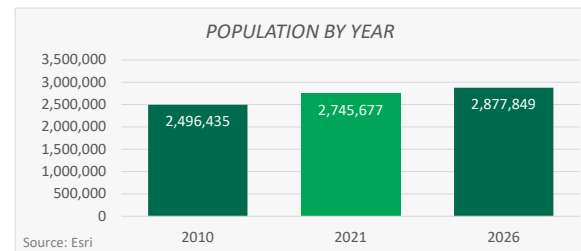
The subject is located in Miami-Dade County. Key information about the area is provided in the following tables.

POPULATION

The area has a population of 2,745,677 and a median age of 40, with the largest population group in the 30-39 age range and the smallest population in 80+ age range.



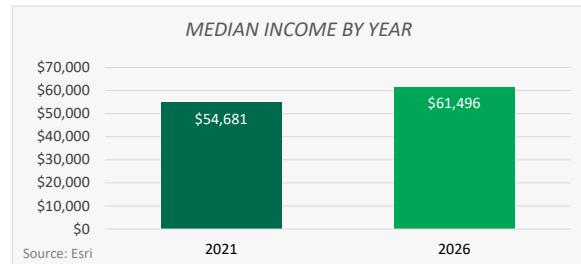
Population has increased by 249,242 since 2010, reflecting an annual increase of 0.9%. Population is projected to increase by an additional 132,172 by 2026, reflecting 0.9% annual population growth.



Source: ESRI, downloaded on Jun, 22 2022

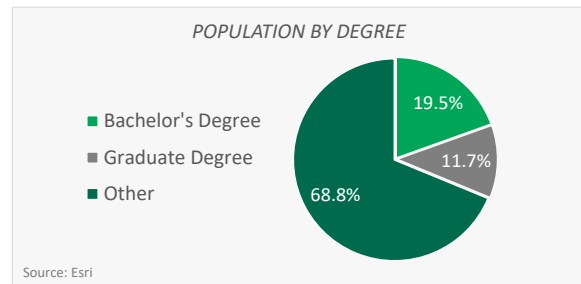
INCOME

The area features an average household income of \$81,309 and a median household income of \$54,681. Over the next five years, median household income is expected to increase by 12.5%, or \$1,363 per annum.

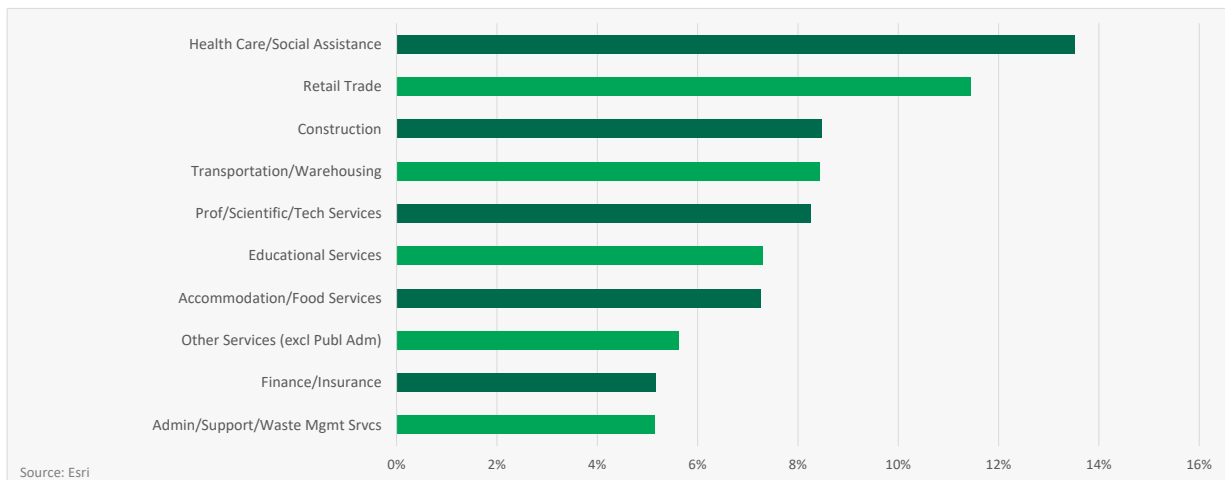


EDUCATION

A total of 31.2% of individuals over the age of 24 have a college degree, with 19.5% holding a bachelor's degree and 11.7% holding a graduate degree.



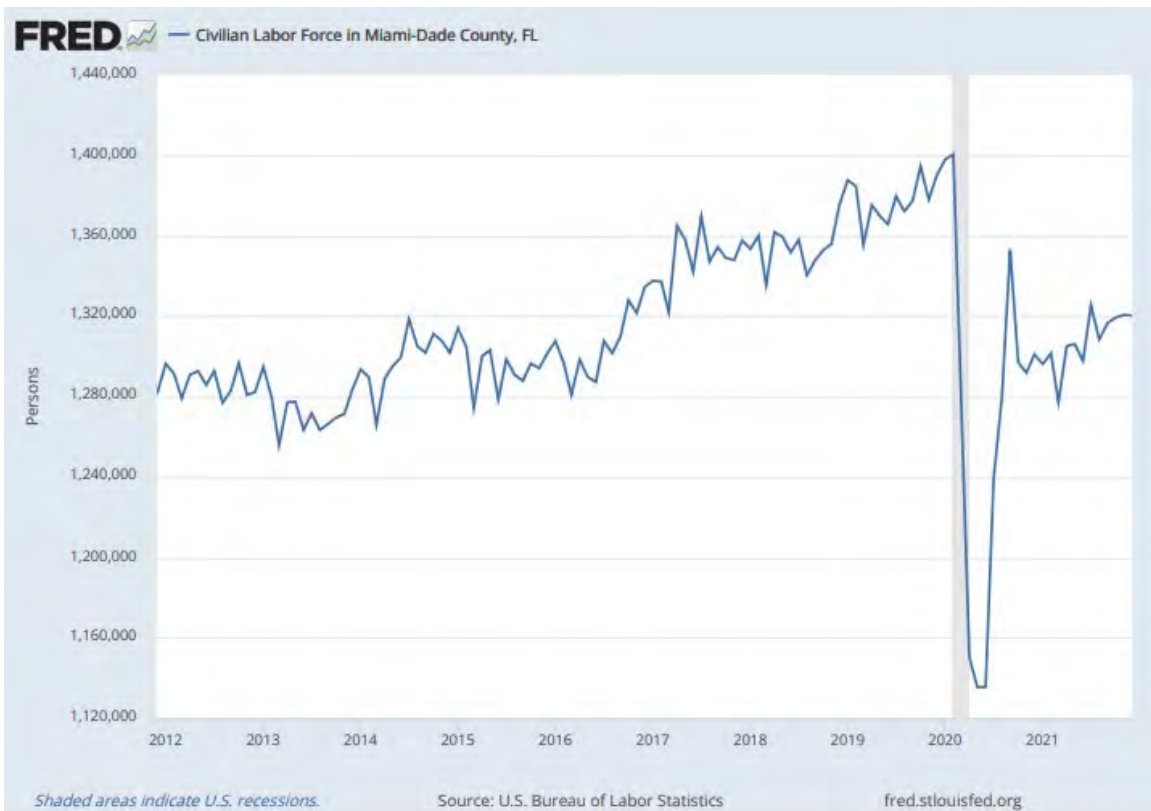
EMPLOYMENT



The area includes a total of 1,273,252 employees and has N/A unemployment rate. The top three industries within the area are Health Care/Social Assistance, Retail Trade and Construction, which represent a combined total of 33% of the workforce.

Source: ESRI, downloaded on Jun, 22 2022; BLS.gov dated Jan, 0 1900

MIAMI-DADE COUNTY LABOR MARKET

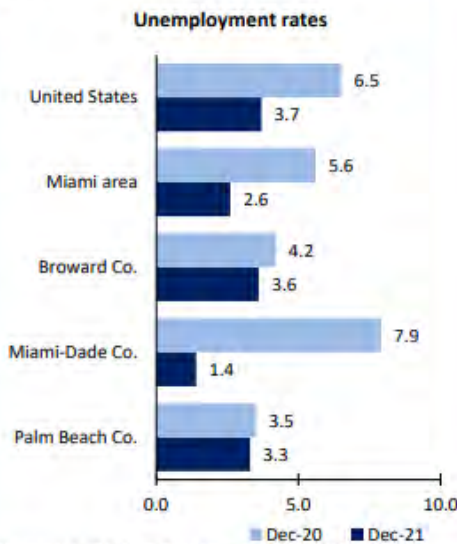


MIAMI AREA ECONOMIC SUMMARY

Updated February 02, 2022

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include **unemployment, employment, wages, prices, spending, and benefits**. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see www.bls.gov/regions/economic-summaries.htm.

Unemployment rates for the nation and selected areas



Source: U.S. BLS, Local Area Unemployment Statistics.

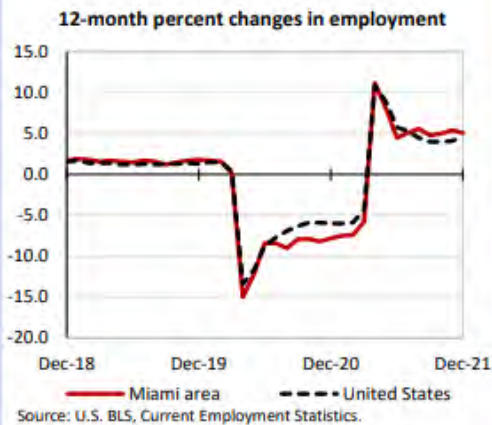
Average weekly wages for all industries by county

Miami area, second quarter 2021
(U.S. = \$1,241; Area = \$1,205)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

Over-the-year changes in employment on nonfarm payrolls and employment by major industry sector

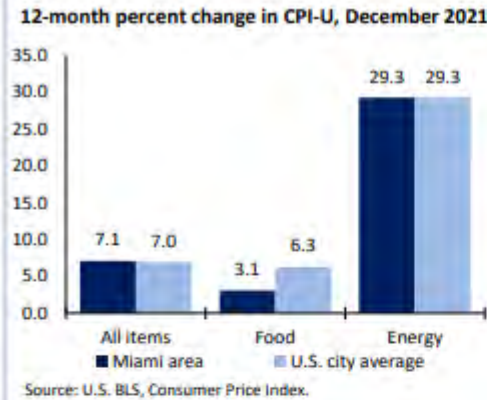


Source: U.S. BLS, Current Employment Statistics.

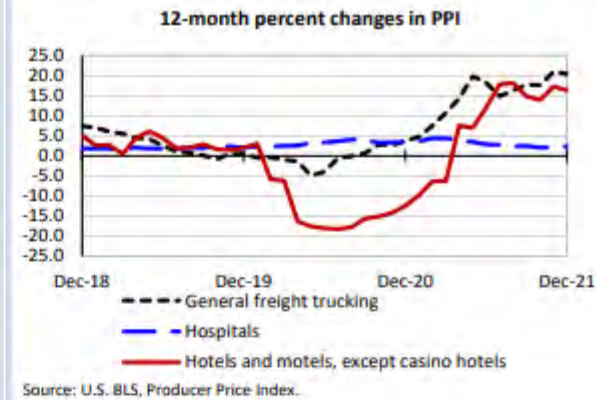
Miami area employment (number in thousands)	Dec. 2021	Change from Dec. 2020 to Dec. 2021	
		Number	Percent
Total nonfarm	2,703.3	132.4	5.1
Mining and logging	0.8	0.0	0.0
Construction	143.8	5.9	4.3
Manufacturing	91.0	1.7	1.9
Trade, transportation, and utilities	620.7	27.6	4.7
Information	47.8	1.5	3.2
Financial activities	193.8	2.5	1.3
Professional and business services	476.4	32.5	7.3
Education and health services	406.2	9.5	2.4
Leisure and hospitality	302.2	40.6	15.5
Other services	114.2	8.4	7.9
Government	306.4	2.2	0.7

Source: U.S. BLS, Current Employment Statistics.

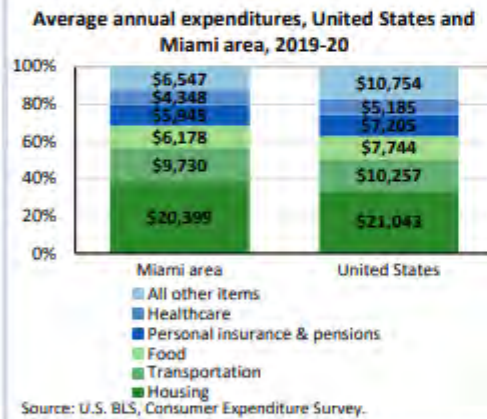
Over-the-year change in the prices paid by urban consumers for selected categories



Over-the-year changes in the selling prices received by producers for selected industries nationwide



Average annual spending and percent distribution for selected categories



Average hourly wages for selected occupations

Occupation	Miami area	United States
All occupations	\$25.47	\$27.07
Accountants and auditors	38.52	39.26
Registered nurses	34.76	38.47
Aircraft cargo handling supervisors	33.07	28.66
Construction laborers	16.41	20.67
Receptionists and information clerks	14.98	15.58
Maids and housekeeping cleaners	11.96	13.47

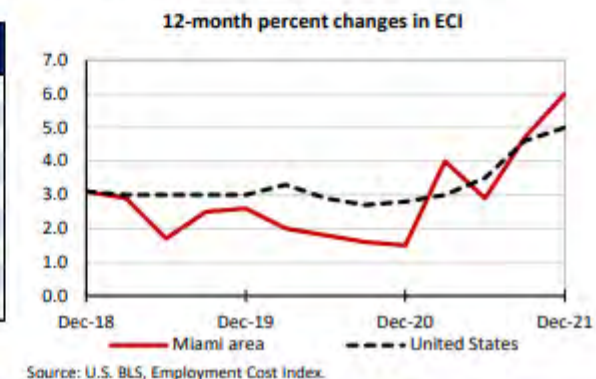
Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2020.

Employer costs per hour worked for wages and selected employee benefits by geographic division

Private industry, September 2021	South Atlantic (1)	United States
Total compensation	\$34.59	\$37.24
Wages and salaries	25.12	26.36
Total benefits	9.47	10.88
Paid leave	2.54	2.74
Vacation	1.30	1.40
Supplemental pay	1.05	1.26
Insurance	2.25	2.80
Retirement and savings	1.07	1.28
Legally required benefits	2.56	2.80

(1) The states that compose the South Atlantic census division are: DE, DC, FL, GA, MD, NC, SC, VA, and WV.
Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries



OPENING DAY

Growth in nonresidential construction jobs will also be robust because groundbreakings on major projects have become routine in MIA. Phase one of the MiamiCentral train station, which will eventually connect a new intercity train line with local transit options, debuted in May 2019. Not far from the station is the \$2 billion Miami Worldcenter that is transforming 27 acres of parking lots into a vast collection of residential, retail, office and hotel buildings. Over the next few years, the "tallest building in Florida" distinction will pass among multiple skyscrapers in downtown Miami. And county commissioners recently gave final approval to a \$4 billion mega-mall in northwest Miami-Dade County that will be America's largest shopping complex if it is completed as planned.

CONCLUSION

The economy in Miami-Dade County will continue to experience an increase in population, an increase in household income, and an increase in household values. In addition, MIA's international character and its high-skilled, bilingual workforce will help it exceed the U.S. in income growth over the long term.

Neighborhood Analysis



LOCATION

The subject property is located between Alton Road and West Avenue, and in between Lincoln Road and 17th Street in the South Beach submarket in the City of Miami Beach, Miami-Dade County, Florida 33139. The City of Miami Beach is a barrier island approximately one mile wide, ten miles long and extends in a north-south direction along the eastern seaboard parallel to mainland Miami-Dade County between Biscayne Bay and the Atlantic Ocean. The subject is located approximately 4-miles southeast of the Miami Central Business District (CBD).

BOUNDARIES

The subject property is located in the “South Beach” area of Miami Beach, which is bounded by Arthur Godfrey Road to the north, Biscayne Bay to the west, the Atlantic Ocean to the east and Government Cut to the south. The neighborhood boundaries may be generally described as follows:

- North:** Arthur Godfrey Road
- South:** Atlantic Ocean/Government Cut
- East:** Atlantic Ocean/beach
- West:** Biscayne Bay

LAND USE

Alton Road is a primary north-south thoroughfare along the west side of Miami Beach with multiple connections to the City of Miami mainland via the Venetian Causeway, the MacArthur Causeway and Interstate 195, as well as most east-west local east-west streets. Alton Road was previously slow to redevelop. However, with the buildout Ocean Boulevard & Collins Avenue corridors and the more recent private developer investment occurring along Washington Avenue, the Alton Road corridor is starting to see substantial public & private interest including the recent completion of the new 3-acre +/- Canopy Park. Located at 701 Alton Road and developed by Crescent Heights & Terra Group as a public benefit in exchange for approval to build a high-rise luxury residential condominium tower on the south end of the park.

Canopy Park includes open greenspaces, a native tree canopy, pedestrian and bike paths, an outdoor gym, a dog run, a MONSTRUM-designed children's playground, and public art displays. The development also includes a pedestrian bridge over 5th Street – The Miami Beach Canopy – connecting the Baywalk South of Fifth with the West Avenue neighborhood. Construction of the pedestrian bridge is "anticipated for 2022," according to the developers.



Land uses within the greater submarket area consist of a wide variety of commercial, residential & hotel developments. Lower density multi-family rental & condominium apartment uses are largely concentrated along Pennsylvania Avenue, Euclid Avenue and Meridian Avenue to the

west. The neighborhood & community retail and office uses are typically clustered along the Alton Road, Washington Avenue, Collins Avenue and Dade Boulevard/Venetian Causeway corridors, as well as the pedestrian-only areas of Lincoln Road Mall. Hotels, condominiums, restaurants and retail are primarily concentrated along the Collins Avenue and Ocean Drive with additional retail uses, nightclubs, restaurants and smaller boutique hotels on Washington Avenue.

The subject location is across the street from the west end entrance to the Lincoln Road pedestrian mall. The Lincoln Road pedestrian mall runs east-west from Collins Avenue to Alton Road between 16th and 17th Streets with storefronts on Lincoln Road and to a lesser extent along the side streets.



Since the capital improvement project in 1996, Lincoln Road has experienced substantial changes in tenant mix, including more restaurants and sidewalk cafes, and a shift to traditional retail shopping. At the west end of the mall, Regal Cinema opened an 18-screen stadium style movie theater in 1999. This development was strongly supported by the local municipality and has proved vital in attracting national retailers, such as Banana Republic, Pottery Barn, Williams–Sonoma, Bebe, Swatch, Victoria’s Secret’s, Ann Taylor Loft, Sunglass Hut, Anthropologie, Books & Books, Chicos, Foot Locker, I. Strada, Morgan Miller, Payless ShoeSource, Quicksilver, White House/Black Market and Express to the pedestrian promenade. The addition of the Regal Cinemas solidified the Lincoln Road redevelopment and began to make it very attractive to the national retailers and high-end restaurateurs. While Lincoln Road is in and of itself a destination

location, the cinemas also serve to attract year-round Miami-Dade residents to Lincoln Road. The Regal Cinemas is one of the most heavily patronized cinemas in South Florida.

Anchoring the east end of Lincoln Road Mall was the former New World Symphony which was housed within the subject property, also known as the Lincoln Theatre building. Established in 1987 under the artistic direction of Michael Tilson Thomas, the New World Symphony provides an instructional program to prepare graduates of distinguished music programs for leadership positions in orchestras and ensembles around the world. The New World Symphony recently relocated to 500 17th Street, just north of the subject's Lincoln Theatre location into a Frank Gehry designed concert hall and a 7,000 square foot projection wall on which concerts, video art and films are shown free-of-charge to audiences in Soundscape, a 2.5-acre public park, designed by Dutch architectural firm West 8.

Washington Avenue is four blocks to the east and after a long master planning process, development incentives and the establishment of a Business Improvement District (BID), the Washington Avenue corridor is starting to redevelop.

Under a BID, the property owners agree to a self-tax in order to provide funding for marketing, promotion and other initiatives to improve the area. The BID followed approval of the Washington Avenue Overlay in 2016 which increased allowable height to 75 feet for properties with more than 200 feet of frontage on Washington Avenue, reduced minimum hotel room sizes for new hotels and conversions, allowed for co-living or micro residential units, and eliminated parking requirements for hotels.

Since then, the Kimpton Anglers Hotel opened a new addition, a new Moxy Hotel has opened and the Good Time Hotel is soon to open. Approved and-or under construction projects include a new hotel at 1685 Washington Avenue and the Urbin Retreat.

On the following page is a concept presentation of development new projects along Washington Avenue.



Washington Avenue Project & Transaction Highlights:

- In September 2021 sale transaction of the 42-room Hotel Astor located at 956 Washington Avenue to the Victory Investments Group for \$12,750,000. The buyer is identified as Anil Monga, the CEO of Victory International USA, which manufactures and distributes name brand fragrances and cosmetics. The building features a swimming pool and 4,000 square feet +/- of restaurant space. It was built in 1936 on a 14,900-square-foot lot.
- Washington Park located at 1050 Washington Avenue is a 181-room hotel that sold in February 2021 for \$43,750,000. The buyer is Jean Simonian of WPH Properties and this was a lender REO from Ladder Capital.
- 601 Washington Avenue was recently completed and operating as The Goodtime Hotel with 266-rooms and a 30,000-SF restaurant called Strawberry Moon operated by Groot Hospitality. The eatery opens up to a rooftop pool and club area that hosts live music. The hotel also has around 46,000 rentable square feet of ground-floor retail space and 242 parking spaces, as presented in the following aerial photograph.



- Urbin, a co-living, co-work concept was approved by the City’s Historic Preservation Board for a proposed six-story co-living and hotel project at 1234 Washington Avenue. The new building will contain 49 co-living units, 56 hotel rooms, retail and restaurant space. An adjacent 1960s office building will be renovated and restored as co-workspace. It will also contain a wellness center for residents and hotel guests on the first floor, rounding out the brand's live, work, wellness theme.



Residential uses in the Flamingo Park neighborhood are primarily single family and low-rise multifamily in design and date back to the 1920’s and 1930’s with higher density resort hotels and residential condominium towers found along the Atlantic Ocean/beach and Biscayne Bay shorelines. The waterfront is where the large-scale, high-rise multifamily residential projects are located, including rental apartments, condominiums, and hotels.

The 1 & 2-story single family residential dwellings range in value from \$800,000 to \$2,000,000 +/- and are clustered around the 36.5-acre Flamingo Park. This community park has 17 tennis

courts, a baseball stadium, handball and racquetball courts, a softball field, basketball court, football field, soccer field, running track, playground, walking trails and a bark park that are all surrounded by lush tropical landscaping. Flamingo Park also features a state-of-the-art aquatic center with two (2) pool areas, lockers, lounge chairs, shower facilities and water playground.

The submarket area also includes the South Pointe Elementary School, several blocks of low-to-mid-rise residential apartment, condominium, and hotel properties than Ocean Drive and the Atlantic Ocean front with beach front resort hotels to the east.

Other primary influences in close proximity to the subject also include the Miami Beach Convention Center which provides about one million square feet of exhibition space and meeting hall facilities and is rated as one of the top convention centers in the United States; the Jackie Gleason Theater of the Performing Arts at the intersection of Washington Avenue and 17th Street; Alton Road, a commercially oriented, north-south primary arterial street; and the aforementioned Lincoln Road Pedestrian Mall which provides retail shops, restaurants, cafés and a movie theater complex located at Lincoln Road and Alton Road, just southwest of the subject property.

To the east is Ocean Drive, which runs parallel to the Atlantic Ocean and South Beach and is one of the area’s premier attractions. The pristine beaches and warm waters of the Atlantic Ocean are to the east side of Ocean Drive, while a host of al fresco dining establishments and some of Florida’s most luxurious, high-end hotels such as the Ritz-Carlton, The Delano, The Setai, The Shore Club and The Tides.

ACCESS

Overall, access to and throughout the subject neighborhood is considered good. The major east-west thoroughfares providing direct access to the subject area from the Miami mainland include the Venetian Causeway that becomes 17th Street, located just north of the subject property; 5th Street/MacArthur Causeway (US Highway No. 41/State Road A1A), located to the south of the subject property; and Arthur Godfrey/Julia Tuttle Causeway (I-195) located north of the subject property. The Miami Tunnel opened in 2014 to alleviate congestion from PortMiami along the MacArthur Causeway. These arteries connect South Beach to mainland Miami to the west, as well as intersect with the primary north-south arteries of Alton Road, Collins Avenue, Washington Avenue and Ocean Drive.

Interstate 95 is the major north-south expressway providing direct access to Miami-Dade County, as well as points north along the eastern seaboard. Biscayne Boulevard (U.S. Highway No. 1) is a well-traveled artery providing north-south access from S.E. 3rd street in downtown Miami to the Broward County line to the north.

In addition to the existing access points, there is a proposal to connect Miami Beach with downtown Miami via a monorail line. The elevated monorail would include three (3) stations and run along the south side of the MacArthur Causeway. One station would be built on the Miami side of the line and close to where the causeway begins, while the other two stations would be on

Miami Beach near the end of the causeway, and the other at the intersection of Washington Avenue and 5th Street.

DEMOGRAPHICS

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS						
1656 to 1680 Alton Court & 1677 West Avenue Miami Beach, FL 33139	1 Mile Radius	3 Mile Radius	5 Mile Radius	33139 - Miami Beach	Florida	Miami-Dade County
Population						
2026 Total Population	31,140	75,902	335,741	40,166	23,197,833	2,877,849
2021 Total Population	30,164	71,596	305,205	38,928	21,733,419	2,745,677
2010 Total Population	29,790	63,966	253,503	38,179	18,801,310	2,496,435
2000 Total Population	30,893	59,178	225,217	37,950	15,982,378	30,982
Annual Growth 2021 - 2026	0.64%	1.17%	1.93%	0.63%	1.31%	0.94%
Annual Growth 2010 - 2021	0.11%	1.03%	1.70%	0.18%	1.33%	0.87%
Annual Growth 2000 - 2010	-0.36%	0.78%	1.19%	0.06%	1.64%	N/A
Households						
2026 Total Households	18,588	42,409	159,504	23,914	9,071,090	992,819
2021 Total Households	18,115	40,209	144,064	23,311	8,514,543	948,312
2010 Total Households	18,136	36,463	118,577	23,221	7,420,802	867,352
2000 Total Households	18,780	33,188	99,211	23,125	6,337,929	776,774
Annual Growth 2021 - 2026	0.52%	1.07%	2.06%	0.51%	1.27%	0.92%
Annual Growth 2010 - 2021	-0.01%	0.89%	1.79%	0.04%	1.26%	0.81%
Annual Growth 2000 - 2010	-0.35%	0.95%	1.80%	0.04%	1.59%	1.11%
Income						
2021 Median Household Income	\$59,863	\$68,221	\$55,326	\$60,423	\$58,462	\$54,681
2021 Average Household Income	\$96,021	\$110,679	\$89,287	\$104,426	\$83,820	\$81,309
2021 Per Capita Income	\$57,585	\$61,998	\$42,547	\$62,604	\$32,917	\$28,156
2021 Pop 25+ College Graduates	13,734	32,606	102,397	17,424	4,922,526	612,307
Age 25+ Percent College Graduates - 2021	53.5%	56.1%	44.0%	52.5%	31.2%	31.2%

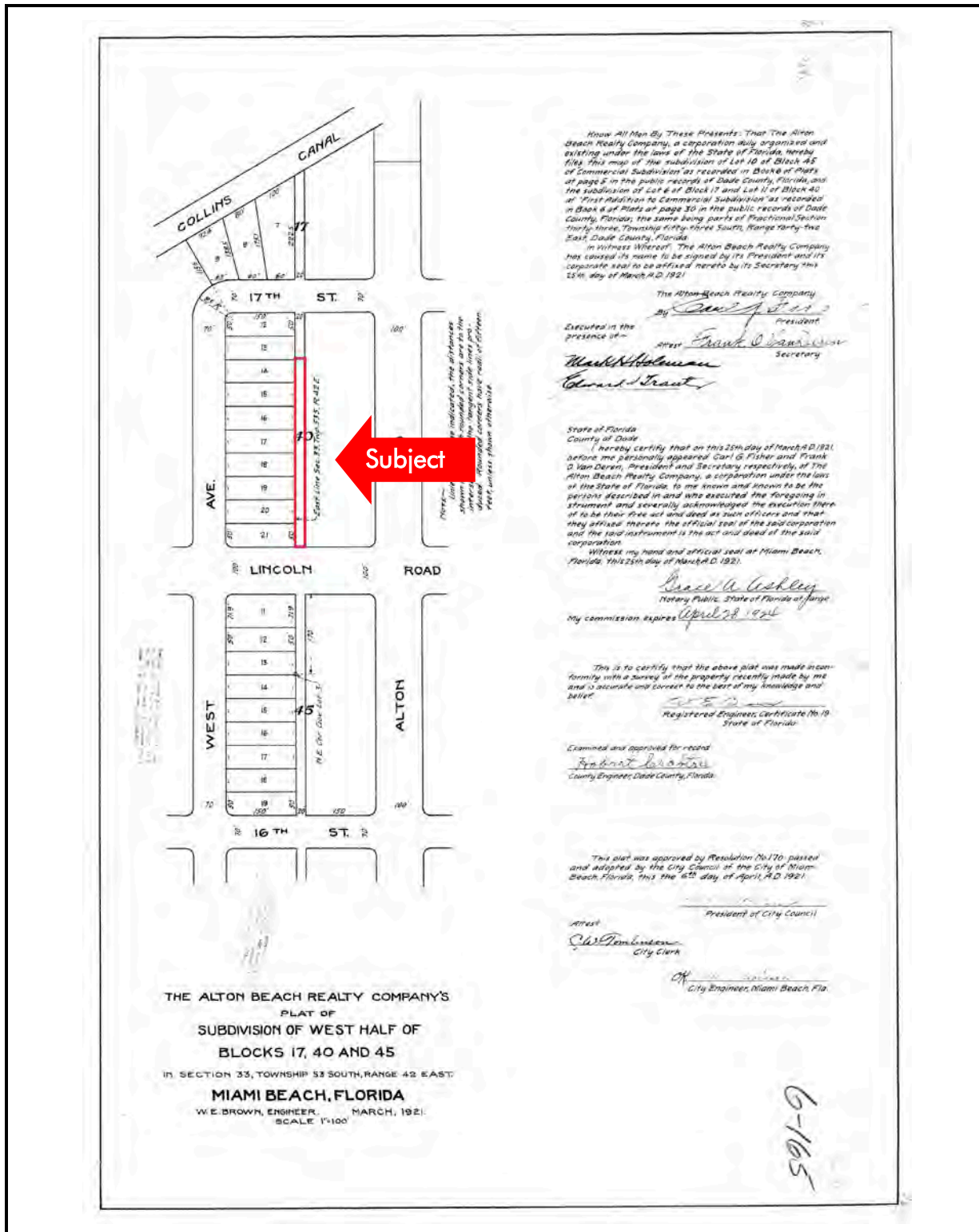
Source: ESRI

CONCLUSION

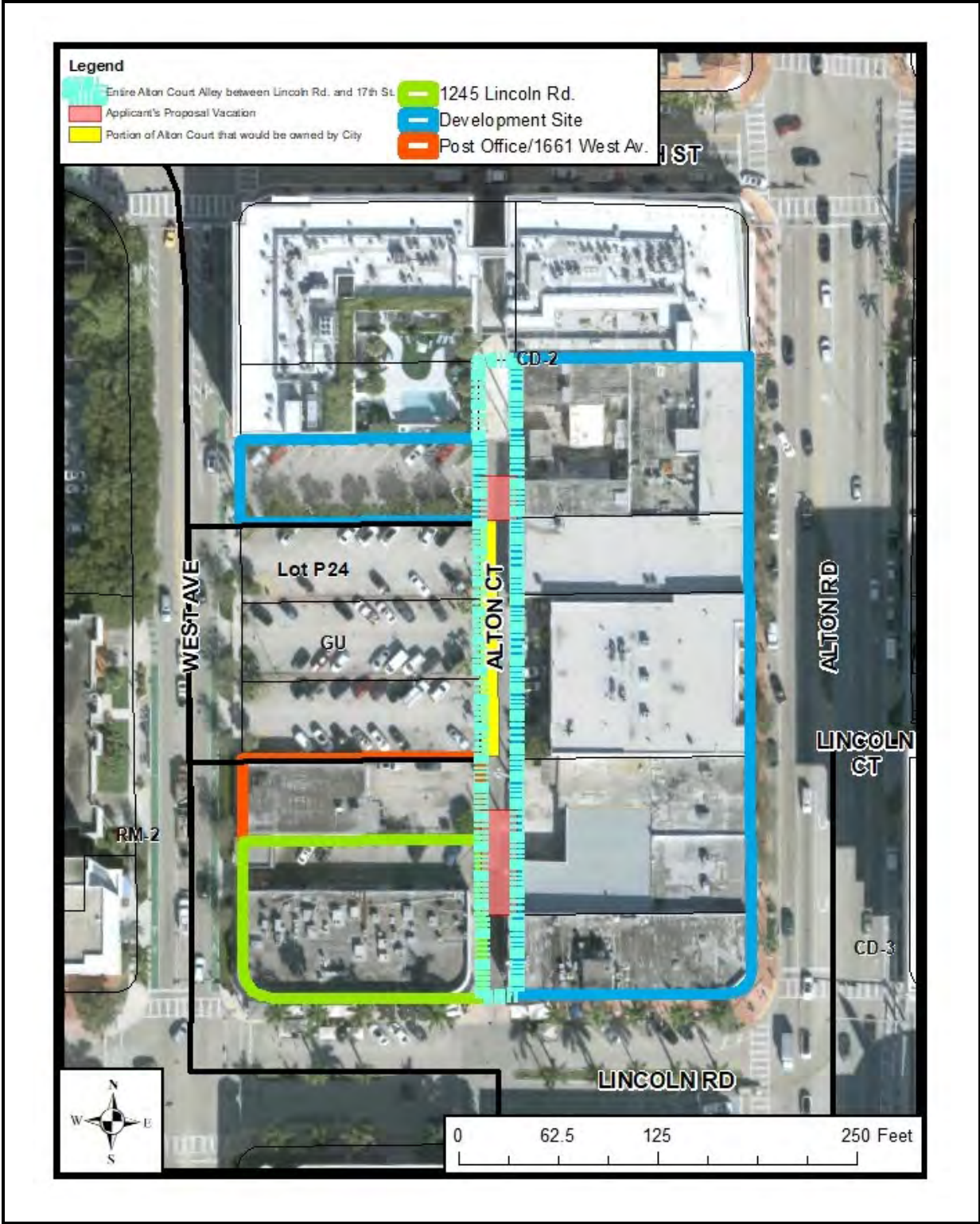
The subject neighborhood location is mature and built-out with growth in population and households through higher density, redevelopment opportunities along the major thoroughfares and waterfront. The local demographic profile is middle-to-upper-middle-income and the overall outlook is for favorable performance over the foreseeable future. Many neighborhood improvements are renovated, historically rehabilitated and-or in good-to-excellent condition.

Access to the neighborhood is good and utility services are adequate. Supporting commercial uses are good and surrounding land uses are compatible. Overall, it is our opinion that the subject neighborhood will continue to remain a very desirable area, with continued potential for appreciation. In addition, the Miami Beach submarket is a destination resort community and international "hot spot" that continues to flourish over the long term despite adverse macro-economic cycles.

PLAT EXHIBIT OF ALTON COURT ALLEY



ALTON COURT & ABUTTING LAND USES



PLAT EXHIBIT FOR 663 ALTON ROAD

ALTA / NSPS LAND TITLE BOUNDARY SURVEY

SECTION 13&4, TOWNSHIP 15 SOUTH, RANGE 42 EAST
LEWIS AND CLARK COUNTY, MISSISSIPPI

SUBJECT SITE

LOCATION MAP
1:50,000

LONGITUDE SURVEYORS
707 N. MAIN STREET
TALLAHASSEE, FLORIDA 32304
PH: (904) 484-9922
FAX: (904) 484-9923
ALIGNED CERTIFICATE
OF PROFESSIONAL
STATUS
12-17-2015
WWW.CONSURVEYORS.COM

RECORD OF RESERVATION

NO.	DATE	DESCRIPTION
1	11/11/2015	ALTA / NSPS LAND TITLE BOUNDARY SURVEY

ALTA / NSPS LAND TITLE BOUNDARY SURVEY
1554-1590 Alton Road & 1477 West Avenue, Albany Beach, FL 32319

BH THE ALTON LLC

Project Name: 22035.0.01
Sheet 1 of 2

REMARKS:

1. This survey was conducted in accordance with the provisions of the Florida Surveying and Mapping Act, Chapter 461, F.S., and the rules and regulations of the Board of Professional Surveyors, Chapter 61G15-02.001, F.A.C.

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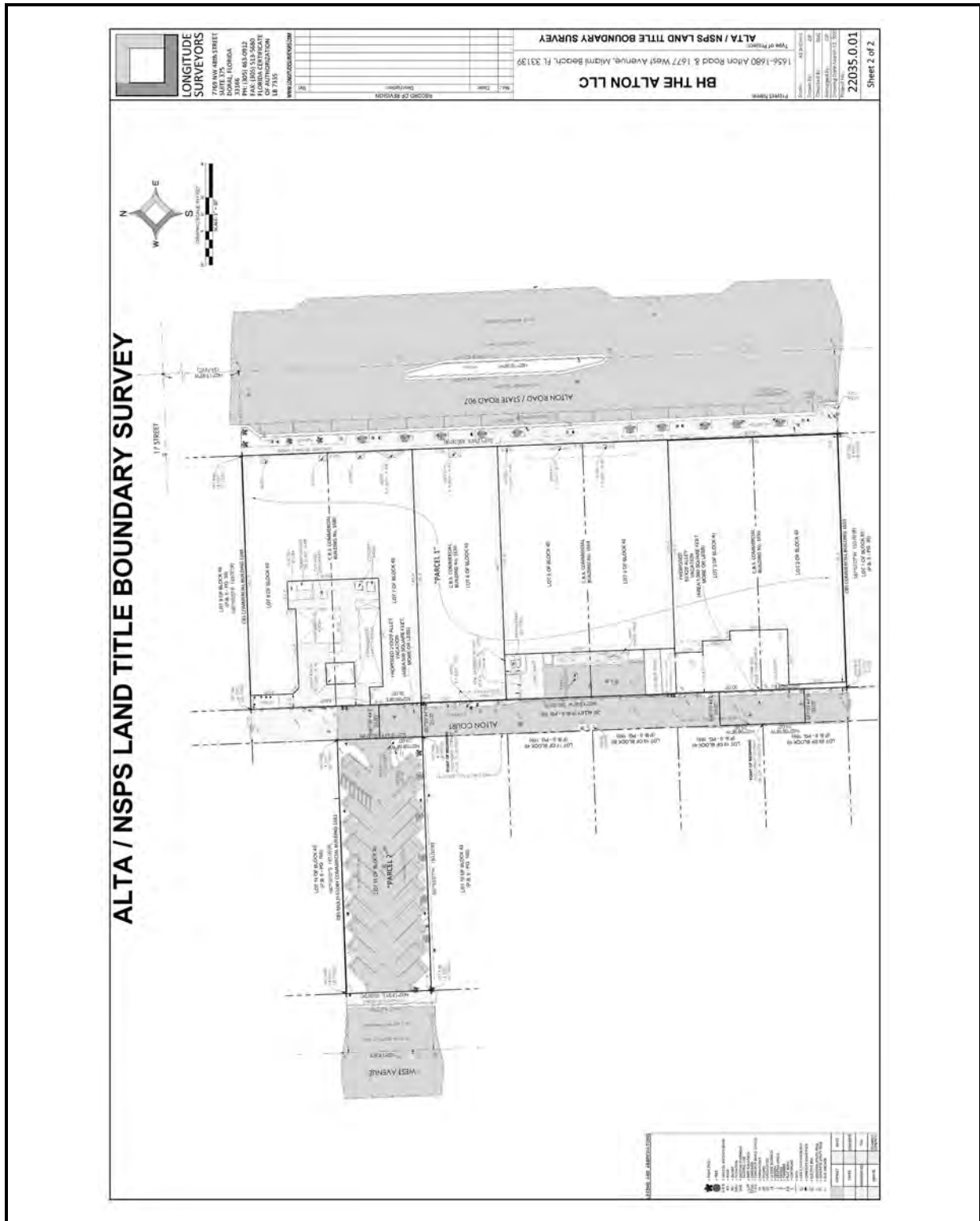
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BH THE ALTON LLC - PROPOSED DEVELOPMENT SITE

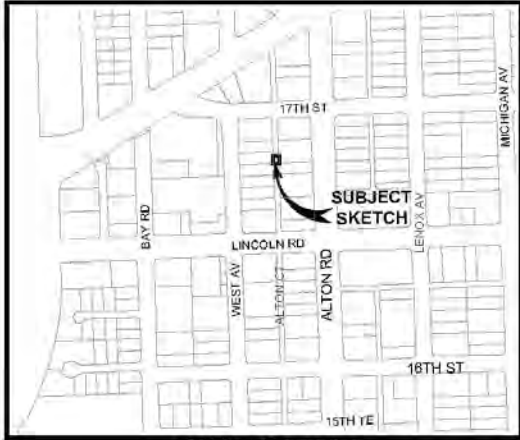


PROPOSED NORTH ALTON COURT ALLEY VACATION



**SKETCH TO ACCOMPANY LEGAL DESCRIPTION
25'X20' ALLEY VACATION**

EXHIBIT "A"



LOCATION MAP
(NOT TO SCALE)

PERTINENT INFORMATION USED FOR THE PREPARATION OF THIS DOCUMENT:

The Legal Description of the Subject Parcel was generated from the following documents:

1. Plat of THE ALTON BEACH REALTY COMPANY'S PLAT OF SUBDIVISION OF WEST HALF OF BLOCKS 17 40, AND 45", recorded in Plat Book 6, at Page 165, Miami-Dade County Public Records.
2. Plat of "FIRST ADDITION TO COMMERCIAL SUBDIVISION OF THE ALTON BEACH REALTY COMPANY", recorded in Plat Book 6, at Page 30, Miami-Dade County Public Records.

Bearings shown hereon are based upon the West line of Lot 7 with an assumed bearing of N 02° 1 3' 35" W, said line to be considered a well established and monumented line.

EASEMENTS AND ENCUMBRANCES:
No information was provided as to the existence of any easements other than what appears on the underlying Plat of record. Please refer to the Limitations item with respect to possible restrictions of record and utility services.

LIMITATIONS:
Since no other information were furnished other than what is cited above, the Client is hereby advised that there may be legal restrictions on the subject property that are not shown on this Sketch or contained within this report that may be found in the Public Records of Miami-Dade County, Florida or any other public and private entities as their jurisdictions may appear.

This document does not represent a field boundary survey of the described property, or any part or parcel thereof.

SURVEYOR'S CERTIFICATE:
I hereby certify: That this "Sketch to Accompany Legal Description" was prepared under my direction and is true and correct to the best of my knowledge and belief and further, that said "Sketch to Accompany Legal Description" meets the intent of the applicable provisions of the "Standards of Practice for Land Surveying in the State of Florida", pursuant to Rule 5J-17 of the Florida Administrative Code and its implementing law, Chapter 472.027 of the Florida Statutes.

LONGITUDE SURVEYORS LLC., a Florida Limited Liability Company
Florida Certificate of Authorization Number LB7335
This item has been digitally signed:

Eduardo M. Suarez, PSM
Professional Surveyor and Mapper 156313
State of Florida

THIS SKETCH IS NOT A SURVEY

NOTE:
Printed copies of this document are not considered signed and sealed and the signature must be verified on the electronic copies.
The above named Professional Surveyor & Mapper shall be responsible for the following sheets in accordance with Rule 5J 17, F.A.C.

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7769 NW 48TH STREET, SUITE 375, DORAL, FLORIDA 33166 • PHONE:(305)463-0912 • FAX:(305)513-5680 • WWW.LONGITUDESURVEYORS.COM

JOB No. 22035.1.02 PAGE 1 OF 3

NOTICE: This document is not valid, full and complete without all three (3) pages.

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PROPOSED NORTH ALTON COURT ALLEY VACATION

**SKETCH TO ACCOMPANY LEGAL DESCRIPTION
25'X20' ALLEY VACATION**

EXHIBIT "A"

LEGAL DESCRIPTION:

A PARCEL OF LAND BEING A PORTION OF AN EXISTING 20.00 FOOT ALLEY, "THE ALTON BEACH REALTY COMPANY'S PLAT OF SUBDIVISION OF WEST HALF OF BLOCKS 17 40, AND 45", AS PER PLAT BOOK 6, PAGE 165, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, AND BEING FURTHER DESCRIBED AS THE FOLLOWING:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 15 OF BLOCK 40 OF "THE ALTON BEACH REALTY COMPANY'S PLAT OF SUBDIVISION OF WEST HALF OF BLOCKS 17 40, AND 45". PLAT BOOK 6, PAGE 165, MIAMI-DADE COUNTY; THENCE RUN N02°08'58"W, ALONG THE EAST LINE OF SAID LOT 15 FOR A DISTANCE OF 25.00 FEET TO A POINT; THENCE RUN N87°59'44"E, FOR A DISTANCE OF 20.00 FEET TO A POINT OF INTERSECTION WITH THE WEST LINE OF LOT 7 OF BLOCK 40, "FIRST ADDITION TO COMMERCIAL SUBDIVISION OF THE ALTON BEACH REALTY COMPANY", AS PER PLAT BOOK 6, PAGE 30, MIAMI-DADE COUNTY, FLORIDA; THENCE RUN S02°08'58"E, ALONG SAID WEST LINE OF SAID LOT 7, FOR A DISTANCE OF 25.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 7; THENCE RUN S87°59'44"W, FOR A DISTANCE OF 20.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINS 500 SQUARE FEET, MORE OR LESS, BY CALCULATIONS.

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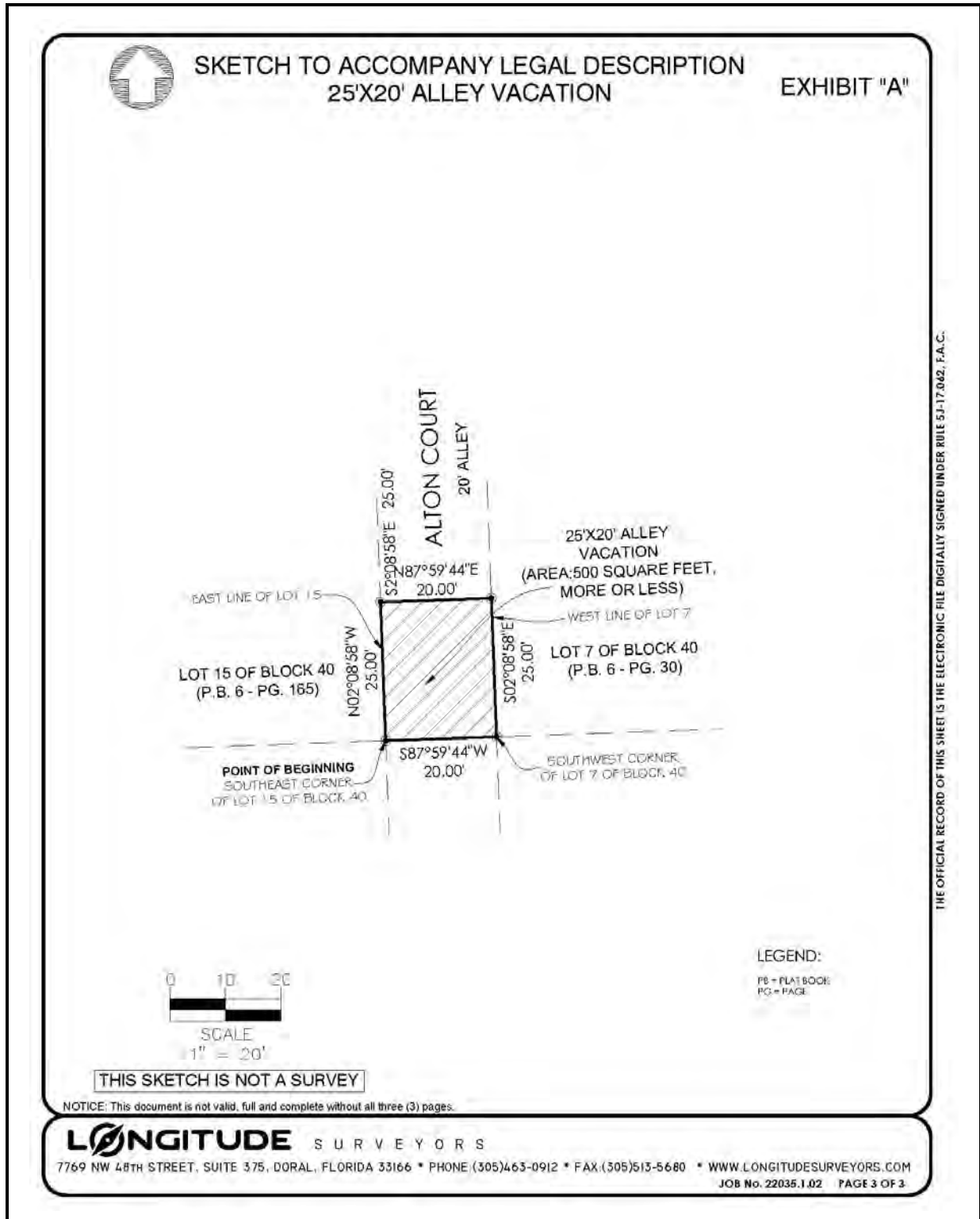
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PROPOSED NORTH ALTON COURT ALLEY VACATION

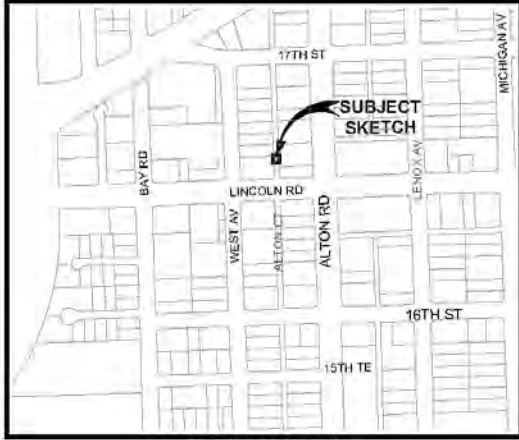


PROPOSED SOUTH ALTON COURT ALLEY VACATION



**SKETCH TO ACCOMPANY LEGAL DESCRIPTION
50'X20' ALLEY VACATION**

EXHIBIT "A"



LOCATION MAP
(NOT TO SCALE)

PERTINENT INFORMATION USED FOR THE PREPARATION OF THIS DOCUMENT:

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2. Plat of "FIRST ADDITION TO COMMERCIAL SUBDIVISION OF THE ALTON BEACH REALTY COMPANY", recorded in Plat Book 6, at Page 30, Miami-Dade County Public Records.

Bearings shown hereon are based upon the West line of Lot 7, with an assumed bearing of N 02°1 3'35" W, said line to be considered a well established and monumented line.

EASEMENTS AND ENCUMBRANCES:
No information was provided as to the existence of any easements other than what appears on the underlying Plat of record. Please refer to the Limitations item with respect to possible restrictions of record and utility services.

LIMITATIONS:
Since no other information were furnished other than what is cited above, the Client is hereby advised that there may be legal restrictions on the subject property that are not shown on this Sketch or contained within this report that may be found in the Public Records of Miami-Dade County, Florida or any other public and private entities as their jurisdictions may appear.

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LONGITUDE SURVEYORS LLC., a Florida Limited Liability Company
Florida Certificate of Authorization Number LB7335
This item has been digitally signed:

Eduardo M. Suarez, PSM
Professional Surveyor and Mapper 156313
State of Florida

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JOB No. 22035.1.02 PAGE 1 OF 3

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PROPOSED SOUTH ALTON COURT ALLEY VACATION

**SKETCH TO ACCOMPANY LEGAL DESCRIPTION
50'X20' ALLEY VACATION**

EXHIBIT "A"

LEGAL DESCRIPTION:

A PARCEL OF LAND BEING A PORTION OF AN EXISTING 20.00 FOOT ALLEY, "THE ALTON BEACH REALTY COMPANY'S PLAT OF SUBDIVISION OF WEST HALF OF BLOCKS 17 40, AND 45", AS PER PLAT BOOK 6, PAGE 165, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, AND BEING FURTHER DESCRIBED AS THE FOLLOWING:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 19 OF BLOCK 40 OF "THE ALTON BEACH REALTY COMPANY'S PLAT OF SUBDIVISION OF WEST HALF OF BLOCKS 17 40, AND 45", PLAT BOOK 6, PAGE 165, MIAMI-DADE COUNTY; THENCE RUN N02°08'58"W, ALONG THE EAST LINE OF SAID LOT 19 FOR A DISTANCE OF 25.00 FEET TO A POINT ALONG SAID EAST LINE OF SAID LOT 19; THENCE RUN N87°59'44"E, FOR A DISTANCE OF 20.00 FEET TO A POINT OF INTERSECTION WITH THE WEST LINE OF LOT 3 OF BLOCK 40, "FIRST ADDITION TO COMMERCIAL SUBDIVISION OF THE ALTON BEACH REALTY COMPANY", AS PER PLAT BOOK 6, PAGE 30, MIAMI-DADE COUNTY, FLORIDA; THENCE RUN S02°08'58"E, ALONG SAID WEST LINE OF SAID LOT 3 AND ALONG THE WEST LINE OF LOT 2 OF BLOCK 40, FOR A DISTANCE OF 50.00 FEET TO A POINT ALONG SAID WEST LINE OF SAID LOT 2; THENCE RUN S87°59'44"W, FOR A DISTANCE OF 20.00 FEET TO A POINT ALONG THE EAST LINE OF LOT 20, SAID POINT BEING 25.00 FEET SOUTH FROM THE SOUTHEAST CORNER OF SAID LOT 19; THENCE RUN N02°08'58"W ALONG SAID EAST LINE OF SAID LOT 20, FOR A DISTANCE OF 25.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINS 1,000 SQUARE FEET, MORE OR LESS, BY CALCULATIONS.

THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED UNDER RULE 51-17.062, F.A.C.

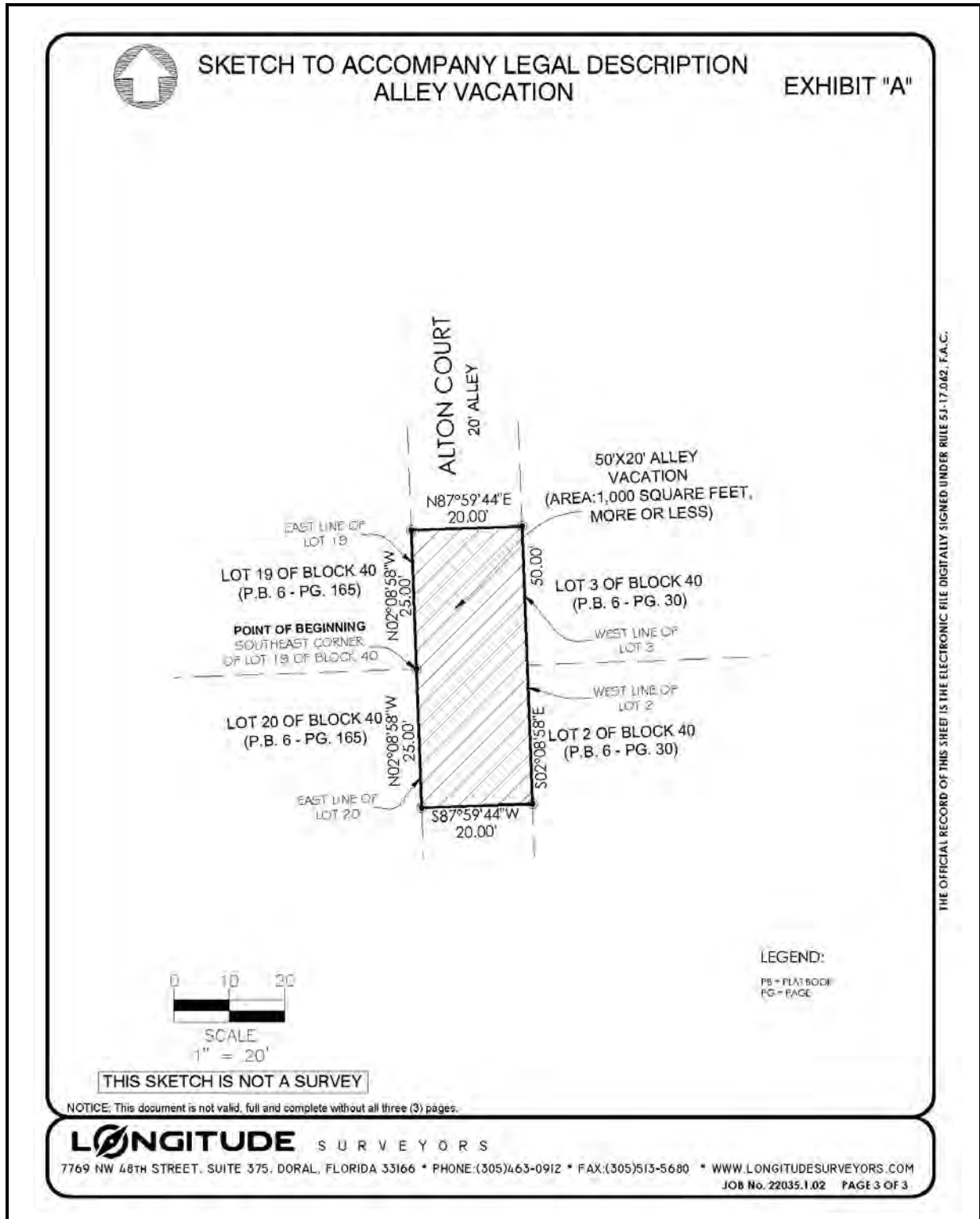
THIS SKETCH IS NOT A SURVEY

NOTICE: This document is not valid, full and complete without all three (3) pages.

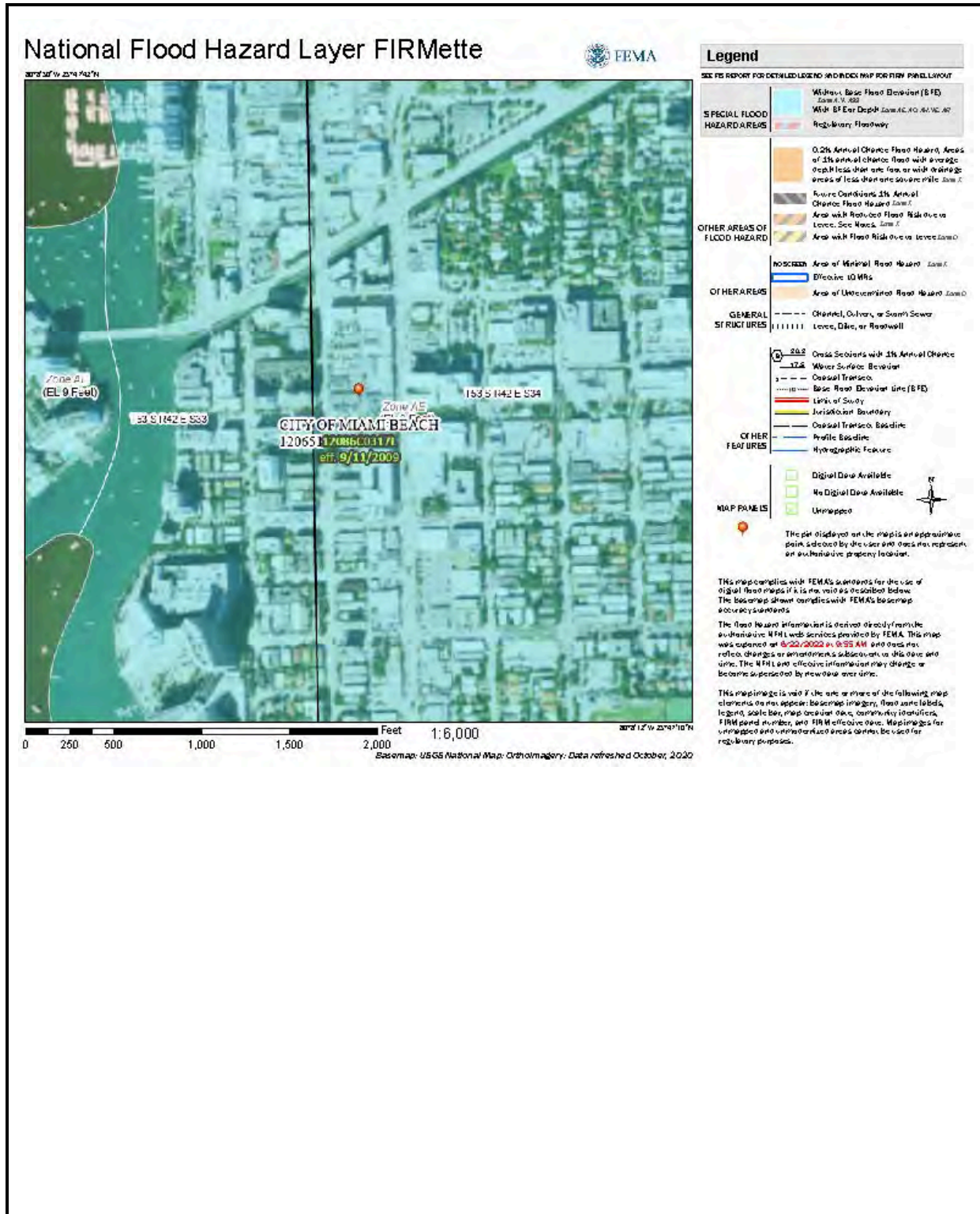
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JOB No. 22035.1.02 PAGE 2 OF 3

PROPOSED SOUTH ALTON COURT ALLEY VACATION



FLOOD PLAIN MAP



Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
Physical Description			
Net Site Area	0.18 Acres	8,000 Sq. Ft.	
Road Frontage	Alton Court	400 Feet	
Road Frontage	Lincoln Road	20 Feet	
Road Frontage	17th Street	20 Feet	
Shape	Rectangular		
Topography	Improved to road grade		
Traffic Counts (24 hrs.)	Alton Road	32,500	
Traffic Counts (24 hrs.)	West Avenue	19,300	
Traffic Counts (24 hrs.)	17th Street	16,500	
Zoning District	CD-2, Commercial, Medium Intensity District		
Flood Map Panel No. & Date	12086C0317L	11-Sep-09	
Flood Zone	Zone AE		
Comparative Analysis		Rating	
Visibility	Local street & pedestrian visibility		
Functional Utility	Good potential for mixed-uses		
Traffic Volume	Neighborhood, commercial & seasonal tourist		
Adequacy of Utilities	Municipal utility services		
Landscaping	Urban streetscape		
Drainage	Municipal storm drainage		
Utilities	Provider	Availability	
Water	City of Miami Beach	Yes	
Sewer	City of Miami Beach	Yes	
Natural Gas	Contract service	Yes	
Electricity	FPL	Yes	
Telephone	AT&T land lines	Yes	
Mass Transit	Miami-Dade County (MDT) bus service and Miami Beach Trolley	Yes	
Other	Yes	No	Unknown
Detrimental Easements			X
Encroachments			X
Deed Restrictions			X
Reciprocal Parking Rights		X	
Various sources compiled by CBRE			

LOCATION

The subject is on the north side of Lincoln Road, south of 17th Street and in between Alton Road and West Avenue.

LAND AREA

The land area size was provided by the client via site sketch.

INGRESS/EGRESS

Vehicular and pedestrian ingress/egress is available to the subject site via public rights-of-way and improved sidewalks.

Street improvements include asphalt paved traffic lanes, signalized crosswalks, metered street parking, concrete curbs & medians, gutters and sidewalks, street lighting and above ground utility poles.

TOPOGRAPHY AND INFRASTRUCTURE

The subject site is improved to road grade in a built out submarket with all off-site infrastructure in-place including urban streetscape, pedestrian sidewalks, underground utilities, above ground power lines and concrete curbs, gutters & storm drainage system.

The topography of the site is not seen as an impediment to the development of the property. During our inspection of the site, we observed no drainage problems. However, it is important to note that the City of Miami Beach is a barrier island and reported to be ground zero for sea level rise issues and engineering.

SOILS

A soils analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soils report, it is a specific assumption that the site has adequate soils to support the highest and best use.

EASEMENTS AND ENCROACHMENTS

The subject site has underground utility easements for potable water/sewer lines, electric, Comcast cable and grease traps. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

COVENANTS, CONDITIONS AND RESTRICTIONS

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

UTILITIES AND SERVICES

The site includes all municipal services, including police, fire and refuse garbage collection. All utilities are available to the site in adequate quality and quantity.

ENVIRONMENTAL ISSUES

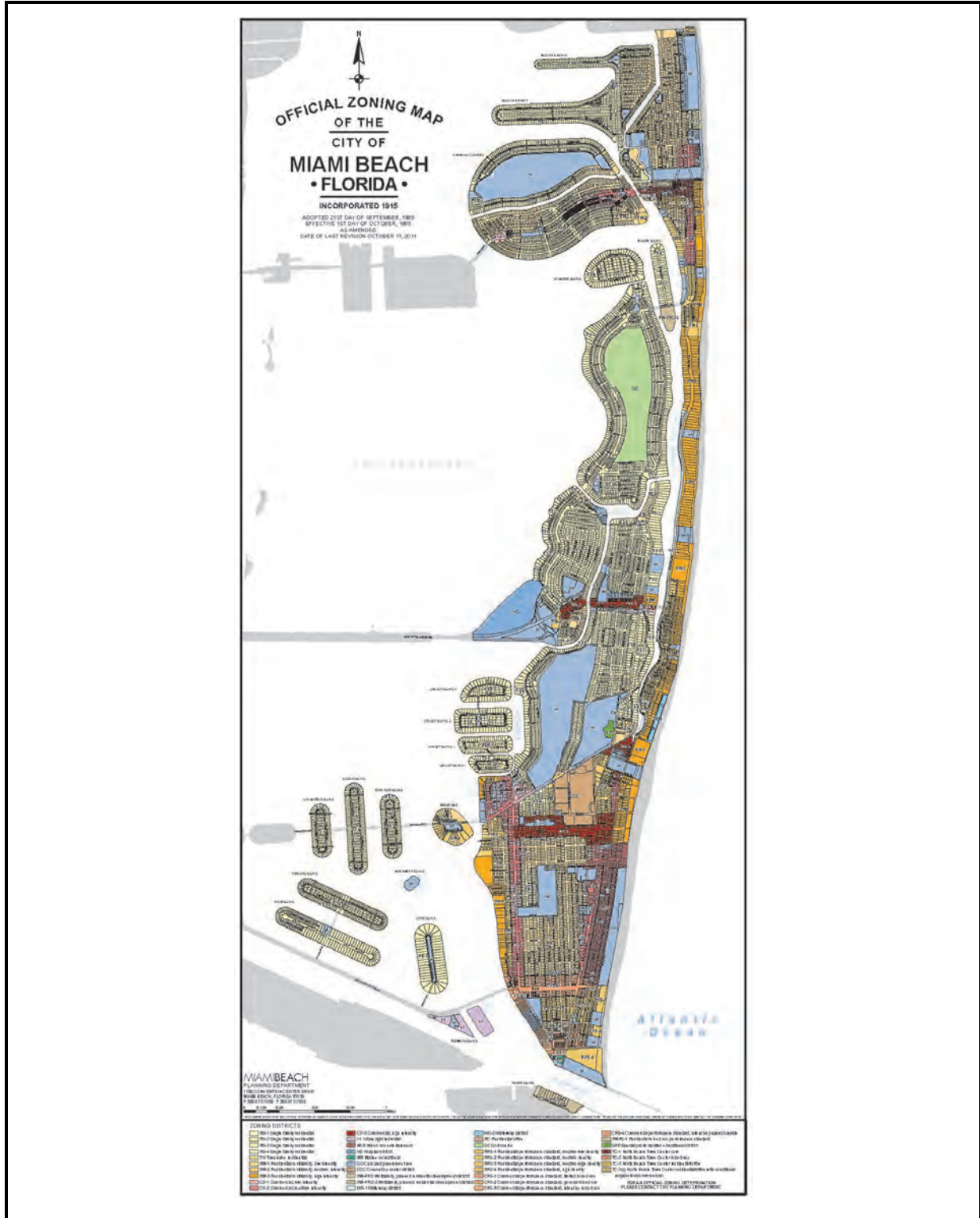
Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

CONCLUSION

The subject site is well located in a built-out submarket and abutting properties that are targeted for higher density, mixed-use redevelopment. The subject site also has walkability to the Lincoln Road pedestrian mall, as well as, other supporting retail & commercial uses, hotels, residential neighborhoods and the Atlantic Ocean beach front.

ZONING MAP



Zoning

The following chart summarizes the subject’s zoning requirements.

ZONING SUMMARY	
Current Zoning	CD-2, Commercial, Medium Intensity District
Purpose	The CD-2 commercial, medium intensity district provides for commercial activities, services, offices and related activities which serve the entire city.
Main Permitted Uses	<p>The main permitted uses in the CD-2 commercial, medium intensity district are commercial uses (including, for example, personal service establishments); apartments; apartment hotels, hotels, hostels, and suite hotels (pursuant to <u>section 142-1105</u> of this chapter); religious institutions with an occupancy of 199 persons or less and alcoholic beverages establishments pursuant to the regulations set forth in <u>chapter 6</u>; Alcoholic beverage establishments located in the following geographic areas within the CD-2 commercial, medium intensity district shall be subject to the additional requirements set forth in <u>section 142-310</u>:</p> <p>a) <i>Alton Road corridor.</i> Properties on the west side of Alton Road and east of Alton Court, between 5th Street and 11th Street, and between 14th Street and Collins Canal; and properties on the east side of West Avenue, between Lincoln Road and 17th Street, except alcoholic beverage establishments fronting Lincoln Road between West Avenue and Alton Road.</p> <p>b) <i>Sunset Harbour neighborhood.</i> The geographic area generally bounded by Purdy Avenue to the west, 20th Street and the waterway to the north, Alton Road to the east, and Dade Boulevard to the south.</p>
Conditional Uses	The conditional uses in the CD-2 commercial, medium intensity district are funeral home; religious institutions; pawnshops; video game arcades; public and private institutions; schools; any use selling gasoline; new construction of structures 50,000 square feet and over (even when divided by a district boundary line), which review shall be the first step in the process before the review by any of the other land development boards; outdoor entertainment establishment; neighborhood impact establishment; open air entertainment establishment; and storage and/or parking of commercial vehicles on a site other than the site at which the associated commerce, trade or business is located. See section 142-1103.
Accessory Uses	The accessory uses in the CD-2 commercial, medium intensity district are as required in article IV, division 2 of this chapter; and accessory outdoor bar counters, provided that the accessory outdoor bar counter is not operated or utilized between midnight and 8:00 a.m.; however, for an accessory outdoor bar counter which is adjacent to a property with an apartment unit, the accessory outdoor bar counter may not be operated or utilized between 8:00 p.m. and 8:00 a.m.
Prohibited Uses	The prohibited uses in the CD-2 commercial, medium intensity district are accessory outdoor bar counters, except as provided in article IV, division 2 of this chapter and in chapter 6.

Source: City of Miami Beach Planning & Zoning Department

ZONING SUMMARY - Continued

Maximum Floor Area Ratio	1.50 FAR, plus Code Section 142-307(d) allows 2.0 FAR where more than 25% of the building is used for
Minimum Lot Area	None
Minimum Lot Width	None
Minimum Apt. Unit Size	New Construction: 550-SF; Rehabilitated Buildings: 400-SF Non-elderly and elderly low and moderate income housing: 400-SF Workforce Housing: 400-SF
Average Apt. Unit Size	New Construction: 800-SF; Rehabilitated Buildings: 550-SF Non-elderly and elderly low and moderate income housing: 400-SF Workforce housing: 400-SF
Minimum Hotel Unit Size	15%: 300-SF to 335-SF and 85%: 335-SF & up; Rehabilitation of Historic Buildings: 200-SF For contributing hotel structures, located within an individual historic site, a local historic district or a national register district, which are being renovated in accordance with the Secretary of the Interior Standards and Guidelines for the Rehabilitation of Historic Structures as amended, retaining the existing room configuration shall be permitted, provided all rooms are a minimum of 200 square feet. Additionally, existing room configurations for the above described hotel structures may be modified to address applicable life-safety and accessibility regulations, provided the 200 square feet minimum unit size is maintained, and provided the maximum occupancy per hotel room does not exceed 4 persons. In addition, the minimum hotel unit size for a property formerly zoned HD is 250 square feet, provided that the property does not exceed 25,000 square feet as of March 23, 2019. Hotel units within rooftop additions to contributing structures in a historic district and individually designated historic buildings—200. The number of units may not exceed the maximum density set forth in the comprehensive plan.
Average Hotel Unit Size	The number of units may not exceed the maximum density set forth in the comprehensive plan.
Maximum Height	50 Feet (except as provided in Section 142-1161) Notwithstanding the above, the design review board or historic preservation board, in accordance with the applicable review criteria, may allow up to an additional five feet of height, not to exceed a maximum height of 55 feet. In order to utilize the additional height, the first floor shall provide at least 12 feet in height, as measured from the base flood elevation plus maximum freeboard, to the top of the second floor slab. 40 Feet for self-storage warehouse, except that the building height shall be limited to 25 feet within 50 feet from the rear property line for lots abutting an alley; and within 60 feet from a residential district for blocks with no alley. 60 Feet for mixed-use and commercial buildings that include structured parking for properties on the west side of Alton Road from 6th Street to Collins Canal.
Maximum Stories	5 Stories (except for permitted height exceptions as provided in Code Section 142-1161)
Minimum Setbacks;	
Front, At Grade Parking Lot	5 Feet
Front, Pedestal & Tower Non-Oceanfront	-0- Feet and residential uses follow the RM-1, 2 & 3 setbacks
Front, Pedestal & Tower Oceanfront	Pedestal: 15 Feet; Tower: 20 Feet + 1 foot for every 50 feet in height, to a maximum of 50 feet, then 5 Feet
Side, Interior, At Grade Parking Lot	5 Feet
Side, Interior, Pedestal & Tower Non-Oceanfront	10 feet when abutting a residential district, otherwise none. Notwithstanding the foregoing, rooftop additions to contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks.
Side, Interior, Pedestal & Tower Oceanfront	Notwithstanding the foregoing, rooftop additions to contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks.
Side, Facing a Street, At Grade	5 Feet
Side, Facing a Street, Pedestal & Tower Non-Oceanfront	10 feet when abutting a residential district, unless separated by a street or waterway otherwise none
Side, Facing a Street, Pedestal & Tower Oceanfront	10 Feet
Rear, At Grade Parking Lot	5 Feet and if abutting an alley -0- Feet
Rear, Pedestal & Tower Non-Oceanfront	5 Feet; and, 10 Feet when abutting residential district, unless separated by a street or waterway, then -0-.
Rear, Pedestal & Tower Oceanfront	25% of lot depth, 75 feet minimum from the bulkhead line whichever is greater (b) The tower setback shall not be less than the pedestal setback. (c) Parking lots and garages: If located on the same lot as the main structure the above setbacks shall apply. If primary use the setbacks are listed in subsection 142-1132(n). (d) Mixed use buildings: Calculation of setbacks and floor area ratio: (1) Setbacks. When more than 25 percent of the total area of a building is used for residential or hotel units, any floor containing such units shall follow the RM-1, 2, 3 setback regulations. (2) Floor area ratio. When more than 25 percent of the total area of a building is used for residential or hotel units, the floor area ratio range shall be as set forth in the RM-2 district. (3) The maximum floor area ratio (FAR) for self-storage warehouses shall be 1.5. The floor area ratio provision for mixed use buildings in section 142-307(d)(2) above shall not apply to self-storage warehouse development.
Buildings Containing Parking Spaces	Residential or commercial uses, as applicable, at the first level along every facade facing a street, sidewalk or waterway; for properties not having access to an alley, the required residential space shall accommodate entrance and exit drives. Residential or commercial uses above the first level along every facade facing a waterway. For properties less than 60 feet in width, the total amount of commercial space at the first level along a street side shall be determined by the design review or historic preservation board, as applicable. All facades above the first level, facing a street or sidewalk, shall include a substantial portion of residential or commercial uses; the total amount of residential or commercial space shall be determined by the design review or historic preservation board, as applicable, based upon their respective criteria.
Parking Requirements - District No. 6	Refer to Section 130-31 of municipal zoning code.

Source: City of Miami Beach Planning & Zoning Department

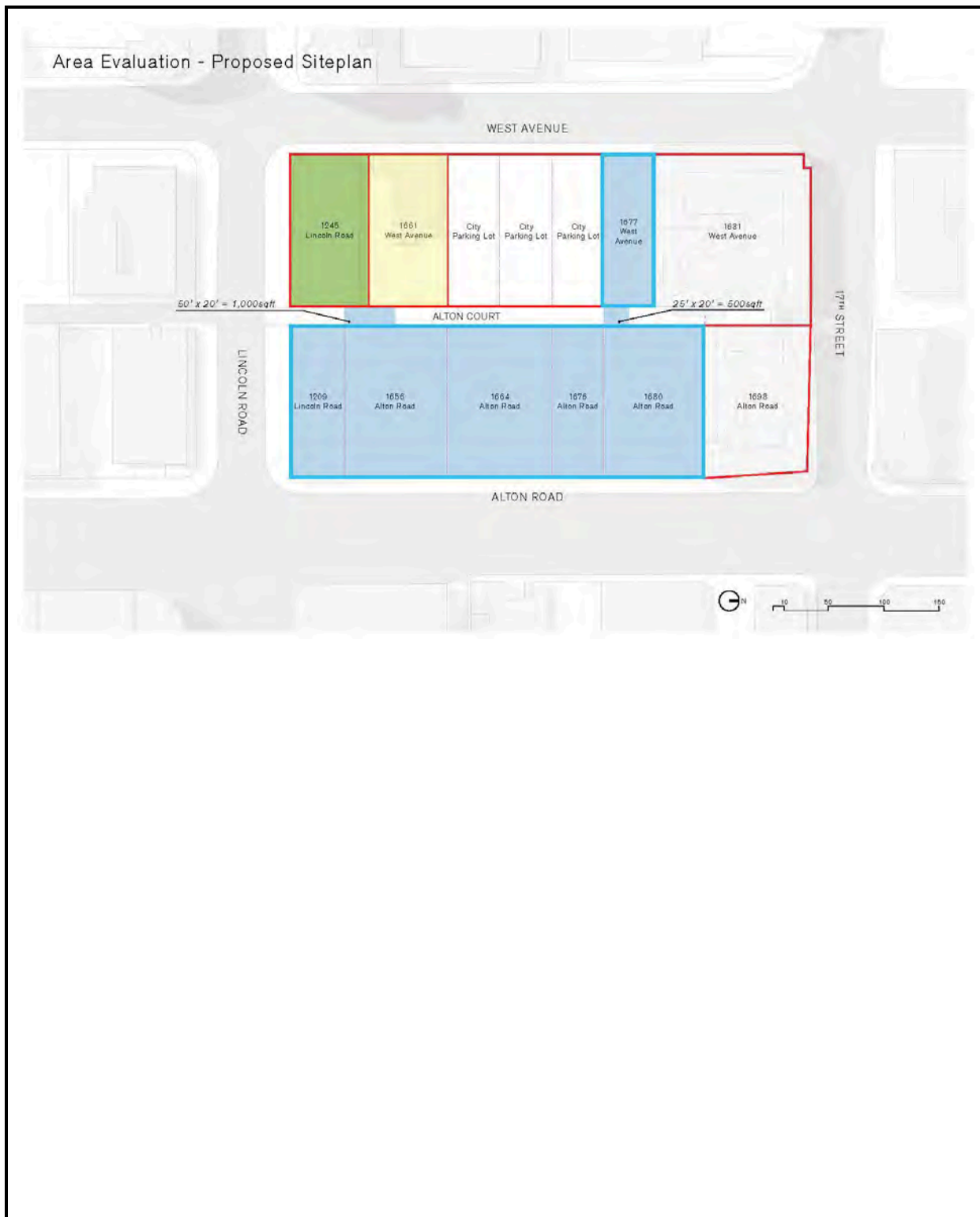
ANALYSIS AND CONCLUSION

The existing public alley and proposed perpetual easement "at & below" grade level appears to be a reasonable and conforming use for the subject site.

As previously noted, the abutting owner/developer of 1656 to 1680 Alton Road and 1677 West Avenue, BH The Alton, LLC, is interested in acquiring portions of the subject alleyway (500-SF & 1,000-SF) from the City of Miami Beach in order to create a unified development site between the parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels. In turn, the City of Miami Beach would retain a perpetual easement "at & below" surface grade for continued use as an alley with access to all utilities and other public benefits to be negotiated with the developer.

Additional information may be obtained from the City of Miami Beach Planning & Zoning Department. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

THE ALTON PROPOSED SITE PLAN & ALTON COURT ALLEY VACATION AREAS



THE ALTON PROPOSED CONCEPT RENDERING FRONTING ALTON ROAD



THE ALTON PROPOSED CONCEPT RENDERING FRONTING ALTON COURT



THE ALTON PROPOSED CONCEPT RENDERING FRONTING ALTON ROAD



THE ALTON PROPOSED CONCEPT RENDERING



Tax and Assessment Data

AD VALOREM TAX INFORMATION		
Parcel	Assessor's Parcel No.	Pro Forma
1	Not Assigned or Assessed	\$5,600,000
	Subtotal	\$5,600,000
	% of Assessed Value	75%
	Final Assessed Value	\$4,200,000
	General Tax Rate (per \$100 A.V.)	1.930810
	Total Taxes	\$81,094
	4% Tax Reduction for Early Pay Discount	(\$3,244)
	Total Adjusted Taxes	\$77,850
	Taxes per SF	\$9.73
Source: Assessor's Office		

The subject property is currently owned by a municipal government and is exempt from taxation. However, if the subject property were to be sold to the abutting property owner, the Miami-Dade County Assessor's office could assign a tax folio number for assessment purposes.

The local Assessor's methodology for valuation is sales comparison approach to value. The next re-assessment of the subject was scheduled for January 1, 2023. If the subject sold for the value estimate in this report, a reassessment at that value could occur based on the "just value" statute, less cost of sale.

According to the "just value" statute for all Counties within the State of Florida, the assessment for taxation purposes, is supposed to reflect 100% of market value, less cost of sale, i. e. marketing & real estate commissions, transaction & mortgage recording fees, etc., which typically equates to 65% to 85% of a recorded sale price and/or a market value estimate.

Market Analysis

The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility. Primary data sources used for this analysis includes CoStar Group, Inc., PriceWaterhouseCoopers (PWC), Econometric Advisors (a subsidiary of CBRE, Inc.), REIS, Axiometrics and Esri.

METROPOLITAN MIAMI-DADE COUNTY, FL OFFICE MARKET OVERVIEW

Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Miami-Dade County, FL office market, as reported by CoStar.

MIAMI-DADE COUNTY, FL OFFICE MARKET								
Year Ending	Inventory (SF)	Completions (SF)	Occupied Stock (SF)	Occupancy	Asking Rent (\$/SF Gross)	Asking Rent Change	Net Absorption (SF)	Transaction Price Per Area (SF)
2017	106,065,221	686,246	97,881,120	92.3%	\$35.12	3.27%	1,416,122	\$236.27
2018	107,241,402	1,176,181	98,064,328	91.4%	\$36.73	4.58%	83,271	\$246.41
2019	107,376,445	40,043	98,231,984	91.5%	\$37.88	3.14%	166,728	\$72.45
2020	108,651,333	1,274,888	97,521,400	89.8%	\$39.02	2.99%	-710,584	\$176.97
Q1 2021	108,816,932	165,599	97,314,536	89.4%	\$39.42	1.04%	-206,868	\$237.50
Q2 2021	109,056,867	239,935	97,524,120	89.4%	\$40.01	1.49%	209,588	\$245.55
Q3 2021	109,053,560	-3,307	98,054,776	89.9%	\$40.58	1.41%	530,651	\$290.22
Q4 2021	109,410,206	356,646	98,087,152	89.7%	\$41.31	1.82%	32,381	\$183.21
2021	109,410,206	758,873	98,087,152	89.7%	\$41.31	5.88%	565,752	\$183.21
Q1 2022	109,482,715	72,509	98,507,640	90.0%	\$41.82	1.23%	420,485	\$228.16
Q2 2022*	109,826,469	343,754	98,802,240	90.0%	\$42.62	1.91%	294,631	\$424.09
Q3 2022*	110,705,613	879,144	99,173,688	89.6%	\$43.47	2.01%	372,391	-
Q4 2022*	111,136,850	431,237	99,557,928	89.6%	\$44.28	1.86%	385,987	-
2022*	111,136,850	1,726,644	99,557,928	89.6%	\$44.28	7.19%	1,473,494	-
2023*	111,203,739	66,889	100,750,008	90.6%	\$47.43	7.10%	1,196,004	-
2024*	112,218,450	1,014,711	101,631,888	90.6%	\$49.53	4.44%	883,377	-
2025*	113,531,626	1,313,176	102,505,240	90.3%	\$50.86	2.68%	876,776	-
2026*	114,519,142	987,516	103,154,960	90.1%	\$51.63	1.52%	653,076	-
2027*	115,487,898	968,756	103,755,344	89.8%	\$52.18	1.06%	603,631	-

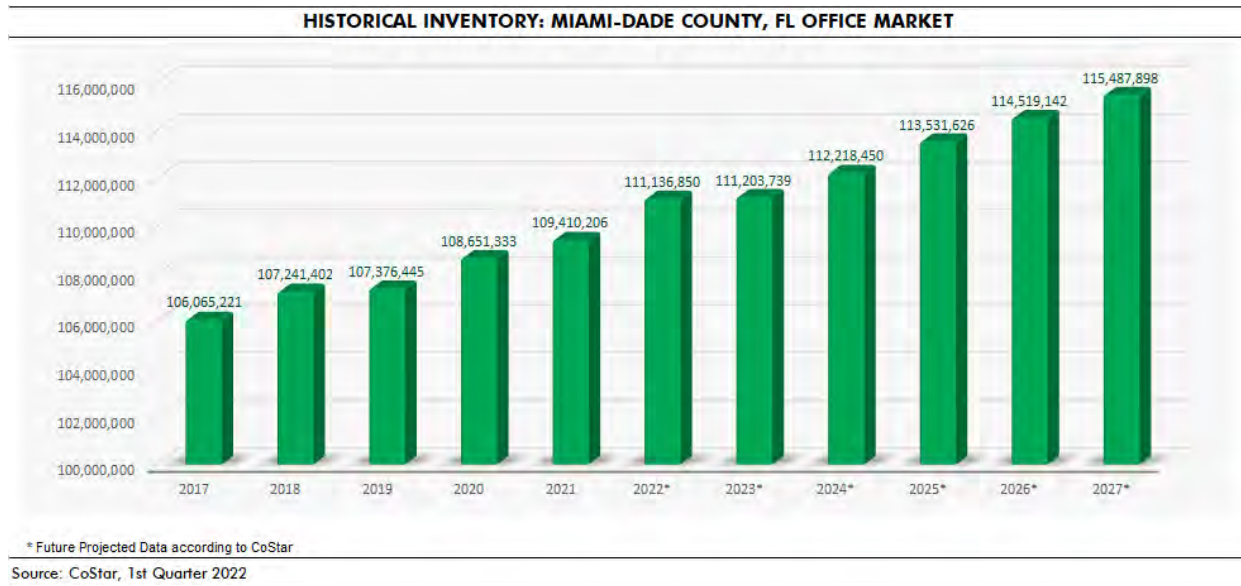
* Future Projected Data according to CoStar
Source: CoStar, 1st Quarter 2022

The Miami-Dade County, FL office market consists of approximately 109,482,715 square feet of office space. The following observations are noted from the table above:

- As of 1st Quarter 2022, there was approximately 98,507,640 square feet of occupied office space (including sublet space), resulting in an occupancy rate of 90.0% for the metro area. This reflects an increase from the previous quarter's occupancy of 89.7%, and a small increase from an occupancy rate of 89.7% from last year.
- The area experienced positive 420,485 square feet of net absorption for the current quarter. This indicates an improvement from the previous quarter's positive 32,381 square feet of net absorption, and a decline from the positive 565,752 square feet of net absorption from last year.

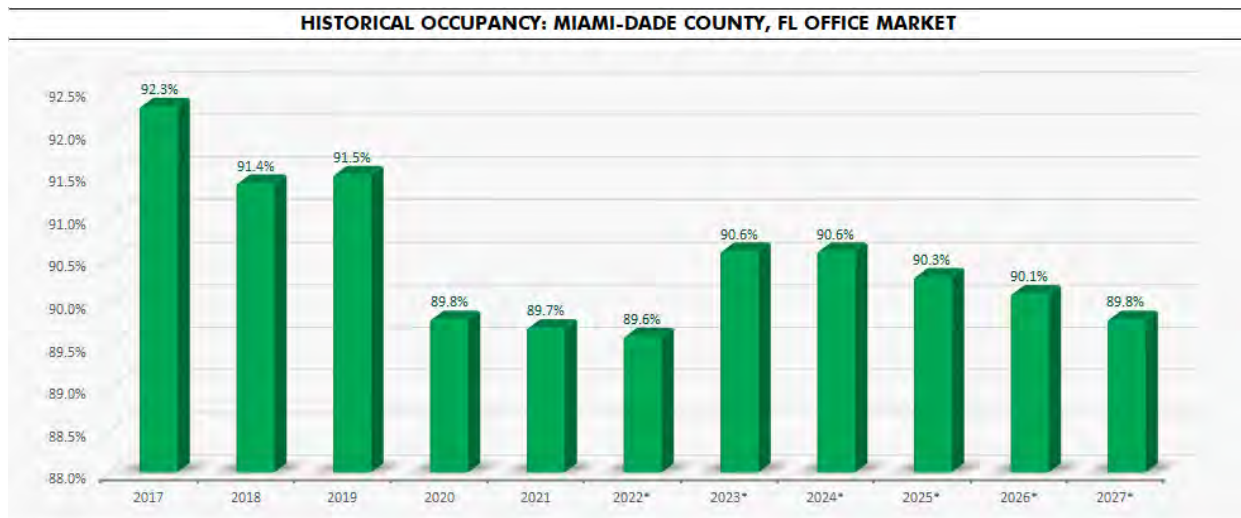
- The area had completions of positive 72,509 square feet for the current quarter, which indicates a decrease from the previous quarter’s completions of positive 356,646 square feet, and indicates a decline from completions of positive 758,873 square feet from last year.
- The area achieved average asking rent of \$41.82 per square foot, which indicates an increase from the previous quarter’s asking rent of \$41.31 per square foot, and an increase from the asking rent of \$41.31 per square foot from last year.

Historical Inventory – Market



Inventory is projected to be 111,136,850 square feet at the end of the current year, which represents an increase from the previous year’s inventory of 109,410,206 square feet. Inventory for next year is projected to be 111,203,739 square feet, reflecting an increase from the current year.

Historical Occupancy - Market

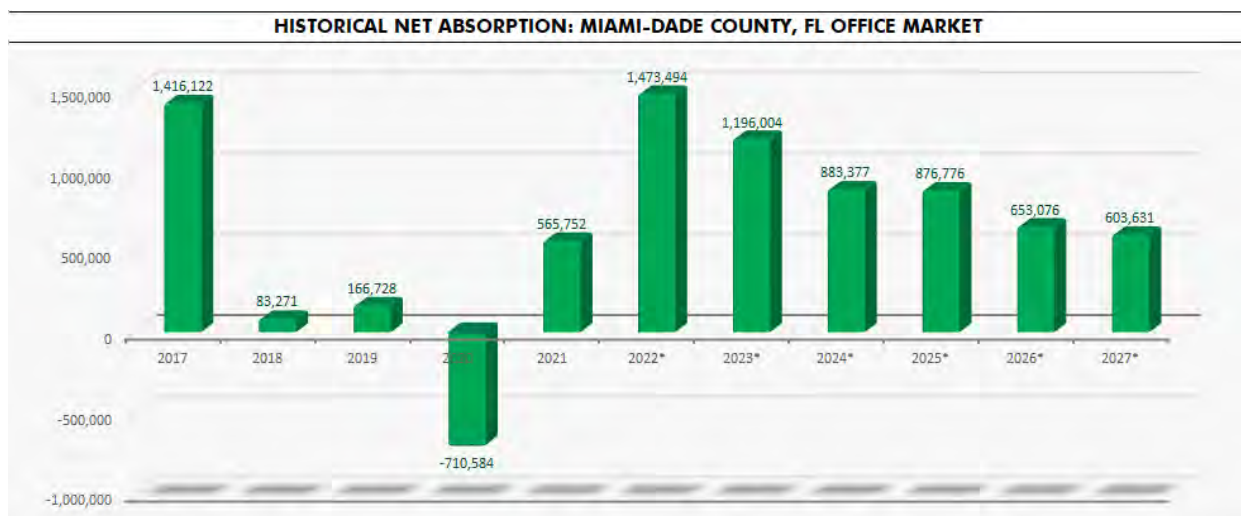


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

At the end of the current year, the occupancy rate is projected to be 89.6%, which reflects a small decrease from the 89.7% occupancy rate at the end of last year. Occupancy for next year is projected to be 90.6%, reflecting an increase from the current year.

Historical Net Absorption - Market

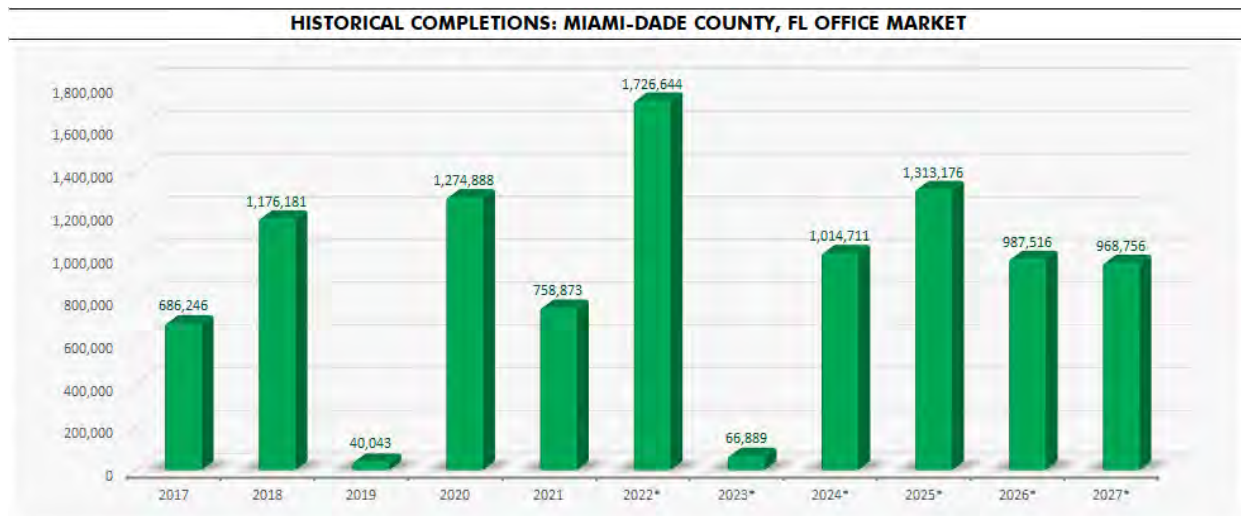


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

At the end of the current year, the area is projected to experience positive 1,473,494 square feet of net absorption, which indicates an improvement from the positive 565,752 square feet of net absorption for the previous year. The area is projected to experience positive 1,196,004 square feet of net absorption as of the end of next year, which indicates a decline from the current year.

Historical Completions - Market

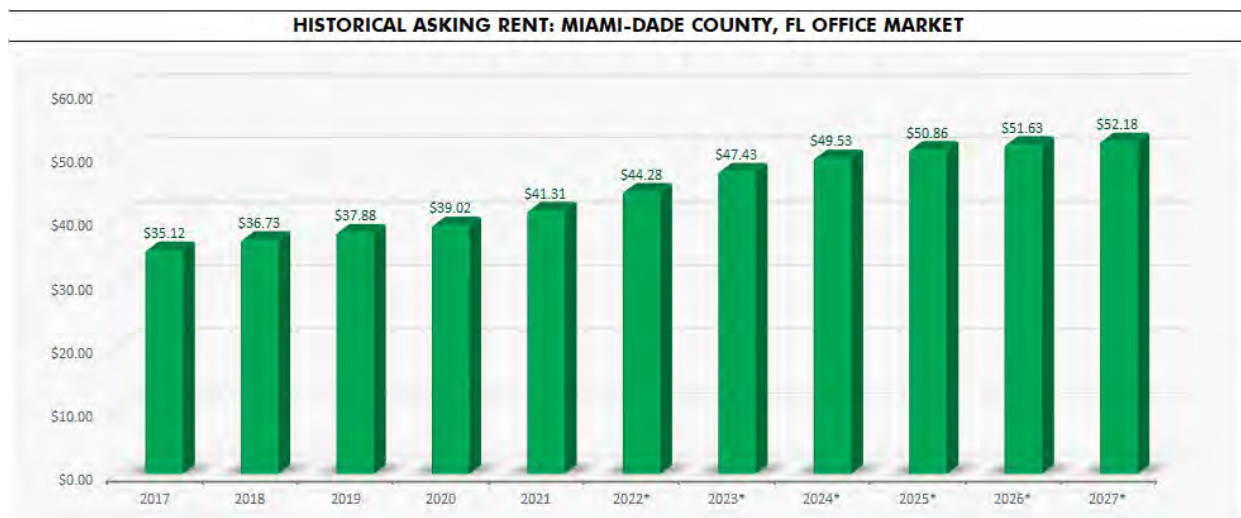


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

The area is projected to achieve completions of positive 1,726,644 square feet for the current year, which indicates an improvement from the previous year’s completions of positive 758,873 square feet. The area is projected to experience completions of positive 66,889 square feet as of the end of next year, which indicates a decline from the current year.

Historical Asking Rent - Market



* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

The area is projected to achieve average asking rent of \$44.28 per square foot at the end of the current year, which indicates an increase from the previous year’s asking rent of \$41.31 per square foot. The area is projected to achieve asking rent of \$47.43 per square foot by the end of next year, indicating an increase from the current year.

SUBMARKET SNAPSHOT

The following table summarizes the supply of office square footage for each submarket within the Miami-Dade County, FL market as of 1st Quarter 2022.

MIAMI-DADE COUNTY, FL OFFICE SUBMARKET SNAPSHOT				
Submarket	Inventory (SF)	Completions* (SF)	Asking Rent (\$/SF Gross)	Occupancy
Aventura	2,580,276	-23,650	\$53.66	93.2%
Biscayne Corridor	3,635,291	0	\$40.97	90.4%
Brickell	8,583,836	0	\$59.41	89.6%
Coconut Grove	2,610,394	180,000	\$52.33	88.9%
Coral Gables	11,581,689	-77,921	\$43.53	88.1%
Coral Way	2,598,090	0	\$35.99	95.9%
Downtown Miami	12,333,223	0	\$44.53	84.2%
Hialeah	3,356,652	0	\$34.03	98.5%
Kendall	12,961,450	0	\$38.22	95.4%
Miami	6,227,231	0	\$39.75	96.8%
Miami Airport	19,667,138	0	\$36.63	86.3%
Miami Beach	4,983,003	144,430	\$47.75	88.5%
Miami Gardens/Opa Locka	459,743	0	\$34.37	95.8%
Miami Lakes	3,637,456	0	\$32.40	91.5%
Northeast Dade	7,133,464	-6,226	\$33.82	94.6%
Outlying Miami-Dade Cnty	345,524	71,886	\$36.72	42.5%
South Dade	2,572,226	47,693	\$34.70	93.5%
West Miami	2,069,141	0	\$34.23	97.3%
Wynwood-Design District	2,146,888	329,571	\$54.51	72.8%

*Completions include trailing 4 quarters

Source: CoStar, 1st Quarter

Miami Beach Submarket

Important characteristics of the Miami Beach office market are summarized below:

MIAMI BEACH OFFICE SUBMARKET								
Year Ending	Inventory (SF)	Completions (SF)	Occupied Stock (SF)	Occupancy	Asking Rent (\$/SF Gross)	Asking Rent Change	Net Absorption (SF)	Transaction Price Per Area (SF)
2017	4,854,166	26,899	4,556,891	93.9%	\$41.12	5.20%	-44,250	\$669.91
2018	4,854,166	0	4,505,588	92.8%	\$41.57	1.11%	-51,239	\$494.58
2019	4,838,573	-15,593	4,470,279	92.4%	\$42.88	3.14%	-35,309	\$303.78
2020	4,838,573	0	4,448,140	91.9%	\$44.28	3.26%	-22,139	\$550.13
Q1 2021	4,838,573	0	4,460,929	92.2%	\$44.87	1.33%	12,789	\$386.61
Q2 2021	4,838,573	0	4,461,357	92.2%	\$45.55	1.52%	428	\$1,420.22
Q3 2021	4,838,573	0	4,460,762	92.2%	\$46.25	1.55%	-595	\$572.74
Q4 2021	4,838,573	0	4,399,572	90.9%	\$47.11	1.86%	-61,190	\$624.28
2021	4,838,573	0	4,399,572	90.9%	\$47.11	6.40%	-48,568	\$624.28
Q1 2022	4,983,003	144,430	4,407,489	88.5%	\$47.75	1.35%	7,917	\$770.10
Q2 2022*	4,983,003	0	4,446,358	89.2%	\$48.68	1.96%	38,875	\$794.88
Q3 2022*	4,995,825	12,822	4,457,452	89.2%	\$49.65	1.99%	11,128	-
Q4 2022*	4,992,719	-3,106	4,486,817	89.9%	\$50.56	1.84%	29,412	-
2022*	4,992,719	154,146	4,486,817	89.9%	\$50.56	7.33%	87,332	-
2023*	5,065,851	73,132	4,502,016	88.9%	\$54.07	6.94%	15,110	-
2024*	5,110,603	44,752	4,571,096	89.4%	\$56.38	4.27%	67,908	-
2025*	5,553,400	442,797	4,976,362	89.6%	\$57.84	2.59%	404,795	-
2026*	5,659,730	106,330	5,054,881	89.3%	\$58.67	1.44%	77,971	-
2027*	5,764,458	104,728	5,131,736	89.0%	\$59.26	0.99%	76,021	-

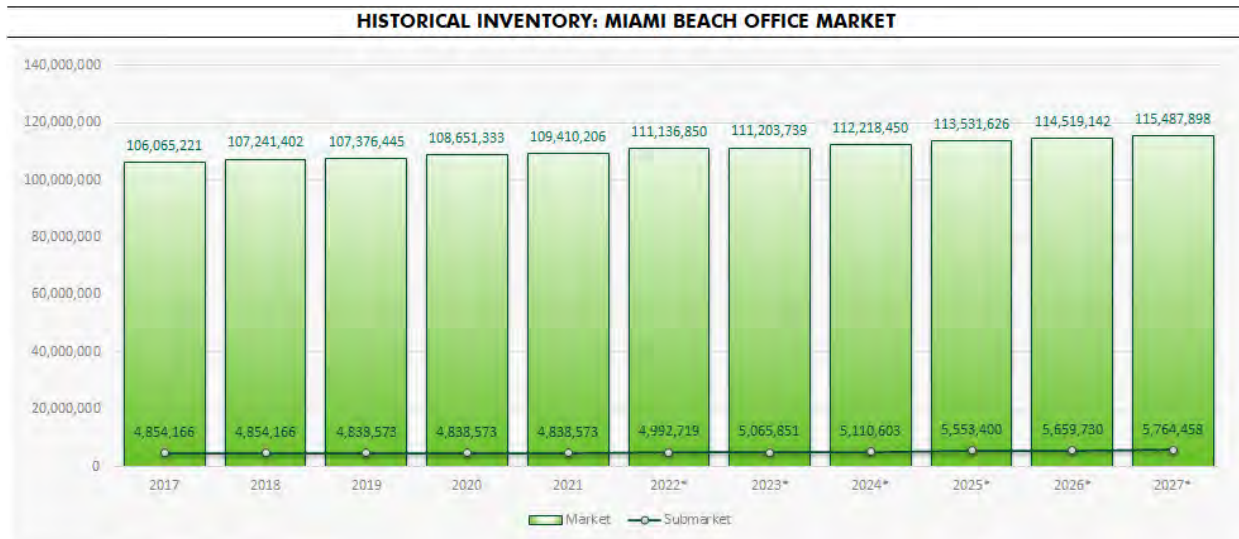
*Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

The Miami Beach office submarket consists of approximately 4,983,003 square feet of office space. The current submarket inventory represents approximately 4.6% of the overall market inventory. The following observations were noted from the table above:

- As of 1st Quarter 2022, there was approximately 4,407,489 square feet of occupied office space (including sublet space), resulting in an occupancy rate of 88.5% for the submarket. This reflects a decrease from the previous quarter’s occupancy of 90.9%, and a decrease from an occupancy rate of 90.9% from last year. The submarket occupancy is below the 90.0% market occupancy.
- The submarket experienced positive 7,917 square feet of net absorption for the current quarter. This indicates an improvement from the previous quarter’s negative 61,190 square feet of net absorption, and an improvement from the negative 48,568 square feet of net absorption from a year ago. The submarket’s current net absorption of positive 7,917 square feet is below the overall market net absorption of positive 420,485 square feet.
- The submarket had completions of positive 144,430 square feet for the current quarter, which indicates an increase from the previous quarter’s zero completions, and an increase from the zero completions from last year.
- The submarket achieved average asking rent of \$47.75 per square foot, which indicates an increase from the previous quarter’s asking rent of \$47.11 per square foot, and an increase from the asking rent of \$47.11 per square foot from last year. The submarket’s current asking rent of \$47.75 per square foot compares favorably with the overall market asking rent of \$41.82 per square foot.

Historical Inventory - Submarket

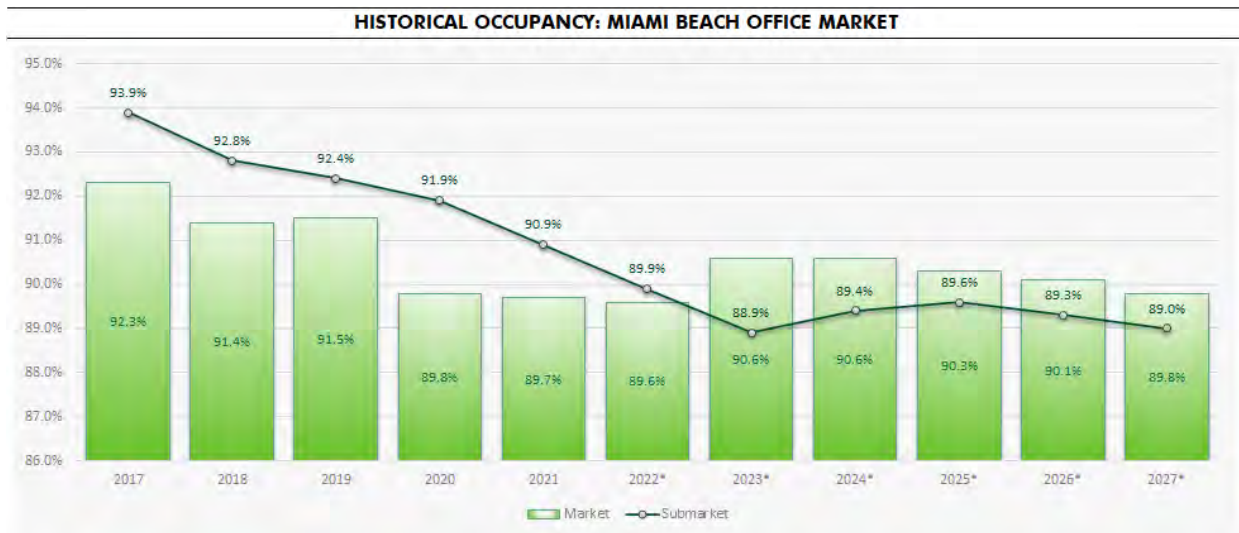


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

Submarket Inventory is projected to be 4,992,719 square feet at the end of the current year, which represents an increase from the previous year’s submarket inventory of 4,838,573 square feet. Inventory for next year is projected to be 5,065,851 square feet, reflecting an increase from the current year.

Historical Occupancy - Submarket

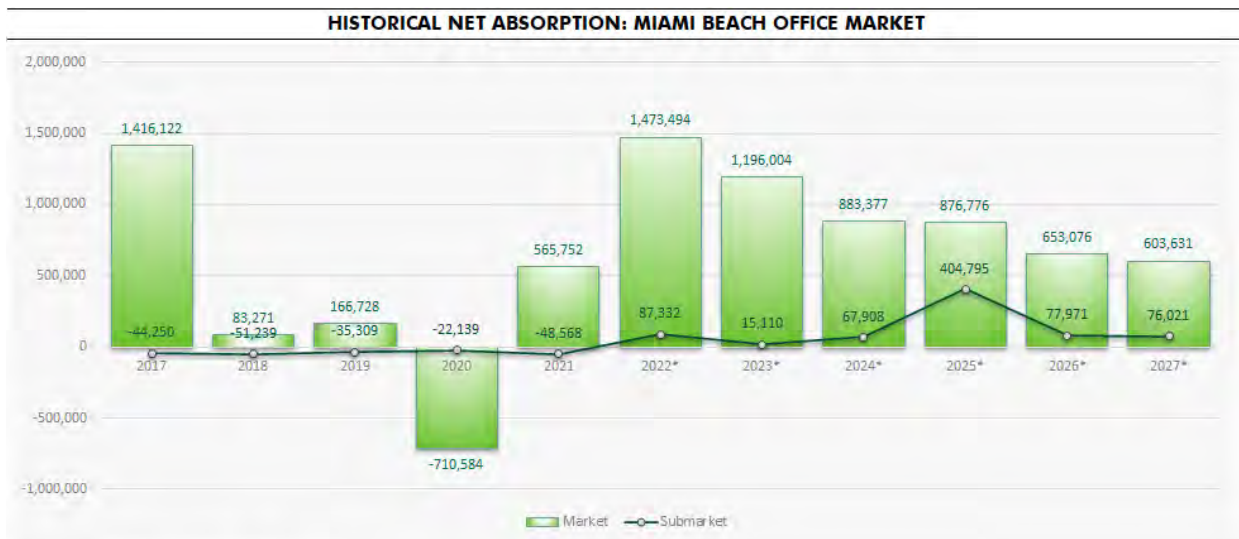


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

Submarket occupancy is projected to be 89.9% at the end of the current year, which represents a decrease from the previous year’s submarket occupancy of 90.9%. Submarket occupancy for next year is projected to be 88.9%, reflecting a decrease from the current year.

Historical Net Absorption - Submarket

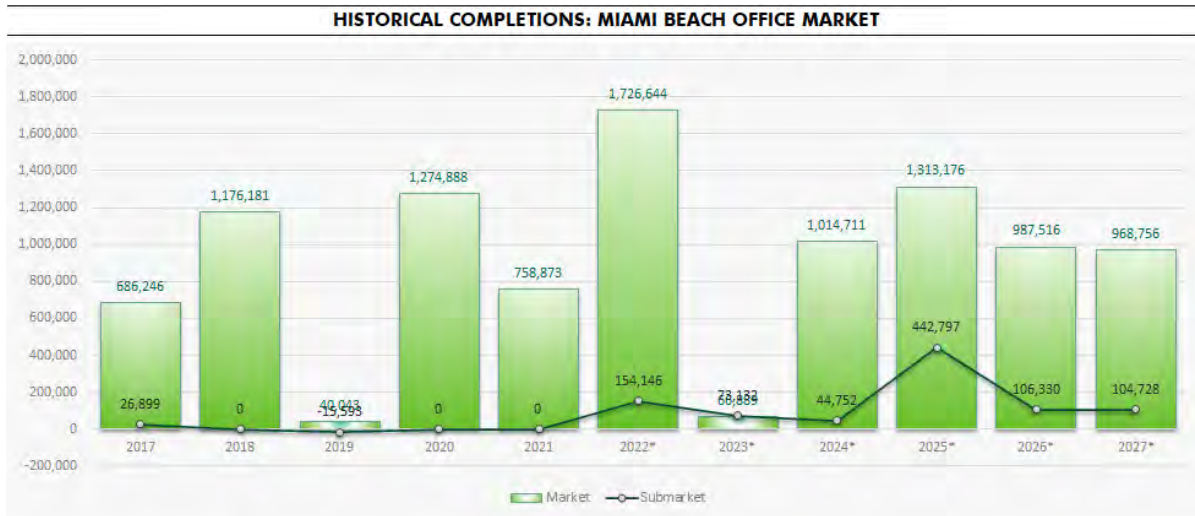


* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

Net absorption in the submarket is projected to be positive 87,332 square feet at the end of the current year, reflecting an improvement from the previous year’s net absorption of negative 48,568 square feet. Net absorption for next year is projected to be positive 15,110 square feet, indicating a decline from the current year.

Historical Completions - Submarket



* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

The submarket is projected to achieve completions of positive 154,146 square feet at the end of the current year, which indicates an improvement from the previous year’s zero completions. The submarket is projecting completions of positive 73,132 square feet for next year, which indicates a decline from the current year.

Historical Asking Rent - Submarket



* Future Projected Data according to CoStar

Source: CoStar, 1st Quarter 2022

The submarket is projected to achieve average asking of \$50.56 per square foot at the end of the current year, which represents an increase from the previous year’s asking rent of \$47.11 per square foot. The submarket is projected to achieve average asking rent of \$54.07 per square foot, reflecting an increase from the current year.

Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

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Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

Physical Possibility

The subject site is a public right-of-way that is adequately served by on-site improvements and off-site infrastructure. However, the small size and location renders the site undevelopable as a standalone property.

However, an abutting user and-or developer could acquire the site and develop to a higher & better use, subject to unity of title and benefit from the additional site area and density.

Existing and proposed structures on abutting properties represent high density, mixed-use retail, office, hotel & residential uses that provide evidence for the physical possibility of development if assembled into a larger, developable site.

Alternate physically possible uses include utility easements, public space, storm water drainage or retention, surface parking, and-or sidewalk café in concert with abutting restaurant buildings.

Financial Feasibility

The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. With respect to the legal uses for the subject site, the local submarket is in a growth & redevelopment cycle. Development of new retail, office, hotel and mixed-use residential properties has occurred in the recent past and continues to this day. Further, within the subject market, there are several under construction and proposed multi-family residential, retail, office & hotel projects along the Alton Road corridor.

However, the physical constraints of the small site size limits stand alone development. Therefore, the most obvious use is to sell to an abutting owner/user or developer.

Alternate uses would be for utility easements, public space, storm water drainage and-or surface parking.

Maximum Productivity - Conclusion

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land. Based on the information presented above and upon information contained in the neighborhood analysis, we conclude that the highest and best use of the subject parcel would be the proposed acquisition & assemblage with the abutting property owner for redevelopment of The Alton mixed-use retail/office project, subject to a perpetual alley, pedestrian & utility easement and other public benefits to be negotiated.

More specifically, the subject property could be developed in concert with an abutting use to a height of 5-to-6 stories and a density of 1.50 to 2.0 FAR.

Land Value – Fee Simple Estate

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE LAND SALES - FEE SIMPLE ESTATE												
No.	Property Location	Transaction Type	Transaction Date	Proposed Use	Actual Sale Price	Adjusted Sale Price ¹	Size (Acres)	Size (SF)	Allowable Bldg. Area (SF)	Indicated FAR	Price Per SF	Price PSF of FAR
1	1910 Alton Road Miami Beach, FL 33139	Sale	Feb-20	Mixed-use office/residential	\$4,500,000	\$4,500,000	0.18	8,000	15,997	2.00	\$562.50	\$281.30
2	1212 Lincoln Road Miami Beach, FL 33139	Sale	Jun-20	Boutique hotel	\$9,000,000	\$9,000,000	0.42	18,263	44,938	2.46	\$492.80	\$200.28
3	1234 - 1260 Washington Avenue Miami Beach, FL 33139	Sale	May-21	Retail/office redevelopment	\$20,000,000	\$20,000,000	0.77	33,525	66,978	2.00	\$596.57	\$298.61
4	1683 & 1695 Alton Road Miami Beach, FL 33139	Sale	Feb-22	TBD	\$10,400,000	\$10,400,000	0.34	14,810	22,215	1.50	\$702.21	\$468.15
5	2206 Park Avenue Miami Beach, FL 33139	Sale	Feb-22	Hotel	\$13,500,000	\$13,500,000	0.39	17,040	49,441	2.90	\$792.25	\$273.05
6	1656-1680 Alton Road 1677 West Avenue Miami Beach, FL 33139	Sale	Jun-22	Mixed-use retail/office & structured parking	\$39,300,000	\$39,300,000	1.38	60,000	90,000	1.50	\$655.00	\$436.67
7	824 Alton Road Miami Beach, FL 33139	Available/ Listing	Apr-22	TBD	\$10,800,000	\$10,800,000	0.41	18,000	27,000	1.50	\$600.00	\$400.00
Subj.	1656 to 1680 Alton Court, Miami Beach, Florida	---	---	High density, mixed-use retail, office & multi-family apartment uses	---	---	0.18	8,000	12,000	1.50	---	---

¹ Adjusted sale price for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

The sales utilized represent the best data available for comparison with the subject and were selected from the greater Miami Beach area within 1-to-2-mile radius of the subject. These sales were chosen based upon location and zoning/density.

DISCUSSION/ANALYSIS OF LAND SALES

We have considered similarities and differences for each of the comparable sales in direct comparison to the subject site, as if vacant and available to be put to its highest & best use. We have considered and/or applied adjustments to the comparable sales for differences in favorable financing terms, conditions of sale, i. e. seller motivation, distress and/or buyer assemblage premiums, market conditions (time), size/value, shape/configuration, corner influence, frontage/access, topography/site conditions, location and zoning/density when compared to the subject property.

Land Sale One

This comparable land sale is located along the west side of Alton Road in the Sunset Harbour submarket in Miami Beach, Florida. The property was improved with an obsolete office/educational building and broker listed at \$5,750,000 for approximately 13-months +/- before going into contract at \$4,500,000 in an "all cash" transaction. The buyer is a developer who demolished the building and secured site plan approvals for a 5-story, 15,997-SF mixed-use office building with a top floor residential unit including rooftop deck, 2-floors of office space, a ground floor art gallery, secured lobby and 15-mechincal lift parking spaces.

We have adjusted Sale 1 upwards for improving market conditions between the date of sale and our effective date of this appraisal.

Land Sale Two

This comparable land sale is located at the southwest corner intersection of Alton Road & Lincoln Road in the South Beach submarket of Miami Beach, Florida. The site is improved with an existing 2-story, 18,105-SF Wells Fargo branch bank built in 1940 that will be redeveloped into a 5-story, 168-room boutique hotel with roof top terrace. The seller previously acquired the property from Wells Fargo in January 2020 for \$8,500,000. The site location is across the street from the west end of the Lincoln Road pedestrian mall and is part of a mixed-use master plan anchored by a 55,000-SF Whole Foods with 3-levels of structured parking support.

We have adjusted Sale 2 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We also adjusted Land Sale 2 upwards for larger size/value relationship and downwards for superior corner location in comparison to the subject property.

Land Sale Three

This comparable land sale comprises an existing 1-story, 10,697-SF retail building (1260) and a 3-story, 19,519-SF office building (1234) located along the west side of Washington Avenue at 13th Street and spanning west to the Drexel Avenue frontage. The buyer operates a co-living & co-working business with plans to demolish the 1-story retail building and replace it with a new, ground-up 6-story office building and will gut renovate & restore the existing 3-story office building. The proposed site plan comprises a total of 44,153-SF of rentable area and 82,160-SF of gross building area that includes a 5,000-SF wellness center on the ground floor and 21,000-

SF of new, flexible office space on the upper floors including co-working area as small as 50-SF and more traditional office suites ranging from 1,000 to 5,000 square feet with fully furnished, turn key options. Project amenities include a food market, cafe & raw juice bar, 60-residential units and roof deck with pool, yoga lawn and bar. The residential units will be a mix of 275-SF micro units and co-living units with 2-to-4 bedroom floor plans including private bathrooms in each bedroom and shared living room, kitchen and laundry machines.

The sale transaction was facilitated with a \$14 million purchase money mortgage in favor of the sellers and the buyer raised \$56 million from investors for the redevelopment program.

We have adjusted Sale 3 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We also adjusted Land Sale 3 upwards for larger size/value relationship in comparison to the subject property.

Land Sale Four

This comparable land sale is the former BankUnited branch bank located on the southeast, signalized corner of Alton Road and 17th Street in the South Beach submarket in Miami Beach, Florida. The BankUnited lease commenced in May 2010 with the "like new" branch bank opening in 2012. The lease terms & conditions were for 10 years plus two (2), 5 year renewal option and 3% annual escalations throughout initial term and options periods. However, BankUnited vacated after the initial base term expired. Prior to a branch bank, it was the former Burger King fast food restaurant. The current seller previously acquired the property in December 2012 and a single tenant, triple net lease investment for \$8,150,000 and relisted the property more recently once it was known that BankUnited was not renewing. The broker listing was priced at \$12,000,000 and sold at \$10,400,000 in an "all cash" sale transaction to a local, high net worth investor. The underlying zoning permits a 5-story building and floor-area-ratio of 1.50 or a maximum 2.0 in mixed-use buildings when more than 25 percent of the total area of a building is used for residential or hotel units, as set forth in the RM-2 district.

We have adjusted Sale 4 upwards for larger size/value relationship and downwards for superior corner influence when compared to the subject property.

Land Sale Five

This comparable land sale is located along the northwest corner of Park Avenue and 22nd Street in the South Beach submarket in Miami Beach, Florida. The property was broker listed at \$15,900,000 and sold for \$13,500,000 with the buyer securing a \$6,000,000 conventional loan from City National Bank and the seller providing a \$2,500,000 short term purchase money mortgage. The property was previously acquired in October 2013 for \$7,000,000 by the developers of the adjacent & former 44-room Lido Park Hotel located at 2216 Park Avenue who re-branded the 2216 Park Avenue property as the Vintro Hotel & Kitchen and is now known as the Kayak Miami Beach. The 2206 Park Avenue land sale property was previously proposed and entitled for a 5-story condo hotel comprising of 50,000-SF +/- with a mechanical parking lift

system. The project was finally approved for 49,441-SF of FAR with 120-hotel rooms, ground floor retail and reduced off-street parking variance. The site location is at the crossroads of Park Avenue and the renovated Collins Canal that is a restricted access canal that connects to Biscayne Bay, Indian Creek and Lake Pancoast.

We have adjusted Sale 5 upwards for larger size/value relationship, downwards for superior location & proximity to Ocean Drive and downwards for superior zoning/density when compared to the subject property.

Land Sale Six

This comparable land sale comprises 1.21-acres fronting Alton Road, just one (1) lot north of Lincoln Road and improved with several 1 & 2 story retail & residential buildings totaling 50,814-SF and dating back to the 1940's plus 0.17-acre fronting West Avenue that is improved with a surface parking lot. The buyer is a developer with a preliminary concept plan to redevelop the site with a 5 to 6-story, mixed-use retail/office project supported by structured parking and subject to the acquisition of the Alton Court alleyway. The buyer/developer is seeking to acquire a partial vacation in order create a unified development site between parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels and then provide a perpetual easement to the City so the alley continues to function and the City would continue to have access to all utilities. The proposed office building is expected to utilize the recently approved height incentives for office buildings along Alton Road, subject to public benefits to be provided by the developer, while retaining a lower scale of development along West Avenue.

The current seller previously acquired the property in a two-part assemblage in August 2004 for \$9,750,000 and April 2014 for \$2,5000 or for a total of \$12,250,000 and engaged Avison Young to market the property, unpriced, in the 4th quarter, 2021. The current buyer facilitated the transaction with a \$28,250,000 loan in favor of Maim Credit Corp.

We have adjusted Sale 6 upwards for larger size/value relationship when compared to the subject property.

Land Listing Seven

This comparable land listing is improved with a surface parking lot an is located along the west side of Alton Road, between 8th Street and 9th Street in the South Beach submarket in Miami Beach, Florida. The parking lot has previously been leased to a valet parking company. However, this is an obvious underutilization of the site and there would be early cancellation provisions if the property sells or is developed. The site was previously purchased by the current owner/developer in July 2015 for \$5,400,000. The CD-2, Commercial, Medium Intensity zoning permits a variety of mixed-uses up to 70-feet in building height (7-stories) with a maximum floor-area-ratio (FAR) of 1.50 and potential for an increase to a 2.0-FAR if more than 25% of the building is used for residential or hotel units.

We have adjusted Listing 7 downwards for conditions of sale, i. e. active listing versus closed sale transaction, upwards for larger size/value relationship and downwards for inferior location when compared to the subject property.

SUMMARY OF ADJUSTMENTS

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

LAND SALES ADJUSTMENT GRID - FEE SIMPLE ESTATE								Subject
Comparable Number	1	2	3	4	5	6	7	
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	Available/ Listing Apr-22	---
Transaction Date	Feb-20	Jun-20	May-21	Feb-22	Feb-22	Jun-22	Apr-22	---
Proposed Use	Mixed-use office/residential	Boutique hotel	Retail/office redevelopment	TBD	Hotel	Mixed-use retail/office & structured parking	TBD	High density, mixed-use retail, office & multi- family apartment uses
Actual Sale Price	\$4,500,000	\$9,000,000	\$20,000,000	\$10,400,000	\$13,500,000	\$39,300,000	\$10,800,000	---
Adjusted Sale Price ¹	\$4,500,000	\$9,000,000	\$20,000,000	\$10,400,000	\$13,500,000	\$39,300,000	\$10,800,000	---
Size (Acres)	0.18	0.42	0.77	0.34	0.39	1.38	0.41	0.18
Size (SF)	8,000	18,263	33,525	14,810	17,040	60,000	18,000	8,000
Allowable Bldg. Area (SF)	15,997 SF	44,938 SF	66,978 SF	22,215 SF	49,441 SF	90,000 SF	27,000 SF	12,000 SF
Indicated FAR	2.00	2.46	2.00	1.50	2.90	1.50	1.50	1.50
Price Per SF	\$562.50	\$492.80	\$596.57	\$702.21	\$792.25	\$655.00	\$600.00	---
Price Per Bldg. Area	\$281.30	\$200.28	\$298.61	\$468.15	\$273.05	\$436.67	\$400.00	---
Price (\$ PSF)	\$562.50	\$492.80	\$596.57	\$702.21	\$792.25	\$655.00	\$600.00	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	0%	
Financing Terms ¹	0%	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	-10%	
Market Conditions (Time)	25%	20%	10%	0%	0%	0%	0%	
Subtotal	\$703.13	\$591.36	\$656.23	\$702.21	\$792.25	\$655.00	\$540.00	
Size	0%	5%	10%	5%	5%	10%	5%	
Shape	0%	0%	0%	0%	0%	0%	0%	
Corner	0%	-10%	0%	-10%	0%	0%	0%	
Frontage	0%	0%	0%	0%	0%	0%	0%	
Topography	0%	0%	0%	0%	0%	0%	0%	
Location	0%	0%	0%	0%	-5%	0%	20%	
Zoning/Density	0%	0%	0%	0%	-10%	0%	0%	
Utilities	0%	0%	0%	0%	0%	0%	0%	
Highest & Best Use	0%	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	0%	-5%	10%	-5%	-10%	10%	25%	
Value Indication PSF of Site	\$703.13	\$561.79	\$721.85	\$667.10	\$713.03	\$720.50	\$675.00	
Value Indication PSF of FAR	\$351.63	\$228.31	\$361.31	\$444.75	\$245.75	\$480.33	\$450.00	
Absolute Adjustment	25%	35%	20%	15%	20%	10%	35%	

¹ Adjusted sale price for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

Zoning/Density Adjustments

After adjusting the comparable sales for economic and physical characteristics in direct comparison to the subject property, we have considered & applied an adjustment for zoning/density/FAR in direct comparison to the subject "as of right" zoning & floor-area-ratio (FAR), calculated as follows:

FAR ADJUSTMENT GRID				
Sale	Indicated FAR	Adjusted Sale Price Per FAR	Subject FAR	Adjusted Sale Price Per FAR
4	1.50	\$444.75	1.50	\$444.75
6	1.50	\$480.33	1.50	\$480.33
7	1.50	\$450.00	1.50	\$450.00
Subject	1.50	---	---	---
1	2.00	\$351.63	1.50	\$468.84
3	2.00	\$361.31	1.50	\$481.75
2	2.46	\$228.31	1.50	\$374.44
5	2.90	\$245.75	1.50	\$475.11

Compiled by: CBRE, Inc.

CONCLUSION

The comparables sales produced an overall unadjusted value indicator range from \$492.80 to \$792.25 per square foot of site area; and, \$200.28 to \$468.15 per square foot of rentable/sellable building FAR. After adjustments were considered and/or applied for property rights conveyed, conditions of sale, i. e. assemblage or distress, market conditions (time), size, corner or frontage/view corridors, topography/site conditions, location and zoning/density when compared to the subject property, the range of value indicators was narrowed considerably to \$561.79 to \$721.85 per square foot of site area; and, \$374.44 to \$481.75 per square foot of rentable/sellable building FAR.

Based on the preceding analysis, Comparable Sales 1, 3, 4, 6 & 7 were the most representative of the subject site, and warranted greatest consideration because of recent transaction dates, size, location and zoning/density.

In conclusion, a price per square foot of site area and a price per square foot of rentable/sellable building FAR within the overall unadjusted and adjusted ranges is most appropriate for valuing the subject property As Is, and is calculated as follows:

CONCLUDED LAND VALUE - FEE SIMPLE ESTATE				
\$ PSF of Site		Site SF		Total
\$670.00	x	8,000	=	\$5,360,000
\$720.00	x	8,000	=	\$5,760,000
\$ PSF of FAR		"As of Right" FAR		Total
\$450.00	x	12,000 SF	=	\$5,400,000
\$480.00	x	12,000 SF	=	\$5,760,000
Indicated Value:				\$5,600,000
		(Rounded PSF of Site)		\$700.00
		(Rounded PSF of FAR)		\$466.67

Compiled by CBRE

Market Value of Transferable Floor Area

Transferable Floor Area is a vehicle that enables the City of Miami Beach to transfer additional development capacity to a property owner/developer who is then allowed to add “bonus” height and-or intensity via additional floor area up to the maximum allowed within the Development Section of the municipal code. In addition, a property owner/developer can float or move the Transferable Floor Area amongst a unified development site.

As such, the abutting owner/developer of 1656 to 1680 Alton Road and 1677 West Avenue, BH The Alton, LLC, is interested in acquiring portions of the subject alleyway (500-SF & 1,000-SF) from the City of Miami Beach in order to create a unified development site between the parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels. In turn, the City of Miami Beach would retain a perpetual easement "at & below" surface grade for continued use as an alley with access to all utilities and other public benefits to be negotiated with the developer, while the City would retain the rights to the subject site “as of right” FAR.

Because the transfer of floor area is a benefit to a sending or receiving site but is also something less than the absolute ownership of a developable site, a discount is warranted similar to a TDR (transferable development right). In order to extract a reasonable discount factor from the market, we have analyzed several urban, resort and barrier island communities in south Florida, where TDRs are actively traded amongst investors & developers, and presented as follows:

TRANSFERABLE DEVELOPMENT RIGHTS (TDR) DISCOUNT ANALYSIS							
Submarket Location	Time of Transactions	Price Per TDR		Comparable Land Sale Price Per FAR or Unit		TDR Discount to Comparable Land Values	
Bay Harbor Islands	2015 to 2017	\$30,000	to \$81,250	\$229,000	to \$550,000	86.9%	to 85.2%
Sunny Isles Beach	2021	\$242,857	to \$119.55	\$356,000	to \$247.97	31.8%	to 51.8%
Edgewater	2021	\$20,000	to \$21,500	\$55,000	to \$205,000	63.6%	to 89.5%
North Bay Village	2021	\$40,000	to \$40,000	\$74,000	to \$96,000	45.9%	to 58.3%

Compiled by CBRE

Based on the foregoing presentation, a discount for additional floor area versus a fee simple, developable site would be near the mid-point, at say 50%. Using our concluded values based on FAR for the 710-720 Alton Road and 663 Alton Road subject properties, we have estimated the value of a transferable additional floor area for the subject properties, as follows:

MARKET VALUE OF TRANSFERABLE FLOOR AREA	
Indicated Value PSF of FAR	\$466.67
Discount for Transferable Floor Area	50.0%
Indicated Value PSF of Transferable Floor Area	\$233.33
Rounded to	\$233.00

Compiled by CBRE

Investment Value of Transferable Floor Area

As previously noted, the subject property location is abutting 1656 to 1680 Alton Road and 1677 West Avenue, whereby BH The Alton, LLC, is interested in acquiring portions of the subject alleyway (500-SF & 1,000-SF) from the City of Miami Beach in order to create a unified development site between the parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels. As such, the subject property is a candidate for acquisition & assemblage.

According to the fourteenth addition of The Appraisal of Real Estate, an assemblage is the combining of two or more parcels, usually but not necessarily contiguous, into one ownership or use. If there is an increase in value from the assemblage, that is known as plottage value, whereby the increment of value created when two or more sites are combined produce greater utility.

We have researched & analyzed several assemblages in the south Florida market and in similar high density, redeveloping submarkets in order to develop a range of premiums based on buyer motivation, as presented in the following table:

SUMMARY OF COMPARABLE ASSEMBLAGE CASE STUDIES											
No.	Property Location	Transaction Type	Transaction Date	Grantor Grantee	Sale Price	Size (Acres)	Size (SF)	Price Per SF	Market Value PSF*	Assemblage Premium	Buyer Motivation
1	7340 SW 61st Court South Miami, FL 33143	Sale	Feb-15	Ira & Rhoda Ehrenkrantz South Miami Hospital Inc.	\$2,675,000	0.16	6,875	\$389.09	\$250.00	55.6%	Long term end user expansion
2	7311 SW 62nd Avenue South Miami, FL 33143	Sale	Nov-14	Richard R. Feder South Miami Hospital Inc.	\$3,500,000	0.22	9,375	\$373.33	\$240.00	55.6%	Long term end user expansion
3	3909 NE 163rd Street North Miami Beach, FL	Sale	Feb-20	ASA College, Inc. South Miami Hospital Inc.	\$15,000,000	1.27	55,195	\$271.76	\$225.00	20.8%	Developer assemblage
4	729 NW 1st Street, 128-136 NW 7th Avenue, 720-728 NW 2nd Street, Miami, FL 33128	Sale	Sep-17 Oct-15 Jun-16	Multiple Sellers Seven Northwest LLC	\$2,200,000	0.73	31,750	\$69.29	\$55.00	26.0%	Developer assemblage
5	805-861 W. Flager Street, 828-860 NW 1st Street, Miami, FL 33128	Sale	Dec-16 Mar-17 May-18	Multiple Sellers Riverwest Miami LLC	\$8,577,000	2.20	96,000	\$89.34	\$75.00	19.1%	Developer assemblage
6	112-140 NW 8th Avenue, 819 NW 1st Street, Miami, FL 33128	Sale	Jun-17 May-18 Aug-18	Multiple Sellers River Border Development LLC	\$2,545,000	0.73	32,000	\$79.53	\$65.00	22.4%	Developer assemblage
7	758 NW 2nd Street, Miami, FL 33128	Sale	Dec-21	Green Living Enterprises LLC Forth Development, LLC	\$945,000	0.17	7,500	\$126.00	\$100.00	26.0%	Developer assemblage

* At time of sale & assemblage.
Compiled by CBRE

As presented, the premium for assemblage appears to be in the range of 19% to 26% above market value, with 55% being the outlier premium for an improved, last piece of the puzzle acquisition in an assemblage and-or a long term owner/user in a land constrained submarket.

Based on the foregoing assemblage data analysis and presentation, we have estimated the assemblage premium and investment value for the subject property to an abutting owner and-or prospective developer, as follows:

INVESTMENT VALUE	
Indicated Value PSF of Transferable Floor Area	\$233.00
Assemblage Premium for an Abutting Owner or Developer @ 25.00%	\$58.25
Indicated Investment Value As Is	\$291.25
Compiled by CBRE	

Value of Proposed Easement Area Divided Between Surface, Air & Sub-Surface Rights

In this section, we have estimated the value of subject proposed perpetual easement area “at & below” surface grade by dividing the fee simple interest in the land value between surface rights, the air rights, and the sub-surface rights.

In order to determine the ratio and allocations of value for surface, air and sub-surface rights, we have referenced the CD-2, Commercial, Medium Intensity District maximum building height requirement as follows:

- 50 feet with the design review board or historic preservation board, in accordance with the applicable review criteria, may allow up to an additional five feet of height, not to exceed a maximum height of 55 feet. In order to utilize the additional height, the first floor shall provide at least 12 feet in height, as measured from the base flood elevation plus maximum freeboard to the top of the second floor slab.
- 60 Feet for mixed-use and commercial buildings that include structured parking for properties on the west side of Alton Road from 6th Street to Collins Canal.

As such, we have concluded a property rights value allocation of **18.33%** for the surface rights “at grade” level, calculated as follows:

- 1-story /6-stories = 16.67% for sub-surface & surface rights for the east 1/2 of Alton Court
- 1-story / 5-stories = 20.0% for sub-surface & surface rights for the west 1/2 of Alton Court

Based on the foregoing calculation & presentation, we have concluded a blended property rights value allocation of **18.33%** for the surface rights up to 14.0 feet of clearance; and 81.67% for the air rights above the 14.0 feet. Furthermore, we have split the air rights allocation as follows: 71.67% for the air rights above 14.0 feet; and a nominal **10.0%** for sub-surface rights necessary for underground infrastructure necessary to support the developable air rights.

Once the fee simple interest of 100% is established via sales comparison approach, the ratios of **18.33% for surface plus 10% for sub-surface = 28.33%**; and 71.67% for air rights can be calculated for the proposed sub-surface & surface rights of the easement estate, as follows:

PROPOSED PERPETUAL EASEMENT AREA			
Market Value - Fee Simple Estate	100.00%		\$5,600,000
Proposed Easement Area			
Surface Rights to 14.0 Feet + Sub-Surface Rights @	28.33%	=	\$1,586,480
Air Rights Above 14.0 Feet @	71.67%	=	\$4,013,520
Compiled by CBRE			

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, “CBRE”) has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the “Report”), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property’s compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

ADDENDA

Addendum A

LAND SALE DATA SHEETS

Property Name 1910 Alton Road
 Address 1910 Alton Road
 Miami Beach, FL 33139
 United States

Government Tax Agency Miami-Dade
 Govt./Tax ID 02-3233-022-0020

Site/Government Regulations

	Acres	Square feet
Land Area Net	0.184	8,000
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	Available to site

Maximum FAR 2.00
 Min Land to Bldg Ratio 0.50:1
 Maximum Density N/A

Frontage Distance/Street N/A Alton Road

General Plan Mixed-use commercial
 Specific Plan Mixed-use office/residential
 Zoning CD-2, Commercial, Medium Intensity
 Entitlement Status N/A



Sale Summary

Recorded Buyer	Alton Office Holdings, LLC	Marketing Time	13 Month(s)
True Buyer	Wayne Boich	Buyer Type	Developer
Recorded Seller	Talmudic College of Florida, Inc.	Seller Type	End User
True Seller	Rabbi Yitzchak Zweig	Primary Verification	Zach Winkler, Listing Broker

Interest Transferred Fee Simple/Freehold
 Current Use Obsolete office & educational use
 Proposed Use Mixed-use office/residential
 Listing Broker JLL #305-704-1333
 Selling Broker N/A
 Doc # 31835/4257

Type	Sale
Date	2/19/2020
Sale Price	\$4,500,000
Financing	All Cash
Cash Equivalent	\$4,500,000
Capital Adjustment	\$0
Adjusted Price	\$4,500,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
02/2020	Sale	Alton Office Holdings, LLC	Talmudic College of Florida, Inc.	\$4,500,000	\$24,496,462 / \$562.50

Units of Comparison

\$562.50 / sf
 \$24,496,461.62 / ac

N/A / Unit
 N/A / Allowable Bldg. Units
 \$281.30 / Building Area

Financial

No information recorded

Map & Comments



This comparable land sale is located along the west side of Alton Road in the Sunset Harbour submarket in Miami Beach, Florida. The property was improved with an obsolete office/educational building and broker listed at \$5,750,000 for approximately 13-months +/- before going into contract at \$4,500,000 in an "all cash" transaction. The buyer is a developer who demolished the building and secured site plan approvals for a 5-story, 15,997-SF mixed-use office building with a top floor residential unit including rooftop deck, 2-floors of office space, a ground floor art gallery, secured lobby and 15-mechincal lift parking spaces.

Property Name citizenM Hotel
 Address 1212 Lincoln Road
 Miami Beach, FL 33139
 United States

Government Tax Agency N/A
 Govt./Tax ID Multiple

Site/Government Regulations

	Acres	Square feet
Land Area Net	0.419	18,263
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	All available to site

Maximum FAR 2.46
 Min Land to Bldg Ratio 0.41:1
 Maximum Density 400.67 per ac

Frontage Distance/Street	N/A Alton Road
Frontage Distance/Street	N/A Lincoln Road

General Plan Mixed-use commercial
 Specific Plan Hotel
 Zoning CD-2, Commercial, Medium Intensity
 Entitlement Status N/A



Sale Summary

Recorded Buyer	OSIB Miami Beach Properties LLC	Marketing Time	N/A
True Buyer	Craig Kinnon, citizenM Hotels	Buyer Type	End User
Recorded Seller	1212 Lincoln LLC	Seller Type	Developer
True Seller	Russell Galbut, Crescent Heights	Primary Verification	Buyer & Public Records
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	Obsolete bank	Date	6/25/2020
Proposed Use	Boutique hotel	Sale Price	\$9,000,000
Listing Broker	Off-market transaction	Financing	All Cash
Selling Broker	N/A	Cash Equivalent	\$9,000,000
Doc #	31988/2369	Capital Adjustment	\$0
		Adjusted Price	\$9,000,000

Transaction Summary plus Five-Year CBRE View History

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
06/2020	Sale	OSIB Miami Beach Properties LLC	1212 Lincoln LLC	\$9,000,000	\$21,464,345 / \$492.80

Sale**Land - Hotel / Motel****No. 2****Units of Comparison**

\$492.80 / sf
\$21,464,345.34 / ac

\$53,571 / Unit
\$53,571 / Allowable Bldg. Units
\$200.28 / Building Area

Financial**No information recorded****Map & Comments**

This comparable land sale is located at the southwest corner intersection of Alton Road & Lincoln Road in the South Beach submarket of Miami Beach, Florida. The site is improved with an existing 2-story, 18,105-SF Wells Fargo branch bank built in 1940 that will be redeveloped into a 5-story, 168-room boutique hotel with roof top terrace. The seller previously acquired the property from Wells Fargo in January 2020 for \$8,500,000. The site location is across the street from the west end of the Lincoln Road pedestrian mall and is part of a mixed-use master plan anchored by a 55,000-SF Whole Foods with 3-levels of structured parking support.

Property Name 1234 - 1260 Washington Avenue
 Address 1234 - 1260 Washington Avenue
 Miami Beach, FL 33139
 United States

Government Tax Agency Miami-Dade
 Govt./Tax ID Multiple

Site/Government Regulations

	Acres	Square feet
Land Area Net	0.770	33,525
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	All available to site

Maximum FAR 2.00
 Min Land to Bldg Ratio 0.50:1
 Maximum Density 139.03 per ac

Frontage Distance/Street	N/A Washington Avenue
Frontage Distance/Street	N/A Drexel Avenue
Frontage Distance/Street	N/A 13th Street

General Plan High density, mixed-use retail, office, residential & hotel
 Specific Plan Mixed-use retail & office
 Zoning CD-2, Commercial Medium Intensity
 Entitlement Status N/A



Sale Summary

Recorded Buyer	Urbin Miami Beach Owner, LLC	Marketing Time	N/A
True Buyer	Rishi Kapoor	Buyer Type	Private Syndicator
Recorded Seller	1234 Partners, Ltd.	Seller Type	Private Investor
True Seller	Jonathan Fryd & David Resnick	Primary Verification	Buyer #786-701-6724
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	Obsolete retail/office	Date	5/4/2021
Proposed Use	Retail/office redevelopment	Sale Price	\$20,000,000
Listing Broker	Off-market transaction	Financing	Other(See Comments)
Selling Broker	N/A	Cash Equivalent	\$20,000,000
Doc #	32501/292	Capital Adjustment	\$0
		Adjusted Price	\$20,000,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
05/2021	Sale	Urbin Miami Beach Owner, LLC	1234 Partners, Ltd.	\$20,000,000	\$25,987,526 / \$596.57

Units of Comparison

\$596.57 / sf	\$186,916 / Unit
\$25,987,525.99 / ac	\$186,916 / Allowable Bldg. Units
	\$298.61 / Building Area

Financial

No information recorded

Map & Comments



This comparable land sale comprises an existing 1-story, 10,697-SF retail building (1260) and a 3-story, 19,519-SF office building (1234) located along the west side of Washington Avenue at 13th Street and spanning west to the Drexel Avenue frontage. The buyer operates a co-living & co-working business with plans to demolish the 1-story retail building and replace it with a new, ground-up 6-story office building and will gut renovate & restore the existing 3-story office building. The proposed site plan comprises a total of 44,153-SF of rentable area and 82,160-SF of gross building area that includes a 5,000-SF wellness center on the ground floor and 21,000-SF of new, flexible office space on the upper floors including co-working area as small as 50-SF and more traditional office suites ranging from 1,000 to 5,000 square feet with fully furnished, turn key options. Project amenities include a food market, cafe & raw juice bar, 60-residential units and roof deck with pool, yoga lawn and bar. The residential units will be a mix of 275-SF micro units and co-living units with 2-to-4 bedroom floor plans including private bathrooms in each bedroom and shared living room, kitchen and laundry machines.

The sale transaction was facilitated with a \$14 million purchase money mortgage in favor of the sellers and the buyer raised \$56 million from investors for the redevelopment program.

Property Name 1683 & 1695 Alton Road
 Address 1683 & 1695 Alton Road
 Miami Beach, FL 33139
 United States

Government Tax Agency Miami-Dade
 Govt./Tax ID 02-3234-017-0090 & 0100

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	0.340	14,810
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	Available to site

Maximum FAR 1.50
 Min Land to Bldg Ratio 0.67:1
 Maximum Density N/A

Frontage Distance/Street	N/A Alton Road
Frontage Distance/Street	N/A 17th Street

General Plan Mixed-use commercial
 Specific Plan TBD
 Zoning CD-2, Commercial, Medium Intensity
 Entitlement Status N/A

Sale Summary

Recorded Buyer	1695 Alton, LLC	Marketing Time	18 Month(s)
True Buyer	Alan Potamkin	Buyer Type	Private Investor
Recorded Seller	Sanel, Inc.	Seller Type	Private Investor
True Seller	Eleonora Carina Zocco	Primary Verification	Rich Tallman, Listing Broker

Interest Transferred Fee Simple/Freehold
 Current Use Vacant branch bank building & parking lot
 Proposed Use TBD
 Listing Broker La Playa Properties Group, Inc. #305-672-0773
 Selling Broker N/A
 Doc # 33019/3462

Type	Sale
Date	2/3/2022
Sale Price	\$10,400,000
Financing	Cash to Seller
Cash Equivalent	\$10,400,000
Capital Adjustment	\$0
Adjusted Price	\$10,400,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
02/2022	Sale	1695 Alton, LLC	Sanel, Inc.	\$10,400,000	\$30,588,235 / \$702.21

Units of Comparison

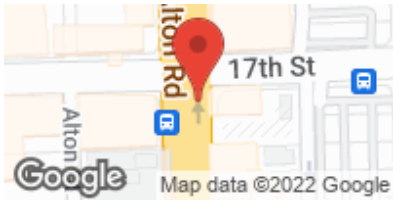
\$702.21 / sf
 \$30,588,235.29 / ac

N/A / Unit
 N/A / Allowable Bldg. Units
 \$468.15 / Building Area

Financial

No information recorded

Map & Comments



This comparable land sale is the former BankUnited branch bank located on the southeast, signalized corner of Alton Road and 17th Street in the South Beach submarket in Miami Beach, Florida. The BankUnited lease commenced in May 2010 with the "like new" branch bank opening in 2012. The lease terms & conditions were for 10 years plus two (2), 5 year renewal option and 3% annual escalations throughout initial term and options periods. However, BankUnited vacated after the initial base term expired. Prior to a branch bank, it was the former Burger King fast food restaurant. The current seller previously acquired the property in December 2012 and a single tenant, triple net lease investment for \$8,150,000 and relisted the property more recently once it was known that BankUnited was not renewing. The broker listing was priced at \$12,000,000 and sold at \$10,400,000 in an "all cash" sale transaction to a local, high net worth investor. The underlying zoning permits a 5-story building and floor-area-ratio of 1.50 or a maximum 2.0 in mixed-use buildings when more than 25 percent of the total area of a building is used for residential or hotel units, as set forth in the RM-2 district.

Property Name 2206 Park Avenue
 Address 2206 Park Avenue
 Miami Beach, FL 33139
 United States

Government Tax Agency Miami-Dade
 Govt./Tax ID Multiple

Site/Government Regulations

	Acres	Square feet
Land Area Net	0.391	17,040
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	Available to site

Maximum FAR 2.90
 Min Land to Bldg Ratio 0.34:1
 Maximum Density 306.75 per ac

Frontage Distance/Street	N/A Park Avenue
Frontage Distance/Street	N/A 22nd Street

General Plan Mixed-use residential & hotel uses
 Specific Plan Hotel
 Zoning CD-3, Commercial, High Intensity
 Entitlement Status N/A



Sale Summary

Recorded Buyer	22 Landlord LLC	Marketing Time	5 Month(s)
True Buyer	Mathieu Massa	Buyer Type	Developer
Recorded Seller	Encotol LLC	Seller Type	Developer
True Seller	Enrique Colmenaras	Primary Verification	Susan Gale, Listing Agent

Interest Transferred Fee Simple/Freehold
 Current Use Vacant land
 Proposed Use Hotel
 Listing Broker One Sotheby's International #305-766-1988
 Selling Broker N/A
 Doc # 33027/4911

Type	Sale
Date	2/11/2022
Sale Price	\$13,500,000
Financing	Market Rate Financing
Cash Equivalent	\$13,500,000
Capital Adjustment	\$0
Adjusted Price	\$13,500,000

Transaction Summary plus Five-Year CBRE View History

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
02/2022	Sale	22 Landlord LLC	Encotol LLC	\$13,500,000	\$34,509,202 / \$792.25

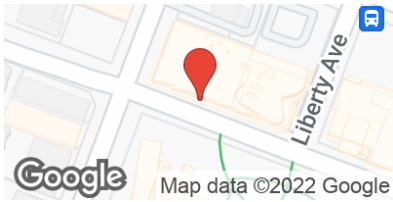
Units of Comparison

\$792.25 / sf	\$112,500 / Unit
\$34,509,202.45 / ac	\$112,500 / Allowable Bldg. Units
	\$273.05 / Building Area

Financial

No information recorded

Map & Comments



This comparable land sale is located along the northwest corner of Park Avenue and 22nd Street in the South Beach submarket in Miami Beach, Florida. The property was broker listed at \$15,900,000 and sold for \$13,500,000 with the buyer securing a \$6,000,000 conventional loan from City National Bank and the seller providing a \$2,500,000 short term purchase money mortgage. The property was previously acquired in October 2013 for \$7,000,000 by the developers of the adjacent & former 44-room Lido Park Hotel located at 2216 Park Avenue who re-branded the 2216 Park Avenue property as the Vintro Hotel & Kitchen and is now known as the Kayak Miami Beach. The 2206 Park Avenue land sale property was previously proposed and entitled for a 5-story condo hotel comprising of 50,000-SF +/- with a mechanical parking lift system. The project was finally approved for 49,441-SF of FAR with 120-hotel rooms, ground floor retail and reduced off-street parking variance. The site location is at the crossroads of Park Avenue and the renovated Collins Canal that is a restricted access canal that connects to Biscayne Bay, Indian Creek and Lake Pancoast.

Sale

Land - Mixed-Use

No. 6

Property Name The Alton
Address 1656-1680 Alton Road
 1677 West Avenue
 Miami Beach, FL 33139
 United States
Government Tax Agency Miami-Dade
Govt./Tax ID Multiple



Site/Government Regulations

	Acres	Square feet
Land Area Net	1.377	60,000
Land Area Gross	N/A	N/A

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	Available to site

Maximum FAR	1.50
Min Land to Bldg Ratio	0.67:1
Maximum Density	N/A

Frontage Distance/Street	350 ft	Alton Road
Frontage Distance/Street	350 ft	Alton Court
Frontage Distance/Street	50 ft	West Avenue

General Plan Mixed-use residential & commercial uses
Specific Plan Mixed-use retail & office use
Zoning CD-2, Commercial, Medium Intensity
Entitlement Status N/A

Sale Summary

Recorded Buyer	BH The Alton LLC	Marketing Time	8 Month(s)
True Buyer	Michael Shvo	Buyer Type	Developer
Recorded Seller	Alton Road Investments, LLC & Hardware Parking, LLC	Seller Type	Private Investor
True Seller	Robert Shor	Primary Verification	John Crotty, Listing Broker
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	Obsolete retail, residential & a surface parking lot	Date	6/3/2022
Proposed Use	Mixed-use retail/office & structured parking	Sale Price	\$39,300,000
Listing Broker	Avison Young #305-447-7865	Financing	Market Rate Financing
Selling Broker	Noah Fox & Lyle Stern, Koniver Stern Group	Cash Equivalent	\$39,300,000
Doc #	33230/423 & 428	Capital Adjustment	\$0
		Adjusted Price	\$39,300,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
06/2022	Sale	BH The Alton LLC	Alton Road Investments, LLC & Hardware Parking, LLC	\$39,300,000	\$28,532,017 / \$655.00

Units of Comparison

\$655.00 / sf
\$28,532,016.84 / ac

N/A / Unit
N/A / Allowable Bldg. Units
\$436.67 / Building Area

Financial

No information recorded

Map & Comments



This comparable land sale comprises 1.21-acres fronting Alton Road, just one (1) lot north of Lincoln Road and improved with several 1 & 2 story retail & residential buildings totaling 50,814-SF and dating back to the 1940's plus 0.17-acre fronting West Avenue that is improved with a surface parking lot. The buyer is a developer with a preliminary concept plan to redevelop the site with a 5 to 6-story, mixed-use retail/office project supported by structured parking and subject to the acquisition of the Alton Court alleyway. The buyer/developer is seeking to acquire a partial vacation in order create a unified development site between parcels located on both the east and west sides of the alley that would allow for the movement of FAR between the parcels and then provide a perpetual easement to the City so the alley continues to function and the City would continue to have access to all utilities. The proposed office building is expected to utilize the recently approved height incentives for office buildings along Alton Road, subject to public benefits to be provided by the developer, while retaining a lower scale of development along West Avenue.

The current seller previously acquired the property in a two-part assemblage in August 2004 for \$9,750,000 and April 2014 for \$2,5000 or for a total of \$12,250,000 and engaged Avison Young to market the property, unpriced, in the 4th quarter, 2021. The current buyer facilitated the transaction with a \$28,250,000 loan in favor of Maim Credit Corp.

Property Name 824 Alton Road
 Address 824 Alton Road
 Miami Beach, FL 33139
 United States

Government Tax Agency Miami-Dade
 Govt./Tax ID 02-4203-001-0530

Site/Government Regulations

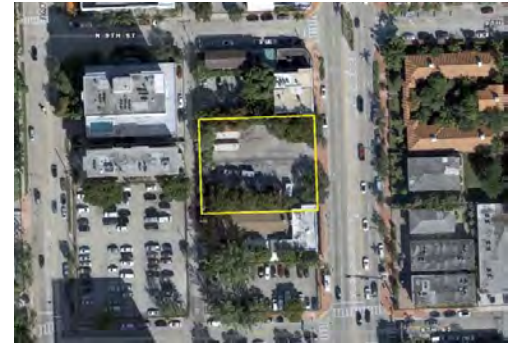
	Acres	Square feet
Land Area Net	0.413	18,000
Land Area Gross	0.413	18,000

Site Development Status	Finished
Shape	Rectangular
Topography	Level, At Street Grade
Utilities	Available to site

Maximum FAR 1.50
 Min Land to Bldg Ratio 0.67:1
 Maximum Density N/A

Frontage Distance/Street	120 ft Alton Road
Frontage Distance/Street	120 ft Alton Court

General Plan Mixed-use residential & commercial uses
 Specific Plan TBD
 Zoning CD-2, Commercial, Medium Intensity
 Entitlement Status N/A



Sale Summary

Recorded Buyer	TBD	Marketing Time	1 Month(s)
True Buyer	TBD	Buyer Type	N/A
Recorded Seller	824 Alton Road Partners LLC	Seller Type	Developer
True Seller	Russell Galbut, Crescent Heights	Primary Verification	Scott Sandelin, Listing Broker

Interest Transferred	Fee Simple/Freehold	Type	Available/Listing
Current Use	Surface parking lot	Date	4/15/2022
Proposed Use	TBD	Sale Price	\$10,800,000
Listing Broker	Marcus & Millichap #305-781-5829	Financing	All Cash
Selling Broker	N/A	Cash Equivalent	\$10,800,000
Doc #	Not yet contracted	Capital Adjustment	\$0
		Adjusted Price	\$10,800,000

Transaction Summary plus Five-Year CBRE View History

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
04/2022	Available/Listing	TBD	824 Alton Road Partners LLC	\$10,800,000	\$26,137,464 / \$600.00

Units of Comparison

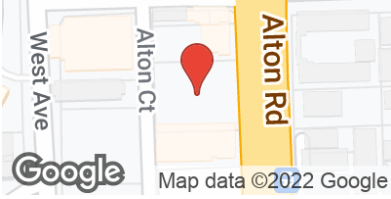
\$600.00 / sf
\$26,137,463.70 / ac

N/A / Unit
N/A / Allowable Bldg. Units
\$400.00 / Building Area

Financial

No information recorded

Map & Comments



This comparable land listing is improved with a surface parking lot and is located along the west side of Alton Road, between 8th Street and 9th Street in the South Beach submarket in Miami Beach, Florida. The parking lot has previously been leased to a valet parking company. However, this is an obvious underutilization of the site and there would be early cancellation provisions if the property sells or is developed. The site was previously purchased by the current owner/developer in July 2015 for \$5,400,000. The CD-2, Commercial, Medium Intensity zoning permits a variety of mixed-uses up to 70-feet in building height (7-stories) with a maximum floor-area-ratio (FAR) of 1.50 and potential for increase to a 2.0-FAR if more than 25% of the building is used for residential or hotel units.

Addendum B

PLANNING DEPARTMENT STAFF REPORT

MIAMI BEACH

PLANNING DEPARTMENT

Staff Report & Recommendation

PLANNING BOARD

TO: Chairperson and Members
Planning Board

DATE: June 21, 2022

FROM: Thomas R. Mooney, AICP
Planning Director

SUBJECT: **PB22-0532. Vacation of a Portion of the Alton Court Right-of-Way, Between Lincoln Road and Seventeenth (17th) Street.**

Approval of the Planning Board, by A 4/7 Vote, pursuant to City Charter Section 1.03(B)(4), and Section 118-51(11) of the City's Land Development Regulations, of the proposed Vacation of portions of the Alton Court Right-Of-Way, generally located between Lincoln Road and Seventeenth (17th) Street, and consisting of an Area not to exceed 8,000 Square Feet, or a Length not to exceed 400 Feet ("ROW"), in favor of the abutting property owner, BH THE ALTON LLC (The "Applicant"); provided that the Vacation of the ROW shall be subject to and conditioned upon The Applicant's delivery of certain Public Benefits to the City, no additional Floor Area aggregated from the portions of Alton Court to be Vacated, a Voluntary Monetary Payment, and a Perpetual Easement In Favor Of The City over the ROW, to ensure continued Public Use of the ROW for City Access, Pedestrian and Vehicular Travel, and Utilities.

RECOMMENDATION

Approve the vacation of the ENTIRE Alton Court Right-Of-Way, located between Lincoln Road and Seventeenth (17th) Street.

HISTORY

On May 25, 2022, the City Commission referred the proposed partial alley vacation to the Finance and Economic Resiliency Committee (FERC) and the Planning Board for review and recommendation (Item C4 E).

The FERC is expected to discuss the item on June 24, 2022.

REVIEW CRITERIA

Pursuant to Section 118-51 (11) of the City Code, in reviewing a request for the sale, exchange, conveyance or lease of ten years or longer of certain city-owned property, as provided in City Charter, subsection 1.03(b)4, entitled, "Disposition of city property," which requires approval by a majority (four-sevenths) vote of all members of the planning board, the board shall consider the following criteria when applicable:

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

Consistent – The proposed alley vacation is consistent with the Comprehensive Plan and keeps with the City’s goals of encouraging the development of class A office space along Alton Road. The site has a future land designation of *Medium Intensity Commercial Category (CD-2)*. No Comprehensive Plan amendment would be necessary if the alley were vacated.

b. If a sale, a determination as to whether or not alternatives are available for the acquisition of private property as an alternative to the proposed disposition or sale of city-owned properties, including assembly of adjacent properties, and impact of such assemblage on the adjacent neighborhood and the city in general.

Consistent – The proposed alley vacation will allow for the creation of a unified development site that spans both sides of the existing alley. This would result in allowing Floor Area Ratio (FAR) to be shifted around the block, as it has a consistent CD-2 zoning designation. This expected result is that the west side of the block will remain of a lower intensity, adjacent to a residential district and the more intense development would shift east to the Alton Road corridor, where there are incentives for office development. The shifting of the floor area would limit the potential of intense commercial development along West Avenue, adjacent to residential area. The intense commercial development would instead take place along Alton Road where it is more appropriate.

c. The impact on adjacent properties, including the potential positive or negative impacts such as diminution of open space, increased traffic, adequate parking, noise level, enhanced property values, improved development patterns, and provision of necessary services.

Consistent – The vacation of the alley could result in improved development pattern for the surrounding block. The improvements are as a result of the more intense uses shifting east towards the Alton Road corridor, while the less intense uses would remain on the west near the residential neighborhood along West Avenue. As no FAR is derived from the vacation, there is no potential for increased traffic beyond could occur if the vacation does not take place. Any new development would be facilitated would be required to comply with the parking requirements of the Land Development Regulations (LDRs). Given that the vacation is expected to result in class A office building, it is expected that this proposal will enhance surrounding property values.

d. Determination as to whether or not the proposed use is in keeping with the surrounding neighborhood, blocks views or creates other environmental intrusions, and evaluation of design and aesthetic considerations of the project.

Consistent – The surrounding neighborhood will not be negatively affected. As the alley vacation will result in a shifting of the FAR from the west part of the block to the east part of the block will help to preserve views for the residential properties on the west side of

Alton Road. However, design and aesthetic considerations will be considered as part of the design review process for any new development.

- e. **A traffic circulation analysis and plan that details the impact of projected traffic on the immediate neighborhood and how this impact is to be mitigated.**

Partially Consistent – No traffic circulation analysis has been provided; however, no FAR is to be derived from the proposed alley vacation, and the alley will continue to function as it does today given that an easement will be provided to the City. As a result, there will be no increase in the traffic potential of block. The proposal would allow the shifting of FAR from the west side of the block to the east side of the block; however, there would be no net increase in the overall allowable FAR. Any traffic impacts from a future development would be addressed as part of any land use board approval process that may be required.

- f. **Determination as to whether or not the proposed use is in keeping with a public purpose and community needs, and improving the community's overall quality of life.**

Consistent – This proposal is in keeping with a public purpose by facilitating the development of a class A office building. Developing class A office space is a goal of the City, in effort to diversify the City's economy from an overreliance on tourism. Additionally, the City applicant will be voluntarily preferring a monetary contribution for the vacation.

- g. **If a lease is proposed, the duration and other nonfinancial terms of the lease.**

Not Applicable – The alley proposed to be vacated and the land would be privately owned.

COMPLIANCE WITH SEA LEVEL RISE AND RESILIENCY REVIEW CRITERIA

Section 133-50(b) of the Land Development Regulations establishes the following review criteria when considering ordinances, adopting resolutions, or making recommendations:

- (1) **Whether the proposal affects an area that is vulnerable to the impacts of sea level rise, pursuant to adopted projections.**

Partially Consistent – The proposal does affect a site that is vulnerable to the impacts of sea level rise in the long term.

- (2) **Whether the proposal will increase the resiliency of the City with respect to sea level rise.**

Partially Consistent – The proposal should increase the resiliency of the City with respect to sea level rise by encouraging the construction of a new building that complies with the City's resiliency standards; however, it may limit the improvements to existing structures on the west side of the block.

- (3) **Whether the proposal is compatible with the City's sea level rise mitigation and resiliency efforts.**

Consistent – The proposal is compatible with the City’s sea level rise mitigation and resiliency efforts.

ANALYSIS

The applicant, BH THE ALTON, LLC, has submitted a request for the partial vacation of the Alton Court Alley located between Lincoln Road and 17th Street. The applicant is seeking only a partial vacation in order create a unified development site between parcels located on both the east and west sides of the alley. Although the proposed vacation would allow for the movement of FAR between the parcels, the applicant is not seeking additional FAR from the vacated land. Additionally, the applicant would also provide an easement to the city so that the alley continues to function in the same way that it does today, and the city would continue to have access to all utilities. The northern most portions of this alley were previously vacated on July 13, 2016, under similar conditions, to facilitate the development of the 17 West project, where the Trader Joe’s grocery store is located today.

The alley vacation would allow for the creation of a unified development site between the lots on the west side of the block (fronting West Avenue) and the lots on the east side of the block (fronting Alton Road), since all properties have the same CD-2 zoning designation. The applicant is proposing to build a class A office building on the east side of the block and plans on using the unutilized FAR from the properties on the west side of the block. The office building is expected to utilize the recently approved height incentives for office buildings along Alton Road.

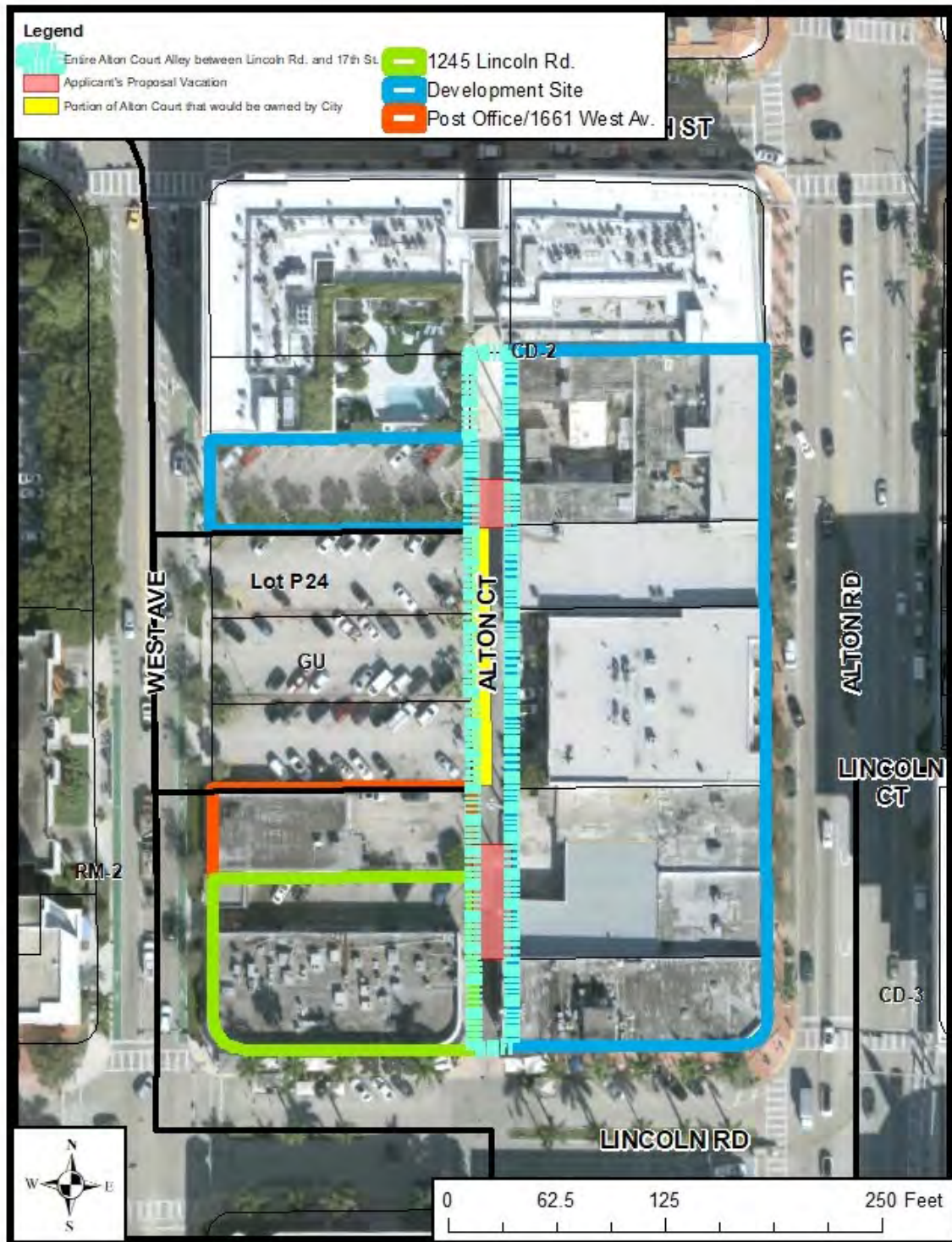
Using the available FAR on the west side of the block will result in those properties remaining low scale and reducing potential development impacts to the residential areas on the west side of West Avenue. Notwithstanding, staff would suggest that a minimum amount of floor area be required to be retained for all of the lots fronting West Avenue, in order to ensure a minimum amount of sidewalk activation in the future. Staff believes that the exact amount of floor area to be retained for the lots fronting West Avenue can be addressed as part of the DRB review of the future project.

The applicant has requested that only two small segments, totaling 1,500 square feet, be vacated (See Aerial Map at the end of this report). The Administration has concerns with having various segments of the alley under a different form ownership, as it could result in confusion if work is needed along the alley in the future. In order to address this concern, it is recommended that the entire alley be vacated. Under this proposal, the portions of the alley adjacent to the City-owned parking lot (Lot P24) would revert to the City and the remainder of the alley would revert to the adjacent private property owners. The vacation of the entire alley would total approximately 8,000 square feet with a length of approximately 400 feet.

RECOMMENDATION

In view of the foregoing analysis, staff recommends that the Planning Board approve the vacation of ENTIRE Alton Court Right-Of-Way, located between Lincoln Road and Seventeenth (17th) Street.

SITE MAP



Addendum C

CLIENT CONTRACT INFORMATION

Proposal and Contract for Services

CBRE, Inc.
777 Brickell Ave, Ste 1100
Miami, FL 33131
www.cbre.us/valuation
Stuart Lieberman, MAI
VAS - Vice President

June 16, 2022

Joe Gomez
Public Works Director
City of Miami Beach, Florida
1700 Convention Center Drive, 4th Floor
Miami Beach, FL 33139
Phone: 305-673-7000
Email: joegomez@miamibeachfl.gov

RE: Assignment Agreement | CB22US074656
Alley Vacation located at:
1209 to 1681 Alton Court, Miami Beach, FL 33139

Dear Mr. Gomez:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose: To estimate the Market Value of the referenced real estate

Premise:

- 1) Market Value As Is, CD-2 "as of right" zoning
- 2) Market Value As Proposed with Perpetual Easement
- 3) Market Value of Transferable Floor Area
- 4) Investment Value of Transferable Floor Area

Rights Appraised: Fee Simple and Easement Estate

Intended Use: Internal decision making & negotiations of the Vacation of Alley with Perpetual Easement

Intended User: The intended user is City of Miami Beach, Florida ("Client"), and such other parties and entities (if any) expressly recognized by CBRE as "Intended Users" (as further defined herein).

Reliance: Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be

responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

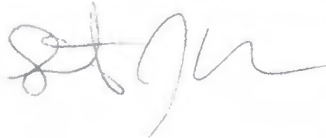
Scope of Inspection:	A full interior and exterior inspection of the property will be conducted and arranged with the property contact and performed by CBRE Valuations. If this expected property inspection is not possible due to unforeseen issues (such as lack of on-site personnel cooperation, physical obstructions, or appraiser/property contact health and safety concerns), the client will be promptly advised. The client may continue this assignment based on other inspection options agreed upon by CBRE and client or provide CBRE with a written notice to cancel. If CBRE determines that a credible appraisal result cannot be achieved due to inspection limitations, it will promptly provide the client with a written cancellation of this assignment.
Valuation Approaches:	Only the Sales Comparison Approach will be completed.
Report Type:	Standard Appraisal Report
Appraisal Standards:	USPAP
Appraisal Fee:	\$9,500.00. If cancelled by either party before a completion, the fee will be based on CBRE's hourly rates for the time expended; plus actual expenses.
Expenses:	Fee includes all associated expenses
Retainer:	A retainer is not required for this assignment.
Payment Terms:	Final payment is due within 30 days from your receipt of the final report. The full appraisal fee is considered earned upon delivery of the draft report. We will invoice you for the assignment in its entirety at the completion of the assignment.
Delivery Instructions:	CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report. An Adobe PDF file via email will be delivered to joegomez@miamibeachfl.gov. The client has requested 0 bound final copy (ies).
Delivery Schedule:	
Preliminary Value:	Not Required
Draft Report:	Not Required
Final Report:	On or before June 23 rd , subject to being engaged by June 18 th
Start Date:	The appraisal process will start upon receipt of your signed agreement by June 18 th 2022.
Acceptance Date:	These specifications are subject to modification if this proposal is not accepted within 5 business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties, including all intended users, hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Stuart Lieberman, MAI
VAS - Vice President
As Agent for CBRE, Inc.
T +1 305 3816472
stuart.lieberman@cbre.com

PROPERTY NAME	PROPERTY LOCATION	REPORT TYPE	APPRAISAL FEES
The Alton	1656 Alton Ct, Miami Beach, FL 33139	Standard Appraisal	\$9,500.00
Assignment Total:			\$9,500.00

AGREED AND ACCEPTED

FOR CITY OF MIAMI BEACH, FLORIDA ("CLIENT"):

<u>Eric Carpenter for</u> Signature	<u>6/17/22</u> Date
<u>Alina T. Hudak</u> Name	<u>City Manager</u> Title
<u>305-673-7000</u> Phone Number	<u>joegomez@miamibeachfl.gov</u> E-Mail Address

ADDITIONAL OPTIONAL SERVICE

Assessment & Consulting Services: CBRE's Assessment & Consulting Services group has the capability of providing a wide array of solution-oriented due diligence services in the form of property condition and environmental site assessment reports and other necessary due diligence service (seismic risk analysis, zoning compliance service, construction risk management, annual inspections, etc.).

Initial below if you desire CBRE to contact you to discuss a proposal for any part or the full complement of consulting services, or you may reach out to us at ACSProposals@cbre.com. We will route your request to the appropriate manager. For more information, please visit www.cbre.com/assessment.

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Alina T. Hudak 6/17/2022
City Attorney Date

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred (including travel expenses to and from the job site), with a minimum charge of \$500. Additional copies of the Appraisal Reports are available at a cost of \$250 per original color copy and \$100 per photocopy (black and white), plus shipping fees of \$30 per report.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Each party shall bear their own attorney fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request. Additional appraisal services, and the costs associated therewith, shall be subject to the written approval of client prior to appraiser commencing such additional work.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its expenses. Each party waives the right to a trial by jury in any action arising under this Agreement. Each party shall be responsible for their own attorney fees.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.
8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, APPRAISER DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY APPRAISAL REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR

PURPOSE EVEN IF KNOWN TO APPRAISER. Furthermore, the conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.

9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser; however, client is hereby granted a license to use the data and final report in connection with the transaction of client's official business, which will include compliance with public records laws including, without limitation, Chapter 119, Florida Statutes, and sharing the information with the public, including a public meeting. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.
16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution

of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. Notwithstanding the foregoing or any other provision of this agreement, client shall be authorized to disclose the appraisal report to the general public in a public meeting; and, as permitted pursuant to Chapter 119, Florida Statutes.

17. Time period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within three (3) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

SPECIFIC PROPERTY DATA REQUEST

In order to complete this assignment under the terms outlined, CBRE, Inc., Valuation & Advisory Services, will require the following specific information for the property:

1. PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.
2. [DataRequestList]

If any of the requested data and information is not available, CBRE, Inc., reserves the right to extend the delivery date by the amount of time it takes to receive the requested information or make other arrangements. Please have the requested information delivered to the following:

Stuart Lieberman, MAI
VAS - Vice President
stuart.lieberman@cbre.com
CBRE, Inc.
Valuation & Advisory Services
777 Brickell Ave, Ste 1100
Miami, FL 33131

Addendum D

QUALIFICATIONS

Stuart J. Lieberman, MAI

Vice President, Florida-Caribbean Region

CBRE



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M +13053816462
Stuart.lieberman@cbre.com

777 Brickell Avenue
Suite 1100
Miami, FL 33131

Clients Represented

- BankUnited
- Ocean Bank
- Centennial Bank
- C-III Asset Management
- City of Miami
- Miami-Dade County, Internal Services Dept.

Experience

Stuart J. Lieberman, MAI is a Vice president with over 30 years of real estate appraisal and consulting experience. Mr. Lieberman is in the Valuation & Advisory Services Group's Miami office in the South Florida/Caribbean Region.

Since 1987, Mr. Lieberman has provided real estate valuation and consulting services to the financial lending community, institutional clients, government agencies, corporate entities, legal & accounting professionals, developers and private individuals. Mr. Lieberman has experience providing market studies, feasibility studies, highest & best use analysis, market rent studies, expert testimony & litigation support and portfolio analysis.

Mr. Lieberman's experience encompasses a wide variety of property types including single & multi-family residential, senior housing, mobile home parks, high density urban & ocean front developments, open space & public parks, automobile dealerships, service stations & convenience stores, funeral homes, medical office & surgical centers, mixed-use office, financial institutions & branch banks, retail shopping centers & regional malls, parking garages, restaurants & night clubs, movie theatres, health & fitness clubs, marinas & shipping terminals, FBOs (fixed base operations), industrial flex warehouses, bulk distribution, truck terminals, refrigeration warehouses, R&D, business parks, self-storage facilities; and, special purpose properties, including bowling alleys, broadcasting facilities, car wash, historical properties, public & private schools, day care facilities, houses of worship & religious facilities, tourist attractions, sport arenas and entertainment venues & theatres.

Professional Affiliations / Accreditations

- Appraisal Institute – Designated Member No. 12003
- Certified General Real Estate Appraiser, State of Florida License RZ 1074
- Licensed Real Estate Broker – Associate, State of Florida License BK 0477878

Education

- University of South Florida, Tampa, FL, BA, Political Science – 1985
- Appraisal Institute, American Institute of Real Estate Appraisers, Society of Real Estate Appraisers and Florida Real Estate Commission core courses, electives and seminars.



Ron DeSantis, Governor

Halsey Beshears, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

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

LIEBERMAN, STUART JAY

777 BRICKELL AVE SUITE 1100
MIAMI FL 33131

LICENSE NUMBER: RZ1074

EXPIRATION DATE: NOVEMBER 30, 2022

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Kristin B. Repp, MAI

Managing Director / Market Leader – South Florida

CBRE



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Suite 1100
Miami, FL 33131

Experience

Kristin B. Repp is the Managing Director of CBRE Valuation and Advisory Services in South Florida. As the market leader with over 25 years of commercial real estate experience, Ms. Repp oversees VAS operations in South Florida with offices in Miami, Fort Lauderdale, Boca Raton, and West Palm Beach.

Ms. Repp leads a team of professionals that provide valuation and advisory services involving all property types. Ms. Repp has extensive valuation experience and has served a broad range of clients including commercial and investment banks, REITs, insurance companies, private corporations, investors, owners, developers, and attorneys. Her expertise incorporates all types of valuation services including appraisals, market and feasibility studies, real estate portfolios, financial reporting, estate planning, property tax consulting, and litigation support.

Ms. Repp was previously a Vice President with CBRE. Prior to joining CBRE, Ms. Repp gained a broad range of commercial real estate experience through various roles in financial analysis, consulting, acquisitions, due diligence, development, construction, and brokerage.

Professional Affiliations / Accreditations

- Appraisal Institute – Designated Member (MAI)
- Certified General Real Estate Appraiser, State of Florida, RZ2454
- CREW Network
- Appraisal Institute – South Florida Chapter
- CBRE Women’s Network
- Appraisal Institute Candidate Advisor

Education

- University of Wisconsin-Madison, Madison, Wisconsin
Bachelor of Business Administration – Real Estate and Finance (Double Major)



Ron DeSantis, Governor

Halsey Beshears, Secretary



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FLORIDA REAL ESTATE APPRAISAL BD

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PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

REPP, KRISTIN B

201 E KENNEDY BLVD SUITE 250
TAMPA FL 33602

LICENSE NUMBER: RZ2454

EXPIRATION DATE: NOVEMBER 30, 2022

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