APPRAISAL OF REAL PROPERTY

1550 Collins Avenue, Unit 1
Miami Beach, Miami-Dade County, FL 33139

IN A MARKET RENT STUDY

As of October 30, 2020

Prepared For:

City of Miami Beach
1700 Convention Center Drive
Miami Beach, Fl 33139

Prepared By:

Cushman & Wakefield Regional, Inc.
Valuation & Advisory
225 NE Mizner Blvd., Suite 300
Boca Raton, FL 33432
Cushman & Wakefield File ID: 20-48007-900422-001



1550 Collins Avenue, Unit 1

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Miami Beach, Miami-Dade County, FL 33139

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November 02, 2020

Mr. Jimmy L. Morales
City of Miami Beach
C/O Fairholme Holdings LLC
1700 Convention Center Drive
Miami Beach, Fl 33139

Re: Restricted Market Study Report

1550 Collins Avenue, Unit 1
Miami Beach, Miami-Dade County, FL 33139

Cushman & Wakefield File ID: 20-48007-900422-001

Dear Mr. Morales:

In fulfillment of our agreement as outlined in the Letter of Engagement, we are pleased to transmit our Restricted Market Study Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP). In accordance with USPAP, the use of this report is restricted to the client only.

The report presents limited discussions of the data, reasoning, and analyses used in the appraisal process to develop the appraiser's opinion of rental rate. It may not be understood without additional information in the appraiser's work file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in the following pages.

The subject property was not inspected by the appraiser per agreement with the client.

Client:	Mr. Jimmy L. Morales **City of Miami Beach** 1700 Convention Center Drive Miami Beach, Fl 33139
Intended User:	In compliance with USPAP, the Client is the only Intended User.
Intended Use:	This Restricted Market Study Report was prepared for the exclusive use of the Client to determine market rent. Use of this report by others is not intended by the appraiser.

Identification of the Real Estate:	1550 Collins Avenue, Unit 1 1550 Collins Avenue, Unit 1 Miami Beach, FL 33139
Current Use:	The subject property consists of a 2,250 square foot retail space that is located at the corner of Collins Avenue and 16th Street in Miami Beach, FL. The space is located on the ground floor of a City of Miami Beach parking garage that was completed in 1998. The property is currently occupied and leased by Liquor Lounge Café, Inc. The lease commenced on January 1, 2009 and expires on December 31, 2020. The current rental rate is $59.21 per square foot and the tenant currently pays $7.98 per square foot in common area expenses. Based on our analysis herein, the current rental rate is considered to be below market levels, despite the current changes in market conditions due to the ongoing Covid-19 pandemic.
Type of Value:	Market Rent (defined later in this report)
Real Property Interest Valued:	Fee Simple
Current Ownership:	CITY OF MIAMI BEACH
Sales History:	Based on our review of Public Records and information the subject property has not transferred over the past three years.
Current Disposition	To the best of our knowledge, the property is not under contract of sale nor is it being marketed for sale.
Date of Inspection:	October 30, 2020
Effective Date of Value:	October 30, 2020
Date of Report:	November 02, 2020
Extraordinary Assumptions:	This market rent study does not employ any extraordinary assumptions.
Hypothetical Conditions:	This market rent study does not employ any hypothetical conditions.
Opinion of Market Rent:	$75.00 per square foot, triple net *(Market Rent As-Is on October 30, 2020)*
Exposure Time:	9 to 12 months

Market Study Definition

A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing or the demographics of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends (Dictionary of Real Estate Appraisal, 4th Edition, page 176).

Scope of Work

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. We prepared this independent and impartial appraisal of the property in conformance with the requirements of USPAP. The report includes only the appraiser's conclusion and cannot be properly understood without reference to the appraiser's file, which is maintained within our work file. The level of detail and depth of the analysis is considered to be commensurate with the complexity of the property type and market conditions.

As part of this market study, a number of independent investigations and analyses were required. The agreed upon Scope of Work included the following:

- Adrian M. Sanchez, MAI inspected the property and its environs.
- Collected primary and secondary data related to the subject.
- Investigated the general trends in the regional economy and local area.
- Investigated and analyzed rental data in the subject's market.
- Used generally accepted market-derived methods and procedures appropriate to the assignment.
- Set forth all assumptions and limiting conditions that affect the analysis, opinion and conclusions, as stated in the report.
- Provided a signed certification in accordance with Standards Rule 2-3 of USPAP.
- Sufficient data, due diligence, and analysis are combined in this valuation to produce a reliable market rent conclusion that serves the needs of the client.

This report is intended to comply with the reporting requirements outlined under USPAP for a Restricted Appraisal Report. The report was also prepared to comply with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Title XI Regulations.

Cushman & Wakefield Regional, Inc. has an internal Quality Control Oversight Program. This Program mandates a "second read" of all appraisals. Assignments prepared and signed solely by designated members (MAIs) are read by another MAI who is not participating in the assignment. Assignments prepared, in whole or in part, by non-designated appraisers require MAI participation, Quality Control Oversight, and signature.

For this assignment, Quality Control Oversight was provided by Michael C. McNamara, MAI, MRICS. In addition to a qualitative assessment of the Appraisal Report, Michael C. McNamara, MAI, MRICS is a signatory to the Appraisal Report and concurs in the value estimate(s) set forth herein.

Report Option Description

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as a Restricted Appraisal Report in accordance with USPAP guidelines. The terms "describe," summarize," and "state" connote different levels of detail, with "describe" as the most comprehensive approach and "state" as the least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within the report:

- States the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- States the Scope of Work used to develop the appraisal
- States the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- States the rationale for the Highest and Best Use opinion (if included)

Assumptions and Limiting Conditions

"Report" means the appraisal or consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"Cushman & Wakefield" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of Cushman & Wakefield who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Cushman & Wakefield shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of Cushman & Wakefield any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of Cushman & Wakefield is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without Cushman & Wakefield's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by Cushman & Wakefield in writing to use or rely thereon, hereby agrees to indemnify and hold Cushman & Wakefield, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. Cushman & Wakefield assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. Cushman & Wakefield recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.

- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and Cushman & Wakefield make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.
- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. Cushman & Wakefield recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of Cushman & Wakefield, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- In the event of a claim against Cushman & Wakefield or its affiliates or their respective officers or employees or the Appraisers in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by Cushman & Wakefield or its affiliates for this Report and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and Cushman & Wakefield, its employees and the Appraiser have no liability to such recipients. Cushman & Wakefield disclaims any and all liability to any party other than the party that retained Cushman & Wakefield to prepare the Report.
- Any estimate of insurable replacement cost/insurable value, if included within the agreed upon scope of work and presented within this report, is based upon figures derived from a national cost estimating service and is developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage for replacing any structure. This analysis should not be relied upon to determine insurance coverage. Furthermore, we make no warranties regarding the accuracy of this estimate.
- Any estimate of actual cash value, if included within the agreed upon scope of work and presented within this Report, is based upon an agreed upon procedure with the client as identified by the client within their definition. C&W makes no warranties regarding the accuracy or relevance of this estimate.
- Unless otherwise noted, we were not given a soil report to review. However, we assume that the soil’s load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
- Unless otherwise noted, we were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site’s use. However, we recommend a title search to determine whether any adverse conditions exist.
- Unless otherwise noted, we were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.
- Unless otherwise noted, we observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.

- Unless otherwise noted, we did not inspect the roof nor did we make a detailed inspection of the mechanical systems. The appraisers are not qualified to render an opinion regarding the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

Certification

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

- The statements of fact contained in this report are true and correct.
- 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.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- 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 & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Adrian M. Sanchez, MAI did make a personal inspection of the property that is the subject of this report. Michael C. McNamara, MAI, MRICS did not make a personal inspection of the property that is the subject of this report.
- We have not performed prior services (an appraisal or market study) involving the subject property within the three-year period immediately preceding the acceptance of the assignment.
- No one provided significant real property appraisal assistance to the persons signing this report.
- As of the date of this report, Michael C. McNamara, MAI, MRICS and Adrian M. Sanchez, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
- Our analyses, opinions, or conclusions were developed and this report has been prepared in conformity with the requirements of the State of Florida for State-certified appraisers.
- The use of this report is subject to the requirements of the State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.





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Addenda Contents

Addendum A: Valuation Addendum
Addendum B: Qualification of the Appraisers

Addendum A: Valuation Addendum

Valuation Addendum

AERIAL PHOTOGRAPH OF SUBJECT SITE



Market Participant Discussions Regarding Underwriting of Retail Space in South Beach

We have relied upon discussions with market participants in determining how the market is currently underwriting assets in South Beach. Additionally, we have included retail broker discussions with regard to current demand on South Beach.

- Based on conversations Greg Masin of Cushman & Wakefield of Florida's retail brokerage group, who is active on Lincoln Road Mall demand for retail space has decreased over the past several years on Lincoln Road. He indicated that leases have recently been signed between $200.00 to $250.00 per square foot over the past year on Lincoln Road. He indicated that typically little tenant improvement allowances are given out to tenants on this street unless it is first generation space. Retail spaces off of Lincoln Road Mall command less in rent than those fronting Lincoln Road and he indicated that demand for these side street leases have increased over the past several years, but not as much as Lincoln Road fronting space. He indicated that tenants signing leases along Lincoln Road factor in the branding and marketing that are associated with Lincoln Road frontage and less on the real estate metrics involved in whether the lease makes sense from a real estate standpoint. Note that since Covid-19 began he has not witnessed any changes in rental rates on Lincoln Road and/or on South Beach in general. He noted that there has been a lot of activity marketwide for well located retail spaces, as retailers are positing themselves to "lock in" a good location or space under current market conditions, which some retailers view as temporary. These are mostly food and beverage outlets. He also noted that current negotiations have given way to the thought

of percentage rent in the near term with a fixed rental rate amount in the future; however, these are not concrete and no deals have been done on these terms to date.

- We also spoke with Frank Begrowicz, a retail broker with Cushman & Wakefield of Florida, who is also active on Lincoln Road. He noted that an average retailer on the road will have sales roughly around $1,200 per square foot and based on those sales they can afford to pay in the mid to low-$200 per square foot range in rents. He noted that rents have stabilized and even declined over the past year after increasing significantly over the past several years and that rents peaked several years ago. Regarding large spaces in comparison to smaller spaces on Lincoln Road, he indicated that there does not appear to be a significant difference in relation to rental rates. Although, he noted that there have been few deals at this price point and for this large of a space. He also indicated that several landlords in the area have attempted to convert hard corners into one single space and sign a national credit tenant to take the entire space and pay Lincoln Road fronting retail rents and few of these deals have occurred. The tenants that are fronting Lincoln Road and that are actively seeking spaces to lease on this street are national (or global) credit tenants, whereby the side streets will most likely be filled with non-credit tenants like restaurateurs.

- With regard to side street space, or space located off of Lincoln Road (i.e. the subject side ground floor space) he noted that little to no side street deals have occurred over the past year and most of the tenants that used to be on Lincoln Road that were not national/global brands have left the market and have moved to the mainland. In terms of side street rental rates he noted that short terms leases were being signed between $45.00 to $80.00 per square foot, with some up to $100.00 per square foot on a triple net basis. He noted that if a space is delivered as a vanilla shell that is considered more desirable for prospective tenants in the market due to the associated downtime costs and for space that is not (which is a majority of the vacant space in the market). He also noted that market rent for the smaller ground floor retail spaces along Collins Avenue (south of Lincoln Road) were being underwritten and would lease in the low $100 per square foot range prior to the Covid-19 pandemic. The area south of Lincoln Road along Collins Avenue is pedestrian nature with a large number of people visting the local area (pre-Covid-19).

- The expenses at various retail buildings (particularly those that have recently sold) have become an issue for some tenants that are currently looking for space in the market, with reassessments of properties and the subsequent increases in real estate taxes being the largest issue in terms of expenses increases in the area. He noted that buildings that have not traded recently will have an advantage to those that have based on a lower per square foot expense amount.

- Regarding landlord allowances for retail space in South Beach, Mr. Begrowicz noted that few spaces are given tenant improvement allowances and most landlords prefer to offer a small amount of free rent of one or two months (if any).

- Additionally, he noted that few landlords in the market are currently offering tenant improvement allowances for vacant spaces, rather they are offering several months of free rent in lieu of tenant improvement allowance. He also noted that the market has slowed over the past year in terms of rental rate growth based on the decline in demand from Latin America.

RETAIL LEASE COMPARABLES - MIAMI BEACH

	PROPERTY INFORMATION	LEASE INFORMATION							
NO.	Property Name Address, City, State	TENANT NAME	LEASE DATE	LEASE SIZE	TERM (yrs.)	INITIAL RENT/SF	RENT STEPS	LEASE TYPE	COMMENTS
1	Meridian Avenue & 17th Street Miami Beach	Confidential - LOI	6/20	4,400	10.0	$70.00	3.0%	Net	This is a second generation space retail space and a signed letter of intent w ith a restaurant operator. The landlord w as to provide $90.00 psf in tenant improvement allow ance to reconfigure the space.
2	Alton Road & 17th Street Miami Beach	Confidential	1/20	1,600	4.0	$95.00	3.0%	Net	This is a first generation space retail space.
3	Alton Road & 17th Street Miami Beach	Confidential	12/19	3,600	10.0	$135.00	3.0%	Net	This is a first generation space retail.
4	West Avenue Retail Miami Beach,	Confidential	8/18	5,000	5.0	$60.00	3.0%	Net	This space w as leased to a restaurant tenant and is a second generation space.
5	3400 Collins Avenue Miami Beach	Confidential	7/18	1,448	10.0	$80.00	3.0%	Net	This space is located north of Lincoln Road and has direct frontage on Collins Avenue. It w as leased to a retail tenant.
6	2000 Collins Avenue Miami Beach	Confidential	12/17	5,675	10.0	$81.80	3.0%	Net	This space is located north of Lincoln Road and has direct frontage on Collins Avenue. It w as leased to a retail tenant.
STATISTICS									
Low			12/17	1,448	Neg.	$60.00			
High			6/20	5,675	Neg	$135.00			
Average			3/19	3,621	Neg	$86.97			

Compiled by Cushman & Wakefield Regional, Inc.

Market Rent Conclusion

We have relied upon discussions with market participants, recent leases, as well as considering current market conditions in determining a market rent for the subject space. We have considered that the subject space has a good location on a good corner on Collins Avenue and that once the near term market conditions change it should continue to be a good retail location. We have considered all of these variables in determining a market rent for the subject.

MARKET RENT SYNOPSIS	
TENANT CATEGORY	**Retail Rent**
Market Rent	$75.00
Lease Term (Years)	10
Lease Type (Reimbursements)	Net
Contract Rent Increase Projection	3.00%
Tenant Improvements	
New Leases	$15.00
Renewal Leases	$0.00
Free Rent	
New Leases	3 months
Renewal Leases	none
Leasing Commissions	
New Leases	5.00%
Renewal Leases	2.50%

Compiled by Cushman & Wakefield Regional, Inc.

We have also considered that there are few leases being signed under market conditions and those that are currently being negotiated are considering percentage rent over the next year and converting to a fix rental rate once the Covid-19 pandemic ends.

Market Expense Comparables

We have relied on expense comparables of properties located in Miami Beach in determining market expenses for the subject. The following chart illustrates these expenses.

	SUBJECT PROPERTY	COMPARABLES REVENUE AND EXPENSE ANALYSIS															
Property City	Miami Beach	Miami Beach		Miami Beach		Miami Beach		Miami Beach		Miami Beach							
Year Built	1998	2000's		2010's		1960's		1940's		1920's							
Property Type	Subject Space	Retail		Retail		Office/Retail		Office/Retail		Office/Retail							
Rentable Square Feet	2,250	49,768		36,957		20,688		53,835		20,177							
Year of Record		2017		2017		2018		2019		2019							
Actual/Budget/Annualized		Actual		Actual		Actual		Actual		Actual							
	Cushman & Wakefield Expense Forecast [1]	**Comp 1**		**Comp 2**		**Comp 3**		**Comp 4**		**Comp 5**		**Min**	**Max**	**Average**			
REVENUE	**PSF**	**PSF**	**% EGI**	**PSF**	**% EGI**	**PSF**	**% EGI**	**PSF**	**% EGI**	**PSF**	**% EGI**	**PSF**	**PSF**	**PSF**			
EFFECTIVE GROSS REVENUE	N/A	$75.80	100.00%	$48.56	100.00%	$26.06	100.00%	$65.80	100.00%	$95.70	100.00%	$26.06	$95.70	$62.38			
OPERATING EXPENSES																	
Insurance	$2.50	$4.13	5.45%	$1.59	3.27%	$1.13	4.34%	$2.34	3.56%	$3.48	3.64%	$1.13	$4.13	$2.53			
Repairs & Maintenance	$5.00	$6.92	9.13%	$2.28	4.70%	$6.85	26.29%	$4.35	6.61%	$4.05	4.23%	$2.28	$6.92	$4.89			
Management Fees	$2.61	$2.02	2.66%	$2.08	4.28%	$0.81	3.11%	$0.00	0.00%	$2.55	2.66%	$0.00	$2.55	$1.49			
Other Expenses / Non-Reimbursables	$0.20	$0.00	0.00%	$0.37	0.76%	$0.88	3.38%	$0.45	0.68%	$0.00	0.00%	$0.00	$0.88	$0.34			
Total Operating Expenses	$10.31	$13.07	17.24%	$6.32	13.01%	$9.67	37.11%	$7.14	10.85%	$10.08	10.53%	$6.32	$13.07	$9.26			
Real Estate Taxes (Based on Prorata Share of Subject Taxes)	$1.70	$11.13	14.68%	$3.70	7.62%	$5.27	20.22%	$7.72	11.73%	$15.59	16.29%	$3.70	$15.59	$8.68			
TOTAL EXPENSES	**$12.01**	**$24.20**	**31.93%**	**$10.02**	**20.63%**	**$14.94**	**57.33%**	**$14.86**	**22.58%**	**$25.67**	**26.82%**	**$10.02**	**$25.67**	**$17.94**			
NET OPERATING INCOME	N/A	$51.60		$38.54		$11.12		$50.94		$70.03		$11.12	$70.03	$44.45			

Addendum B: Qualification of the Appraisers



Michael C. McNamara, MAI, MRICS Executive Director

Valuation & Advisory
Practice Group Leader | Multifamily
Cushman & Wakefield Regional, Inc.

Professional Expertise

Michael C. McNamara, MAI, MRICS, is an Executive Director and Multifamily Practice Group Co-Leader within the Valuation & Advisory group of Cushman & Wakefield Regional, Inc. in Ft. Lauderdale, Florida. Mr. McNamara joined Cushman & Wakefield in August 1998 as a Senior Appraiser. In November of 2002, Mr. McNamara was named Director, was promoted to Senior Director in June 2005 and was further promoted to Executive Director in January 2010. Prior to joining Cushman & Wakefield, Mr. McNamara was employed by Landauer Real Estate Counselors as a Director within their Valuation and Technical Services group from May 1995 through July 1998. He was an Appraiser with American Realty Consultants from January 1993 to May of 1995 and an Appraiser for Consolidated Appraisal Services from March 1992 through December 1992. From October 1989 through March 1992 he was an appraiser with Pederson & Trask.

Since joining Cushman & Wakefield Regional, Inc., Mr. McNamara has performed appraisal, feasibility and consulting assignments involving multifamily complexes, condominiums, vacant land, office buildings, shopping centers, industrial, self storage and investment properties throughout 12 states and 11 different islands in the Caribbean. The majority of appraisal experience has been concentrated in Florida and has been primarily for institutional investors, lending institutions, attorneys and private investors.

Memberships, Licenses, Professional Affiliations and Education

- Designated Member, Appraisal Institute (MAI #11052). As of the current date, Michael McNamara, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Member, Royal Institution of Chartered Surveyors (MRICS #1285269)
- Florida Licensed Real Estate Salesman (SL #553108)
- Certified General Real Estate Appraiser in the following states:
  - Florida – RZ2105
- Bachelor of Arts, Rutgers University, Economics

Other Accomplishments and Awards

- Recipient, Valuation & Advisory Excellence in Quality Service Award for the Florida region, 1999 and 2006.
- Recognized, Top Valuation Service Professional in South Florida, 1999, 2002, 2003, 2004, 2005, 2007, 2008, 2009, 2010 and 2013.

- Recognized, Top Valuation Service Professional in the State of Florida, 2003, 2004 and 2005.
- Recognized, one of the top ten producers in South Florida, 2012

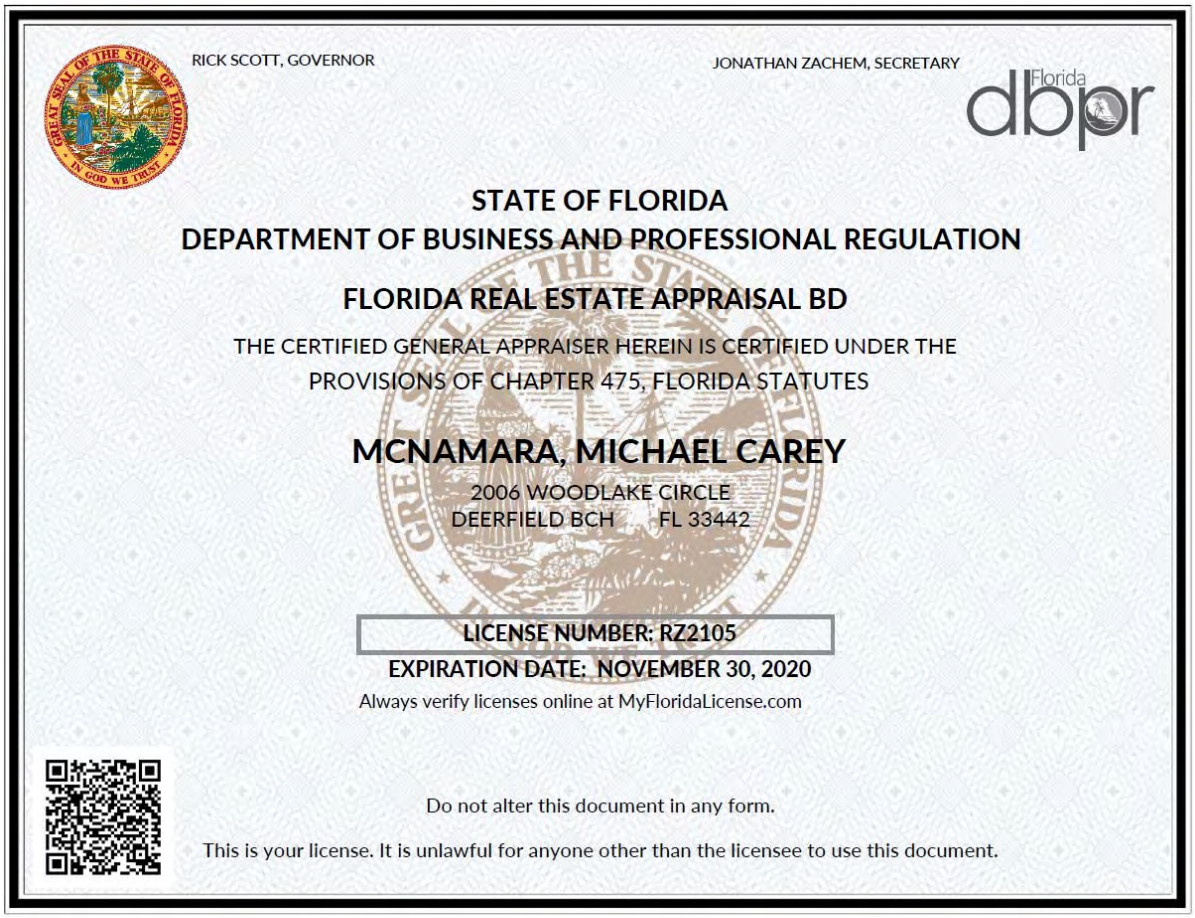
Testimony in Courts of Law and Quasi-Judicial Hearings

- United States Bankruptcy Court – Southern District – Fort Lauderdale, Florida
- United States Bankruptcy Court – Eastern District – Alexandria, Virginia
- Circuit Court of the 20th Judicial Circuit in Collier County, Naples, Florida
- Circuit Court of the 15th Judicial Circuit in Palm Beach County, West Palm Beach, Florida
- Circuit Court of the 19th Judicial Court, St. Lucie County, St. Lucie, Florida
- Tax appeal hearings in Broward, Martin, and Miami-Dade Counties

Publications

- Market Watch, Fort Lauderdale, Florida “Self Storage in the Sunshine State”, Mini-Storage Messenger (May 2009)
- Market Watch, Orlando, Florida “Self Storage in the City Beautiful”, Mini-Storage Messenger (May 2010)
- Market Watch, Tampa, Florida “A Ray of Hope”, Mini-Storage Messenger (May 2011)
- Market Watch Sidebar, Florida Self Storage, “A Review of the Numbers” Mini-Storage Messenger (April 2012)
- Market Watch, Jacksonville, Florida “Where Florida Begins”, Mini-Storage Messenger (November 2012)

FLORIDA



RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY

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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

MCNAMARA, MICHAEL CAREY

2006 WOODLAKE CIRCLE
DEERFIELD BCH FL 33442

LICENSE NUMBER: RZ2105
EXPIRATION DATE: NOVEMBER 30, 2020

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Adrian M. Sanchez, MAI Senior Director

Valuation & Advisory
Cushman & Wakefield Regional, Inc.

Professional Expertise

Adrian M. Sanchez, MAI is a Senior Director of Cushman & Wakefield Regional, Inc. (Cushman & Wakefield) working within Valuation & Advisory. Mr. Sanchez joined Cushman & Wakefield in March 2003 as a Research Specialist within the Research Services Group. In June of 2003, Mr. Sanchez joined the Valuation & Advisory group as a Staff Appraiser. Mr. Sanchez has received the Excellence in Quality Service Award for the Valuation & Advisory group for the Florida region in 2006.

Since joining Cushman & Wakefield Regional, Inc., Mr. Sanchez has performed appraisal, feasibility and consulting assignments involving residential complexes, condominiums, vacant land, office buildings, shopping centers, industrial and investment properties throughout the State of Florida and the Caribbean. The majority of appraisal experience has been concentrated in Florida and has been primarily for institutional investors, lending institutions, attorneys and private investors.

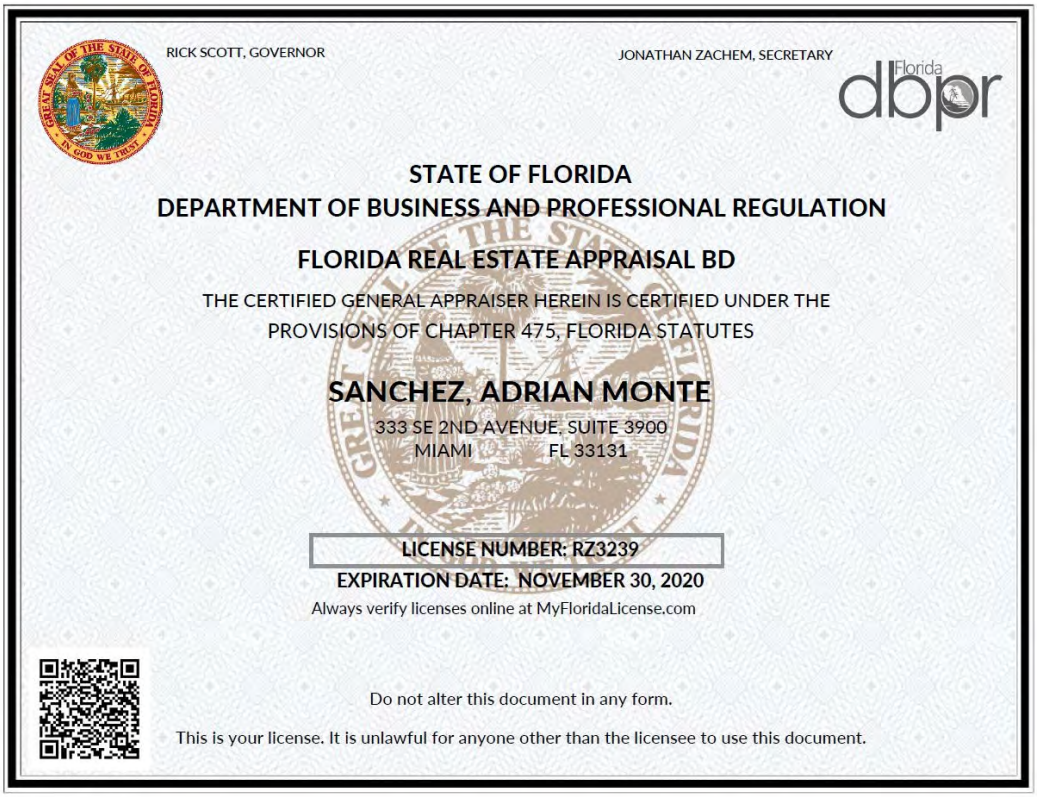
Memberships, Licenses, Professional Affiliations and Education

- Designated Member, Appraisal Institute. As of the current date, Adrian M. Sanchez, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Certified General Real Estate Appraiser in the following states:
  - Florida – RZ 3239
- Bachelor of Arts, University of Miami

Appraisal Education

- AB-1 – Real Estate Appraisal Principles
- AB-2 – Mastering Real Estate Appraisal
- 310 – Basic Income Capitalization
- 510 – Advanced Income Capitalization
- 520 – Highest & Best Use & Market Analysis
- 530 – Advanced Sales Comparison and Cost Approach
- 540 – Report Writing & Valuation Analysis
- 550 – Advanced Applications

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SANCHEZ, ADRIAN MONTE

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