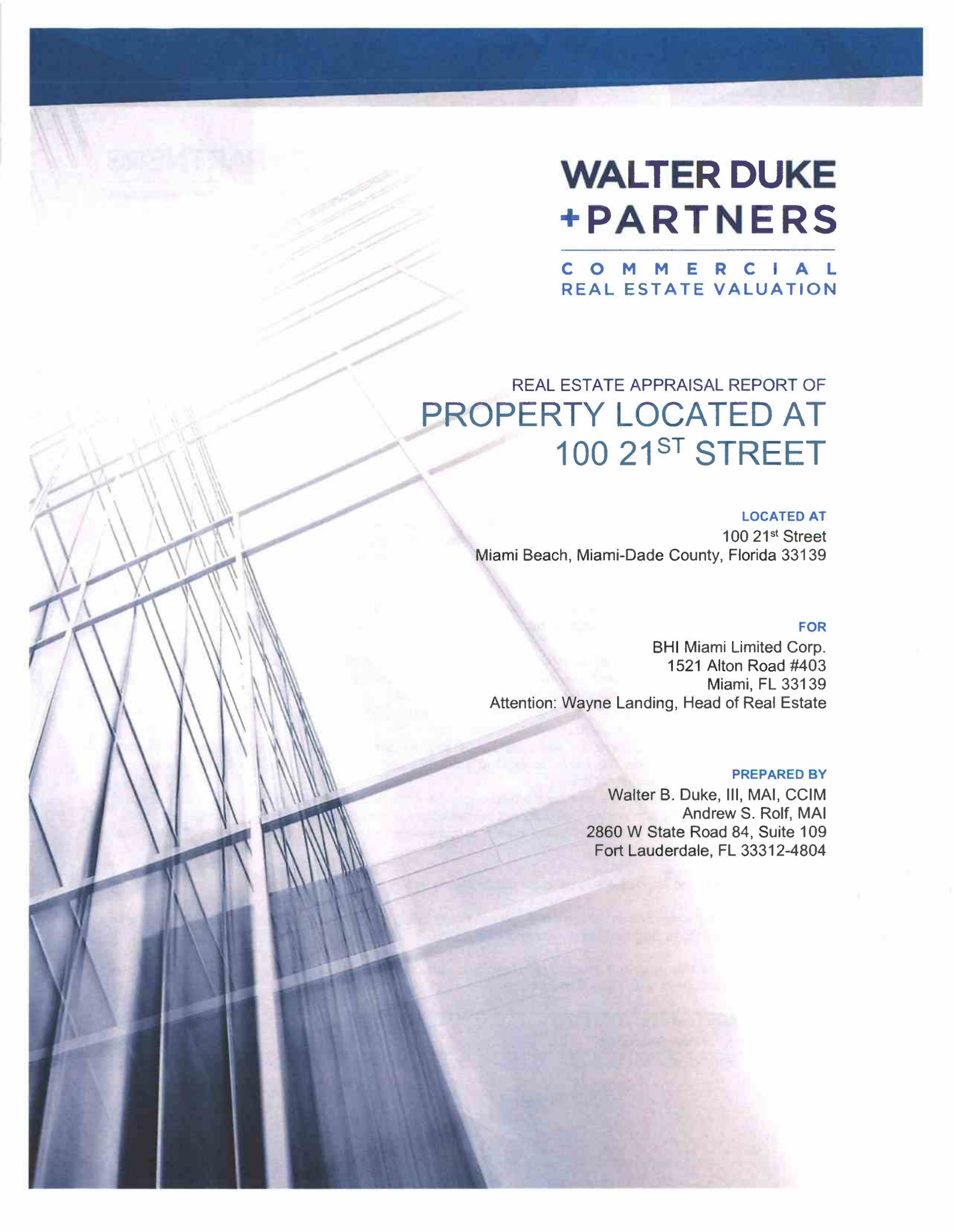




WALTER DUKE + PARTNERS

C O M M E R C I A L
REAL ESTATE VALUATION

REAL ESTATE APPRAISAL REPORT OF PROPERTY LOCATED AT 100 21ST STREET

LOCATED AT

100 21st Street
Miami Beach, Miami-Dade County, Florida 33139

FOR

BHI Miami Limited Corp.
1521 Alton Road #403
Miami, FL 33139
Attention: Wayne Landing, Head of Real Estate

PREPARED BY

Walter B. Duke, III, MAI, CCIM
Andrew S. Rolf, MAI
2860 W State Road 84, Suite 109
Fort Lauderdale, FL 33312-4804

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

Walter B. Duke, III, MAI, CCIM
State Certified General Appraiser 375

November 25, 2020

Mr. Wayne Landing
Head of Real Estate
BHI Miami Limited Corp.
1521 Alton Road #403
Miami, FL 33139

Re: Property Located at 21st Street
100 21st Street
Miami Beach, Miami-Dade County, Florida 33139

Dear Mr. Landing:

At your request, Walter Duke + Partners has prepared a real estate appraisal of the property referenced property. The attached Appraisal Report is intended to comply with the reporting standards set forth under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP).

- The subject of this appraisal is a 6,736 SF segment of 21st Street located at the corner of Miami Beach Drive, just east of A-1-A in the City of Miami Beach.
- Situated on the north side of the existing Seagull Hotel, the parcel is presently improved as a paved roadway.
- The owner of the Seagull Hotel is planning a major redevelopment of the hotel and as part of the redevelopment process the owner is interested in acquiring the rights to the subject property in order to enhance available F.A.R. to the existing hotel.
- The RM-3 zoning of the subject site would permit additional F.A.R. of 2.0 or 13,472 SF of additional building area to the hotel renovation.
- According to the client, the additional F.A.R. will primarily be utilized to create larger hotel rooms but will also allow the owner to expand amenity areas such as the proposed spa, lounge and restaurant amongst others.
- The room count of the new hotel would decrease from the existing 172 rooms to 104 rooms which is consistent with zoning that does not permit hotel expansions to increase the number of rooms.
- The hospitality market in Miami Beach is current in distress due to the impacts of the global pandemic.

The purpose of the appraisal is to estimate the following values:

- Market Value "As Is" of the development rights being released by the partial vacation of the 21st Street Road Segment as of November 11, 2020.

As a result of the enclosed investigation and analysis, the Market Value of the subject property, as previously described, was estimated as follows:

Segment of 21st Street Valuation Scenario	Date of Value	Value Conclusion
Market Value "As Is"	November 11, 2020	\$5,000,000

Mr. Wayne Landing
Head of Real Estate
BHI Miami Limited Corp.
November 25, 2020
Page 2

The accompanying report describes in detail the neighborhood, site, proposed improvements, approaches to value and other pertinent data that was used to solve the appraisal problem. The appraisal is subject to the assumptions and contingent and limiting conditions set forth in the report. This appraisal report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Code of Professional Ethics and Standards of Appraisal Practice of the Appraisal Institute.

This Appraisal Report was prepared for and submitted to the client BHI Miami Limited Corp. for the intended use of for the intended use of valuing the development rights of the area sought to be vacated by the City. We understand that it will be submitted by BHI Miami Limited Corp to the city as part of its application to vacate the 21st Street Road segment. This report cannot be used by any other person/entity or for any other purpose. Use of this report by others is not intended by Walter Duke + Partners. Neither purchasers nor sellers of the subject property, nor any borrowers, are intended users of this appraisal report and no such third parties should use or rely on the appraisal for any purpose. All such parties are advised to consult with appraisers or other professionals of their own choosing.

Extraordinary Assumptions – None.

Hypothetical Conditions – None.

Significant Factor - As of the date of this report, the global outbreak of a "novel coronavirus" known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The world economy is in a state of high volatility based on the uncertainty of the outcome of the impact of the virus. In the United States, the federal, state and local governments are taking steps to limit the spread of the virus that have negatively impacted several facets of the economy including travel, tourism and hospitality. Based on the results of historic pandemics of the 20th century (Swine Flu, Asian Flu, Hong Kong Flu, SARS, MERS, EBOLA and HIV/AIDS) it is anticipated the current pandemic will pass in time; however, the extent of the economic damage remains to be seen. Our opinions and conclusions are based on information available and accounts for market perception as of the date of this appraisal report.

Should you have any questions regarding this report, please do not hesitate to call.

Thank you for the opportunity to serve you.

Sincerely,

Walter Duke + Partners



Walter Bryan Duke, III, MAI, CCIM
State-Certified General Real Estate Appraiser RZ375



Andrew Scott Rolf, MAI
State-Certified General Real Estate Appraiser RZ3092

Appraisal Summary

Walter Duke + Partners File Number	200927-L
USPAP Reporting Format	Real Estate Appraisal Report
Address / Location	100 21 st Street Miami Beach, Miami-Dade County, FL 33139
Property Type	Publicly dedicated road segment
Site Sizes	
21 st Street Road Segment	6,736 SF or 0.16 Acres
<u>Seagull Hotel Site</u>	<u>58,361 SF or 1.34 Acres</u>
Total Site	65,097 SF or 1.49 Acres
Zoning	RM-3, Residential Multifamily, High Intensity
Property Rights Appraised	Fee Simple Development Rights Released by Roadway Vacation
Proposed Use	Hotel Expansion Additional FAR 13,472 SF Building Area
Flood Zone	"X" and "AE"
FEMA Map Panel Number	12086C0317-L; dated 9/11/2009
Census Tract	42.06
Highest and Best Use	
As Vacant	Assemble with adjacent site for hotel expansion
As Improved	Assemble with adjacent site for hotel expansion
Market Value "As Is"	
21 st Street Road Segment	\$5,000,000
Valuation Date	November 11, 2020
Date of the Report	November 25, 2020
Extraordinary Assumptions	None
Hypothetical Conditions	None
Appraisers	Walter B. Duke, III, MAI, CCIM Andrew S. Rolf, MAI 2860 W State Road 84, Suite 109 Fort Lauderdale, FL 33312-4804

Table of Contents

Certification of Appraisal	4
PHOTOGRAPHS	5
Aerial Facing West.....	6
Site Plan with Road Segment	7
PREMISES OF THE APPRAISAL.....	10
Appraisal Format	11
Type and Definition of Value.....	11
Intended Use of the Appraisal	11
Terms and Definitions	11
Property Rights Appraised	11
Date of Appraisal	11
Date of Report	11
PRESENTATION OF DATA.....	12
Property Identification	13
Scope of Work	13
Property Identification	13
Property Inspection	13
Property Information.....	14
Street Address	15
Legal Description	15
Owner of Record.....	15
Pending Sale and/or Listing.....	16
COVID-19: IMPACTS ON COMMERCIAL REAL ESTATE	17
Site Description.....	21
Comments.....	21
Zoning Description.....	22
Market Participants/Most Probable Purchaser	24
Credit Market Yields / Capital Markets	24
Marketability.....	25
Exposure Time.....	25
Reasonable Marketing Time.....	25
ANALYSIS OF DATA	27
Highest and Best Use	30
Highest and Best Use As Vacant.....	30
ADDENDA.....	39
Florida's Economic Conditions	54
Florida Market.....	58
Snapshot.....	58
Regional Location Map	62
Neighborhood Location Map.....	83
ASSUMPTIONS, CONTINGENT & LIMITING CONDITIONS	
DEFINITIONS	
LEGAL DESCRIPTION & SURVEY	
BUILDING PLANS	
COMPARABLE SITE SALE PROFILES	
ZONING	
REGIONAL DESCRIPTION	

NEIGHBORHOOD DESCRIPTION
DEMOGRAPHIC PROFILE
ENGAGEMENT LETTER
QUALIFICATIONS

Certification of Appraisal

I certify that, to the best of my knowledge and belief, . . .

- the statements of facts contained in this appraisal report, upon which the analyses, opinions, and conclusions were based, are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analysis, and conclusions.
- we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- our compensation is not contingent upon a minimum valuation or an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- 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 the Standards of Professional Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP).
- 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 State of Florida relating to review by the Real Estate Appraisal Subcommittee of the Florida Real Estate Commission.
- as of the date of this report, Walter B. Duke, III has completed the continuing education program for Designated Member of the Appraisal Institute.
- as of the date of this report, Andrew S. Rolf has completed the continuing education program for Designated Member of the Appraisal Institute.
- Andrew Rolf made a personal inspection of the property that is the subject of this report on November 11, 2020. Walter B. Duke, III did not personally visit the property.
- no one provided significant professional assistance to the person signing this report. The analyses, conclusions, and opinions contained in the report are the principal effort of the undersigned. However, certain functions, such as data collecting and verification, may have been performed by other members of the staff.
- Walter B. Duke, III and Andrew Rolf have not performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this appraisal assignment.

As a result of the enclosed investigation and analysis, the Market Value of the subject property, as previously described, was estimated as follows:

Segment of 21st Street Valuation Scenario	Date of Value	Value Conclusion
Market Value "As Is"	November 11, 2020	\$5,000,000

Walter Duke + Partners



Walter Bryan Duke, III, MAI, CCIM
State-Certified General Real Estate Appraiser RZ375



Andrew Scott Rolf, MAI
State-Certified General Real Estate Appraiser RZ3092

WALTER DUKE + PARTNERS

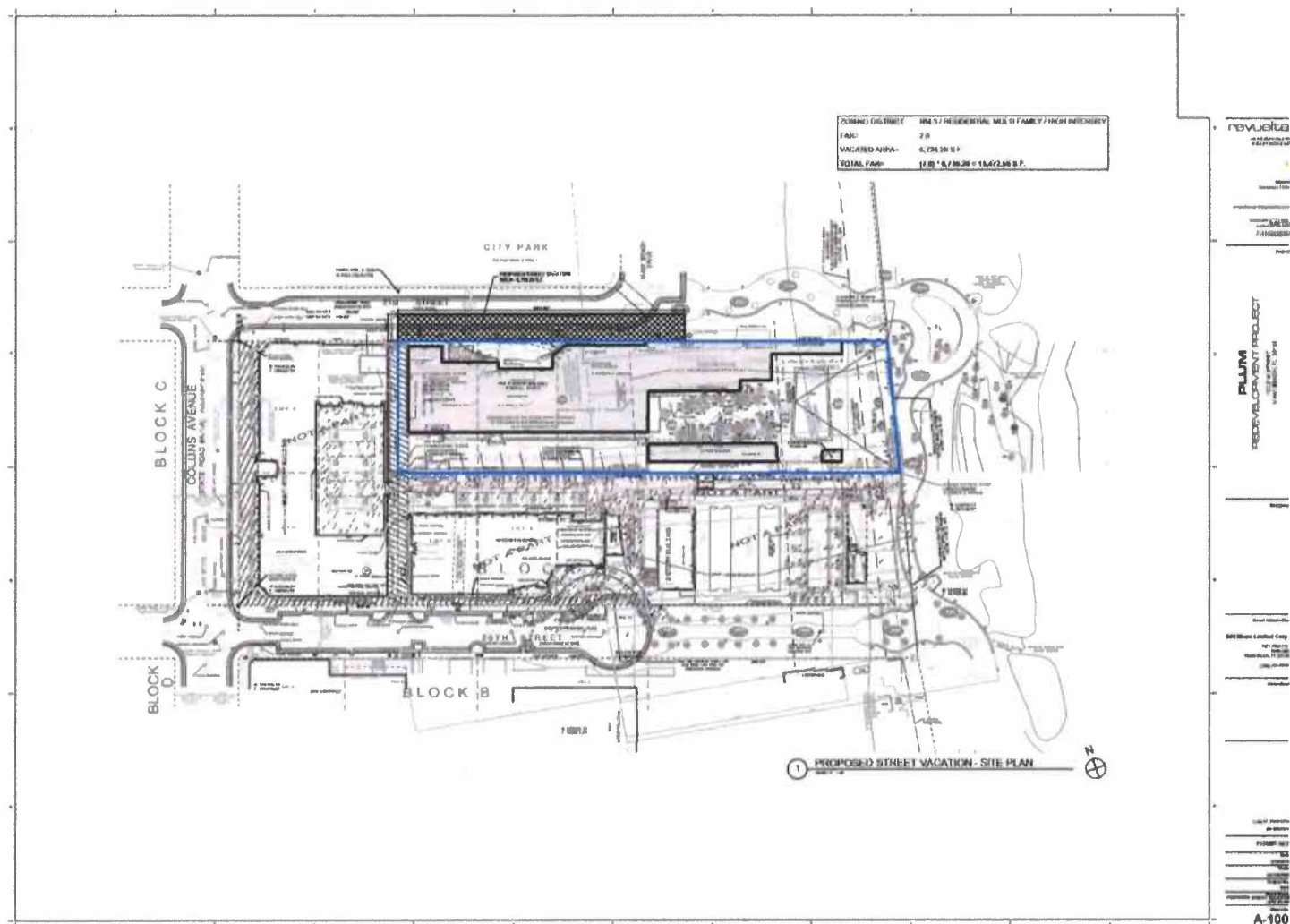
COMMERCIAL REAL ESTATE VALUATION

PHOTOGRAPHS

Aerial Facing West



Site Plan with Road Segment





AERIAL OF ROAD SEGMENT



NORTH SIDE OF EXISTING HOTEL
FACING SOUTH AT 21ST STREET



**VIEW EAST ALONG 21ST STREET ROAD SEGMENT
(HOTEL TO RIGHT)**



**VIEW WEST ALONG 21ST STREET ROAD SEGMENT
(HOTEL TO LEFT)**

PREMISES OF THE APPRAISAL

Appraisal Format

Per the prior agreement between Walter Duke + Partners and the client, this appraisal is presented in a format which conforms to the Uniform Standards of Professional Appraisal Practice (USPAP).

Type and Definition of Value

The value opinion developed within this analysis is that of Market Value(s) of the subject property and improvements that are legally described in this report as of the currently date of valuation, as defined within the Addenda of this report.

Intended Use of the Appraisal

This Appraisal Report was prepared for and submitted to the client BHI Miami Limited Corp. for the intended use of valuing the development rights of the area sought to be vacated by the City. We understand that it will be submitted by BHI Miami Limited Corp to the city as part of its application to vacate the 21st Street Road segment. This report cannot be used by any other person/entity or for any other purpose. Use of this report by others is not intended by Walter Duke + Partners. Neither purchasers nor sellers of the subject property, nor any borrowers, are intended users of this appraisal report and no such third parties should use or rely on the appraisal for any purpose. All such parties are advised to consult with appraisers or other professionals of their own choosing.

Terms and Definitions

Real Estate and Appraisal specific terms are defined within the Addenda of this report.

Property Rights Appraised

The property rights appraised for the apartment are all of those rights in the fee simple development rights released by roadway vacation. These terms are defined in the Addenda of this report.

Date of Appraisal

Per the clients request the effective date of this appraisal is November 11, 2020.

Date of Report

The date of the report is November 25, 2020.

PRESENTATION OF DATA

Property Identification

- The subject of this appraisal is a 6,736 SF segment of 21st Street located at the corner of Miami Beach Drive, just east of A-1-A in the City of Miami Beach.
- Situated on the north side of the existing Seagull Hotel, the parcel is presently improved as a paved roadway.
- The owner of the Seagull Hotel is planning a major redevelopment of the hotel and as part of the redevelopment process the owner is interested in acquiring the rights to the subject property in order to enhance available F.A.R. to the existing hotel.
- The RM-3 zoning of the subject site would permit additional F.A.R. of 2.0 or 13,472 SF of additional building area to the hotel renovation.
- According to the client, the additional F.A.R. will primarily be utilized to create larger hotel rooms but will also allow the owner to expand amenity areas such as the proposed spa, lounge and restaurant amongst others.
- The room count of the new hotel would decrease from the existing 172 rooms to 104 rooms which is consistent with zoning that does not permit hotel expansions to increase the number of rooms.
- The hospitality market in Miami Beach is current in distress due to the impacts of the global pandemic.

Scope of Work

The scope of work performed in a real estate appraisal is a description of the amount and type of information researched and the analysis applied in an assignment. Based upon the engagement letter dated September 22, 2020 the scope of work for this assignment is as follows:

Property Identification

The subject property was identified by the engagement letter and street address as provided by the client.

Property Inspection

Although not required by USPAP, the subject property was visually inspected by Andrew S. Rolf, MAI on November 11, 2020. Walter Duke did not personally visit the subject property.

Type and Extent of Data Research

General –

- Improved sales comparables were obtained through a search of the data-services that categorize public records.
- Data sources included CoStar.com and LoopNet.com, two (2) of the largest and most reliable on-line data-services available in South Florida.
- The appraisers performed research necessary to produce the most current and relevant data available for the assignment.
- The physical characteristics of the sales were ascertained by a combination of public records, physical inspection, appraiser's files, listing information, verification with buyers, sellers, brokers and records contained in the Property Appraiser's Office.
- The reported sale price was verified by examining the Florida Documentary Stamp Tax posted on the deed and by telephone verification with a party familiar with the transaction. A search and analysis of comparable rental properties located in the subject submarket was conducted. Building information was derived from a combination of public records, owner's representative, brokers, personal inspection or appraiser's files.

Specific –

- The Southeast Florida Region was searched for comparable sales. The geographic parameters of the research are consistent with the investment market in which the subject competes.
 - Sales of development sites located in Miami Beach and surrounding coastal areas.
 - It is simply too early in the pandemic, to determine the full impact on hospitality real estate long-term but short term, there has been a dramatic short-term negative impacts.

Analysis Applied to Arrive at Opinion or Conclusions

The Sales Comparison Approach was applied to develop a credible opinion of value.

Property Information

Walter Duke + Partners also performed research necessary to produce the most current and relevant data available for the assignment. This includes tax and assessment information, easement and other private as well as public deed restrictions, zoning and history of the property.

Other items relative to the subject property were provided by the property contact and prior appraisal, which is assumed to be correct. These items include:

1. Survey, site plans and buildings plans
2. General property information including current development plans

For the purposes of this appraisal, this information is assumed to be accurate, factual and correct.

Extraordinary Assumptions / Hypothetical Conditions

Extraordinary Assumptions – None

Hypothetical Conditions – None

Street Address

100 21st Street
Miami Beach, Miami-Dade County, Florida 33139

Legal Description

Presented in the addenda.

Owner of Record

BHI Miami Limited Corp.
1521 Alton Road, # 403
Miami Beach, FL 33139
Source: *County Public Records*

Property History

- According to the public records the Seagull Hotel property was previously acquired out of bankruptcy proceedings in January 2018 for \$20,741,900 (OR Book/Page 30846/2361).
- The current owner acquired the Seagull Hotel in January 2020 for \$120,000,000 (OR Book/Page 31780/1013).
- According to the client, the Seagull Hotel was placed under contract in the summer of 2019. The purchase price was \$120 million. At closing, the existing lease and option to purchase the property, which were encumbering title to the property, and held by the tenant managing the property, were bought out with a portion of the closing proceeds. This allowed the client to purchase the property free and clear of encumbrances.
- As part of the renovation the owner has discussed with the city of Miami Beach the vacation of the 21st Street Roadway Segment along the north side of the hotel.

- The vacation of the 21st Street Roadway Segment would allow the owner to incorporate 6732 SF of additional land into the lot size there by allowing an additional 13,472 SF of additional building area in the hotel renovation.
- It should be noted that an abstract of title was not examined by the appraisers.

Pending Sale and/or Listing

As of the appraisal date the owner of the Seagull hotel is applying for the vacation of the 21st Street Roadway Segment and negotiating the public benefit value of the development rights released to the owner by that vacation.

COVID-19: IMPACTS ON COMMERCIAL REAL ESTATE

It currently remains impossible to quantify the likely impact on the property market with any reliability. Comparisons with the Financial Crisis of 2007-08 are not necessarily appropriate, given that central banks are working hard to avoid a repeat of the credit crunch that characterized the last downturn. Nevertheless, the speed with which the market adjusted to events a decade ago may represent a "downside scenario" against which to assess potential property market outcomes.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. It provides economic support for American businesses and



individuals affected by the COVID-19 pandemic. The provisions of the Act, known as the COVID-19 stimulus bill passed by Congress and injected \$2.1 trillion (9% of U.S. GDP) directly into the U.S. economy. The spending measures were wide-ranging and involved relief for tenants and owners of commercial real estate.

- This round of stimulus was massive. The total value of the stimulus, including new credit facilities created by the law, is \$5.6 trillion—almost 25% of U.S. GDP.
- Recently Congress also approved an additional \$310 Billion to replenish the PPP, for small businesses and sets aside \$60 Billion for smaller community banks and credit unions that typically serve small businesses.
- Expedited Small Business Administration (SBA) loans was focused on helping small businesses retain employees.
- The CARES Act aided every commercial real estate sector.
- Since announcing the Primary and Secondary Market Corporate Credit Facilities (PMCCF and SMCCF) on March 23, there has been a dramatic improvement in liquidity and credit market function. As of May 13, 2020, the Federal Reserve Bank of New York began purchasing shares of eligible U.S.-listed exchange-traded funds in the secondary market through the SMCCF, and eligible corporate bonds shortly thereafter. Additionally the PMCCF has provided loan and bond financing to U.S. companies with investment grade debt ratings as of late March. The SMCCF and PMCCF are supported by a \$75 billion equity investment using funds appropriated to the Department of the Treasury under the CARES Act, \$37.5 billion of which was transmitted in late March to the special purpose

vehicle established in connection with the SMCCF and PMCCF. Together, they provided up to \$750 billion in liquidity and help ensure large employers have access to the credit they need to maintain their business operations and payroll through this challenging period.

- In early August President Trump executed an additional round of economic stimulus by executive order this providing unemployment benefits for millions.

General Market Condition/Trends/Observations

- **Commercial real estate transactions have varied depending on asset class.** Hotel has come to a complete standstill while retail has slowed dramatically, particularly regarding theatres, fitness centers and restaurants. Roadside hotels are one of the hotel sectors that are showing improvement but convention center and business hotels are still suffering. Office is mixed and a full recovery is not expected until 2024. There is still activity in multi-family but collections are slightly off and expected to increase after the election when most deferrals and anti-eviction policies lapse. The most active property class is industrial and there is still significant transactions and development.
- **The extent of containment policies being implemented have had a material impact on investment transaction volumes for 2020.** The scale of impact depends on three factors that are extremely difficult to predict. For now it looks as if multi-family and industrial has benefitted most from various stimulus and assistance programs. Retail and hospitality have suffered regardless. The impact on office is still playing out.
- **Owner-occupants are intensely focused on cashflow, particularly those that will see material loss of income due to social distancing and travel restrictions.** Landlords have received requests for rent deferrals or reductions and there are on-going challenges around service charge levels in buildings that need to be kept secure and operational, but which tenants may be unable to occupy. Landlord's responses have varied.
- **Across most sectors and markets, leasing activity has declined in volume compared with pre-crisis expectations.** Some transactions have been unaffected while others have stopped all together. Many deals under consideration were delayed and some cancelled. There is currently a heightened sense of uncertainty over the economic and business outlook that has caused all hospitality and most retail deals to be cancelled. Currently, fewer new transactions are being initiated, and some expansion plans have been put on hold. Clearly, the extent of this slowdown has been highly variable



across markets and will depend on how the economic impacts of the virus play out.

- **In the development market, it remains to be seen whether higher commodity prices will impact construction activity.** Construction costs are already elevated in the U.S., and in the U.K., where Brexit-related labor shortages are a further threat, such that development margins are reduced. Disruption to Chinese raw materials could delay or defer construction orders, particularly if local-sourced alternatives prove more expensive. In areas where construction starts are up it is mainly due to single family residential construction which is surging.
- **The impact on rents is impossible to quantify until there is a clearer view of the underlying economic impact of the current crisis.** Given that the disruption is expected to be severe and not as short term as originally expected – activity returning to 'normal' will vary across asset classes and locations. Any impact on rents is expected to be similarly short-lived unless the downturn has done structural damage to particular areas of demand such as hospitality, and retail. Most expect 2021 to be a painful recovery in the commercial real estate market.
- **From a valuation perspective,** there is not a one-size fits all solution. The impacts from COVID vary from asset to asset and from market to market. Analysis needs to be considered on an individualized basis. Clearly the most impact will be felt in the hospitality and retail sectors. Lesser impacts are being felt in the industrial and multi-family sectors. That may change for multi-family when rental assistance runs out. Office assets vary from use to use. Multi-tenant urban high rise office buildings in dense urban areas will be more detrimentally impacted than suburban or owner occupied offices.

The Bottom Line

- A sharp drop in economic activity produced by necessary public health mandates has been met by a massive fiscal and monetary stimulus of unprecedented scale. By preserving the supply side of the economy, the CARES Act will enable a faster recovery. Additional stimulus is currently being considered.
- To be sure, severe economic dislocations are underway. However, the CARES Act will broadly initially eased financial pressures but may not lay the foundation for a healthy recovery as initially expected.
- Though timing will vary somewhat particularly across property types commercial real estate market fundamentals will reflect the short-term weakening in the economy, followed by a recovery heading into 2021 depending on the property type., class and location.

- Governments and central banks around the world have taken similarly robust measures. These responses will complement U.S. efforts by boosting the global economy and improving the medium-term outlook for domestic activity.

Source: Walter Duke + Partners, CBRE, Avison Young, Newmark Frank, Wall Street Journal, Cushman & Wakefield

Site Description

A summary of the details of the sites comprising the subject is presented in the next table:

Physical Characteristics	
21st Street Site Area - Sq.Ft.	6,736
21st Street Site Area - Acres	0.155
Segaull Hotel Site Area - Sq.Ft.	58,361
Segaull Hotel Site Area - Acres	1.340
Total Site Area - Sq.Ft.	65,097
Total Site Area - Acres	1.494
Primary Street Frontage	21st Street
Water Frontage	Atlantic Ocean
Zoning Classification	RM-3
Zoning Authority	Miami Beach
Adjacent Land Uses - North	Public Park
Adjacent Land Uses - South	Setai Hotel & Resort
Adjacent Land Uses - East	Atlantic Ocean beach
Adjacent Land Uses - West	Setai Hotel & Resort
Flood Panel Map:	12086C0317-L
Panel Map Date:	September 11, 2009
Flood Zone:	AE, X
Topography	Generally Level & At Road Grade
Vehicular Access	At Abutting Roadway
Drainage	Appears Adequate
Easements	No detrimental easements noted
Encroachments	No detrimental Encroachments Noted
Deed Restrictions	None noted

Source: Site survey and property inspection

Utilities	Provider
Water/Sewer	Miami Beach
Electricity	Florida Power & Light
Natural Gas	Local Provider
Telephone	AT&T
Trash Removal	Local Provider

Comments

The subject sites area were taken from surveys provided by the client and is assumed to be correct. The sites are rectangular shaped, near road grade with its abutting roadways and appear to have adequate drainage (the property was viewed subsequent to a heavy period of rainfall).

No easements or encroachments were noted during the appraisers' inspection that would adversely affect the marketability or development capability of the property. However, a survey and title search are recommended for proper determination. The

appraisers cannot guarantee that the subject property is free of encroachments or easements. Common ingress and egress was noted with adjacent buildings and parking lots.

A Phase I ESA was not provided for the subject property. The value estimated for the subject is predicated on the assumption that no hazardous substances or environmental conditions are present that may affect the value of the appraised property. The appraisers did not observe any signs on this portion of the property that would indicate this situation. However, the appraisers are not professionally qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

The appraisers' conclusions of value are based upon the assumption that there are no conditions that are either hidden or not apparent that may impact upon the subject property's development capability (to its highest and best use). The appraisers recommend that due diligence be conducted through the local building department or municipality to investigate the property's development capability, and whether the property is physically suitable for its intended use. The appraisers make no representations, guarantees or warranties of the development capabilities of the site.

Zoning Description

Zoning - The subject is zoned "RM-3" or Residential Multifamily, High Intensity District of the City of Miami Beach. The district is designed to support high intensity multiple-family residences and hotels. The main permitted uses in the RM-3 district are single family detached dwellings, townhomes, apartment hotels, hotels, hostels and suite hotels. The site is also located within the Miami Beach Architectural Historic District Overlay which has a maximum of F.A.R. of 2.0.

Primary lot and building restrictions under this zoning designation is summarized below:

Zoning Designation	RM-3
Minimum Lot Size (Sq.Ft.)	7,000
Minimum Lot Width	50 Feet
Maximum Floor Area Ratio	
Lot area <45,000 SF	2.25
Lot area >45,000 SF	2.75
Oceanfront Lot area >45,000 SF	3.00
Oceanfront Lot Arch District	2.00
Yard Setbacks:	
Front	20 feet
Side	5 feet
Side Interior	5 feet
Rear	varies
Minimum Multifamily Unit Size (SF)	550 multifamily
Average Multifamily Unit Size (SF)	800 multifamily

Platting - The site is also platted.

Land Use - Land Use RM-3 FLU designation commensurate with the underlying zoning code.

Summary – The subject is adequately zoned and platted to accommodate office, hotel, multi-family or mixed-use development. The building height has different regs within architectural district; also minimum hotel room size is different within the Collins Park District.



Zoning Map



Land Use Map

Market Participants/Most Probable Purchaser

- The subject interacts within the southeast Florida real estate market and Miami Beach in particular. The concept of Market Value relates to the price a typically motivated buyer would pay for a property.
- Based on the highest and best use of the property the most probable purchaser of the subject is the adjacent hotel owner.

Credit Market Yields / Capital Markets

Monetary Rates	Nov-20	May-20	Nov-19
Prime Lending Rate	3.25%	3.25%	4.75%
Fed Funds Rate	0.08%	0.04%	1.55%
Three Month Libor	0.22%	0.54%	1.89%

U.S. Treasury Rates	Nov-20	May-20	Nov-19
Three Month T-Bill	0.09%	0.12%	1.52%
Six Month T-Bill	0.11%	0.12%	1.55%
10 Year Note	0.87%	0.64%	1.73%
30 Year Bond	1.63%	1.27%	2.21%

Source: Bloomberg, Treasury.gov, Global-Rates.com

Marketability

In order to determine the marketability of the subject property, a SWOT analysis has been undertaken. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. Strengths and Weaknesses are internal to the subject and deal with what a property can and cannot do. Opportunities and Threats are external forces that cannot be controlled directly by the subject but the subject can adapt to external factors. Factors serving to affect the desirability and marketability of the subject include:

Strengths

- Prime location in Miami Beach with direct ocean and city views
- Located in an area experiencing significant residential and commercial development/re-development. It is one of the premier submarkets in the nation.

Weaknesses

- The property is in the shadow of the Setai which abuts the property.

Opportunities

- Assembling street segment site with adjacent hotel site and developing to highest and best use.

Threats

- COVID-19 impacts on international travel and tourism
- National political climate

Exposure Time

Exposure time (*see definitions in the Addenda*) is a historical event, which, according to the definition of Market Value, precedes the effective date of the appraisal. Given the demand for investment grade projects and the limited supply of attractive properties offered for sale, marketing times tend to be six months for properly priced assets. In recent years, brokers reported that high-density development sites in urban locations generate many offers as soon as marketing begins. Based upon information compiled in the Sales Comparison Approach to Value section and interviews with market participants, **a reasonable exposure time for the subject property "As Is" is estimated to be 6 to 12 months.** Therefore, the market value estimate set forth in this report represents an exposure time of no more than 12 months.

Reasonable Marketing Time

The reasonable marketing time represents the most probable time required to expose the subject property on the open market to consummate a sale at a market level price. Based upon interviews with market participants, marketing time is a difficult variable to

estimate. Participants interviewed within the course of this report indicated that marketing time is a direct function of price and exposure. These variables are interconnected and cannot be estimated independently. Fundamental economic theory indicates that value and marketing time are directly related, and must be estimated simultaneously in order to be meaningful.

Based upon this information, **the Reasonable Marketing Period for the subject property is projected to be 6 to 12 months.** In accordance with Advisory Opinion AO-7 issued by the Appraisal Standards Board of the Appraisal Foundation, the estimate of marketing time is not intended to be a prediction of a date of sale.

ANALYSIS OF DATA

The Appraisal Process

The appraisal process normally gives consideration to the "three approaches" as they are typically referred to. They include the Cost Approach, the Sales Comparison Approach, and the Income Approach. The Appraisal of Real Estate, 14th ed., 2013, outlines the mechanics of each approach as follows:

Sales Comparison – Sales of similar, vacant parcels are analyzed, compared, and adjusted to provide a value indication for the land being appraised.

Allocation – Sales of improved properties are analyzed and the prices paid are allocated between the land and the improvements. Allocation can be used in two ways: to establish a typical ratio of land value to total value, which may be applicable to the property being appraised, or to isolate the value contribution of either the land or the building from the sale for use in comparison analysis.

Extraction – Land value is estimated by subtracting the estimated value of the improvements from the known sale price of the property. This procedure is frequently used when the value of the improvements is relatively low or easily estimated.

Subdivision Development – The total value of undeveloped land is estimated as if the land were subdivided, developed, and sold. Development costs, incentive costs, and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is discounted over the estimated period required for market absorption of the developed sites.

Land Residual Technique – The land is assumed to be improved to its highest and best use. All expenses of operation and the return attributable to the other agents of production are deducted, and the net income imputed to the land is capitalized to derive an estimate of land value. An alternative land residual technique is applied by valuing the land and improvements and deducting the cost of the improvements and any entrepreneurial profit. The remainder is the residual land value.

Ground Rent Capitalization – This procedure is used when land rents and capitalization rates are readily available such as in well-developed areas. Net ground rent, the net amount paid for the right to use and occupy the land, is estimated and divided by a land capitalization rate. Either actual or estimated rents can be capitalized using rates that can be supported in the market. This procedure may be seen as an extension of sales comparison but, where applicable, it provides a specific unit of comparison.

All of these techniques have been considered for purposes of our analysis. However, based on the subject property types and the availability of comparable data, the Sales Comparison Approach has been used to estimate the value of the subject property at its highest and best use.

Highest and Best Use

The definition of highest and best use (*see glossary in the Addendum*) implies recognition of the contribution of specific use to the community environment or to community development goals, in addition to wealth maximization of individual property owners. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (Market Value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use.

Highest and Best Use As Vacant

Highest and best use must meet four criteria: Legal Permissibility, Physical Possibility, Financial Feasibility and Maximal Productivity. Walter Duke + Partners has analyzed the criteria with regard to the subject site as follows.

- Legally Permissible

The most significant legal constraint to land use is zoning, which specifies the type and intensity of land use. Zoning laws are designed to allow for the orderly development of communities rather than permitting a disorganized sprawl. The goal in general terms is to provide for comparable neighboring land uses, coordinate the development of primary infrastructure and reduce the overall cost of providing the necessary services to the community.

The hotel site is zoned RM-3, Residential Multifamily High Intensity District by the City of Miami Beach. This district allows for a wide variety of residential and hotel uses. The subject is located within the City's Historical Architectural district; which requires the preservation of Art Deco or other architecturally-significant building structures and/or facades that are in place at any property.

- Physically Possible

The subject street segment contains 0.16 acres and is rectangular shaped. Public utilities are available to the site. Ingress and egress are adequate. Overall, the subject site appears to be physically capable of accommodating any of the legally permitted uses of the site.

- Financial Feasibility

Financially feasible uses are the logical uses that are physically possible and legally permissible that will produce any net return to the owner of the site. Among uses considered to be financially feasible, there is generally a use that provides the criteria

to meet a highest rate of return or value, considering it to be the highest and best use of a site. The most feasible use of the subject as of the appraisal date is to assemble the site with the adjacent site to the south for future hotel development.

- Maximum Profitability

Maximum profitability deals with the use that will produce the greatest net return to the owner of the site over a given period of time; it is also the highest and best use of the site as vacant. Over the long term, a high intensity mixed-use project with residential units is considered to be the maximally productive use for the site of the appraised property.

The most-feasible use of the subject, given its size assemble the site with the adjacent site to the south for future hotel development. Timing for such a project is likely the next development cycle but could be longer due to the uncertainties surrounding COVID-19.

The South Florida region has many positive fundamentals, particularly its long-term population growth and established tourism industry, which should assist in the eventual recovery of underperforming market sectors. South Florida offers a warm local climate and a well-established base of attractions for leisure guests. The region's geography also provides natural barriers to entry that will continue to limit new development over the long term. The hotel submarket in which the subject would compete has slowed from COVID-19 but market participants do not expect the downturn to be permanent.

Highest and Best Use As Improved

Once a parcel of land is improved with a building, the two parts form an integral unit and, for all practical purposes, they are all inseparable. However, when the market value of the land alone, if vacant and available for use, exceeds the value of the property as improved, the improvements are no longer a viable contribution to the property and a new use must be adopted.

In analyzing the highest and best use of the property as improved, several principles of real estate values must be considered. They include conformity, supply and demand, change and balance. The subject's location is considered to possess excellent long-term potential for hotel development due to adjacent uses and locational attributes. Therefore, the subject's highest and best use as improved is considered to be synonymous with the sites highest and best use as vacant.

Estimate of Site Value

The valuation of similar properties is generally accomplished by searching for sales of properties with a similar highest and best use as the subject, examining the motivations behind the purchase, reducing the sale prices into value indicators, comparing each sale with the appraised property and reconciling the comparisons into a final value estimate. In the previous Highest and Best Use section of this report, the appraisers have determined that the property's Highest and Best Use As If Vacant is for assemblage for hotel expansion.

According to brokers, developers and market participants, the proper value indicator of land with a similar highest and best use in this region is the sale price per building area. This unit of comparison allows potential developers (buyers) of these properties to analyze the total cost of development based on the density of potential development. In this analysis, projects with wide variances in potential density will exhibit a wide range of site prices per unit, which is skewed by the potential development density. Conversely, if the total cost per square foot of building area (including land) exceeds the rents that may be obtained in the market, then a prospective buyer/developer will not be motivated to purchase a given property for its development potential.

For purposes of this analysis, Walter Duke + Partners examined numerous sales of development sites in urban infill locations throughout the South Florida region. These included sites that encompass the range of development densities similar to the subject and were purchased for similar uses that are presented as follows:

Brickell / Miami CBD Site Sales	Sale Date	Lot SF	No. Units	Price	Price/SF Site	Price/Unit	Units/Acre	Waterfront
400 Biscayne Blvd.	1/18/2018	50,244	941	\$55,000,000	\$1,094.66	\$58,448	815.8	No
15 SE 10th Street	9/28/2017	5,956	N/A	\$16,180,200	\$2,716.62	N/A	N/A	No
1399 SW 1st Avenue	8/11/2017	44,575	N/A	\$31,750,000	\$712.28	N/A	N/A	No
90 SW 8th Street	7/19/2017	21,210	N/A	\$29,450,000	\$1,388.50	N/A	N/A	No
700 N Miami Avenue	3/3/2017	204,732	1,700	\$45,000,000	\$219.80	\$26,471	361.7	No
1428 Brickell Avenue	1/19/2017	49,983	N/A	\$50,000,000	\$1,000.34	N/A	N/A	No
115 SW 8th Street	1/19/2017	28,866	132	\$18,400,000	\$637.43	\$139,394	199.2	No
1021 SW 1st Avenue	2/23/2015	22,770	445	\$26,000,000	\$1,141.85	\$58,426.97	851.3	No
1420 S. Miami Avenue	12/26/2014	121,259	1,390	\$74,740,000	\$616.37	\$53,770	499.3	No
300 Biscayne Blvd.	11/8/2014	103,791	1,557	\$80,000,000	\$770.78	\$51,381	653.5	No
255 SW 11th Street	11/5/2014	81,146	372	\$20,225,000	\$249.24	\$54,368	199.7	No
300 Biscayne Boulevard Way	7/14/2014	54,450	1,250	\$125,000,000	\$2,295.68	\$100,000	1000.0	Yes
86 SW 8th Street	3/15/2014	28,000	438	\$16,750,000	\$598.21	\$38,242	681.4	No
1451 Brickell Avenue	7/12/2013	26,180	180	\$25,000,000	\$954.93	\$138,889	299.5	No
850 S. Miami Avenue	6/3/2013	60,000	690	\$32,000,000	\$533.33	\$46,377	500.9	No
1300 S. Miami Avenue	10/24/2012	55,919	583	\$18,500,000	\$330.84	\$31,732	454.1	No
1080 Brickell Avenue	5/22/2012	42,290	328	\$17,370,000	\$410.74	\$52,957	337.9	No
Edgewater Site Sales	Sale Date	Lot SF	No. Units	Price	Price/SF Site	Price/Unit	Units/Acre	Waterfront
SEC 29th Terr & 4th Ave	5/20/2019	50,965	174	\$13,650,000	\$267.83	\$78,448	148.7	No
412/436 NE 22nd Street	2/4/2019	88,295	296	\$29,600,000	\$335.24	\$100,000	146.0	Yes
459 NE 24th Street	5/6/2017	86,684	297	\$21,700,000	\$250.33	\$73,064	149.2	Yes
2701 Biscayne Blvd	5/5/2016	89,873	330	\$30,000,000	\$333.80	\$90,909	159.9	Yes
475 NE 32nd Street	4/26/2013	88,917	299	\$22,500,000	\$253.04	\$75,251	146.5	Yes
601 NE 30th Terrace	4/4/2013	197,257	678	\$29,000,000	\$147.02	\$42,773	149.7	Yes
Miami Waterfront Site Sales	Sale Date	Lot SF	No. Units	Price	Price/SF Site	Price/Unit	Units/Acre	Waterfront
8995 Collins Avenue	12/1/2015	26,500	58	\$55,000,000	\$2,075.47	\$948,276	95.3	Yes
6747 Collins Avenue	10/15/2015	41,624	13	\$38,500,000	\$924.95	\$2,961,538	13.6	Yes
8955 Collins Avenue	8/4/2015	31,533	50	\$40,000,000	\$1,268.51	\$800,000	69.1	Yes
18801 Collins Avenue	11/6/2014	200,376	490	\$124,250,000	\$620.08	\$253,571	106.5	Yes
6901 Collins Avenue	4/9/2014	40,651	27	\$26,000,000	\$639.59	\$962,963	28.9	Yes
18975 Collins Avenue	4/7/2014	139,392	300	\$82,000,000	\$588.27	\$273,333	93.8	Yes
6747 Collins Avenue	1/31/2014	41,624	13	\$21,000,000	\$504.52	\$1,615,385	13.6	Yes
6800 Indian Creek Drive	1/13/2014	46,275	80	\$11,250,000	\$243.11	\$140,625	75.3	Yes
17141 Collins Avenue	9/4/2013	32,000	68	\$30,000,000	\$937.50	\$441,176	92.6	Yes
6610 Indian Creek Drive	8/21/2012	79,050	115	\$9,154,000	\$115.80	\$79,600	63.4	Yes
3425 Collins Avenue	8/9/2013	55,200	63	\$100,000,000	\$1,811.59	\$1,587,302	49.7	Yes
10201 Collins Avenue	6/11/2012	240,887	239	\$220,000,000	\$913.29	\$920,502	43.2	Yes
16901 Collins Avenue	4/16/2012	108,317	192	\$65,000,000	\$600.09	\$338,542	77.2	Yes
17141 Collins Avenue	3/12/2012	32,000	64	\$20,000,000	\$625.00	\$312,500	87.1	Yes
19505 Collins Avenue	3/22/2011	49,830	39	\$24,000,000	\$481.64	\$615,385	34.1	Yes
Ft. Lauderdale Site Sales	Sale Date	Lot SF	No. Units	Price	Price/SF Site	Price/Unit	Units/Acre	Waterfront
200 S Federal Highway	1/16/2018	137,650	456	\$33,000,000	\$239.74	\$72,368	144.3	No
200 E Las Olas	12/14/2017	61,298	380	\$17,000,000	\$277.33	\$44,737	270.0	River
725 N Ft Lauderdale Beach Blvd	9/27/2017	70,575	N/A	\$23,600,000	\$334.40	N/A	N/A	Yes
1350 S Ocean Boulevard	8/10/2017	155,509	211	\$15,825,000	\$101.76	\$75,000	59.1	Yes
2150 SE 17th Street	7/11/2017	456,711	N/A	\$48,000,000	\$105.10	N/A	N/A	Yes
790 E Broward Boulevard	5/3/2017	83,200	329	\$19,500,000	\$234.38	\$59,271	172.3	No
435 Bayshore Drive	8/11/2015	33,984	31	\$13,470,000	\$396.36	\$434,516	39.7	Yes
315 N. Birch Road	5/5/2015	27,443	22	\$10,000,000	\$364.39	\$454,545	34.9	Yes
2000 S. Ocean Blvd.	10/24/2014	56,705	64	\$38,000,000	\$670.13	\$593,750	49.2	Yes
730 N. Ocean Boulevard	5/16/2014	91,067	79	\$10,500,000	\$115.30	\$132,911	37.8	Yes
700 Briny Avenue	3/17/2014	30,170	13	\$3,690,000	\$122.31	\$283,846	18.8	Yes
700 N. A-1-A	4/5/2013	85,860	95	\$20,000,000	\$232.94	\$210,526	48.2	Yes
Palm Beach Site Sales	Sale Date	Lot SF	No. Units	Price	Price/SF Site	Price/Unit	Units/Acre	Waterfront
456 S Ocean Boulevard	4/8/2018	36,312	4	\$26,300,000	\$724.29	\$6,575,000	4.8	Yes
419 Lakeview Avenue	11/20/2015	139,961	475	\$24,000,000	\$171.48	\$50,526	147.8	No
2121 Flagler Drive	5/19/2015	314,503	N/A	\$31,000,000	\$98.57	N/A	N/A	Yes
1101 Flagler Drive	7/31/2014	139,883	69	\$21,000,000	\$150.13	\$304,348	21.5	Yes
550 Quadrille Boulevard	3/11/2014	148,975	N/A	\$15,000,000	\$100.69	N/A	N/A	No
5750 Flagler Drive	11/8/2013	236,631	153	\$7,650,000	\$32.33	\$50,000	28.2	Yes
MINIMUM	--	5,956	4	\$3,690,000	\$32.33	\$26,471	4.8	--
MAXIMUM	--	456,711	1,700	\$220,000,000	\$2,716.62	\$6,575,000	1,000.0	--
AVERAGE	--	90,626	339	\$36,991,146	\$608.57	\$477,145	203.6	--
MEDIAN	--	58,353	202	\$25,500,000	\$446.19	\$116,456	100.9	--
SUBJECT		65,097	104					

Of the verified "arm's length" transactions examined, five (5) properties were considered similar to the subject site with regard to their intended use of mixed-use development sites in this market. These sales reflect unadjusted value indicators ranging from \$169 to \$641 per square foot of permitted building area. A Comparable Vacant Land Sales Summary Table is presented below, with a location map on the subsequent page. Profiles of the comparables are presented in the Addenda to this report.

Comparable Vacant Land Sales Summary Table

SUBJECT		SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
						
Prop. ID No.		3121	2812	3005	3004	2944
LOCATION:	100 21st Street	6747 Collins Avenue	304 Ocean Drive	18320 Collins Avenue	550 9th Street	1135 103rd Street
AREA:	Miami Beach	Miami Beach	Miami Beach	Sunny Isles	Miami Beach	Bay Harbor
SALE DATA:						
Cash Equiv. Sale Price	---	\$38,000,000	\$10,000,000	\$31,700,000	\$17,625,000	\$20,500,000
Sale Date	---	Aug-19	Dec-18	Oct-18	Jan-18	Nov-17
Financing	---	Cash Sale	Cash Sale	Cash Sale	Cash Sale	Cash Sale
Sale Price/SF	---	\$913	\$870	\$856	\$844	\$389
Sale Price/Bldg Area	---	\$406	\$490	\$248	\$641	\$169
Planned Use	Hotel	Future	Future	Future	Future	Future
	Expansion	Hotel	Condos	Development	Hotel	Condos
PHYSICAL DATA:						
Net Size - Acres	1.49	0.96	0.26	0.85	0.48	1.21
Net Size - SF	65,097	41,625	11,500	37,054	20,873	52,666
Saleable Bld Area	130,194	93,656	20,400	127,836	27,500	121,000
Grade	Road Grade	Road Grade	Road Grade	Road Grade	Road Grade	Road Grade
Site Conditions	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant
Frontage/View	Atlantic Ocean	Atlantic Ocean	Landlocked	Intracoastal	Landlocked	Intracoastal
Frontage Feet'	126'	125'	N/A	350'	N/A	350'
Zoning	RM-3	RM-3	RPS-3	B-1	CD-2	RM-3
Platted/Approvals	Yes/No	Yes/No	Yes/No	Yes/No	Yes/Yes	Yes/No
ERCs	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
Impact Fees	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
Utilities	All to Site	All to Site	All to Site	All to Site	All to Site	All to Site

The most appropriate method to value the subject property is direct comparison with like property sales. However, a comparative analysis is necessary to extract differences, if any, in the features and attributes that differentiate the sales from the subject. In the following pages, comparable sales are summarized and a discussion of the various factors that may affect value is set forth.

Comparable Land Sales Location Map



Property Rights Conveyed

No adjustments necessary.

Financing (Cash Equivalency)

No adjustments necessary.

Conditions of Sale (Motivation)

No adjustments necessary.

Market Conditions (Time)

The Comparable Sales occurred prior to the onset of COVID-19. The hospitality sector has been one of the most impacted by COVID-19 and the ongoing government mandated shutdowns. Therefore, the Comparable Sales are adjusted downwards to reflect the ongoing pandemic and how the pandemic will continue to impact commercial real estate particularly the hospitality sector.

Location

The subject property is located within the City of Miami Beach with direct frontage on the Atlantic Ocean. The location in the Mid Beach neighborhood which is home to many of the luxury hotels in Miami Beach is excellent. With regards to location, Sales 2 and 4 are located in the South Beach neighborhood and deemed similar to the subject. The remaining sales are in less desirable neighborhoods or locations deemed inferior to the subject and adjusted upwards.

Zoning, Platting and Development Approvals

All the comparable properties and the subject are zoned for similar uses, with a highest and best use for development of a condo project. No adjustments for zoning were necessary.

As of the appraisal date, the subject property does not possess approvals for development. Therefore, Sale 4 is adjusted downwards to account for the time, cost and risk in securing development approvals.

Site Conditions

As of the appraisal date, the subject site is generally vacant with only street scape improvements. Sale 4 was improved at sale, but the building shell will remain and thus the sale is deemed like the subject. No adjustments were necessary.

Site Frontage and Configuration

The total site is rectangular shaped with $\pm 126'$ of frontage along the Atlantic Ocean. Comparable Sales 1, 3 and 5 are also generally rectangular shaped with water frontages ranging from $\pm 125'$ to $\pm 350'$. Sale 1 possess direct frontage on the Atlantic Ocean and is deemed similar to the subject. Sales 3 and 5 possess frontage on Biscayne Bay and are deemed inferior to the subject. Sale 5 is further adjusted for the irregular shape / configuration of the site.

The remaining sales are landlocked with no water frontage. Both sales require upward adjustments for lack of frontage though Sale 2 will have some view amenity and is adjusted upward less than Sale 4.

Size & Density

The total subject site comprises ± 1.49 acres, which is just above the range of site sizes exhibited among the Comparable Sales (from 0.26 to 1.21 acres). Normally, an inverse relationship exists between the price per unit of a property and its size. However, in the case of valuable waterfront sites such as the subject and the Comparable Sales the inverse relationship can be negated due to building height restrictions. No adjustments for size or density were deemed necessary.

Reconciliation of Land Value

Comparable site sales from the subject's South Florida market were analyzed. Differences between the comparable sales, including location, market conditions and site conditions permitted the extraction of percentage or dollar-amount adjustments that could be applied in order to derive an indication of Market Value for the subject.

Comparable Land Sale Adjustment Grid

Land Sale No.	1	2	3	4	5
Location:	6747 Collins Avenue	304 Ocean Drive	18320 Collins Avenue	550 9th Street	1135 103rd Street
Area:	Miami Beach	Miami Beach	Sunny Isles	Miami Beach	Bay Harbor
Sale Data:					
Date of Sale	Aug-19	Dec-18	Oct-18	Jan-18	Nov-17
Cash Equiv. Sale Price	\$38,000,000	\$10,000,000	\$31,700,000	\$17,625,000	\$20,500,000
Sale Price/SF Site	\$913	\$870	\$856	\$844	\$389
Sale Price/SF FAR	\$406	\$490	\$248	\$641	\$169
ADJUSTMENTS:					
Market Conditions	-15%	-15%	-15%	-15%	-15%
Adj. Price/ SF Site	\$776	\$739	\$727	\$718	\$331
Adj. Price/ SF FAR	\$345	\$417	\$211	\$545	\$144
Location	5%	0%	20%	0%	30%
Water Frontage	0%	10%	5%	25%	5%
Configuration	0%	0%	0%	0%	10%
Development Approvals	0%	0%	0%	-15%	0%
Additional Adjustment	5%	10%	25%	10%	45%
Adjusted Price/ SF Site	\$815	\$813	\$909	\$790	\$480
Adjusted Price/ SF FAR	\$362	\$458	\$263	\$599	\$209

Adjustments: Price Per Square Foot of FAR

- With respect to the price per square foot, the sales provided an adjusted range of \$209 to \$599 per square foot of permitted FAR, with a median of \$362 per square foot and an average of \$378 per square foot.
- Less weight is given to Comparable Sales 4 and 5 as they represent the oldest sales as well as the high and low value indicators.
- Primary emphasis is given to Sale 1 which represents the most recent sale, required the least amount of physical adjustments and is the median value indicator.
- Supporting weight is given to Sale 2 and 3.
- Therefore, based on the preceding analysis, the estimated value per square foot of permitted FAR is \$375 as of the current valuation date.

Calculation of Value Using Value per Square Foot of Bldg. Area (FAR)

Value/Sq.Ft.	x	Sq.Ft. of FAR	=	Total
\$375	x	13,472	=	\$5,052,000
ROUNDED				\$5,000,000

FIVE MILLION DOLLARS
(\$5,000,000)

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

ADDENDA

ASSUMPTIONS, CONTINGENT & LIMITING CONDITIONS

Basic Assumptions, Contingent and Limiting Conditions

1. This appraisal report is made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report which are incorporated herein by reference.
2. This appraisal represents the best opinion of the appraiser(s) as to Market Value of the property as of the appraisal date. The term "Market Value" is defined in the appraisal report.
3. The legal description furnished is assumed to be correct. The appraiser(s) assumes no responsibility for matters legal in character, nor does he/she render any opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
4. Any sketch in this report is included to assist the reader in visualizing the property. The appraiser(s) has made no survey of the property and assumes no responsibility in connection with such matters.
5. The appraiser(s) believes to be reliable the information, which was furnished by others, but he/she assumes no responsibility for its accuracy.
6. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the client, without the previous written consent of the appraiser(s) or the client, and then, only with proper qualification.
7. The appraiser(s) is not required to give testimony in deposition or in court, or give testimony at a governmental hearing by reason of this appraisal with reference to the property in question, unless arrangements have been previously made with the approval of the appraiser(s). Said arrangements must be prior to 30 days of the anticipated date. Further, the appraiser(s) reserves the right to consider and evaluate additional data that becomes available between the date of this report and the date of trial, if applicable, and to make any adjustments to the value opinions that may be required.
8. No testimony will be rendered unless the entire appraisal fee has been paid. Further, all testimony will be subject to expert witness fees previously approved by the appraiser(s).
9. The distribution of the total value of this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
10. The land, and particularly the soil, of the area under appraisement appear firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser(s) does not warrant against this condition or occurrence. Subsurface rights (mineral and oils) were not considered in making this appraisal.
11. The appraiser(s) carefully inspected the buildings involved in this appraisal report and damage, if any, by termites, dry rot, wet rot, or other infestations, was reported as a matter of information by the appraiser(s), but he/she does not guarantee the amount or degree of damage, if any.
12. All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate, have been disregarded by the appraiser(s). Only the real estate has been considered.
13. The comparable sales data relied upon in this appraisal is believed to be from reliable sources; however, it was not possible to inspect the interiors of all of the comparable, and it was necessary to rely on information furnished by others as to physical and economic data.
14. The appraiser(s) has inspected, as far as possible, the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements; therefore, no representations are made herein as to these matters and,

unless specifically considered in the report, the value estimate is subject to any such conditions that could cause loss in value. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment is considered to be commensurate with the conditions of the balance of the improvements, unless otherwise stated.

15. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.
16. Unless otherwise stated in the report, the existence of hazardous substances including, without limitation, asbestos, radon gas, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of the appraiser(s), nor did the appraiser(s) become aware of such during the appraiser's inspection. The appraiser(s) has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser(s), however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
17. The appraisal is as of the date specified and covers the legally described property only. The current purchasing power of the U.S. Dollar is the basis for the value reported. The appraiser(s) assumes no responsibility for economic or physical factors occurring at some later date, which may affect the opinions herein stated.
18. This appraisal is presented as a complete, bound report, and may be considered valid only so long as it is presented in its entirety. Further, all pages listed in the Table of Contents must be present and the appraiser's signature accompanied by the raised seal.
19. Neither all, nor any part of the content of the report, or copy thereof, [including conclusions as to the property value, the identity of the appraiser(s), or the firm with which the appraiser(s) is connected], shall be used for any purposes by anyone but the client specified in the report, the mortgagee or its successors and assigns, mortgage insurer, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency or instrumentality of the United States or any State, or the District of Columbia, without the previous written consent of the appraiser(s); nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the appraiser(s).
20. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser(s) has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser(s) has no direct evidence relating to this issue, the appraiser(s) did not consider possible non-compliance with the requirements of ADA in estimating the value of the property. The appraiser(s) recommends that the entities affected by the Act conduct an "ADA Audit" of the facilities. The ADA Audit should be performed by competent legal professionals who are familiar with the detail and specificity of the Act, in conjunction with architects and engineers versed in its technical requirements. The cost to cure any non-compliant item(s) may serve to reduce the value estimate contained in this report and the appraiser(s) assumes no responsibility for any such condition, nor for any expertise or engineering knowledge required to discover them.

21. Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
22. The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.
23. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
24. Acceptance of delivery or the payment for this report constitutes acceptance of this condition and all other contingent conditions set forth herein.

DEFINITIONS

APPRAISAL DEFINITIONS

Absolute net (bond) lease. A lease in which the tenant is responsible for payment of all expenses including but not limited to real estate taxes, insurance, maintenance, utilities, janitorial and structural repairs. The intent of this lease type is that the landlord absorbs no expenses relating to the operation or repair of the leased space.

Aggregate of retail values (ARV). The sum of the appraised values of the individual units in a subdivision, as if all of the units were completed and available for retail sale, as of the date of the appraisal. The sum of the retail sales includes an allowance for lot premiums, if applicable, but excludes all allowances for carrying costs.

Appraisal. (Noun) The act or process of developing an opinion of value. (Adjective) Of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

Client. The party or parties who engages an appraiser (by employment or contract) in a specific assignment.

Discounted cash flow (DCF) analysis. The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams as well as the quantity and timing of the reversion and discounts each to its present value at a specified yield rate. DCF analysis can be applied with any yield capitalization technique and may be performed on either a lease-by-lease or aggregate basis.

Effective rent. The rental rate net of financial concessions such as periods of no rent during the lease term; may be calculated on a discounted basis, reflecting the time value of money, or on a simple, straight-line basis.

Extraordinary assumption. An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

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.

Floor area ratio (FAR). The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. See also land-to-building ratio.

Full service lease. A lease in which the landlord is responsible for payment of all expenses pertaining to real estate taxes, insurance, maintenance, all utilities and janitorial.

Going-concern value.

1. The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; also called value of the going concern.
2. Tangible and intangible elements of value in a business enterprise resulting from factors such as having a trained work force, an operational plant, and the necessary licenses, systems, and procedures in place.
3. The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value.

Gross lease. A lease in which the landlord is responsible for payment of all expenses pertaining to real estate taxes, insurance, and maintenance, but not tenant utilities and janitorial.

Highest and best use. The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Hypothetical condition. That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

Industrial gross lease. A lease in which the landlord is responsible for all payment of all expenses pertaining to base year real estate taxes, base year insurance, and maintenance, but not tenant utilities and janitorial. Tenant is responsible for any increases over base year (first lease year) real estate taxes and insurance.

Inspection, property inspection. In accordance with generally accepted appraisal standards an inspection is the act of touring or viewing a property. It is a cursory or superficial visual observation of the property which is not intended to be confused with an assessment of a building, structure or mechanical systems performed by a professional engineer or general contractor.

Intended use. The use or uses of an appraiser's reported appraisal, consulting, or review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

Intended user. The client and any other party as identified, by name or type, as users of the appraisal, consulting, or review report, by the appraiser based on communication with the client at the time of the assignment.

Investment value. The value of a property interest to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.

Leased fee estate. An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interest;
3. a reasonable time is allowed for exposure 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 a normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

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

Neighborhood shopping center. The smallest type of shopping center, generally with a gross leasable area of less than 100,000 square feet. Typical anchors include supermarkets and pharmacies. Neighborhood shopping centers offer convenience goods and personal services, and usually depend on the market support of more than 1,000 households.

Net lease. A lease in which the tenant is responsible for expenses payment of all expenses pertaining to real estate taxes, insurance, maintenance, utilities and janitorial. The landlord is responsible only for expenses relating to structural repairs.

Overall capitalization rate (R_o). An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value; used to convert net operating income into an indication of overall property value ($R_o = I_o/V_o$).

Personal property. Identifiable portable and tangible objects which are considered by the general public as being "person", e.g. furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate.

Prospective value estimate. A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

Retrospective value opinion. An opinion of value that is likely to have applied as of a specified historic date. A retrospective value opinion is most frequently sought in connection with appraisals for estate tax, condemnation, inheritance tax, and similar purposes.

Scope of work. The type and extent of research and analyses in an assignment.

Shell space. Space in which no interior finishing has been installed, including even basic improvements such as ceilings, interior walls and floor coverings.

Use value.

1. In economics, the attribution of value to goods and services based upon their usefulness to those who consume them.
2. In real estate appraisal, the value a specific property has for a specific use; may be the highest and best use of the property or some other use specified as a condition of the appraisal; may be used where legislation has been enacted to preserve farmland, timberland, or other open space land on urban fringes.

Vacancy and collection loss. An allowance for reductions in potential income attributable to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*.

Variable expenses. Operating expenses that generally vary with the level of occupancy or the extent of services provided.

Yield capitalization. The capitalization method used to convert future benefits into present value by discounting each future benefit at an appropriate yield rate or by developing an overall rate that explicitly reflects the investment's income pattern, value change, and yield rate.

Yield rate (Y). A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits, including the proceeds from sale at the termination of the investment. Yield rates include the interest rate, discount rate, internal rate of return (*IRR*), overall yield rate (*Y_O*) and equity yield rate (*Y_E*).

LEGAL DESCRIPTION & SURVEY

BUILDING PLANS

Project Plum MIAMI

PROJECT UPDATE

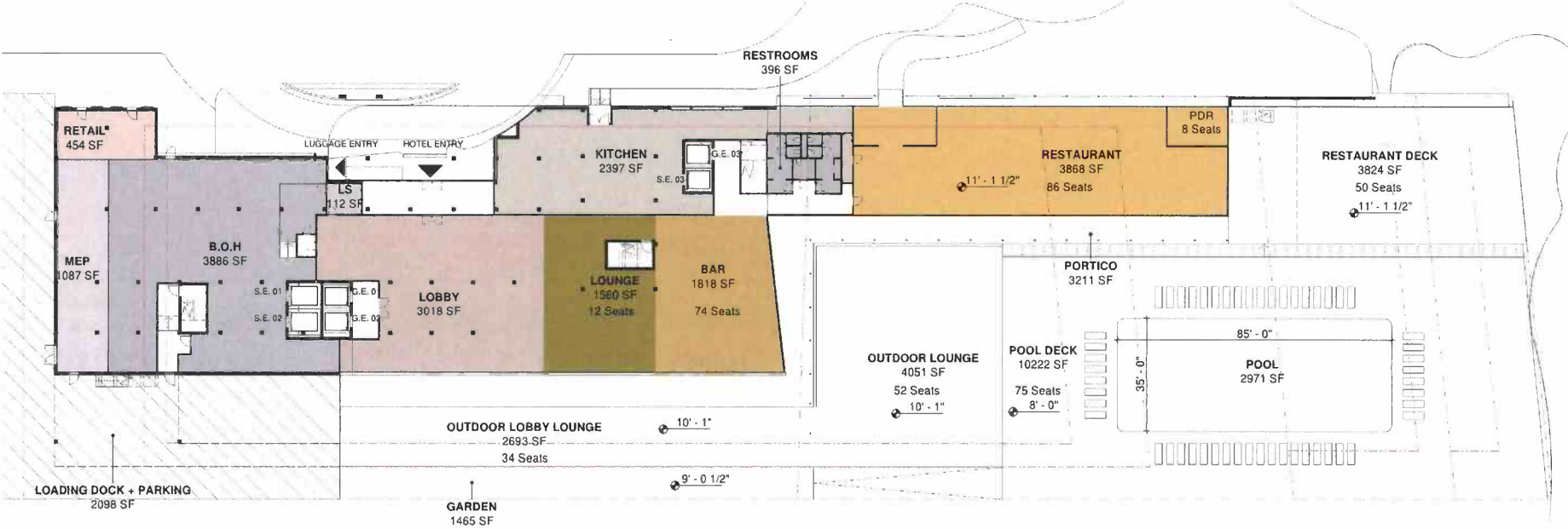
2020 Sep 22

XXXXX-CVP-MZ-LL-PR_000

CITTERIO-VIEL & PARTNERS

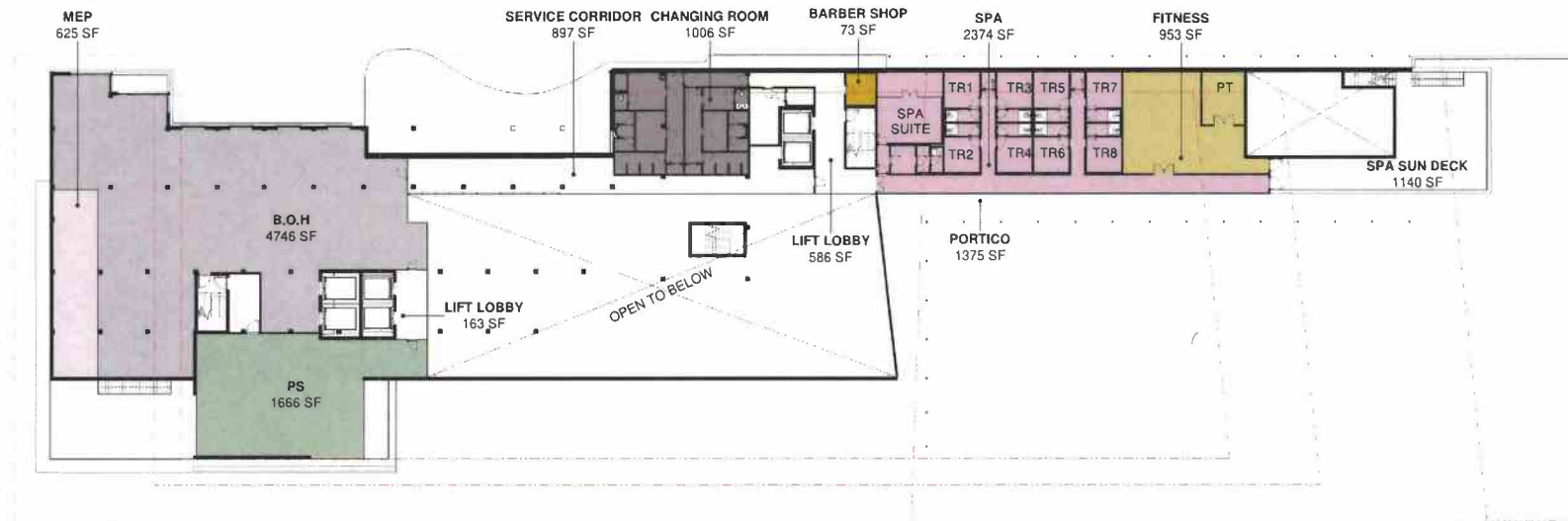
FLOOR PLAN - LEVEL 01 (GROUND)

Scale 1/32" = 1'-0"



FLOOR PLAN - LEVEL 02

Scale 1/32" = 1'-0"



ROOM SCHEDULE			
LEVEL 02 KEY COUNT			
	NAME	COUNT	AREA
	PS	1	1666 SF
TOTAL		1	1666 SF

ROOM SCHEDULE		
TOTAL KEY COUNT		
NAME	COUNT	AREA
SR	29	15395 SF
JS	47	27675 SF
SS	7	5760 SF
DLXS	6	5155 SF
PS	14	13472 SF
BS	1	3592 SF
TOTAL: 104	104	71049 SF



FLOOR PLAN - LEVEL 03

Scale 1/32" = 1'-0"



ROOM SCHEDULE			
LEVEL 03 KEY COUNT			
	NAME	COUNT	AREA
	SR	5	2722 SF
	JS	8	4789 SF
	SS	1	801 SF
	PS	1	938 SF
TOTAL		15	9250 SF

ROOM SCHEDULE		
TOTAL KEY COUNT		
NAME	COUNT	AREA
SR	29	15395 SF
JS	47	27675 SF
SS	7	5760 SF
DLXS	6	5155 SF
PS	14	13472 SF
BS	1	3592 SF
TOTAL: 104	104	71049 SF



FLOOR PLAN - LEVEL 04-07 (TYPICAL)

Scale 1/32" = 1'-0"



ROOM SCHEDULE			
LEVEL 04 KEY COUNT			
	NAME	COUNT	AREA
	SR	5	2626 SF
	JS	8	4738 SF
	SS	1	801 SF
	DLXS	1	836 SF
	PS	2	1642 SF
TOTAL		17	10643 SF

ROOM SCHEDULE		
TOTAL KEY COUNT		
NAME	COUNT	AREA
SR	29	15395 SF
JS	47	27675 SF
SS	7	5760 SF
DLXS	6	5155 SF
PS	14	13472 SF
BS	1	3582 SF
TOTAL: 104	104	71049 SF



FLOOR PLAN - LEVEL 08

Scale 1/32" = 1'-0"



ROOM SCHEDULE			
LEVEL 08 KEY COUNT			
	NAME	COUNT	AREA
	SR	2	1055 SF
	JS	7	3965 SF
	SS	2	1755 SF
	DLXS	1	888 SF
	PS	3	2813 SF
TOTAL		15	10476 SF

ROOM SCHEDULE			
TOTAL KEY COUNT			
	NAME	COUNT	AREA
SR		29	15395 SF
JS		47	27675 SF
SS		7	5760 SF
DLXS		6	5155 SF
PS		14	13472 SF
BS		1	3592 SF
TOTAL: 104		104	71049 SF

FLOOR PLAN - LEVEL 09

Scale 1/32" = 1'-0"



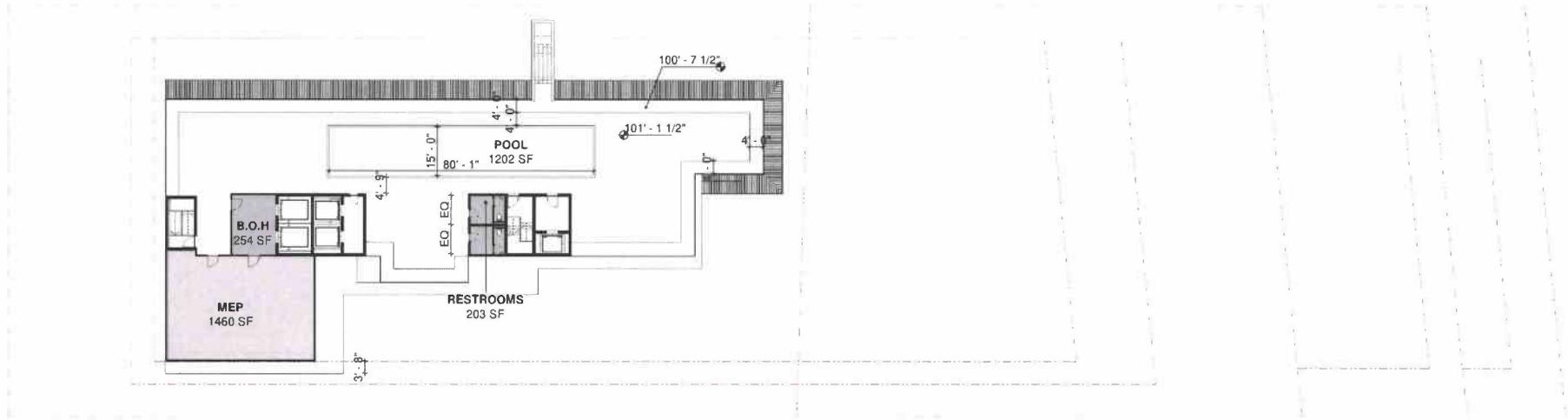
ROOM SCHEDULE			
LEVEL 09 KEY COUNT			
	NAME	COUNT	AREA
	JS	2	1088 SF
	DLXS	1	924 SF
	PS	1	1487 SF
	BS	1	3592 SF
TOTAL		5	7090 SF

ROOM SCHEDULE		
TOTAL KEY COUNT		
NAME	COUNT	AREA
SR	29	15395 SF
JS	47	27675 SF
SS	7	5760 SF
DLXS	6	5155 SF
PS	14	13472 SF
BS	1	3592 SF
TOTAL: 104	104	71049 SF



ROOF PLAN - LEVEL 10

Scale 1/32" = 1'-0"



KEY COUNT

Scale 1/64" = 1'-0"



LEVEL 2



LEVEL 3



LEVEL 4 TO 7



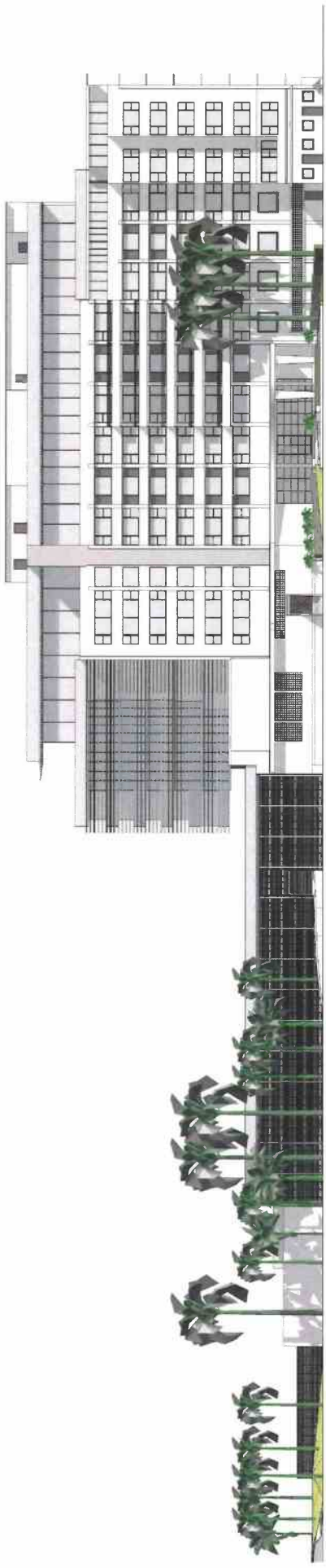
LEVEL 8



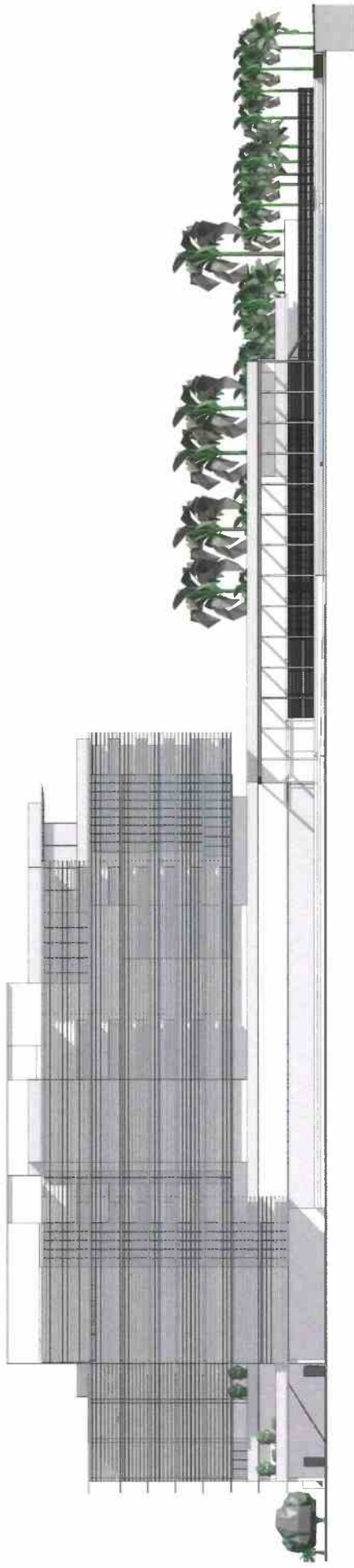
LEVEL 9

ROOM SCHEDULE			
TOTAL KEY COUNT - LEVELS			
LEVEL	NAME	COUNT	AREA
L02	PS	1	1666 SF
L02: 1		1	1666 SF
L03	SR	5	2722 SF
L03	JS	8	4789 SF
L03	SS	1	801 SF
L03	PS	1	938 SF
L03: 15		15	9250 SF
L04	SR	5	2626 SF
L04	JS	8	4738 SF
L04	SS	1	801 SF
L04	DLXS	1	836 SF
L04	PS	2	1642 SF
L04: 17		17	10643 SF
L05	SR	5	2627 SF
L05	JS	8	4735 SF
L05	SS	1	801 SF
L05	DLXS	1	836 SF
L05	PS	2	1642 SF
L05: 17		17	10641 SF
L06	SR	6	3183 SF
L06	JS	7	4181 SF
L06	SS	1	801 SF
L06	DLXS	1	836 SF
L06	PS	2	1642 SF
L06: 17		17	10643 SF
L07	SR	6	3182 SF
L07	JS	7	4179 SF
L07	SS	1	801 SF
L07	DLXS	1	836 SF
L07	PS	2	1642 SF
L07: 17		17	10640 SF
L08	SR	2	1055 SF
L08	JS	7	3965 SF
L08	SS	2	1755 SF
L08	DLXS	1	888 SF
L08	PS	3	2813 SF
L08: 15		15	10476 SF
L09	JS	2	1088 SF
L09	DLXS	1	924 SF
L09	PS	1	1487 SF
L09	BS	1	3592 SF
L09: 5		5	7090 SF
TOTAL: 104		104	71049 SF

ELEVATIONS - NORTH AND SOUTH SIDE
Scale 1/32" = 1'-0"



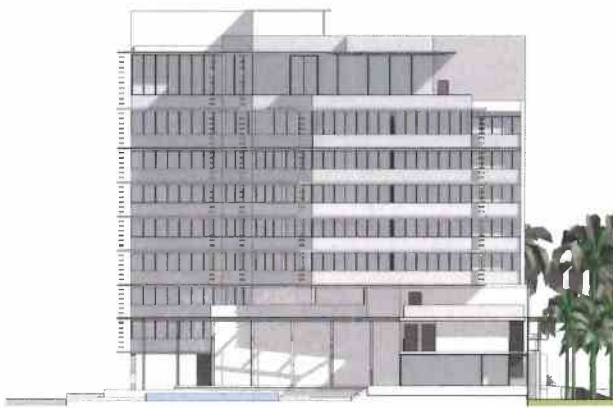
NORTH ELEVATION



SOUTH ELEVATION

ELEVATIONS - EAST AND WEST SIDE

Scale 1/32" = 1'-0"



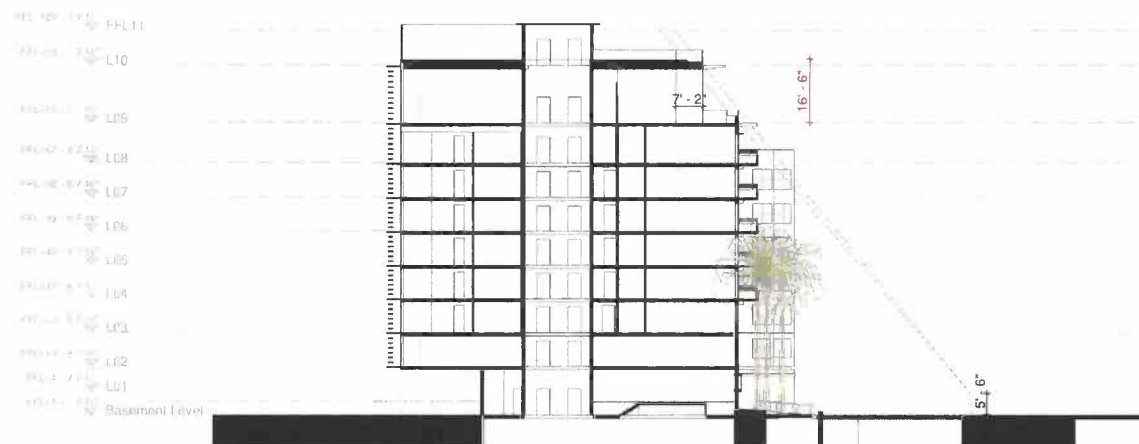
EAST ELEVATION



WEST ELEVATION

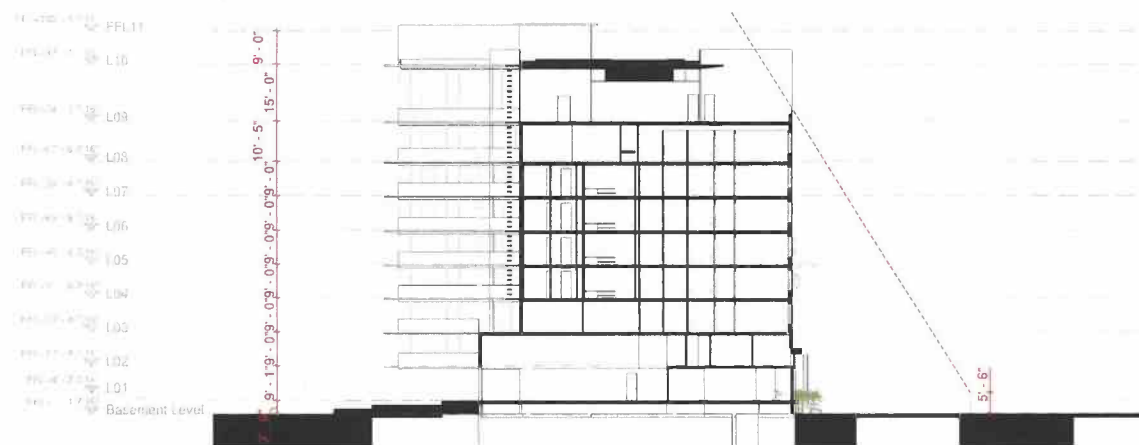
SETBACK SECTIONS

Scale As indicated



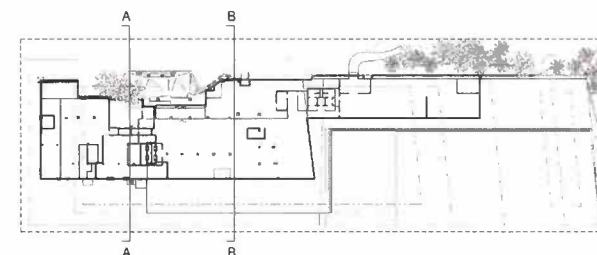
1 Section A (Setback)

1/32" = 1'-0"



2 Section B (Setback)

1/32" = 1'-0"

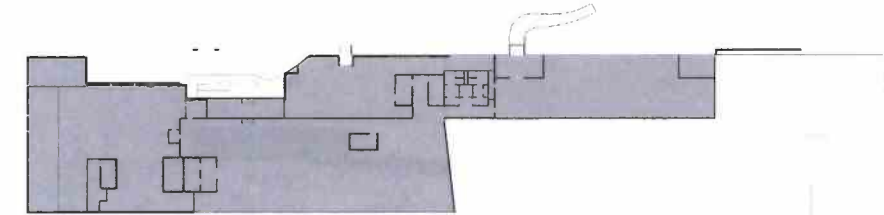


L01 KEYPLAN

GFA AREA PLAN

Scale 1/64" = 1'-0"

GFA	
LEVEL	AREA
L01	21262 SF
L02	15450 SF
L03	14060 SF
L04	14151 SF
L05	14151 SF
L06	14151 SF
L07	14151 SF
L08	13766 SF
L09	9507 SF
L10	1699 SF
	132346 SF



01



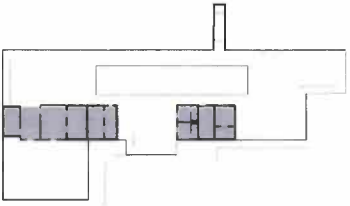
06-07



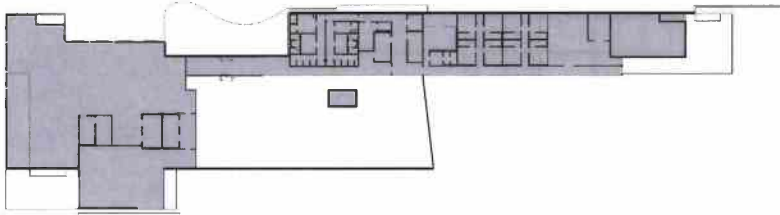
08



09



R



02

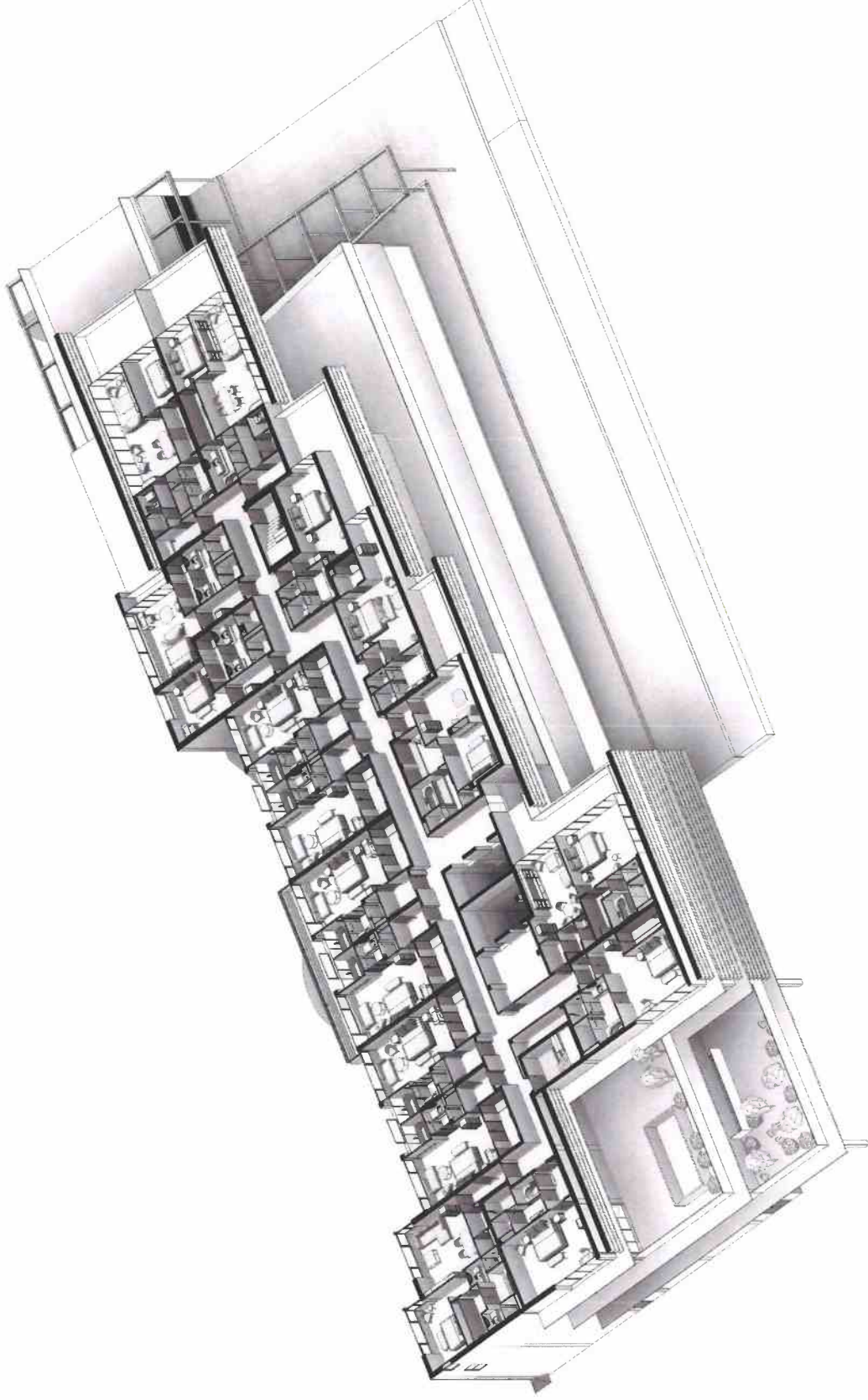


03



04-05

TYPICAL FLOOR 3D VIEW
Scale



RENDERING

Scale



RENDERING

Scale



RENDERING

Scale



RENDERING
Scale



RENDERING

Scale

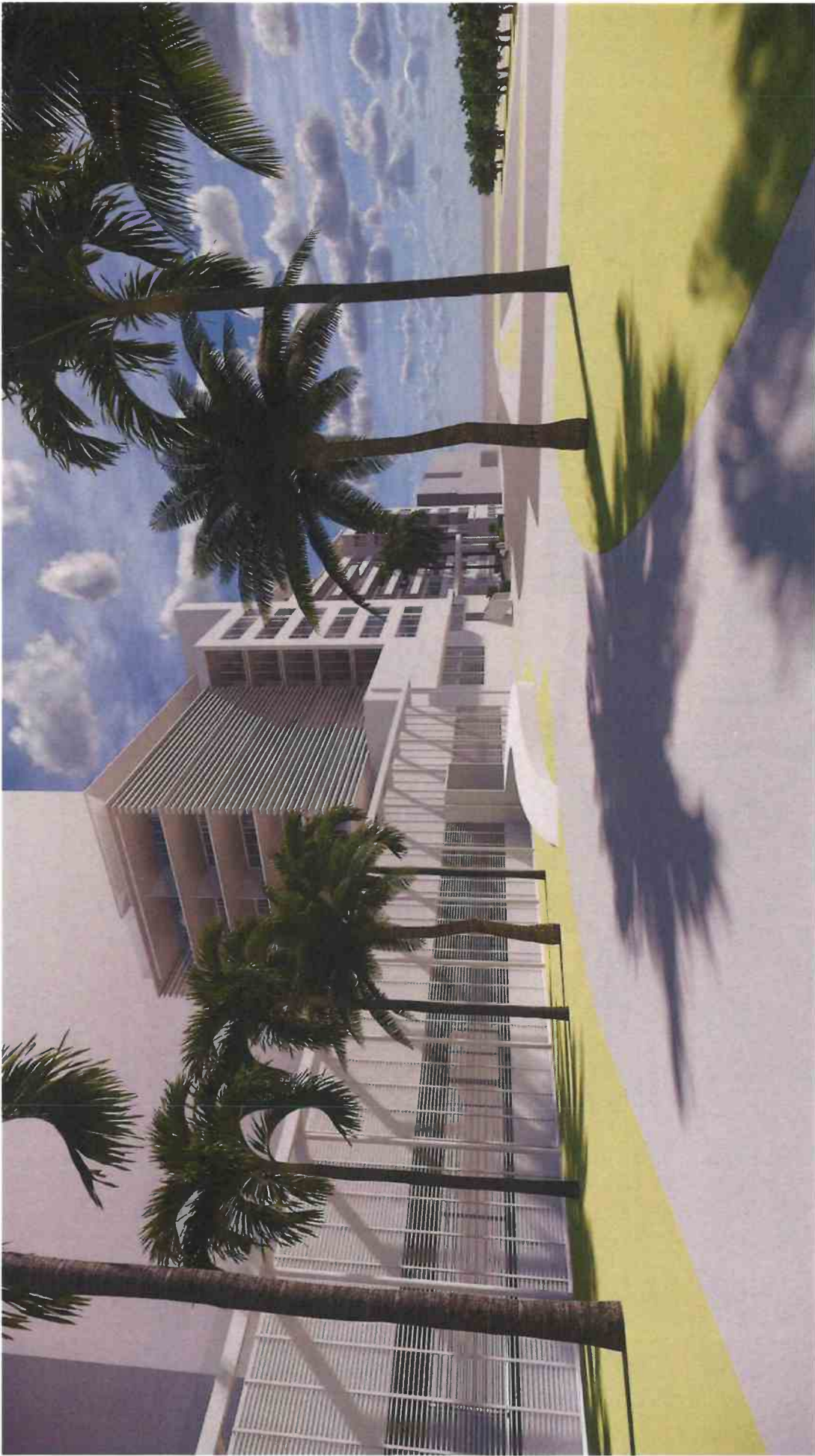


RENDERING

Scale



RENDERING
Scale



CITTERIO-VIEL & PARTNERS

'BRAND' HOTEL MIAMI

2020 Sep 22

RENDERING

Scale



RENDERING

Scale



RENDERING

Scale



COMPARABLE SITE SALE PROFILES

Land Sale No. 1



Property Identification

Record ID	3121
Property Type	Office/Hotel, Other
Property Name	Urbanica Hotel Site
Address	6747 Collins Avenue, Miami Beach, Miami-Dade County, Florida 33141
Tax ID	02-3211-007-0430, -0440
MSA	Miami
Market Type	Beach

Sale Data

Grantor	CCCC Miami Beach, LLC
Grantee	BTL Investments (Urbanica)
Sale Date	August 26, 2019
Deed Book/Page	31594/2456
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Verification	November 06, 2020; Confirmed by Andrew Rolf

Sale Price	\$38,000,000
Cash Equivalent	\$38,000,000

Land Data

Zoning	RM-3
Topography	Level
Utilities	All available
Shape	Rectangular
Platting	Yes
Concurrency	Yes
Approvals	No

Land Sale No. 1 (Cont.)

Depth 333

Land Size Information

Gross Land Size 0.956 Acres or 41,625 SF

Planned Units 200

Front Footage 125 ft Total Frontage: 125 ft Atlantic Ocean;

Actual/Planned Building SF 93,654

Indicators

Sale Price/Gross Acre \$39,766,486

Sale Price/Gross SF \$912.91

Sale Price/Planned Unit \$190,000

Sale Price/Front Foot \$304,000

Sale Price/Planned Bldg. SF \$405.75

Remarks

This is the sale of an Atlantic Ocean fronting development site in Miami Beach. Approvals were in place at the time of sale for condo development. However, the buyer will seek new approvals to build a 20-story, 200-room hotel with permitted F.A.R. of 2.0X.

Land Sale No. 2



Property Identification

Record ID	2812
Property Type	Multi-family, Condominium
Address	304 Ocean Drive, Miami Beach, Miami-Dade County, Florida 33139
Location	NWC 3rd Street and Ocean Drive
Tax ID	02-4203-003-0500, 0510
MSA	Miami
Market Type	Beach

Sale Data

Grantor	Sea Spray Development, LLC
Grantee	312 Ocean Park, LLC
Sale Date	December 18, 2018
Deed Book/Page	31262/4607
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Sale History	Aug. 2013 \$6,300,000
Verification	Joe Thomas, M&M; 954-599-0071, March 29, 2019; Confirmed by Andrew Rolf

Sale Price	\$10,000,000
Cash Equivalent	\$10,000,000

Land Data

Zoning	RPS-3
Topography	Level
Utilities	All available
Shape	Rectangular
Platting	Yes

Land Sale No. 2 (Cont.)

Concurrency	Yes
Approvals	No

Land Size Information

Gross Land Size	0.264 Acres or 11,500 SF
Planned Units	10

Indicators

Sale Price/Gross Acre	\$37,878,261
Sale Price/Gross SF	\$869.57
Sale Price/Planned Unit	\$1,000,000

Remarks

This is the sale of vacant site in Miami Beach located in the South of Fifth (SoFi) neighborhood. At the time of sale the property did not possess any entitlements and approvals. Since purchase the buyer has announced plans to construct a 10-unit luxury condo called Ocean Park South Beach comprising +/-20,400 SF of saleable area.

Land Sale No. 3



Property Identification

Record ID	3005
Property Type	Multi-family, Condominium
Property Name	Dezer Plaza
Address	18320 Collins Avenue, Miami Beach, Miami-Dade County, Florida 33160
Location	NWC 183rd Street & Atlantic Boulevard
Tax ID	31-2202-003-0201

Sale Data

Grantor	Publix Supermarkets Inc
Grantee	Dezer Plaza
Sale Date	October 15, 2018
Deed Book/Page	31186/4241
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Verification	May 05, 2020; Confirmed by Andrew Rolf

Sale Price	\$31,700,000
Cash Equivalent	\$31,700,000

Land Data

Zoning	B-1
Topography	Level
Utilities	All available
Shape	Rectangular
Platting	Yes
Concurrency	Yes
Approvals	No

Land Size Information

Gross Land Size	0.851 Acres or 37,054 SF
------------------------	--------------------------

Land Sale No. 3 (Cont.)

Planned Units 68

Indicators

Sale Price/Gross Acre \$37,265,936

Sale Price/Gross SF \$855.51

Sale Price/Planned Unit \$466,176

Remarks

This is the sale of a vacant lot located behind a newly renovated Publix store in Sunny Isles Beach. The vacant Intracoastal fronting site was acquired by Dezer who owns 3.15-acres located adjacent on the north side of the site. No plans were in place at the time of sale for development.

The B-1, Neighborhood Business and BO, Business Overlay zoning permit development at 25-units per acre and an 2.0 FAR plus bonus density of 80-units per acre and a maximum FAR up to a 3.45 for enclosed parking bonus (0.40), public parking bonus (0.25), a Collins Avenue/Sunny Isles Boulevard public streetscape enhancement bonus (0.30), and a site assembly bonus (up to 0.50). The dwelling unit density bonus can be increased by one dwelling unit per acre for each 0.02 increase in FAR granted in accordance with Section 265-36E(1) of the City Code up to a maximum density of 80 dwelling units per acre.

Land Sale No. 4



Property Identification

Record ID	3004
Property Type	Office/Hotel
Property Name	Former Oceanside Nursing Home
Address	550 9th Street, Miami Beach, Miami-Dade County, Florida 33139
Location	SEC 9th Street & Pennsylvania Avenue
Tax ID	02-4203-009-0100

Sale Data

Grantor	ADME Real Estate, LLC
Grantee	550 Ninth, LLC
Sale Date	January 31, 2018
Deed Book/Page	30863/349
Property Rights	Fee Simple
Marketing Time	9 months
Conditions of Sale	Arm's Length
Financing	Cash to seller
Verification	May 05, 2020; Confirmed by Andrew Rolf

Sale Price	\$17,625,000
Cash Equivalent	\$17,625,000

Land Data

Zoning	CD-2, Commercial Medium Intensity
Topography	Level
Utilities	All available
Shape	Rectangular
Platting	Yes
Concurrency	Yes
Approvals	Yes

Land Sale No. 4 (Cont.)

Land Size Information

Gross Land Size	0.479 Acres or 20,873 SF
Planned Units	110

Indicators

Sale Price/Gross Acre	\$36,781,728
Sale Price/Gross SF	\$844.39
Sale Price/Planned Unit	\$160,227

Remarks

This is the sale of a former 88-room (196-bed) nursing facility located on Miami Beach. The property was vacant at the time of sale and was marketed for redevelopment. The property was in foreclosure and the sale was approved by a U.S. judge. The buyer owns other hotels in Miami Beach and intends to convert the building to hotel use. Prior to closing on the sale the buyer secured zoning and approvals to convert the 88 rooms to 110 hotel rooms.

Land Sale No. 5



Property Identification

Record ID	2944
Property Type	Multi-family, Condominium
Address	1135 103rd Street, Bay Harbor Islands, Miami-Dade County, Florida 33154
Location	Bay Harbor Islands
Tax ID	13-2227-001-6770
MSA	Miami
Market Type	Beach

Sale Data

Grantor	P3 Investments I, LLC
Grantee	BH Investment, LLC
Sale Date	November 13, 2017
Deed Book/Page	30764/1606
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Verification	April 16, 2019; Confirmed by Andrew Rolf

Sale Price	\$20,500,000
Cash Equivalent	\$20,500,000

Land Data

Zoning	RM-3, Residential Multifamily
Topography	Level
Utilities	All available

Land Sale No. 5 (Cont.)

Shape	Rectangular
Platting	Yes
Concurrency	Yes
Approvals	No

Land Size Information

Gross Land Size	1.209 Acres or 52,666 SF
Planned Units	29
Front Footage	300 ft Biscayne Bay;

Indicators

Sale Price/Gross Acre	\$16,955,531
Sale Price/Gross SF	\$389.25
Sale Price/Planned Unit	\$706,897

Remarks

This is the sale of a vacant site located on the northern end of the Bay Harbor Islands with direct frontage on Biscayne Bay. The site was previously approved for 29 luxury condo units and 121,000 SF of saleable area. According to the confirming source the buyer wanted to own the premier site on the island but had no immediate plans to develop the site.

ZONING

Sec. 142-241. - Purpose.

The RM-3 residential multifamily, high intensity district is designed for high intensity multiple-family residences and hotels.

(Ord. No. 89-2665, § 6-4(A)(1), eff. 10-1-89; Ord. No. 96-3050, § 2, 7-17-96)

Sec. 142-242. - Main permitted uses.

The main permitted uses in the RM-3 residential multifamily, high intensity district are single-family detached dwelling; townhomes; apartments; apartment hotels; hotels, hostels, and suite hotels (pursuant to section 142-1105 of this chapter).

(Ord. No. 89-2665, § 6-4(A)(2), eff. 10-1-89; Ord. No. 96-3050, § 2, 7-17-96; Ord. No. 2013-3820, § 2, 10-16-13; Ord. No. 2014-3869, § 1, 5-21-14; Ord. No. 2017-4146, § 2, 10-18-17)

Sec. 142-243. - Conditional uses.

The conditional uses in the RM-3 residential multifamily, high intensity district are day care facility; stand-alone religious institutions; private and public institutions; schools; commercial or noncommercial parking lots and garages; accessory outdoor entertainment establishment; accessory neighborhood impact establishment; and accessory open air entertainment establishment as set forth in article V, division 6 of this chapter.

(Ord. No. 89-2665, § 6-4(A)(3), eff. 10-1-89; Ord. No. 96-3050, § 2, 7-17-96; Ord. No. 2014-3869, § 1, 5-21-14; Ord. No. 2018-4175, § 1, 3-7-18)

Sec. 142-244. - Accessory uses.

The accessory uses in the RM-3 residential multifamily, high intensity district are as follows:

- (1) Those uses permitted in article IV, division 2 of this chapter.
- (2) Alcoholic beverage establishments pursuant to the regulations set forth in chapter 6.
- (3) Accessory outdoor bar counters, pursuant to the regulations set forth in chapter 6, 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.
- (4) Oceanfront hotels with at least 100 hotel units may operate and utilize an accessory outdoor bar counter, notwithstanding the above restriction on the hours of operation, provided the accessory outdoor bar counter is (i) located in the rear yard, and (ii) set back 20 percent of the

lot width (50 feet minimum) from any property line adjacent to a property with an apartment unit thereon.

- (5) RM-3 properties within the "West Avenue Corridor" may not have accessory outdoor entertainment establishments. Notwithstanding the foregoing, a property that had a Legal Conforming Use as of May 28, 2013, shall have the right to apply for and receive special event permits that contain entertainment uses.

(Ord. No. 89-2665, § 6-4(A)(4), eff. 10-1-89; Ord. No. 96-3050, § 2, 7-17-96; Ord. No. 2013-3820, § 2, 10-16-13; Ord. No. 2016-4005, § 1, 3-9-16)

Sec. 142-245. - Prohibited uses.

The prohibited uses in the RM-3 residential multifamily, high intensity district are accessory outdoor bar counter, except as provided in section 142-244; for properties located within the Sunset Harbour neighborhood, generally bounded by Purdy Avenue, 20th Street, Alton Road, and Dade Boulevard, hostels; for property located within the West Avenue corridor, hostels; for properties located within the West Avenue corridor, hotels and apartment hotels, except to the extent preempted by F.S. § 509.032(7), and unless a legal conforming use. Properties that voluntarily cease to operate as a hotel for a consecutive three-year period shall not be permitted to later resume such hotel operation. Without limitation, (a) involuntary hotel closures due to casualty, or (b) cessation of hotel use of individual units of a condo-hotel, shall not be deemed to be ceasing hotel operations pursuant to the preceding sentence.

(Ord. No. 89-2665, § 6-4(A)(5), eff. 10-1-89; Ord. No. 96-3050, § 2, 7-17-96; Ord. No. 2013-3820, § 2, 10-16-13; Ord. No. 2016-4005, § 1, 3-9-16; Ord. No. 2017-4146, § 2, 10-18-17)

Sec. 142-246. - Development regulations and area requirements.

- (a) The development regulations in the RM-3 residential multifamily, high intensity district are as follows:
- (1) Max. FAR: Lot area equal to or less than 45,000 sq. ft.—2.25; lot area greater than 45,000 sq. ft.—2.75; oceanfront lots with lot area greater than 45,000 sq. ft.—3.0.
 - (2) Notwithstanding the above, oceanfront lots in architectural district shall have a maximum FAR of 2.0.
 - (3) Notwithstanding the above, lots which, as of the effective date of this ordinance (November 14, 1998), are oceanfront lots with a lot area greater than 100,000 sq. ft. with an existing building, shall have a maximum FAR of 3.0; however, additional FAR shall be available for the sole purpose of providing hotel amenities as follows: the lesser of 0.15 FAR or 20,000 sq. ft.
- (b) The lot area, lot width, unit size and building height requirements for the RM-3 residential multifamily, high intensity district are as follows:

Minimum Lot Area (Square Feet)	Minimum Lot Width (Feet)	Minimum Unit Size (Square Feet)	Average Unit Size (Square Feet)	Maximum Building Height (Feet)
7,000	50	New construction—550 Non-elderly and elderly low and moderate income housing—400 Workforce housing—400 Rehabilitated buildings—400 Hotel units: 15%: 300—335 85%: 335+ For hotel structures located within the Collins Park District, generally bounded by the erosion control line on the east, the east side of Washington Avenue on the west, 23rd Street on the	New construction—800 Non-elderly and elderly low and moderate income housing—400 Workforce housing—400 Rehabilitated buildings—550 Hotel units—N/A. The number of units may not exceed the maximum density set forth in the comprehensive plan.	150 Oceanfront lots—200 Architectural dist.: New construction—120; ground floor additions (whether attached or detached) to existing structures on oceanfront lots—50 (except as provided in section 142-1161)

north, and 17th Street on the south, hotel units shall be a minimum of 200 square feet.

For contributing hotel structures, located within an individual historic site, a local historic district or a national register district, which are 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 and sizes of at least 200 square feet shall be permitted.

	Additionally, the 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. Hotel units within rooftop additions to contributing structures in a historic district and individually designated historic buildings—200.	
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(c) Notwithstanding the above, for oceanfront lots located within a locally designated historic district or site, but not within the architectural district, with less than 400 feet of lineal frontage along Collins Avenue and containing at least one contributing structure, the maximum building height for ground floor additions to existing structures, whether attached or detached, shall be as follows:

- (1) For existing structures greater than five stories in height, the maximum height shall be limited to ten stories or the height of the roof line of the main structure on site, whichever is less. At the discretion of the historic preservation board, the maximum height of the ground floor addition may exceed ten stories if the existing and surrounding structures are greater than five stories in height, provided the addition is consistent with the scale and massing of the existing structure.
- (2) For existing structures five stories or less in height, the maximum height shall be limited to five stories.

Additionally, the proposed addition shall not substantially reduce existing or established view corridors, nor impede the appearance or visibility of architecturally significant portions of an existing structure, as determined by the historic preservation board.

(d) Notwithstanding the above, for oceanfront lots located in the architectural district, the overall height of an attached addition may exceed five stories and 50 feet, but shall not exceed the height of the roof line of the structure attached to, provided all of the following conditions are satisfied:

- (1) The proposed addition shall consist of the expansion of existing hotel units only and shall not result in an increased number of units.
- (2) The proposed addition shall be for hotel units only. A restrictive covenant, running with the land, or other similar instrument enforceable against the owner(s), acceptable to and approved as to form by the city attorney, shall be required to ensure that the units remain as hotel units for a minimum of 30 years. If the applicant is unable to provide such a covenant, this requirement may be waived by the city manager if it is demonstrated that the project provides an extraordinary public benefit to the surrounding area.
- (3) The proposed addition shall not be attached to front, street side or oceanfront elevations, nor along any other principal elevations or facades, as determined by the historic preservation board.
- (4) The proposed addition shall not substantially reduce existing or established view corridors, nor impede the appearance or visibility of architecturally significant portions of an existing structure, as determined by the historic preservation board.

(e) A ground floor addition relocating existing hotel units shall also meet the following conditions, in

addition to subsection (d)(2)—(4) above:

- (1) There shall be no neighborhood impact establishment, dancehall or entertainment use in the area of the proposed addition;
 - (2) No new outdoor or open air entertainment establishment shall be created on the property. Outdoor or open air entertainment establishments existing as of the effective date of this subsection (November 24, 2012) may continue but shall not be expanded if a property avails itself of this provision.
 - (3) Upon approval of the proposed addition by the historic preservation board, no building greater than two stories or 25 feet in height shall be constructed between the rear of the building and westward line of the dune overlay district. This provision shall not be subject to variance.
 - (4) Notwithstanding the provisions in subsection 142-1161(d), if the building presently contains unoccupied but built spaces enclosed on at least three sides by existing walls of a height that would conceal a new roof, such as false parapets or storage rooms, those spaces may be further enclosed as habitable floor area, up to the permitted floor area; and
 - (5) No new commercial uses shall be permitted on the rooftop or any open air decks of the existing structure or proposed addition.
- (f) Notwithstanding the above, for oceanfront lots located in the architectural district, with a lot area greater than 115,000 square feet, a ground floor addition, whether attached or detached, may exceed 50 feet in height, but shall not exceed 200 feet in height, in accordance with the following provisions:
- (1) Placement of the structure. The ground floor addition shall be located internal to the site, and shall be set back a minimum of 100 feet from the front property line, 75 feet from the street side property lines, and 100 feet from the rear (oceanfront) property line.
 - (2) Limits on the floorplate of additions exceeding 50 feet in height. The maximum floor plate size for the portion of an addition that exceeds 50 feet in building height is 15,000 square feet per floor, excluding projecting balconies. The historic preservation board may approve an increase in this overall floor plate, up to a maximum of 20,000 square feet per floor, excluding balconies, in accordance with the certificate of appropriateness criteria in chapter 118, article X of these land development regulations.

(Ord. No. 89-2665, § 6-4(B), eff. 10-1-89; Ord. No. 94-2949, eff. 10-15-94; Ord. No. 94-2954, eff. 11-30-94; Ord. No. 97-3097, § 2, 10-8-97; Ord. No. 98-3107, § 1, 1-21-98; Ord. No. 98-3149, § 1, 11-4-98; Ord. No. 98-3150, § 1, 11-4-98; Ord. No. 2000-3233, § 1, 3-4-00; Ord. No. 2005-3483, § 4, 5-18-05; Ord. No. 2007-3588, § 1, 12-12-07; Ord. No. 2007-3589, § 1, 12-12-07; Ord. No. 2011-3744, § 6, 10-19-11; Ord. No. 2012-3784, § 1, 11-14-12; Ord. No. 2013-3808, § 3, 9-11-13; Ord. No. 2017-4148, § 7, 10-18-17; Ord. No. 2017-4149, § 6, 10-18-17; Ord. No. 2018-4158, § 2, 1-17-18; Ord. No. 2019-4275, § 3, 6-5-19; Ord. No. 2019-4285, § 1, 7-31-19; Ord. No. 2019-4315, § 1, 10-30-19)

Sec. 142-247. - Setback requirements.

(a) The setback requirements for the RM-3 residential multifamily, high intensity district are as follows:

	Front	Side, Interior	Side, Facing a Street	Rear
At-grade parking lot on the same lot	20 feet	5 feet, or 5% of lot width, whichever is greater	5 feet, or 5% of lot width, whichever is greater	Non-oceanfront lots—5 feet Oceanfront lots —50 feet from bulkhead line

Subterranean and pedestal	20 feet Except lots A and 1—30 of the Amended Plat Indian Beach Corporation Subdivision and lots 231—237 of the Amended Plat of First Ocean Front Subdivision—50 feet	Sum of the side yards shall equal 16% of lot width Minimum—7.5 feet or 8% of lot width, whichever is greater. Notwithstanding the foregoing, rooftop additions to contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks.	Sum of the side yards shall equal 16% of lot width Minimum—7.5 feet or 8% of lot width, whichever is greater	Non-oceanfront lots—10% of lot depth Oceanfront lots—20% of lot depth, 50 feet from the bulkhead line whichever is greater. Notwithstanding the foregoing, rooftop additions to non-oceanfront contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks.
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Tower	20 feet + 1 foot for every 1 foot increase in height above 50 feet, to a maximum of 50 feet, then shall remain constant. Except lots A and 1—30 of the Amended Plat Indian Beach Corporation Subdivision and lots 231—237 of the Amended Plat of First Ocean Front Subdivision—50 feet	The required pedestal setback plus 10% of the height of the tower portion of the building. The total required setback shall not exceed 50 feet. Notwithstanding the foregoing, rooftop additions to contributing structures in a historic district and individually designated historic district buildings may follow existing nonconforming side, interior pedestal setbacks.	Sum of the side yards shall equal 16% of the lot width Minimum—7.5 feet or 8% of lot width, whichever is greater	Non-oceanfront lots—15% of lot depth Oceanfront lots—25% of lot depth, 75 feet minimum from the bulkhead line whichever is greater. Notwithstanding the foregoing, rooftop additions to non-oceanfront contributing structures in a historic district and individually designated historic district buildings may follow existing nonconforming side, interior pedestal setbacks.
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Notwithstanding the above, oceanfront lots located in the Miami Beach Architectural District shall be permitted to construct detached additions at a height not to exceed 25 feet and shall have setback requirements as follows:

Side, interior: Five feet.

Side, street: Five feet.

Rear: Ten percent of lot depth or the western edge of the Oceanfront Overlay, whichever is greater.

(b) In the Morris Lapidus/Mid-20th Century Historic District the following shall apply:

- (1) Roof-top additions, whether attached or detached, may follow the established lines of the interior side setbacks of the existing structure on the site, subject to the review of the historic preservation board.

(Ord. No. 89-2665, §§ 6-4(C), 6-5, eff. 10-1-89; Ord. No. 90-2722, eff. 11-21-90; Ord. No. 91-2767, eff. 11-2-91; Ord. No. 93-2885, eff. 11-27-93; Ord. No. 96-3050, § 2, 7-17-96; Ord. No. 98-3108, § 2, 1-21-98; Ord. No. 2014-3853, § 1, 4-23-14; Ord. No. 2014-3879, § 2, 6-11-14; Ord. No. 2018-4160, § 2, 1-17-18; Ord. No. 2019-4315, § 1, 10-30-19)

Sec. 142-248. - Additional regulations for new construction.

In the RM-3, residential district, all floors of a building containing parking spaces shall incorporate the following:

- (1) 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.
- (2) Residential uses above the first level along every facade facing a waterway.
- (3) For properties less than 60 feet in width, the total amount of residential 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 uses; the total amount of residential space shall be determined by the design review or historic preservation board, as applicable, based upon their respective criteria.

(Ord. No. 2006-3510, § 4, 3-8-06)

REGIONAL DESCRIPTION

Florida's Economic Conditions

The Summary of Commentary on Current Economic Conditions is a regionalized economic report published by the Federal Reserve Board eight times a year. This report is informally referred to by economists as The Beige Book. The Atlanta Fed territory includes Alabama, Florida, Georgia, and portions of Louisiana, Mississippi, and Tennessee.

The most recent *Beige Book*, issued October 21, 2020, reported that, economic conditions in the Sixth District improved slightly over the reporting period but remained below pre-COVID-19 levels. Labor market activity improved modestly as employers continued to add to payrolls. Nonlabor costs remained generally muted, but costs related to construction and COVID-19 safety measures continued to rise. Retail sales grew but largely remained below year-earlier levels. Softness in tourism and hospitality persisted as COVID-19 restrictions continued to limit activity in many parts of the District. Residential real estate demand and home prices increased while inventory levels remained tight. Commercial real estate activity stabilized. Manufacturing activity increased and new orders and production levels rose. Banking conditions stabilized, and loan loss reserves continued to grow.

Employment and Wages – Contacts reported modest improvements in labor market conditions since the last report. On balance, District employers continued to add to payrolls over the reporting period. Firms continued to slowly recall workers as demand returned. However, several contacts reported that some prior staff cutbacks had become permanent, while others noted using attrition to shrink headcount. Many contacts indicated that the pool of available workers was ample and speculated that the expiration of the enhanced unemployment insurance benefit had begun to improve the supply of workers for lower-skilled positions. Employers remained concerned about workers' abilities to balance workloads with the demands of childcare and the return to school, in person or virtual.

Reports on wages and compensation varied among contacts. Some businesses rescinded salary cuts, while others maintained pay cuts and salary freezes. Wage increases remained concentrated at the low end of the pay scale.

Prices – Over the reporting period, contacts noted some rising input costs, particularly for lumber and steel. Expenses associated with personal protective equipment, testing, and sanitation practices to protect employees and customers from COVID-19 remained significant, and increased technology expenses for extended work-from-home postures were also reported. Insurance costs were also cited as increasing. Pricing power remained muted, with little ability to pass

through these costs. The Atlanta Fed's Business Inflation Expectations survey showed year-over-year unit costs decreased significantly, from 1.5 percent in August to 1.3 percent on average in September. Year-ahead expectations remained largely unchanged at 1.6 percent.

Consumer Spending and Tourism – Reports from retail contacts were little changed from the previous report. Sales relative to this time last year remained soft but were better than expected with continued strength in home-related products. Contacts in Florida and Louisiana anticipate an uptick in demand as those states implemented final phases of reopening. Contacts shared concerns for the upcoming holiday season sales period, citing political uncertainty and the potential for another spike in COVID-19 cases as potentially hampering sales growth.

Travel and tourism contacts reported that although demand through the summer season was softer than a year ago, tourism activity through early October was recovering slowly. COVID-19 restrictions continued to negatively impact the industry in most District states as hospitality contacts reported that group travel and conference bookings continued to be postponed or cancelled through the second quarter of 2021.

Construction and Real Estate – Demand for housing continued to recover, and new home construction continued to fall short of demand. Inventory levels of existing homes dropped to historic lows and shortages are expected to remain a long-term market headwind. Limited supply and rising construction costs have led to increased upward pressure on prices. However, historically low interest rates continued to help offset rising prices. Contacts shared concerns over potential higher mortgage defaults as surges in delinquencies in markets such as Orlando and Miami were noted.

Commercial real estate (CRE) contacts reported continued stabilization amidst improving employment conditions and customer traffic. Hospitality, which was especially hard hit at the onset of the pandemic, was generally stagnant. Retail remained challenged; however, contacts reported marginal improvement as rent collections increased at poor performing shopping centers. The rate of unit leasing remained muted compared with pre-pandemic rates. Owners of lower-price multifamily properties reported an increase in late rent payments and some softening in occupancies. While improving, low levels of tourism and travel were having a notable impact on activity across the hospitality and retail sectors. Due to slower transaction and leasing volumes, asset valuation remained difficult.

Manufacturing – Manufacturing contacts reported an increase in overall business activity since the previous report. Firms indicated that new orders and production levels rose, and supply delivery times increased. Finished inventory levels were also reported to have increased, after declining over the last three reporting periods. Expectations for future production levels rose, with half of contacts surveyed expecting higher levels of production over the next six months.

Transportation – Transportation activity across the District improved over the reporting period. Trucking firms reported that shipments of consumer staples and building materials remained above pre-COVID-19 levels. Port contacts reported significant growth in container traffic, driven by increases in e-commerce, and ocean carriers were operating at full capacity and reinstating vessels that were suspended as a result of the pandemic. Railroads reported that overall traffic improved, intermodal shipments of consumer goods strengthened, and industrial freight volumes stabilized but were down from year-earlier levels. Inland waterway contacts noted that demand for barge services was below pre-pandemic levels, owing primarily to fewer shipments of domestically-produced refined products.

Banking and Finance – Conditions at financial institutions stabilized over the reporting period. Earnings remained pressured by compressed net interest rate margins and higher provisions for loan losses. Persistently elevated deposit levels kept liquidity strong. Loan growth was flat as underwriting conditions remained tight for many loan products outside of portfolios such as residential real estate. Requests for additional forbearance on loan payments declined.

Energy – Hurricanes Laura and Sally made landfall within the District during the reporting period, causing supply disruptions as production, refining, and chemical processing activity stalled, according to energy contacts. Power generation, transmission, and distribution infrastructure in southwest Louisiana was severely damaged by Hurricane Laura, leaving hundreds of industrial sites without power for a sustained period. Crude oil refiners continued to experience weak demand amidst a global inventory glut. Refining contacts noted that utilization rates remained near historically low levels and are expected to remain low heading into the fall or until fuel prices rise enough to justify increasing output. Still, some energy contacts reported that large industrial petrochemical refining and chemical processing plant expansion projects that were delayed earlier in the year were gradually picking up again. Utilities contacts noted ongoing investment and integration of renewable energy resources.

Agriculture – Agricultural conditions remained weak. While drought-free conditions prevailed in most parts of the District, some producers reported crop and infrastructure damage caused by Hurricanes Laura and Sally. The USDA reported that District farmland values were up on a year-over-year basis except in Florida where cropland value was unchanged. Cotton, peanut, and rice harvesting progressed, though below the pace of their five-year averages, while soybean harvesting was near its five-year average. The USDA reported that in August, year-over-year prices paid to farmers were up for cotton, rice, soybeans, and milk, but down for corn, cattle, broilers, and eggs. On a month-over-month basis, prices increased for rice, soybeans, and cattle but decreased for corn, cotton, broilers, eggs, and milk.

Source: The Summary of Commentary on Current Economic Conditions (The Beige Book)

Florida Market

Snapshot

FLORIDA MARKET MSA SNAPSHOT						
MSA	<u>Population</u> Median Age	<u>Office SF</u> Vacancy	<u>Industrial SF</u> Vacancy	<u>SF Home Sales Inc.</u> Median SP Inc.	<u>Airport</u> Domestic/Int'l Flights	<u>Seaport</u> Tonnage
Orlando 	2,440,000 39.1	43.27 million 6.80%	113.1 million 6.30%	+1.8% +3.6%	<u>Orlando Int'l</u> 92/59 <u>Orlando Sanford Int'l</u> 74/13	<u>Port Canaveral</u> 4.63 million
Includes Orange, Seminole, Lake, and Osceola Counties						
South Florida 	6,166,488 39.7	235.6 million 8.90%	447.10 million 4.73%	-4.2% +7.9%	<u>Miami Int'l</u> 59/104 <u>Fort Lauderdale Int'l</u> 84/66 <u>Palm Beach Int'l</u> 31/3	<u>Port Miami</u> 9.16 million <u>Port Everglades</u> 25.30 million <u>Port of Palm Beach</u> 2.48 million
Includes Miami-Dade, Broward, and Palm Beach Counties						
Tampa Bay 	4,582,512 42.3	66 million 6.80%	212.40 million 5.70%	+2.3% +9.2%	<u>Tampa Int'l</u> 67/16 <u>St. Petersburg-Clearwater Int'l</u> 53/2 <u>Sarasota-Bradenton Int'l</u> 37/1	<u>Port Tampa Bay</u> 44.5 million
Includes Hillsboro, Pinellas, Hernando, and Pasco Counties						
Jacksonville 	1,688,952 38.8	65.2 million 8.40%	143 million 5.00%	+9.6% +9.6%	<u>Jax Int'l Airport</u> 32/0	<u>Port of Jacksonville</u> 10.9 million
Includes Baker, Clay, Duval, Flagler, Putnam, Nassau, and St. Johns Counties						

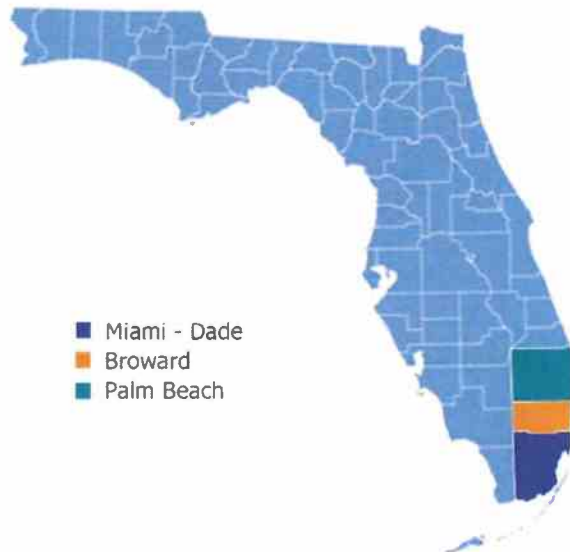
Source: CoStar, Florida Realtors, Census Bureau, South Florida Business Journal

Above are the pre-COVID-19 figures for the major market areas in Florida. It is still uncertain what long-term effects will result from the COVID-19 pandemic for each industry. Federally mandated shutdowns and social distancing guidelines were implemented beginning in March 2020. Since that time, airports and seaports have seen extreme decreases in activity. Passenger cruise lines have completely shut down with recent announcements to remain closed until September 2020. Port activity involving cargo and petroleum have remained active. Passenger flights have been significantly reduced due to the significant lack of demand. Some airports have received funding from the CARES Act and have continued ongoing expansion and construction projects during this time. The airline industry is projected to re-stabilize in 2022.

South Florida Regional Analysis

Market Definition

The Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area comprises the area generally known as the South Florida Region (South Florida), which includes Miami-Dade, Broward and Palm Beach Counties.



With over 6.2 million residents, the South Florida metropolitan area is easily the most populous in Florida and the Southeastern United States. It is also eighth-most populous in the United States. It is part of the South Florida region and is partially synonymous with the Gold Coast.

The South Florida metropolitan area consists of three distinct metropolitan divisions, subdividing the region into three divisions according to the region's three counties:

- Miami-Dade County,
- Broward County, and
- Palm Beach County.



MIAMI



FORT LAUDERDALE



PALM BEACH

Metropolitan divisions include Miami, Fort Lauderdale, and Palm Beach.

The largest cities by population in the South Florida Region are noted on the following table:

South Florida MSA Largest Cities

CITY	POPULATION (2020)	COUNTY
Miami	497,924	Miami-Dade
Hialeah	239,956	Miami-Dade
Fort Lauderdale	189,321	Broward
Pembroke Pines	168,949	Broward
Hollywood	151,818	Broward
Miramar	138,873	Broward
Coral Springs	129,263	Broward
West Palm Beach	116,781	Palm Beach
Miami Gardens	114,363	Miami-Dade
Pompano Beach	112,941	Broward
Davie	105,050	Broward

Source: UF – BEBR

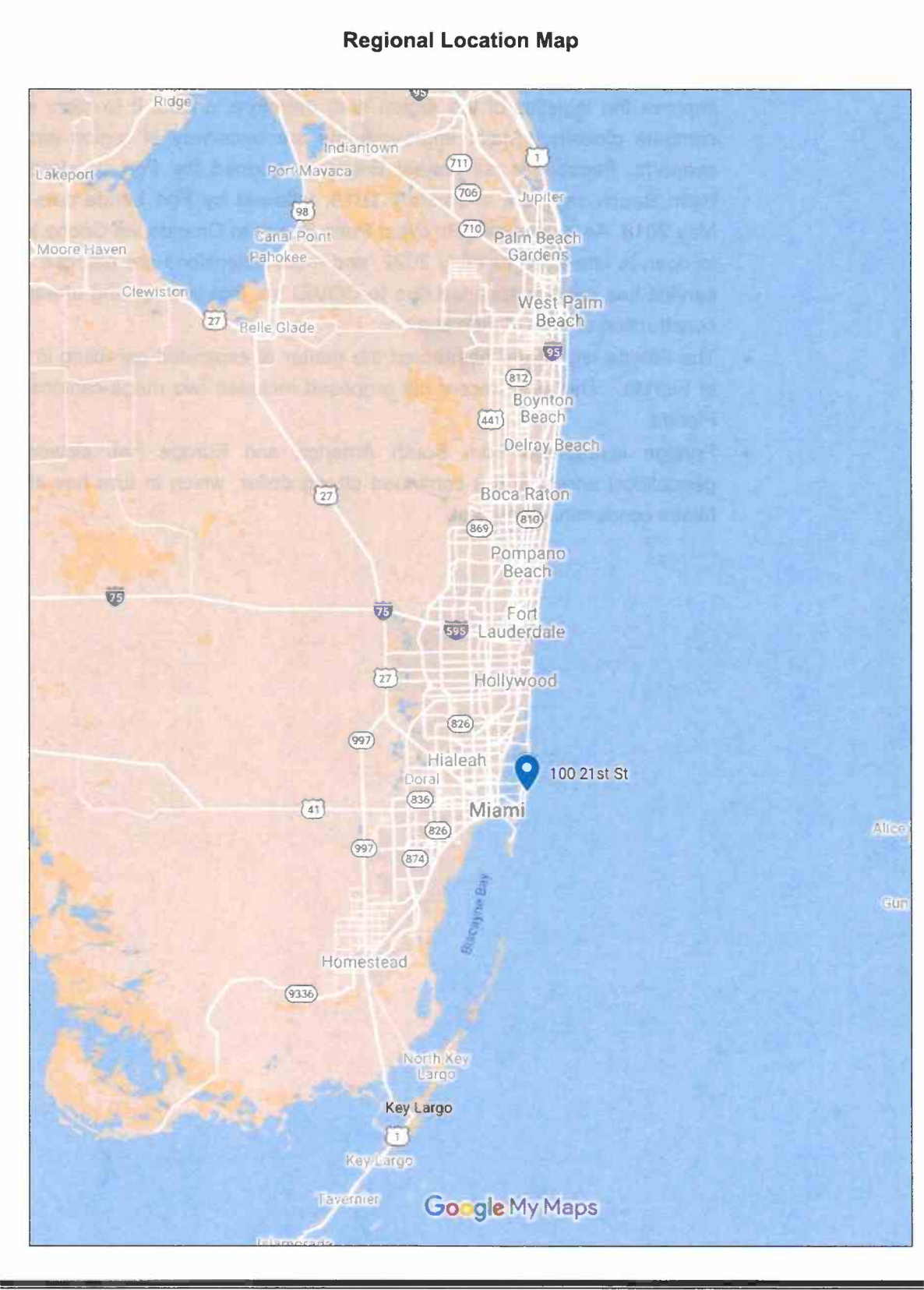
Current Trends

Prior to COVID-19 the South Florida economy was buoyed by strong job growth, a steady housing market, robust tourism, and increased construction activity. The South Florida's economy was in full gear with minimal headwinds outside of the potential for short term economic damage from the COVID-19 related measures.

- As of November 2020, Florida has reported roughly half the unemployment claims, relative to its labor market size, when compared to the national average. Florida reported close to 750,000 unemployment claims as of August, with a total labor market of 12 million. Compared to total U.S. unemployment claims over the same period, where close to 22.5 million out of a total labor market of close to 163.5 million have filed claims, Florida is reporting roughly half of the national average. Broward County added 6,500 jobs in the month of September, with Miami and Palm Beach adding 8,000 and 9,200 respectively.
- The housing market has nearly fully recovered and is generally in equilibrium except for the Miami condo market, which is overbuilt. The market took a slight pause due to COVID but is generally ok.
- Demand by foreign buyers and investors, mainly from South America, has slowed the Miami residential condominium market. Penthouse sales reflect the bulk of residential condo resale activity.
- Cruise and air travel have come to a standstill, but 2021 and 2022 bookings are steady. The South Florida hospitality industry has taken a significant hit from the stoppage in passenger cruise lines and air travel and is slowly recovering.
- Gross regional economic output was also increasing but has stumbled and will continue to struggle for a few quarters before until it regains its footing.

Other Items of Note:

- Major transportation and infrastructure projects are planned or underway to improve the logistics of the region and, therefore, enable it to more effectively compete globally. Major improvements are underway at region airports and seaports. Passenger rail project Brightline opened the Fort Lauderdale–West Palm Beach segment in January 2018, followed by Fort Lauderdale–Miami in May 2018. An extension from West Palm Beach to Orlando via Cocoa is planned to open in late 2021 or early 2022, and more extensions are planned. The train service has been suspended due to COVID but they are moving ahead with the construction of the Orlando station.
- The Florida legislature has tabled the matter of expanded gambling in the State of Florida. The most recent bill proposed included two mega-casinos in South Florida.
- Foreign investment from South America and Europe has slowed due to geopolitical unrest and a continued strong dollar, which in turn has slowed the Miami condominium market.



Demographic Characteristics and Trends

Due to its temperate weather and relatively low taxes, South Florida has long been a popular retirement destination. As a result, South Florida's median age of 41 years is approximately the same as that of Florida, and four years older than the national average. Overall, South Florida's level of affluence and educational attainment is consistent with national averages. Within the South Florida market, however, there are notable differences between counties with regard to income and educational attainment levels with Palm Beach County having the area's highest levels and Miami-Dade County having the lowest. Overall, nearly 30% of the region's population holds a Bachelor's degree or better, and approximately 18% of its households have annual incomes of greater than \$100,000.

Other items of note:

- The South Florida population is slightly younger than the state average but older than the national average. Palm Beach County is the oldest with a median age of 43.8 years. Miami-Dade and Broward Counties' median ages are 38.8 years and 39.9 years, respectively. Florida has a median age of 38.7 years compared to the national average of 35.3 years.
- According to the US Census Bureau South Florida's median household income tumbled more than 14% in five years, although the decline appears to be slowing. In 2011, the median household income fell to \$48,880 in Broward County; \$40,552 in Miami-Dade County; and \$48,953 in Palm Beach County. The current median family income for Florida is \$54,777. Real median family income peaked in 2007 at \$63,084 and is now \$8,307 (13.17%) lower.
- The Census Bureau found that the number of South Floridians living below the poverty level has also increased over the past five years. Last year, 11.1% of Broward families and 11.6% of Palm Beach County families were in poverty. Approximately 15.6% of Miami-Dade residents live below the poverty level versus 15.6% for overall Florida.

Demographic Characteristics – South Florida vs. United States

Characteristic	South Florida	U.S.
Median Age (years)	39.8	37.4
Average Annual Household Income	\$64,767	\$69,636
Median Annual HH Income	\$43,311	\$49,231
<i>by Annual Income Level:</i>		
< \$25,000	29.4%	25.4%
\$25,000 to \$49,999	26.8%	25.3%
\$50,000 to \$74,999	16.9%	18.1%
\$75,000 to \$99,999	10.2%	11.7%
\$100,000 plus	16.8%	19.5%
<i>Education breakdown:</i>		

Characteristic	South Florida	U.S.
< High School	17.3%	14.6%
High School Graduate	27.6%	28.4%
College < Bachelor Degree	26.8%	28.9%
Bachelor Degree	17.9%	17.7%
Advanced Degree	10.4%	10.4%

Source: Claritas, Inc.

Population

According to the 2020 U.S. Census Bureau estimation, Florida's population is nearing 21.6 million during the past year and added more residents than every state but Texas. No. 1 remains California, with a population of 39.5 million, and No. 2 is Texas, with 28.9 million. The overall U.S. population is 328.2 million. Florida added 233,420 residents from July 1, 2018, to July 1, 2019. That ranked Florida second in number of new residents, as well as ninth in percentage gain, with a 1.10 percent year-over-year increase.

With an estimated population of 21.6 million, the migration rate into Florida from other states and other countries was the highest in the country in the past year. More of Florida's population gain was the result of people moving into Florida, rather than babies born here. The relatively narrow difference between Florida's birth rate and death rate kept the state's overall population from growing even faster. This trend has increase as residents continue to emigrate from high tax states Illinois, New York and New Jersey.

During the past year, there was a net domestic migration of 132,612 people moving to Florida from other states and a net migration of 129,525 people moving to Florida from other countries.

South Florida Population – 2020 Estimates

County	1990	2000	2010	2020	% Change 2010-2020
Miami-Dade	1,937,194	2,253,786	2,496,457	2,832,794	13.39%
Broward	1,255,531	1,623,016	1,748,066	1,932,212	10.53%
Palm Beach	863,503	1,131,190	1,320,134	1,466,494	11.09%
South Florida	4,056,228	5,007,992	5,564,635	6,231,500	11.98%
Florida	12,938,071	15,982,813	18,810,310	21,596,068	14.81%

Source: State of Florida - EDR

Miami-Dade County is the most populous among the South Florida counties, with just over 45% of the region's population, followed by Broward and Palm Beach Counties with

31.0% and 23.5%, respectively. Population projections are depicted in the following table.

Population Projections by County – South Florida MSA – 2015 – 2025

Population (000's)	2015	2020	2025	Compound Annual Growth Rate 15-20	Compound Annual Growth Rate 15-25
United States	321,369	334,503	347,335	1.0%	0.9%
South Florida	5,859.7	6,231.5	6,540.6	1.2%	1.2%
Miami-Dade County	2,653.9	2,832.8	2,995.9	1.3%	1.3%
Broward County	1,827.4	1,932.2	1,989.8	1.0%	0.9%
Palm Beach County	1,378.4	1,466.5	1,554.9	1.4%	1.3%

Source: Florida Research and Economic Database (BEER)

While sources vary slightly, the consensus is that Florida is growing at a healthy pace and is now the third-largest state in the country based on population.

Other population highlights:

- Population growth is the state's primary engine of economic growth, fueling both employment and income growth, and helping various sectors of the local economy, including housing, retailing, and health care. That trend is expected to continue, given Florida's favorable climate and low tax environment. This trend has accelerated post COVID.
- Florida's population growth is expected to remain above 1.5 percent over the next few years. Most of Florida's population growth through 2030 will be from net migration (92.9%). Nationally, average annual growth will be about 0.75% between 2015 and 2030.
- The future will be different than the past; Florida's long-term growth rate between 1970 and 1995 was over 3%.
- Between 2010 and 2030, Florida's population is forecast to grow by over 5.2 million persons.
- Florida's older population (age 60 and older) will account for most of Florida's population growth, representing 55.8 percent of the gains.
- Florida's younger population (age 0-17) will account for 14.3 percent of the gains, while the young working-age group (25-39) will account for 18.3 percent of the growth.

Labor Market

Employment Distribution – With nearly 2.51 million in the labor force, South Florida represents nearly one-third of the total labor force in the State of Florida, which is primarily a service-based economy. The number can balloon during peak tourism times due to seasonal staffing. Service jobs represent more than 38% of non-agricultural employment. Trade is the most important industry in South Florida followed by tourism. Employment distribution in the Miami MSA is presented on the following table.

Employment Industries – South Florida Region

Industry	Percentage
Trade, Transportation & Utilities	23.14%
Professional & Business Services	16.98%
Education and Health Services	15.27%
Government	12.10%
Leisure & Hospitality	9.77%
Financial Activities	7.57%
Construction	5.49%
Other Services	4.32%
Manufacturing	3.48%
Information	1.88%

Source: Bureau of Labor Statistics, Southeastern Regional Office, September 2020

Major Employers – The Miami Area MSA is home to nine Fortune 500 companies – World Fuel Services (83), Publix Supermarkets (91), AutoNation (145), Lennar (154), NextEra Energy (184), Office Depot (285), Rockwell Collins (350), Ryder System (363), and MasTec (436) and a number of Fortune 1000 companies. The region's employers include national and international corporations that encompass a variety of industries including retail, biotechnology, and health care. The ten largest private sector employers in the region are ranked as follows:

South Florida MSA – Largest Employers

Rank	Employer	Employees	Product/Service
1	Publix Super Markets	39,232	Super Market
2	Baptist Health South Florida	23,345	Health Care
3	University of Miami	16,165	Private College
4	Memorial Healthcare System	14,330	Health Care
5	American Airlines	13,500	Airline
6	Jackson Health System	13,000	Health Care
7	Florida International University	10,728	Public College
8	Broward Health	8,379	Public Hospital
9	Comcast Cable Communications	8,000	Cable Provider
10	Miami Dade College	6,673	Public College

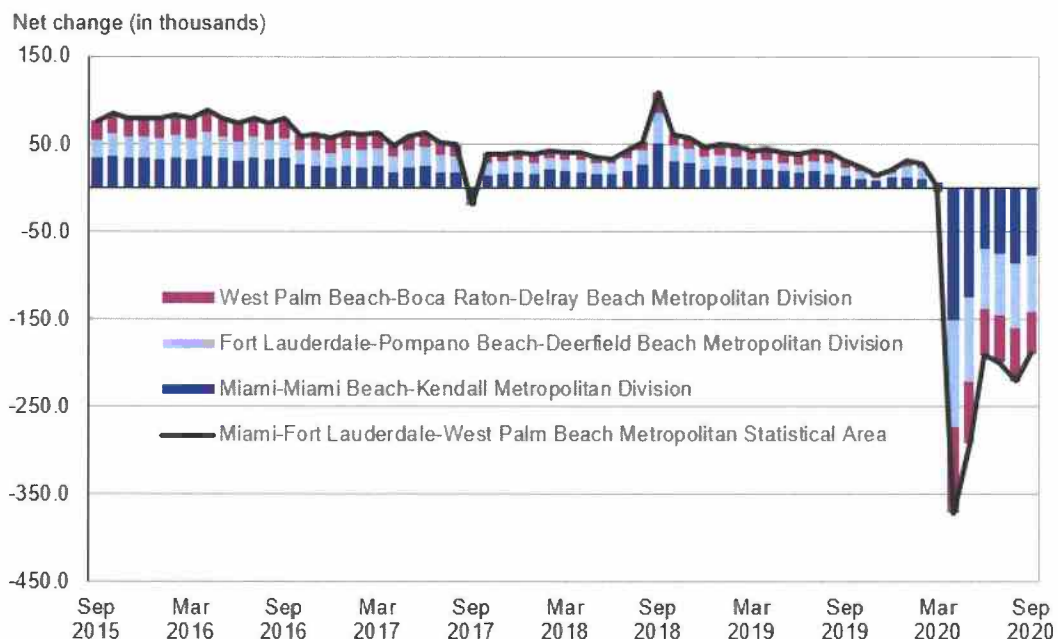
South Florida MSA – Top Public Sector Employers

Rank	Employer	Employees
1	Miami Dade Public Schools	38,324
2	Broward County Public Schools	32,899
3	Miami Dade County	28,290
4	Palm Beach County Schools	22,051
5	State of Florida	17,929
6	Broward County	6,312
7	Palm Beach County	6,000

Source: *South Florida Business Journal, Book of Lists, 2019*

Employment – Total nonfarm employment for the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area stood at 2,517,400 in September 2020, down 189,700 or 7.0 percent, over the year, the U.S. Bureau of Labor Statistics reported today. During the same period, the national job count declined 6.4 percent. Regional Commissioner Janet S. Rankin noted that the Miami area has had six consecutive months of unemployment declines.

Chart 1. Total nonfarm employment, over-the-year net change in the Miami metropolitan area and its divisions, September 2015–September 2020



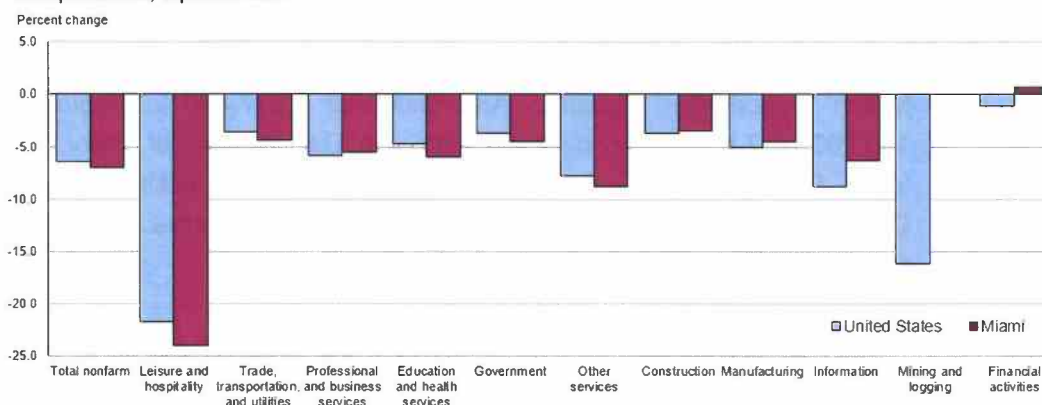
Source: U.S. Bureau of Labor Statistics.

All three metros lost jobs over the year. Miami-Miami Beach-Kendall, the largest of the three divisions (45 percent of the area's employment) lost 76,600 jobs from September a

year ago. The Fort Lauderdale-Pompano Beach-Deerfield Beach Division (32 percent), lost 65,900 jobs, while the West Palm Beach-Boca Raton-Delray Beach Division (23 percent) lost 47,200 jobs over the 12-month period.

Industry Employment – Employment in Miami's leisure and hospitality supersector fell sharply (-77,600) for the 12 months ending in September, the largest loss of jobs among local major industry sectors. In percentage terms, the leisure and hospitality supersector declined 24.0 percent in Miami; nationwide, the rate of job loss was 21.7 percent.

Chart 2. Total nonfarm and selected industry supersector employment, over-the-year percent change, United States and the Miami metropolitan area, September 2020



Source: U.S. Bureau of Labor Statistics

The trade, transportation, and utilities sector in the Miami area lost 26,700 jobs, a 4.4-percent decline over the year. About half of the jobs lost in this sector were in the Miami metropolitan division (-13,200). Nationally, employment in trade, transportation, and utilities was down 3.6 percent over the year.

The professional and business services supersector in the local area lost 25,000 jobs, down 5.5 percent; nationwide, employment in professional and business services was down 5.8 percent. Miami's education and health services industry lost 24,500 jobs over the year, down 6.0 percent; nationwide, employment in this supersector was down 4.7 percent.

Five other local area supersectors had job losses, ranging from 14,400 in government to 3,200 in information. Financial activities was the only local supersector to add jobs from September a year ago, up 1,300. Job gains in this supersector were concentrated in the Miami metropolitan division (+1,200).

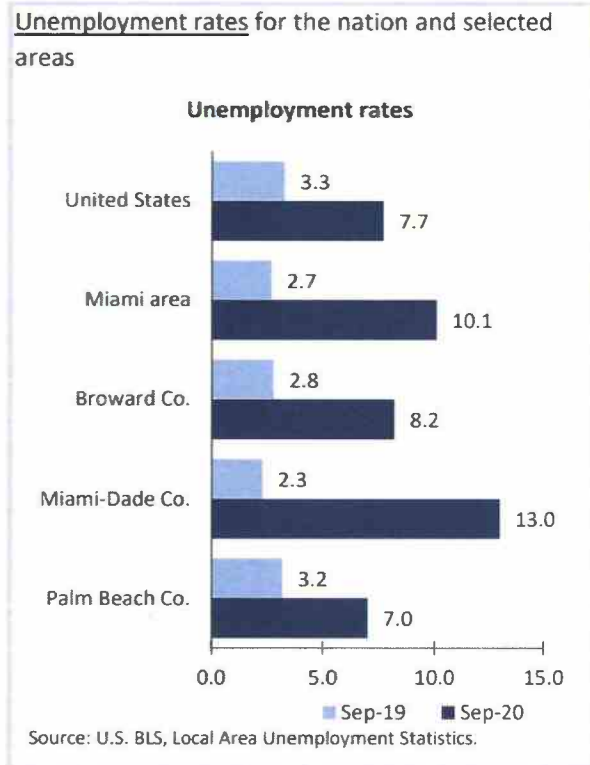
Miami-Fort Lauderdale-West Palm Beach was 1 of the nation's 12 largest metropolitan statistical areas in September 2020. All 12 areas had over-the-year job losses during the

period, with the rates of job losses in 7 areas exceeding the national decrease of 6.4 percent. New York-Newark-Jersey City had the fastest rate of job loss (-10.8 percent), followed by San Francisco-Oakland-Hayward (-10.6 percent). Phoenix-Mesa-Scottsdale (-2.9 percent) had the slowest rate of job loss.

Unemployment – According to the most recent released report from the Bureau of Labor Statistics, the Florida's seasonally adjusted unemployment rate was 10.1% in September 2020.

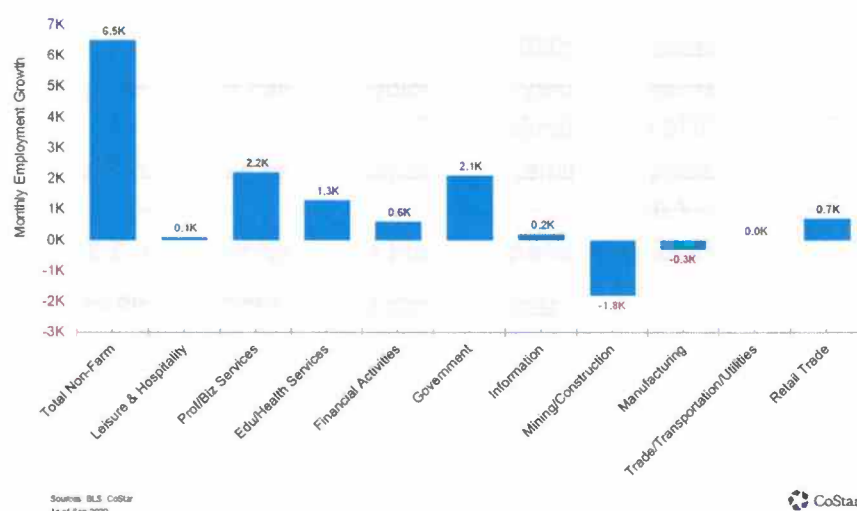
Southeastern Florida – Unemployment Rate Trends

- Miami-Dade's unemployment rose from 2.3% to 13.0% from September 2019 to September 2020.
- Broward County's unemployment also rose from 2.8% to 8.2% from September 2019 to September 2020.
- During that time, unemployment also jumped in Palm Beach County, from 3.2% to 7.0%.
- Nationwide, unemployment rates improved from 3.3% to 7.7%.

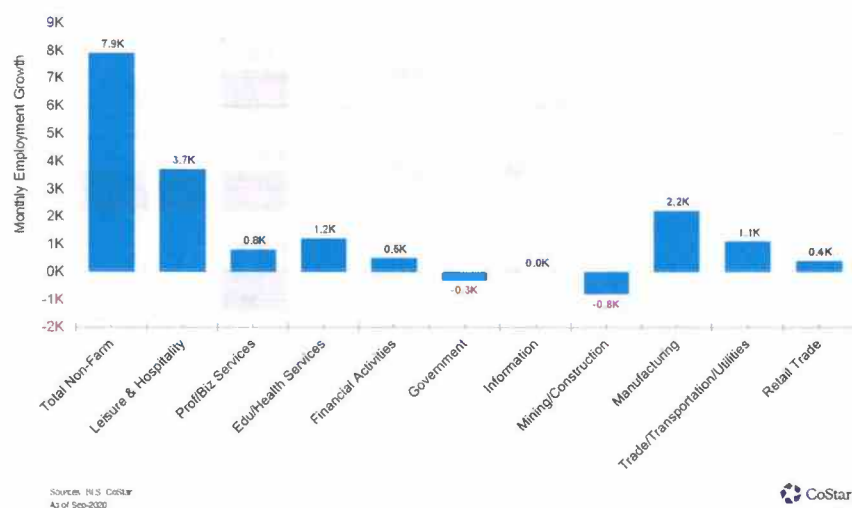


As of November 2020, Florida has reported roughly half the unemployment claims, relative to its labor market size, when compared to the national average. Florida reported close to 750,000 unemployment claims as of August, with a total labor market of 12 million. Compared to total U.S. unemployment claims over the same period, where close to 22.5 million out of a total labor market of close to 163.5 million have filed claims, Florida is reporting roughly half of the national average. Broward County added 6,500 jobs in the month of September, with Miami and Palm Beach adding 8,000 and 9,200 respectively.

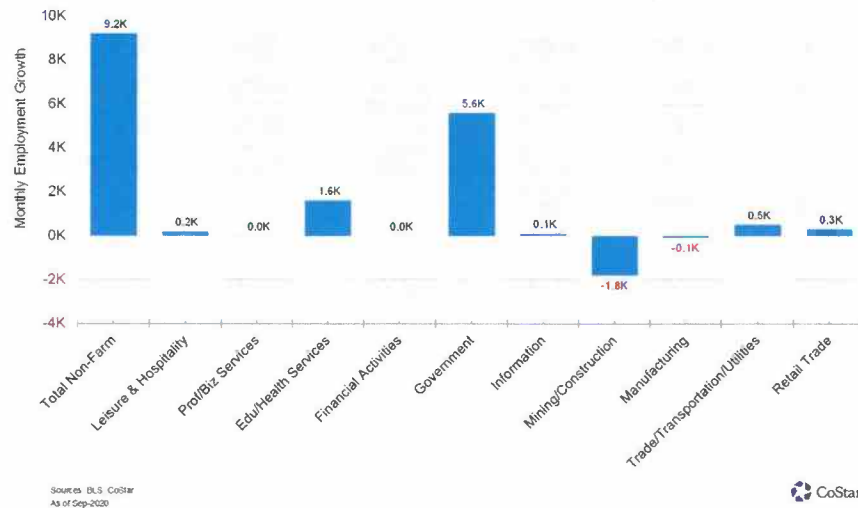
Fort Lauderdale Job Growth By Employment Sector, Aug-Sep



Miami Job Growth By Employment Sector, Aug-Sep



Palm Beach Job Growth By Employment Sector, Aug-Sep



As many states have gradually re-opened their economies, the return to some degree of economic normalcy could hinge on figuring out the extent of the damage to the local labor market, as well as putting a support mechanism in place to get money into the hands of those who have lost their jobs.

According to Oxford Economics, Florida is the country's fourth-most vulnerable economy following the onset of the coronavirus pandemic. Its ranking is driven by a high exposure to industries that depend on consumer discretionary spending, such as the retail and leisure and hospitality sectors, as well as its higher-than-average number of residents aged 65 and older and the high percentage of self-employed individuals and small businesses operating across the state.

However, adjusting the national 3.7% unemployment rate, pre-crisis, with the new jobless claims filed in the middle of the year provides an unemployment rate of just over 9%. Performing a similar calculation for the 3.1% pre-pandemic unemployment rate across the Florida markets with new jobless claims results in a figure that is closer to a more manageable 8%.

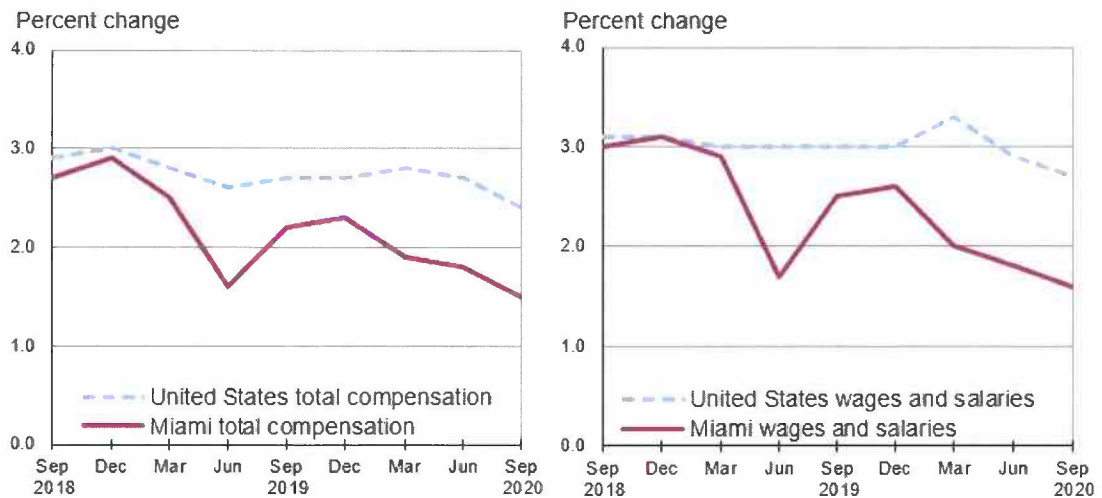
Retail tenants and apartment dwellers still remain the most vulnerable, as they make up the majority of those seeing significant loss of business activity or financial hardship caused by job losses. Potential delays in getting federal support checks or small-business loans will exacerbate the cash flow stress that many of those at risk are already facing, and will likely have a compounding negative impact on Florida's commercial real estate sector. Sole proprietors and small retail businesses are especially vulnerable as loss of income, even for a short period of time, can easily push a small company under.

While Florida has a similar share of its labor markets in the retail and leisure and hospitality sectors to the national breakdown, the spending drivers are different. Florida depends more on consumer's discretionary recreational spending at places like Disney World, while many other states depend on large corporations and business travel to drive spending.

In addition, many in Florida identified difficulties applying for unemployment benefits in March due to reported crashing of Florida's online application for reemployment assistance website because of high traffic volumes. Given the technical difficulties and Florida's exposure to recreational discretionary spending, it is likely that jobless claims reported since the onset of the pandemic do not fully reflect the extent of the true damage to the state's economy and jobs market.

Compensation Costs for Wages and Salaries – Total compensation costs for private industry workers increased 1.5 percent in the Miami-Fort Lauderdale-Port St. Lucie, FL metropolitan area for the year ending September 2020, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that one year ago, Miami experienced an annual gain of 2.2 percent in compensation costs. Locally, wages and salaries, the largest component of compensation costs, advanced at a 1.6-percent pace for the 12-month period ending September 2020. Nationwide, total compensation costs increased 2.4 percent and wages and salaries rose 2.7 percent from September 2019 to September 2020.

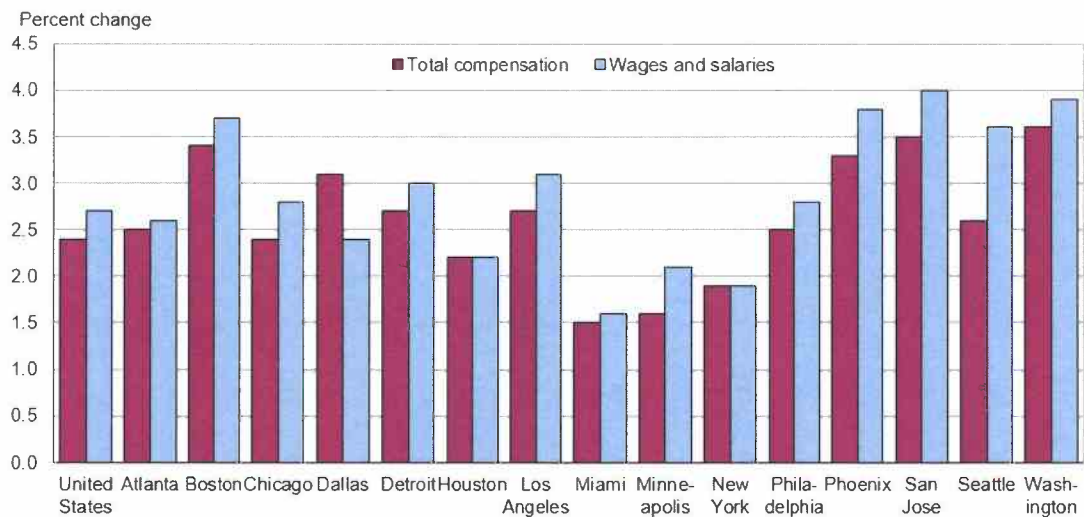
Chart 1. Twelve-month percent changes in the Employment Cost Index, private industry workers, United States and the Miami area, not seasonally adjusted, September 2018–September 2020



Source: U.S. Bureau of Labor Statistics.

Miami is 1 of 15 metropolitan areas in the United States and 1 of 5 areas in the South region of the country for which locality compensation cost data are now available. Among these 15 largest areas, over-the-year percentage changes in the cost of compensation ranged from 3.6 percent in Washington to 1.5 percent in Miami in September 2020. For wages and salaries, annual changes ranged from 4.0 percent in San Jose to 1.6 percent in Miami.

Chart 2. Twelve-month percent change in the Employment Cost Index, private industry workers, United States and localities, not seasonally adjusted, September 2020



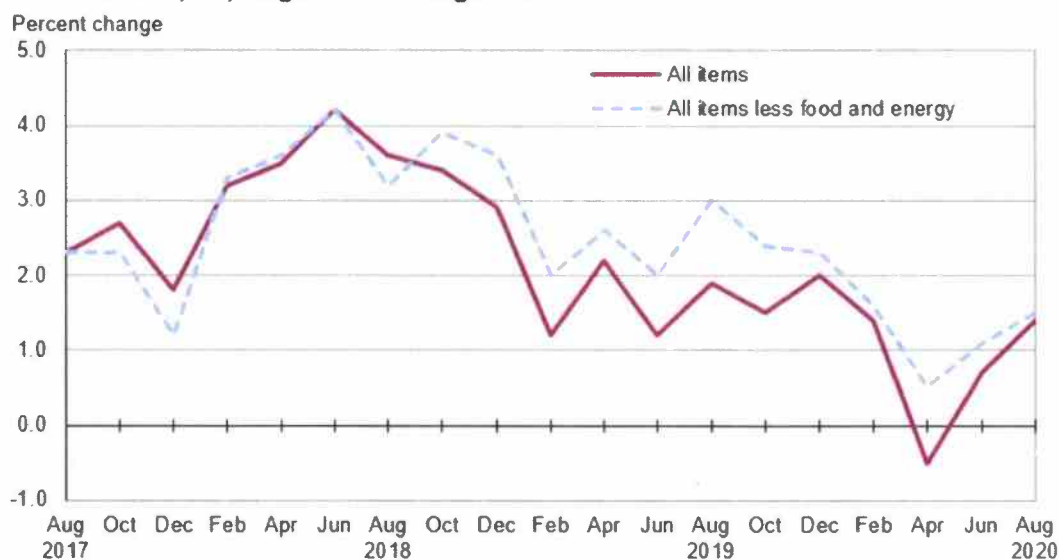
Source: U.S. Bureau of Labor Statistics.

Miami's 1.5-percent increase in compensation costs in the 12-month period ended September 2020 was below the 2.2 to 3.6 percent increase among the South's five metropolitan areas (Atlanta, Dallas, Houston, and Washington). Miami's 1.6-percent gain in wages and salaries over this 12-month period was also the smallest compared to rates ranging from 2.2-percent to 3.9-percent among the South's five metropolitan areas.

Consumer Price Index – The Consumer Price Index for All Urban Consumers (CPI-U) for Miami-Fort Lauderdale-West Palm Beach rose 1.0 percent from June to August, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the index for all items less food increased 1.0 percent over the bi-monthly period. The energy index rose 3.6 percent and the food index declined 0.5 percent from June to August.

The all items CPI-U rose 1.4 percent for the 12 months ending in August. The index for all items less food and energy rose 1.5 percent over the past year, while the food index jumped 7.9 percent. In contrast, the energy index fell 9.1 percent over the past 12 months.

Chart 1. Over-the-year percent change in CPI-U, Miami-Fort Lauderdale-West Palm Beach, FL, August 2017–August 2020



Source: U.S. Bureau of Labor Statistics.

- The food index declined 0.5 percent from June to August, reflecting decreases in the food at home (-0.6 percent) and food away from home (-0.3 percent) indexes. The food index advanced 7.9 percent for the 12 months ending in August, led by

an 11.9-percent jump in the food at home index. The food away from home index also increased over the past 12 months, up 2.4 percent.

- The energy index rose 3.6 percent from June to August, reflecting a 7.3-percent increase in the gasoline index. In contrast, the utility (piped) gas service index edged down 0.2 percent over the bi-monthly period. The electricity index was unchanged from June to August. The energy index fell 9.1 percent for the 12 months ending in August, led by a 13.9-percent decline in the gasoline index. The electricity index also declined, down 3.2 percent over the past 12 months.
- The index for all items less food and energy rose 1.0 percent from June to August. Shelter (0.8 percent), used cars and trucks (9.1 percent), and apparel (8.7 percent) were among the indexes to increase over the bi-monthly period. The index for all items less food and energy advanced 1.5 percent for the 12 months ending in August. The shelter index increased 1.7 percent over the past 12 months, while the medical care index advanced 3.9 percent. Motor vehicle insurance (-8.5 percent) was among the indexes to decline over the past year.

Housing Market

Sales activity spiked throughout South Florida in September, including condo sales.

Single-family homes sales jumped 24.6% to 4,567 in the tri-county area, compared to September 2019. The median sales price climbed 14% to \$419,000. Statewide, single-family home sales were up 22% and the median sales price grew 13.2% to \$300,000.

While condo sales have fallen sharply during the Covid-19 pandemic, there was a sharp rebound in September. There were 3,939 condo/townhouse sales in South Florida, a 12.1% increase. The median sales price was up 10.6% to \$220,000. Statewide, condo/townhouse sales soared 25.3% while the median was price increased 12.7% to \$217,500.

"And all indications are that we will continue to see strong sales this fall as mortgage interest rates will almost certainly remain at or near record lows," said Brad O'Connor, chief economist at the Florida Realtors. "New pending sales of single-family homes were very strong in September, rising by 31.4% year-over-year, while new pending sales of condos and townhouses were up a dramatic 43%."

Miami-Dade

Single-family home sales jumped 19.3% to 1,288 while the median sales price increased 15.2% to \$435,000. Sales were especially strong in the luxury market, with a 76.7% sales volume increase for homes of \$1 million and up. Active listings dropped 37%, so

the supply of inventory at the current sales pace was down to 3.8 months. That's a seller's market with relatively few homes for buyers to pick from.

Sales of condos/townhouses in Miami-Dade were up 6.3% to 1,233 while the median sales price increased 8.2% to \$265,000. Active listings declined 7%, so the supply of inventory at the current sales pace increased to 13.8 months. That's a buyer's market, with an over-supply of inventory for sale.

Broward

Single-family home sales surged 24.9% to 1,535 while the median sales price grew 15.6% to \$425,000, according to the Broward, Palm Beaches & St. Lucie Realtors. Sales of \$1 million-plus homes soared 204%. Active listings plummeted 39%, so the supply of inventory at the current sales pace fell to 2.6 months. That's a seller's market with extremely tight inventory levels.

Sales of condos/townhouse in Broward were up 5.2% to 1,449 while the median sales price increased 11.8% to \$190,000. Active listings inched up 2%, so the supply of inventory at the current sales pace grew to 6.5 months. That's a fairly balanced market between buyers and sellers.

"It's safe to say that the Covid-19 pandemic hasn't deterred buyers from purchasing homes," said Jarrod Lowe, president of the Broward, Palm Beaches & St. Lucie Realtors. "Low levels of inventory and historically low interest rates have played a huge role in the continued growth of Broward County prices."

Palm Beach County

Sales of single-family homes jumped 28.6% to 1,744 while the median sales price increased 12.7% to \$400,000, according to the Broward, Palm Beaches & St. Lucie Realtors. For homes of \$1 million and up, sales surged 72.1%. Active listings dropped 33%, so the supply of inventory at the current sales pace declined 2.9 months. That's a seller's market with extremely tight inventory levels.

Condo/townhouse sales in Palm Beach were up 28.8% to 1,257 while the median sales price climbed 9.4% to \$206,250. Active listings were flat, so the supply of inventory at the current sales pace increased to 5.1 months. That's a seller's market.

Hospitality and Tourism Market

Visit Florida, the state's official tourism marketing corporation, announced that 131.4 million out-of-state visitors came to Florida in 2019, a record number as compared to 126.1 million in 2018. That is the ninth consecutive record-breaking year for Florida

tourism. Visit Florida has concluded that in Q1 of 2020, over 31.4 million visitors have come to Florida. However, due to COVID-19, numbers are expected to fall severely.

Visit Florida also estimated:

- Florida has seen 10.93 million overseas visitors and 3.63 million Canadians in 2019, in addition to 116.88 million domestic visitors.
- So far in 2020, Florida has seen 2.42 million overseas visitors and 1.23 million Canadians in addition to 40.54 million domestic visitors.
- Passenger rates at the Fort Lauderdale International airport have declined as well as cruise ship passengers visiting Port Everglades
- As of August 2020, total flyers stood at 880,000, down from 3.3 million in January 2020.
- Port Everglades has temporarily discontinued cruises leaving the port, which saw numbers of 522,000 passengers in January 2020 alone.

Hospitality/Tourism trends in the South Florida market are as follows:

- The sharing economy continues to threaten the hospitality market albeit the market is currently on hold due to COVID.. A study from the American Hotel & Lodging Education Foundation found that the practice of frequently listing multiple properties on Airbnb was more prevalent in South Florida than in the nation's other largest metropolitan areas. Currently, less than 1 percent of the 15.4 million people who visited Miami-Dade County last year used Airbnb. That portion is expected to grow coincident with Airbnb's explosive growth, but attempts at regulation are well underway in many South Florida cities. The City of Miami Beach is currently in litigation with Airbnb.
- Global warming is also a potential challenge to South Florida's hospitality sector. Last year due to the extremely warm winters, less people traveled south.
- Airport and cruise travel have significantly been impacted due to Covid-19.
- The South Florida hospitality and tourism market has taken a major financial hit during 2020 due to the federally imposed restrictions on cruise and airline travel stemming from the Covid virus fight.



- Hotel occupancies rates currently stand at $\pm 50\%$, with average daily rates seeing similar numbers.
- In May 2020, RevPAR dropped -71.0% while the occupancy rate declined to 33.1%. More than 1 in 10 hotel rooms closed, leading from April 2020 being the worst month of this year.

Household Formation

During the real estate crisis, housing formation dropped by over half in the region. The following table compares historical and projected growth trends in household formation in South Florida and Florida overall.

Household Formation by County – South Florida – 2000 - 2019

Households (000's)	2000	2010	2019	Percent Change 00-10	Percent Change 10-19
Florida	6,338.1	7,420.8	8,427.7	17.1%	13.6%
South Florida	1,905.5	2,107.6	2,336.3	10.4%	10.9%
Miami-Dade County	776.9	867.4	986.2	11.6%	13.7%
Broward County	654.4	686.0	751.8	4.8%	9.6%
Palm Beach County	474.2	554.2	598.3	14.8%	7.9%

Source: UF - BEBR

Miami-Dade County had the largest increase in households state-wide between 2010 and 2019, growing by 118,801, followed by Broward increasing by 65,769, and Palm Beach increasing by 54,064. The recovery of sustained household formation is a concern for the region but a recent surge of millennials has entered the workforce and the housing market has recovered, so it is likely that these trends will help household formation.

South Florida Banking

Nearly all South Florida-based banks observed a loss in net income during Q2 2020, however, most still turned a profit according to the Federal Deposit Insurance Corp.

Miami Lakes-based BankUnited was South Florida's most profitable financial institution in the second quarter of 2020, with net income of \$80.6 million. BankUnited reported a loss of \$22.2 million in first quarter of the year.

Although most South Florida banks earned a profit, it was far below what they generated in recent quarters, according to FDIC data. The most profitable local banks include:

- Miami-based City National Bank of Florida, with net income of \$25.8 million. That's down from the \$39.2 million from a year ago in the second quarter of 2019.
- Coral Gables-based BAC Florida Bank, with \$5.5 million, down from \$6.2 million in Q1.

- Coral Gables-based Professional Bank, with net income of \$3.59 million, up from \$677,000 during the same period the year before. The bank became a publicly traded company earlier this year.
- Coral Gables-based Banesco USA with \$3.17 million, up from \$2.07 million in quarter one and \$1.9 million in Q2 2019.
- Coral Gables-based Amerant lost \$13.8 million in the second quarter. It was Florida's second least-profitable bank last quarter.
- Eight South Florida banks, including BankUnited, had first quarter losses. They include:
 - Miami-based Eastern National Bank with a loss of \$1.2 million. The bank lost \$1.58 million in the fourth quarter of 2019.
 - Miami-based Intercredit Bank, with a loss of \$467,000. The bank earned \$575,000 in Q4.
 - Hallandale-based Home Federal Bank of Hollywood with a loss of \$332,000. It lost \$218,000 in Q4.
 - Miami-based Pacific National Bank with a loss of \$230,000. The bank earned \$486,000 in Q4.
 - Miami-based Ocean Bank with \$6.06 million, a decline from \$9.4 million in Q4.

The state's 102 federally-insured banks had a combined net income of (-\$90,000) during the second quarter while banks reported a loss of \$281,000 in the first quarter, according to FDIC data.

While net income was down, Florida banks increased loans by a combined \$2.4 billion in Q1, the FDIC reports.

The non-current loan ratio, representing loan balances 90 or more days past due, was 2.84%, only slightly higher than the 2.76% rate reported in Q4. However, the state's non-current loan ratio has been steadily rising since the first quarter of 2019, when it was 2.53%.

Florida banks had almost \$192 billion in deposits, up \$22 billion from Q1. That could be a sign that consumers and businesses are focused on saving, rather than spending, their money.

Nationwide, the banking industry's net income fell 70% compared to a year ago, a reflection of the economic decline resulting from the Covid-19 pandemic, the FDIC reported. Almost 48% of all institutions reported annual declines in net income.

"Lower levels of business activity and consumer spending – combined with uncertainty about the path of the economy and the low interest rate environment – contributed to higher provisions for loan and lease losses, as well as a decrease in net interest margins," she said, describing the factors that led to profit losses.

Despite the Trump Administration relaxing regulatory matters, banks continue to operate in a challenging environment, particularly community banks. Low interest rates for an extended period have led some institutions to reach for yield, which has increased their exposure to interest-rate risk, liquidity risk, and credit risk. Current oil and gas prices continue to affect borrowers that depend on the energy sector, and have had an adverse effect on asset quality. These challenges will only intensify as interest rates normalize.

Other South Florida banking/lending trends are noted as follows:

- The Fed has continued to cut rates throughout 2020, and is expected to continue with this trend.
- Branch banking has slowed with trends moving towards mobile banking and Drive-Thru banking.
- Mergers and acquisitions should be announced as community banks are motivated due to burdensome Federal regulations. BB&T and SunTrust merged in a \$66 Billion deal to form the nation's 6th largest bank.
- The industry has started to lay off employees mostly in the mortgage space.

Conclusion/Key Points

- Market data strongly suggests that the South Florida economy was generally robust with only minor headwinds prior to COVID but Florida has exposure in the travel and hospitality space and the state economy, including South Florida has suffered greatly.
- Key economic variables such as population growth, employment growth, and housing, have all shown improvement prior to COVID and will need to rebound over the balance of 2020 and into 2021.
- Key ties to South America and Europe, that have helped fuel a housing market rebound, and strong ties to Latin America and the Caribbean, have slowed but remain a key driving force in the expansion in trade in the region.
- Prior to COVID, tourism had fully rebounded and there was expansion in the hospitality sector, although average occupancy had dropped off a bit with the introduction of new product. Post COVID the economic pain is considered to be severe for the balance of 2020 but slowly recover during 2021.

- Investments in infrastructure will also benefit the region coincident with the opening of the Panama Canal.
- South Florida commercial real estate is in state of flux with reduced transactional volume. COVID impacts are on a property by property basis and vary by location. Suffice it to say however, the South Florida commercial real estate market has been mostly negatively impacted.
- The Federal Reserve recently underwent additional quantitative easing and interest rates are now near zero for the first time in history.
- Florida's electorate recently elected a pro-business governor which favors the Florida economy. However, the economic impact of the President's administration's fiscal and business policies on the South Florida policy, namely tariffs is still being played out.
- Most experts agree the coronavirus will negatively impact the domestic economy but to what extent is unknown until it fully plays out. Of particular concern is the negative impact on hospitality and tourism, one of South Florida's major industries.

NEIGHBORHOOD DESCRIPTION

Neighborhood Location Map



Area/Neighborhood Description

General Location & Boundaries

The subject property is located at the southeast corner of Collins Avenue and 7th Street in Miami Beach. For purposes of this analysis, the subject neighborhood is defined as the area situated:

- East of Downtown Miami;
- West of the Atlantic Ocean, located approximately ½ mile east;
- South of the Arthur Godfrey Road; and
- North of the Fisher Island.

Location – The subject property is located within Miami Beach, a municipality which is situated on the barrier islands of Miami-Dade County between Biscayne Bay to the west and the Atlantic Ocean to the east. The bay separates Miami Beach from the city of Miami.



Miami Beach Viewing Southeast

Downtown Miami is located approximately three miles west of the subject. The immediate neighborhood is defined as the areas south of Dade Boulevard and north of Government Cut and are also known as the South Beach area of Miami Beach. Miami Beach comprises the county's barrier islands along the Atlantic Ocean from the South Beach area north to the Town of Surfside.

Access – Due to its island location, primary access to the neighborhood is provided by three causeways to the mainland areas of Miami-Dade County to the west. The Julia Tuttle Causeway/Interstate 195 at 41st Street in Miami Beach, runs west, and eventually connects to Interstate-95 and the Airport Expressway (State Road 112) in mainland areas of Miami. The Venetian Causeway connects to Dade Boulevard just north of 17th Street in Miami Beach, and the MacArthur Causeway/I-395 extends east/west from 5th Street to the north end of the Miami CBD.

Washington Avenue, Collins Avenue, and Alton Road are the primary north/south roadways through Miami Beach, while Dade Boulevard, 41st Street, 17th Street and 5th Street are the major east/west traffic arteries. Washington Avenue, Collins Avenue, and Alton Road are the primary north/south roadways through Miami Beach, while Dade Boulevard, 41st Street, 17th Street and 5th Street are the major east/west traffic arteries.



Collins Avenue

Description of Uses – Primarily developed since the 1920s, this neighborhood featured larger resort hotel properties along the oceanfront, with smaller apartment properties to the west of the community's oceanfront areas. By the 1960s, high-rise condominium development began to accompany the hotel projects, particularly on waterfront sites along Indian Creek and later spreading to oceanfront and bayfront properties throughout Miami Beach. Some single-family residential uses are noted in the western portions of the neighborhood, particularly in the area surrounding Alton Road, as well as the Sunset Islands and Venetian Islands in Biscayne Bay.

Supporting commercial uses such as strip retail buildings and freestanding stores and restaurants front the major thoroughfares including Collins Avenue, Washington Avenue, Alton Road and 5th Street. Mixed-use hotel and residential projects with ground-floor retail are prevalent along these thoroughfares as well. Office buildings are located near the heart of the city just north of Lincoln Road along 17th Street, which is also where the City Hall and the Miami Beach Convention Center can be found.

One of the most significant proposed developments in this area of Miami Beach over the past five years was a proposed pedestrian friendly, five-level parking structure and pedestrian plaza to be built by the City of Miami Beach to be located on the existing surface lots on the north side of the Miami City Ballet and the Miami Beach Regional Library. The project would span Liberty Avenue and include a retail and restaurant plaza. The project was designed by Zaha Hadid Architects, a firm out of London. Construction of the project was projected to begin in 2014 with a projected date of completion in 2015. The estimated cost of this project was \$18.5 million. However, as of December 2015, construction had not yet begun. In late 2015, the city commissioners asked for other development proposals for the garage. In March 2016, the architect died unexpectedly at age 65. Developers have proposed a public-private partnership with the city of Miami Beach to build the structure.



Zaha Hadid Parking Garage

However, the city preferred that the garage remain public with lower parking costs to the public. After soliciting new proposals for the project, Miami Beach awarded the contract to KVC Constructors in September 2017 for a guaranteed maximum price of \$22.47 million. The new architect is Shulman + Associates. The new seven story garage will total 180,064 square feet, with 513 parking spaces and 15,000 square feet of retail space along 23rd Street, Liberty Avenue and Park Avenue. Site work began in September of 2018 and the project is currently ongoing.

To the south, Washington Squared is under construction along the east side of Washington Avenue spanning between 6th and 7th Streets. At completion the 7-story project will comprise ±47,000 SF of ground floor retail, 312 micro hotel suites and structured parking. The block was assembled in 2015 for \$32.75 million. Construction commenced in 2018 and should be completed in 2021.



Washington Squared

Lincoln Road, running east/west between 16th and 17th Street, is a famous pedestrian mall between Washington Avenue and Lenox Avenue that is lined with shops, sidewalk cafes, bars, restaurants and art galleries. In the 1960s, Miami Beach architect Morris Lapidus, well known for his work on the famous Fontainebleau and Eden Roc Hotels in Miami Beach, redesigned Lincoln Road to reflect the Mid-Century Modern architectural (or “MiMo”) style, lining the road with gardens, streetscaping and fountains, and making the road one of the nation’s first pedestrian malls.



Today, Lincoln Road features some of the highest-priced retail space in the state, which is accompanied by a concert hall for the New World Symphony Orchestra, a state-of-the-art multiplex cinema, and the recently restored/renovated Colony Theatre, a 440-seat performance theater. The restoration of the theatre cost around \$6.5 million and took three years to complete.



In June 2012, a REIT paid \$132 million for the 166,500-square foot retail center at 1100 Lincoln Road. This property is the home to Regal Cinemas and Banana Republic and

includes a 298-space parking garage. A retail/commercial property located at 530 Lincoln Road sold on December 13, 2013 and at that time set a record price of \$3,418 per square foot. The 8,776-square foot property was previously approved for renovation. However, on May 7, 2014, the 8,375-square foot retail property located at 818 Lincoln Road sold for \$34,500,000 or \$4,119 per square foot. This price record didn't last long as 718 Lincoln Road (6,943 square feet) sold for \$4,969 per square foot on May 14, 2014. On October 21, 2014, a new record was set by the sale of the ArtCenter Building at 800 Lincoln Road for \$4,999 per square foot. At the time, the biggest property sale on Lincoln Road occurred on August 18, 2014. Morgan Stanley Real Estate Investing paid \$342,000,000 for a six-building retail portfolio. The price equates to \$3,017 per square foot. It was one of the highest price deals in South Florida history. On March 25, 2016, Playa Retail Investments, LLC purchased a 74,887-square foot retail portfolio of buildings from 1001 to 1045 Lincoln Road for \$370,000,000 or \$4,941 per square foot. It was, at the time, the highest price deal on Lincoln Road and the second largest real estate transaction ever in Miami Dade, second only to a 50% stake in the Fontainebleau Hotel that was purchased for \$375,000,000 in 2008. The buyer is an affiliate of Spanish billionaire Amancio Ortega. To date, the highest per square foot price paid on Lincoln Road was for the 5,000-square foot retail property located at 635-639 Lincoln Road for the recorded price of \$35,000,000 or \$7,000 per square foot.



In May 2018, a retail building at 947 Lincoln Road sold for \$25.65 million as a redevelopment property. The property last sold for \$301,000 in 1986. The property was purchased with an 8,625 square foot retail building build in 1925. In 2017, the city approved a plan to redevelop the building, with an expansion to 13,871 square feet and a

height increase from 24 feet to 36 feet. As part of the plan, the owner will renovate and restore the original Michigan Avenue façade and create a new modern building behind it, facing the popular Lincoln Road pedestrian strip.

In October 2015, Miami Beach Commissioners approved a final master plan for Lincoln Road that will overhaul the pedestrian only street. The plan includes enlarging sidewalks, adding extensive landscaping and turning some side streets and back alleys into pedestrian walkways that will serve as new retail and restaurant venues. The plan calls for creating 15-foot wide strips allowing for open air dining that will have new canopy structures built into the ground at regular intervals with central columns holding

electrical outlets for lighting. The city's CRA allocated \$22 million for the pedestrian only part of Lincoln Road and \$12 million in additional funding to redesign and reconstruct side streets and back alleys. However, in 2017 the updated plans were revealed at a cost of \$43 million, nearly double the original budget. However, the city plans to cut costs by modifying designs when the budget is renegotiated in late 2017. As of late 2018, the design phase has not yet been completed and as of 2020 the project is underway.

After years of unprecedented increases in retail rents along Lincoln Road, many brokers and market participants reported that the market had peaked in late 2016/early 2017 as many owners dropped asking rents from a high of \$375 to \$450 per square foot to the current level of \$250 to \$265 per square foot. Many vacancies are taking longer to lease up. Despite the market correction, the shopping district remains healthy and is still ranked among the top shopping, dining and entertainment district in the world because of the volume of visitors.

The largest land use within the subject's neighborhood is the Miami Beach Convention Center which is located along Washington Avenue just north of 17th Street. This center contains more than one million square feet of space for meetings. Located on the convention center property is the famous Jackie Gleason Theatre. The theatre, originally built in the 1960s, was renovated in 2007 and now managed by Live Nation featuring live concerts, productions, and special events. The Holocaust Memorial and the city's Botanical Gardens are adjacent to the convention center to the northwest.

Miami Beach has been one of America's pre-eminent beach resort communities for almost a century. The Fontainebleau Hotel is one of the most historically and architecturally significant hotels on Miami Beach. Built in 1954, it was considered the most luxurious hotel on Miami Beach. The Fontainebleau is situated on the oceanfront along Collins Avenue in the heart of "Millionaire's Row," fronting the Atlantic Ocean. The 1,504-room resort's most distinguishing features include two new towers, 11 restaurants and lounges, a 40,000-square-foot spa with mineral-rich water therapies and co-ed swimming pools, and a dramatic oceanfront pool. The hotel closed a large part of its property in 2006, when the hotel underwent a \$1 billion, two-year renovation and expansion. The renovated hotel re-opened in November 2008. Other major resorts along Miami Beach include the Eden Roc, the Ritz Carlton, the Loews Miami Beach Hotel, The Shore Club, The Setai, and the W South Beach, a 312-room luxury resort located at the corner of Collins Avenue and 23rd Street.

South Beach is one of the more popular areas of Miami Beach, which generally encompasses the beach area between the Government Cut ship channel at the south

end of the city and 21st Street. As larger, new resort properties began spreading northward in Miami Beach by the 1960s, South Beach fell into a period of decline, with increasing vacant buildings, urban blight, and crime. Today, however, it is considered one of the most-valuable commercial areas in South Florida, after a pronounced renaissance that began in the late 1980s. In 1979, South Beach's Art Deco Historic District was listed on the National Register of Historic Places. The Art Deco District is the largest collection of Art Deco architecture in the world and comprises hundreds of hotels, apartments and other structures erected between the 1920s and 1940s. The Historic District is generally bound by the Atlantic Ocean to the east, Lenox Court to the west, 6th Street to the south, and Dade Boulevard to the north.

Miami Beach was in a redevelopment stage that began in the 1980s after investors and preservationists saved South Beach's Art Deco buildings from potential demolition. This redevelopment gradually spread from the community's oceanfront areas westward into the mid-1990s as demand gained momentum. The success of designating and promoting the Art Deco District led preservationists and city leaders to designate additional areas in the city, including some of Miami Beach's neighborhoods that are outside of South Beach. The few remaining vacant sites along the oceanfront and Biscayne Bay were purchased for development of luxury hotels and condominiums. This was followed by the purchase of older, low-rise motel and hotel properties to the north and south of the Art Deco District that had outlived their economic viability. The pricing structure of these new luxury condo units typically ranges from over \$250,000 to well over \$1.0 million. This gentrification of the neighborhood; however, began to push out its older and original residents. The increased demand for living quarters in Miami Beach and South Beach resulted in strong increases in rental rates and property values. This trend caused the displacement of lower-income residents from many buildings, and the loss of retailers providing basic services to local residents. However, the housing crisis over the past several years had produced downward pressure on housing prices and rental rates, making the area slightly more affordable for the middle class.

The North Beach neighborhood has experienced recent speculative land sale activity for future redevelopment by several developers. The TC-1 zoning district was recently amended to allow for floor area ratio densities of 2.25 and building heights of 125 feet and 12 stories. Additionally, a boutique hotel was approved for North Beach. The Miami Beach Design Review Board approved Spider's 44 room boutique hotel on a 22,000-square foot site at 8011-8035 Harding Avenue.

Proximity to Supporting Facilities – The proximity to schools, medical facilities, parks, shopping and employment centers is considered to be adequate.

Health Care Facilities – Mount Sinai Medical Center is the nearest comprehensive medical hospital to the subject. Founded 1949, Mount Sinai is the largest private, independent, not-for-profit teaching hospital in South Florida, and contains 955 licensed beds and over 700 physicians and is located along Biscayne Bay just north of 41st Street in Miami Beach.

Employment – The subject property is approximately three miles east of the Central Business District (CBD) of Miami. This is the urban center of business activity within Miami-Dade County containing regional and national financial institutions, legal and accounting firms and governmental offices.

Schools – Schools include Miami Beach Senior High School, Nautilus Middle School and the South Pointe Elementary School. In addition to the schools above, Miami Beach and Miami-Dade County have several private and religious schools, colleges and universities.

Parks and Recreation – There are adequate recreational facilities within the Miami Beach area. The Miami Beach Golf Club is a public golf facility situated along the east side of Alton Road, north of Dade Boulevard. Flamingo Park is located at the center of the South Beach neighborhood. This park, at 11th Street and Jefferson Avenue, contains 36.53 acres featuring a state-of-the-art football field, basketball courts, tennis courts, a pool, a dog park, and a new playground. The park also provides after-school and adult programs.

Retail/Shopping & Entertainment – Lincoln Road represents the heart of shopping in the subject's immediate area, featuring national retailers such as The Gap, Pottery Barn, The Apple Store, American Apparel, and Anthropologie, as well as local shops, restaurants, bars, and cafes. Just north of Lincoln Road at the corner of Meridian and 17th Street is a Macy's department store. A similar trend has occurred along Collins Avenue between 5th and 10th Streets, where older Art Deco buildings were gutted and remodeled for adaptive uses as freestanding retail stores. This drew national retailers to this location, including The Gap, Victoria's Secret, Banana Republic, Ralph Lauren, Sephora, Tommy Hilfiger, and Zara.

Publix Supermarkets are located at Dade Boulevard and Michigan Avenue, with a second store at West Avenue and 20th Street. Clusters of retail stores are located along Alton Road, Arthur Godfrey Road, Collins Avenue and Washington Avenue through Miami Beach. While stores along Collins Avenue and Washington Avenue tend to cater to tourists and visitors, Alton Road and Arthur Godfrey feature businesses catering to the local residential population.

An 180,000-square foot community center was completed in 2009 at Alton Road and 5th Street in Miami Beach, housing Best Buy, Publix, Ross, Staples and T.J. Maxx. This property was purchased by EDENS in late 2012 for an undisclosed price. Total Wine replaced Staples in the center in 2015. The store opened on October 15, 2015. The neighborhood's multi-screen cineplex is located in another vertical development along Alton Road at the west end of Lincoln Road Mall.

Summary – The subject's Miami Beach neighborhood features a broad mix of high-density land uses creating a unique urban neighborhood with excellent access to the Atlantic Ocean beaches. This mixture has proved popular with residents and visitors, with commercial zones along major roadways emerging as some of the region's most-popular retail/entertainment districts. The gentrification of the neighborhood's Art Deco buildings spurred greater demand for housing, retail, office and hotel rooms in this market, illustrated by additional development activity. This has caused some issues with parking and development direction. Development is strictly controlled by preservation ordinances in order to protect the architectural integrity of its many Art Deco buildings. This factor, and the lack of available land for additional development, is a positive influence for investment in the market. Additionally, new development has slowed over the past year and the area now competes with the Wynwood neighborhood and downtown Miami for retail and restaurant patrons. Nonetheless, the long-term outlook for this neighborhood is quite positive for well-conceived and well-located commercial and residential properties.

DEMOGRAPHIC PROFILE



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 1 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

Summary	2020	2025	2020-2025 Change	2020-2025 Annual Rate
Population	17,568	17,991	423	0.48%
Households	10,001	10,166	165	0.33%
Median Age	40.8	41.3	0.5	0.24%
Average Household Size	1.72	1.74	0.02	0.23%

Households by Income	2020		2025	
	Number	Percent	Number	Percent
Household	10,001	100%	10,166	100%
<\$15,000	1,314	13.1%	1,188	11.7%
\$15,000-\$24,999	1,094	10.9%	967	9.5%
\$25,000-\$34,999	1,030	10.3%	944	9.3%
\$35,000-\$49,999	1,292	12.9%	1,205	11.9%
\$50,000-\$74,999	1,580	15.8%	1,552	15.3%
\$75,000-\$99,999	1,050	10.5%	1,140	11.2%
\$100,000-\$149,999	1,094	10.9%	1,266	12.5%
\$150,000-\$199,999	640	6.4%	795	7.8%
\$200,000+	907	9.1%	1,109	10.9%
Median Household Income	\$53,089		\$60,341	
Average Household Income	\$86,897		\$100,343	
Per Capita Income	\$49,898		\$57,158	

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1, Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 1 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2020 Households by Income and Age of Householder

	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	502	2,245	2,062	1,709	1,440	1,016	1,028
<\$15,000	86	247	188	145	195	212	242
\$15,000-\$24,999	75	212	187	119	137	155	208
\$25,000-\$34,999	71	260	237	140	136	92	94
\$35,000-\$49,999	72	376	270	184	150	111	129
\$50,000-\$74,999	84	369	308	283	228	153	157
\$75,000-\$99,999	62	254	255	159	152	90	78
\$100,000-\$149,999	33	270	222	234	171	92	73
\$150,000-\$199,999	10	152	178	151	82	48	20
\$200,000+	10	105	218	294	190	62	28
Median HH Income	\$38,153	\$51,284	\$59,957	\$72,990	\$59,044	\$40,509	\$31,287
Average HH Income	\$54,428	\$75,504	\$96,856	\$119,697	\$100,162	\$69,708	\$51,453

Percent Distribution

	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	17.1%	11.0%	9.1%	8.5%	13.5%	20.9%	23.5%
\$15,000-\$24,999	14.9%	9.4%	9.1%	7.0%	9.5%	15.3%	20.2%
\$25,000-\$34,999	14.1%	11.6%	11.5%	8.2%	9.4%	9.1%	9.1%
\$35,000-\$49,999	14.3%	16.7%	13.1%	10.8%	10.4%	10.9%	12.5%
\$50,000-\$74,999	16.7%	16.4%	14.9%	16.6%	15.8%	15.1%	15.3%
\$75,000-\$99,999	12.4%	11.3%	12.4%	9.3%	10.6%	8.9%	7.6%
\$100,000-\$149,999	6.6%	12.0%	10.8%	13.7%	11.9%	9.1%	7.1%
\$150,000-\$199,999	2.0%	6.8%	8.6%	8.8%	5.7%	4.7%	1.9%
\$200,000+	2.0%	4.7%	10.6%	17.2%	13.2%	6.1%	2.7%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 1 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2025 Households by Income and Age of Householder							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	507	2,257	1,999	1,724	1,453	1,107	1,120
<\$15,000	72	212	151	119	162	213	260
\$15,000-\$24,999	66	184	145	97	117	151	207
\$25,000-\$34,999	62	243	207	125	121	91	97
\$35,000-\$49,999	66	359	235	161	137	113	135
\$50,000-\$74,999	93	369	286	255	214	170	165
\$75,000-\$99,999	73	269	260	171	170	106	92
\$100,000-\$149,999	43	311	239	263	199	115	95
\$150,000-\$199,999	15	188	208	185	104	65	30
\$200,000+	16	123	270	350	229	83	39
Median HH Income	\$46,274	\$56,853	\$72,237	\$89,045	\$71,180	\$47,573	\$34,479
Average HH Income	\$66,217	\$85,453	\$114,705	\$138,591	\$117,306	\$80,690	\$58,613
Percent Distribution							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	14.2%	9.4%	7.6%	6.9%	11.1%	19.2%	23.2%
\$15,000-\$24,999	13.0%	8.2%	7.3%	5.6%	8.1%	13.6%	18.5%
\$25,000-\$34,999	12.2%	10.8%	10.4%	7.3%	8.3%	8.2%	8.7%
\$35,000-\$49,999	13.0%	15.9%	11.8%	9.3%	9.4%	10.2%	12.1%
\$50,000-\$74,999	18.3%	16.3%	14.3%	14.8%	14.7%	15.4%	14.7%
\$75,000-\$99,999	14.4%	11.9%	13.0%	9.9%	11.7%	9.6%	8.2%
\$100,000-\$149,999	8.5%	13.8%	12.0%	15.3%	13.7%	10.4%	8.5%
\$150,000-\$199,999	3.0%	8.3%	10.4%	10.7%	7.2%	5.9%	2.7%
\$200,000+	3.2%	5.4%	13.5%	20.3%	15.8%	7.5%	3.5%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 3 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

Summary	2020	2025	2020-2025 Change	2020-2025 Annual Rate
Population	62,063	64,057	1,994	0.63%
Households	34,349	35,253	904	0.52%
Median Age	42.6	43.7	1.1	0.51%
Average Household Size	1.78	1.79	0.01	0.11%

Households by Income	2020		2025	
	Number	Percent	Number	Percent
Household	34,349	100%	35,253	100%
<\$15,000	4,319	12.6%	3,940	11.2%
\$15,000-\$24,999	3,213	9.4%	2,998	8.5%
\$25,000-\$34,999	2,992	8.7%	2,804	8.0%
\$35,000-\$49,999	3,390	9.9%	3,241	9.2%
\$50,000-\$74,999	4,781	13.9%	4,762	13.5%
\$75,000-\$99,999	3,572	10.4%	3,818	10.8%
\$100,000-\$149,999	4,485	13.1%	4,959	14.1%
\$150,000-\$199,999	2,622	7.6%	3,061	8.7%
\$200,000+	4,976	14.5%	5,669	16.1%
Median Household Income	\$65,138		\$74,149	
Average Household Income	\$110,255		\$122,963	
Per Capita Income	\$61,106		\$67,754	

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 3 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2020 Households by Income and Age of Householder							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	1,328	6,494	7,396	5,920	4,882	4,025	4,303
<\$15,000	228	655	597	407	587	718	1,127
\$15,000-\$24,999	177	519	557	306	401	512	740
\$25,000-\$34,999	177	701	676	399	378	320	342
\$35,000-\$49,999	182	868	756	416	383	381	405
\$50,000-\$74,999	242	990	1,004	793	589	551	612
\$75,000-\$99,999	131	878	914	517	465	346	319
\$100,000-\$149,999	110	971	951	962	628	483	379
\$150,000-\$199,999	36	516	779	601	358	209	124
\$200,000+	46	397	1,162	1,519	1,092	504	256
Median HH Income	\$40,643	\$60,531	\$77,296	\$104,474	\$79,527	\$52,689	\$32,971
Average HH Income	\$61,131	\$86,085	\$120,059	\$155,852	\$136,803	\$96,895	\$64,708
Percent Distribution							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	17.2%	10.1%	8.1%	6.9%	12.0%	17.8%	26.2%
\$15,000-\$24,999	13.3%	8.0%	7.5%	5.2%	8.2%	12.7%	17.2%
\$25,000-\$34,999	13.3%	10.8%	9.1%	6.7%	7.7%	8.0%	7.9%
\$35,000-\$49,999	13.7%	13.4%	10.2%	7.0%	7.8%	9.5%	9.4%
\$50,000-\$74,999	18.2%	15.2%	13.6%	13.4%	12.1%	13.7%	14.2%
\$75,000-\$99,999	9.9%	13.5%	12.4%	8.7%	9.5%	8.6%	7.4%
\$100,000-\$149,999	8.3%	15.0%	12.9%	16.2%	12.9%	12.0%	8.8%
\$150,000-\$199,999	2.7%	7.9%	10.5%	10.2%	7.3%	5.2%	2.9%
\$200,000+	3.5%	6.1%	15.7%	25.7%	22.4%	12.5%	5.9%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 3 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2025 Households by Income and Age of Householder							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	1,524	6,272	7,033	6,162	5,157	4,327	4,779
<\$15,000	230	510	476	360	514	702	1,148
\$15,000-\$24,999	186	427	447	275	380	512	770
\$25,000-\$34,999	179	607	585	375	377	319	363
\$35,000-\$49,999	206	790	661	396	377	384	428
\$50,000-\$74,999	298	948	904	746	595	592	680
\$75,000-\$99,999	162	888	911	560	516	392	388
\$100,000-\$149,999	152	1,069	941	1,051	704	556	486
\$150,000-\$199,999	55	594	833	702	458	257	163
\$200,000+	57	439	1,275	1,698	1,235	613	353
Median HH Income	\$46,443	\$69,916	\$85,472	\$113,477	\$89,815	\$58,395	\$38,077
Average HH Income	\$68,841	\$97,346	\$135,932	\$170,619	\$151,074	\$109,091	\$75,508
Percent Distribution							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	15.1%	8.1%	6.8%	5.8%	10.0%	16.2%	24.0%
\$15,000-\$24,999	12.2%	6.8%	6.4%	4.5%	7.4%	11.8%	16.1%
\$25,000-\$34,999	11.7%	9.7%	8.3%	6.1%	7.3%	7.4%	7.6%
\$35,000-\$49,999	13.5%	12.6%	9.4%	6.4%	7.3%	8.9%	9.0%
\$50,000-\$74,999	19.6%	15.1%	12.9%	12.1%	11.5%	13.7%	14.2%
\$75,000-\$99,999	10.6%	14.2%	13.0%	9.1%	10.0%	9.1%	8.1%
\$100,000-\$149,999	10.0%	17.0%	13.4%	17.1%	13.7%	12.8%	10.2%
\$150,000-\$199,999	3.6%	9.5%	11.8%	11.4%	8.9%	5.9%	3.4%
\$200,000+	3.7%	7.0%	18.1%	27.6%	23.9%	14.2%	7.4%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 5 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

Summary	2020	2025	2020-2025 Change	2020-2025 Annual Rate
Population	228,424	253,775	25,351	2.13%
Households	115,079	127,870	12,791	2.13%
Median Age	38.8	39.1	0.3	0.15%
Average Household Size	1.94	1.95	0.01	0.10%

Households by Income	2020		2025	
	Number	Percent	Number	Percent
Household	115,075	100%	127,866	100%
<\$15,000	15,657	13.6%	15,239	11.9%
\$15,000-\$24,999	11,269	9.8%	11,291	8.8%
\$25,000-\$34,999	9,671	8.4%	9,821	7.7%
\$35,000-\$49,999	11,727	10.2%	12,046	9.4%
\$50,000-\$74,999	18,429	16.0%	20,443	16.0%
\$75,000-\$99,999	13,254	11.5%	15,482	12.1%
\$100,000-\$149,999	14,502	12.6%	17,766	13.9%
\$150,000-\$199,999	7,987	6.9%	10,337	8.1%
\$200,000+	12,579	10.9%	15,441	12.1%
Median Household Income	\$60,246		\$67,263	
Average Household Income	\$96,452		\$107,090	
Per Capita Income	\$48,996		\$54,323	

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 5 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2020 Households by Income and Age of Householder							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	5,979	25,898	25,136	19,551	16,225	12,220	10,067
<\$15,000	1,073	2,528	2,190	1,836	2,603	2,552	2,874
\$15,000-\$24,999	675	1,968	1,938	1,214	1,625	1,901	1,948
\$25,000-\$34,999	699	2,377	2,031	1,419	1,338	1,030	777
\$35,000-\$49,999	785	3,076	2,567	1,585	1,451	1,304	958
\$50,000-\$74,999	1,251	4,453	3,917	3,155	2,467	1,802	1,383
\$75,000-\$99,999	647	3,895	3,426	1,941	1,601	998	746
\$100,000-\$149,999	488	4,155	3,186	3,047	1,809	1,127	689
\$150,000-\$199,999	173	1,864	2,560	1,697	964	505	224
\$200,000+	187	1,582	3,322	3,657	2,366	1,000	467
Median HH Income	\$44,333	\$64,721	\$74,340	\$81,081	\$58,946	\$41,148	\$27,250
Average HH Income	\$61,249	\$86,738	\$110,470	\$127,886	\$105,110	\$76,496	\$56,562
Percent Distribution							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	17.9%	9.8%	8.7%	9.4%	16.0%	20.9%	28.5%
\$15,000-\$24,999	11.3%	7.6%	7.7%	6.2%	10.0%	15.6%	19.4%
\$25,000-\$34,999	11.7%	9.2%	8.1%	7.3%	8.2%	8.4%	7.7%
\$35,000-\$49,999	13.1%	11.9%	10.2%	8.1%	8.9%	10.7%	9.5%
\$50,000-\$74,999	20.9%	17.2%	15.6%	16.1%	15.2%	14.7%	13.7%
\$75,000-\$99,999	10.8%	15.0%	13.6%	9.9%	9.9%	8.2%	7.4%
\$100,000-\$149,999	8.2%	16.0%	12.7%	15.6%	11.1%	9.2%	6.8%
\$150,000-\$199,999	2.9%	7.2%	10.2%	8.7%	5.9%	4.1%	2.2%
\$200,000+	3.1%	6.1%	13.2%	18.7%	14.6%	8.2%	4.6%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1, Esri Forecasts for 2020 and 2025.

November 05, 2020



Household Income Profile

100 21st St, Miami Beach, Florida, 33139
Ring: 5 mile radius

Prepared by Esri
Latitude: 25.79580
Longitude: -80.12788

2025 Households by Income and Age of Householder							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	7,692	28,055	26,464	21,573	17,819	14,176	12,087
<\$15,000	1,181	2,192	1,939	1,697	2,363	2,638	3,228
\$15,000-\$24,999	773	1,791	1,739	1,152	1,576	2,051	2,210
\$25,000-\$34,999	799	2,263	1,934	1,414	1,368	1,140	902
\$35,000-\$49,999	946	2,968	2,457	1,618	1,499	1,448	1,109
\$50,000-\$74,999	1,707	4,748	3,968	3,376	2,741	2,209	1,694
\$75,000-\$99,999	933	4,434	3,752	2,252	1,876	1,245	990
\$100,000-\$149,999	768	5,133	3,680	3,609	2,197	1,435	945
\$150,000-\$199,999	290	2,507	3,092	2,127	1,306	684	330
\$200,000+	294	2,019	3,902	4,327	2,892	1,326	680
Median HH Income	\$51,377	\$75,267	\$81,454	\$90,589	\$67,507	\$47,533	\$31,169
Average HH Income	\$70,554	\$98,572	\$122,801	\$139,810	\$118,526	\$86,304	\$64,833
Percent Distribution							
	<25	25-34	35-44	45-54	55-64	65-74	75+
HH Income Base	100%	100%	100%	100%	100%	100%	100%
<\$15,000	15.4%	7.8%	7.3%	7.9%	13.3%	18.6%	26.7%
\$15,000-\$24,999	10.0%	6.4%	6.6%	5.3%	8.8%	14.5%	18.3%
\$25,000-\$34,999	10.4%	8.1%	7.3%	6.6%	7.7%	8.0%	7.5%
\$35,000-\$49,999	12.3%	10.6%	9.3%	7.5%	8.4%	10.2%	9.2%
\$50,000-\$74,999	22.2%	16.9%	15.0%	15.6%	15.4%	15.6%	14.0%
\$75,000-\$99,999	12.1%	15.8%	14.2%	10.4%	10.5%	8.8%	8.2%
\$100,000-\$149,999	10.0%	18.3%	13.9%	16.7%	12.3%	10.1%	7.8%
\$150,000-\$199,999	3.8%	8.9%	11.7%	9.9%	7.3%	4.8%	2.7%
\$200,000+	3.8%	7.2%	14.7%	20.1%	16.2%	9.4%	5.6%

Data Note: Income is reported for households as of July 1, 2020 and represents annual income for the preceding year, expressed in 2019 dollars. Income is reported for households as of July 1, 2025 and represents annual income for the preceding year, expressed in 2024 dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri Forecasts for 2020 and 2025.

November 05, 2020

ENGAGEMENT LETTER

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

Walter B. Duke, III, MAI, CCIM
State Certified General Appraiser #75

September 22, 2020

Via Email: jbautista@lehrercumming.com

BHI Miami Limited Corp
1521 Alton Rd. #403
Miami Beach, FL 33139
Attn: Mr. Wayne Landing

Re: Project Plum, the former Seagull Hotel, located at 100 21st Street, Miami Beach, Miami-Dade County, Florida

Dear Mr. Landing:

Thank you for requesting our proposal for valuation advisory services. We are pleased to submit this proposal and our Terms and Conditions.

PROPOSAL SPECIFICATIONS

Purpose:	To estimate the market value of a proposed road vacation to the client's property.
Premise:	The client recently purchased the property with the intention of renovating the property to a luxury hotel. As part of the redevelopment process, the client can purchase a portion of the adjoining public roadway 21 st Street to enhance the parent property. The City of Miami Beach has requested the client obtain a real appraisal of the land to be purchased based on its value to the client's property.
Rights Appraised:	Fee simple
Specific Intended Use:	Acquisition of public owned land.
Scope of Appraisal:	Walter Duke + Partners will undertake the necessary investigation and analysis needed to proffer a supportable defensible estimate of market value of the subject property as described above.
Report Type:	Appraisal Report
Appraisal Standards:	USPAP

Expenses:	Fee includes all associated expenses and costs during appraisal. Post appraisal services are billed at hourly rate.
Payment Terms:	Due upon completion of appraisal report
Report Copies:	Electronic PDF
Delivery Schedule:	Seventeen (17) Business Days from the start date, or sooner, if possible.
Start Date:	The appraisal process will start upon receipt of your signed agreement and all the requested property specific data.

BHI Miami Limited Corp
Attn: Mr. Wayne Landing
September 22, 2020

Acceptance Date: These specifications are subject to modification if this proposal is not accepted within 2 business days from the date of this letter.

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this agreement as though set forth in full herein.

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

Sincerely,

WALTER DUKE + PARTNERS, INC.



Walter B. Duke, III, MAI, CCIM
State-Certified General Real Estate Appraiser RZ375

AGREED AND ACCEPTED



Signature

Mr. Wayne Landing
Name (Printed)

646 591 4602
Phone Number

23 September 2020

Date

Director
Title

wayne.landing@bluehorizonadvisors.com
Email Address



BHI Miami Limited Corp
Attn: Mr. Wayne Landing
September 22, 2020

TERMS AND CONDITIONS

1. These Terms and Conditions, between Walter Duke + Partners, Inc. (Appraiser) and the Client for whom the referenced appraisal service will be performed, 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 of Florida.
2. Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the appraisal fee is not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the appraisal report.
3. Final payment is due and payable upon delivery of the final report.
4. If we are requested to attend additional meetings with staff, public hearings, or give court testimony, an additional fee will be charged on an hourly basis at our then-prevailing hourly rate. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.
5. In the event Client requests additional services beyond the purpose stated in the Agreement, Client agrees to pay an additional charge for such services, plus reimbursement of expenses, whether or not the completed report has been delivered to Client at the time of the request.
6. It is understood that the Client has the right to cancel this assignment 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, with a minimum charge of \$500.
7. Additional copies of the appraisal reports are available at a cost of \$100 per original color copy and \$50 per photocopy (black and white), plus shipping costs.
8. In the event Client fails to make payments when due and payable, then from the date due and payable until paid the amount due and payable, shall bear interest at the maximum rate permitted in the state in which the office of Appraiser executing the Agreement is located. If Appraiser is required to institute legal action against Client relating to the Agreement, Appraiser shall be entitled to recover reasonable attorney's fees and costs from Client.
9. Appraiser assumes that there are no major or significant items that would require the expertise of a professional building contractor or engineer. If such items need to be considered in Appraiser's studies, such services are to be provided by others at a cost which is not a part of the fee proposal.
10. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of Appraiser executing this Agreement is located. The arbitrator(s) shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar type damages. The prevailing party in the arbitration proceeding shall be entitled to recover from the losing party its expenses, including the costs of arbitration proceeding, and reasonable attorney's fees.
11. 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 assignment shall be deemed concluded and the services hereunder completed upon delivery to Client of the appraisal report discussed herein.
12. 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 the best of the Appraiser's knowledge and belief. The Appraiser may rely upon the accuracy of information and material furnished to Appraiser by Client.
13. Appraiser shall have no responsibility for legal matters, questions of surveyor title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the property analyzed.
14. 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 real property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.
15. 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. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and the related data 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.
16. Unless specifically noted in the appraisal, we will not be taking into consideration the possibility of the existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof. Further, Appraiser understands that there is no major or significant deferred maintenance in the property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of this fee proposal.
17. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts,

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Since 1975



BHI Miami Limited Corp
Attn: Mr. Wayne Landing
September 22, 2020

or provides incomplete or inaccurate appraisal results to others, which acts of the Client proximately result in damage to Appraiser. Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover, from the other, reasonable attorney fees and costs.

18. Please note that Appraiser's consent to allow the appraisal report or portions of the report, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at Appraiser's reasonable discretion and, if given, will be on condition that Appraiser will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to Appraiser, by a party satisfactory to Appraiser. Appraiser does consent to Client submission of the complete final report to rating agencies, loan participants or your auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

19. Walter Duke + Partners, Inc. shall have no obligation, liability, or accountability to any third party. Any party who is not the Client or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Walter Duke + Partners, Inc. Client shall not include partners, affiliates or relatives of the party named in the engagement letter.

SPECIFIC PROPERTY DATA REQUEST

- Surveys
 - For hotel property
 - For road to be acquired
 - For overall property after acquisition
- Financial summary of recent acquisition
- Summary of redevelopment inclusive of the additional property to be acquired
- Preliminary project cost and financial projections
- Proposed site plan, floor plans and building elevations
- Any other information you deem relevant or would like us to consider



QUALIFICATIONS

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

Walter B. Duke, III, MAI, CCIM
State Certified General Appraiser 375

QUALIFICATIONS OF WALTER B. DUKE, III, MAI, CCIM

EDUCATION

University of Florida, Gainesville, Florida
Major in Real Estate
B.S. Degree in Business Administration



Walter B. Duke, III, MAI, CCIM

Appraisal Institute, American Institute of Real Estate Appraisers and Society of Real Estate Appraisers core course, electives, seminars and comprehensive examination.

APPRAISAL/REAL ESTATE EXPERIENCE

1992 – Present	President & CEO, Walter Duke + Partners, Inc.
1988 – 1992	Senior Appraiser, Clobus Valuation Co., Inc.
1985 – 1987	Staff Appraiser, Clobus Valuation Co., Inc.
1983 – 1984	Broker-Salesperson, Carmel Bay Realty

Appraisal assignments include the valuation and/or evaluation of a wide variety of commercial, residential and industrial properties in Florida prepared for banks, savings and loans, savings bank, insurance companies, estates, governmental agencies, REIT's, mortgage bankers, attorneys and individual investors. Property types include, but are not limited to, proposed and existing office buildings, commercial condominiums, warehouse and industrial properties, shopping centers and retail development, market and tax credit apartments, acreage tracts, commercial/industrial land and special purpose properties including marinas, boatyards, religious and/or educational facilities, fixed base operations (FBO).

Qualified Real Estate Valuation Expert Witness:
U.S. Bankruptcy Court, Southern District of Florida
17th Judicial Circuit Court, Broward County

PROFESSIONAL AND BUSINESS AFFILIATIONS

MAI, Member, Appraisal Institute, No. 8584
CCIM, Certified Commercial Investment Member No. 7130
Registered Real Estate Broker-Salesperson – State of Florida, No. 0398146
Certified General Appraiser – State of Florida, No. RZ375
Former Member, Review and Counseling Division – Region X South
Florida-Caribbean Chapter of Appraisal Institute:
President 2000, 2nd Vice President 1999, Secretary 1998, Treasurer 1997
Regional Representative: Region X Leadership Fort Lauderdale – Class IV, 1998
Appraisal Institute, Leadership Advisory Council, 1997
Institute Affiliate Member, Realtor Association of Greater Fort Lauderdale
Former Member, Appraisal Journal Editorial Review Board
Member, Society of Commercial Realtors of Greater Fort Lauderdale
Member, Executives' Association of Fort Lauderdale
Member, Marine Industries Association of South Florida (MIASF)
Director, Marine Industries Association of South Florida (2014-2020)
Director, CCIM Fort Lauderdale/Broward District (2018 – Current)
Member, Broward Workshop

CIVIC AND CHARITABLE ACTIVITIES

Mayor, City of Dania Beach, 2012 - 2014
City Commissioner, City of Dania Beach, 2009 – 2011, 2015-2016
Chairman, Dania Beach Community Redevelopment Agency 2012 - 2014
Member, Broward Metropolitan Planning Organization 2012 - 2016
Leadership Fort Lauderdale – Class IV, 1998

AWARDS AND RECOGNITION

Appraisal Institute – Recipient of the Volunteer of Distinction Award
Jubilee Center of South Broward – Recipient of the Compassion Award
Golden Anchor Award Recipient - Highest honor bestowed by the Marine Industries of South Florida, (MIASF)
Dania Lions Club - Recipient of the Nicholas James Costello Award for service to the community
Gold Coast Magazine Fort Lauderdale - named as a 2016 Power Couple along with wife Lisa
Symphony of the Americas, honored along with wife Lisa as a couple of "Style and Substance"
South Florida Business Journal - One of five notable figures who are "Making Waves in the Marine Industry"

RECENT SPEAKING ENGAGEMENTS

Keynote - Commercial Real Estate Trends" - Berger Commercial Realty Lunch N Learn Series
Keynote - Florida Commercial Real Estate Market" - South Florida Loan Committee
Keynote - Market Update – South Florida Commercial Real Estate" South Florida Chapter of the American Society of Appraisers (ASA)
Keynote - Commercial Real Estate and Dania Beach Development Overview" - Broward Council of the Miami Association of Realtors
Panelist - Market Perspectives on Valuation, National Association of Office and Industrial Properties (NAIOP)
Speaker - South Florida Commercial Real Estate Financing and Valuation" South Florida CCIM Chapter
Panelist - MIAASF Better Business Series" – Marine Industries of South Florida (MIASF)
Speaker - 2040 Regional Transportation Plan Rollout - Southeast Florida Transportation Council
Keynote - Global Real Estate Trends Applicable to Fort Lauderdale – Fort Lauderdale Historical Society
Speaker – Broward County Economy - Executives Association of Fort Lauderdale 59th Annual Economic Outlook Breakfast

RECENT PUBLISHED ARTICLES AND INDUSTRY CONTENT

Author - Top 5 Misconceptions About Commercial Real Estate Appraisals
Author – Dredging of the Dania Cut Off Canal Spurs Economic Growth
Author – What Type of Commercial Lease is Best for You?
Author – How Walkable Communities Increase Property Values
Author – Selling Your Marina? 5 Key Factors to Consider
Author – Millennials Finally Leaving the Nest – Fort Lauderdale Rental Market Booming
Author – The Importance of LIHTC Market Feasibility Studies
Author – When is the right time to sell a marina?" – Boating Industry Magazine – August 13, 2015
Author – Business is Booming at Walter Duke + Partners
Author – Top 10 Takeaways from this year's ICSC Conference
Co-Author – Big Profits/Low Risk: 7 Bank Lease Deal Trends
Author – Top 5 Misperceptions About Commercial Real Estate Appraisals
Author – All you need to know about Florida Charter Schools
Author – Top 4 Reasons Why Baby Boomers Still Own the Share of US Small Businesses
Author – Three Reasons to be Happy in Your Upside Down Condo!

Author – Three Troubling Trends in the South Florida Condo Market"
Author – Free Beer Included in Your Office Space?
Guest Columnist/South Florida Business Journal – Ask these questions before running for office, 2015
Author – Low Income Housing Tax Credit: A Government Program That Works
Contributor - Time to Sell Your Marina? – Trade Only Today Magazine – December, 2015 Issue
Author – Boom Interrupted: Six Signs Commercial Real Estate Could Be Peaking
Author – Thinking Outside the Box to Create Value in Church Property
Author – From the Desk of Duke: SHIP and SAIL Big Winners!
Columnist /MIASF Fort Lauderdale must be vigilant to maintain its title as Yachting Capital of the World
Author - Is the Condo Market Keeping You Up at Night?
Author - Top Three Reasons For An Improved Housing Market?
Author - Sea Level Rise: Does the Business Community Care?
Author – The American Dream Interrupted: 3 Ways Government Can Help
Author – Nine Noteworthy Trends You Should Know
Author – Its Gut Check Time in the Miami Condo Market
Author – Six Headwinds That Could Derail Florida Commercial Real Estate and the Trump Economy
Author – Opportunity is Knocking! Are you Ready?
Author – Florida has Hurricane Amnesia
Author – Is Fort Lauderdale Still the "Yachting Capital of the World"?
Author – COVID-19; Florida CRE Winners and Losers
Author – Office: You Can't Live with It, You Can't Live Without It
Author – CRE Valuation Professionals Shouldn't Overreact to COVID-19

RECERTIFICATION AND CONTINUING EDUCATION

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs and SRAs who meet the minimum standards of this program are awarded periodic education certification. I am currently certified under this program.

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

Walter B. Duke, III, MAI, CCIM
State Certified General Appraiser 375

QUALIFICATIONS OF ANDREW S. ROLF, MAI

EDUCATION

Florida Atlantic University, Boca Raton, Florida
Master of Business Administration (MBA) – 2010

Florida State University, Tallahassee, Florida
Bachelor of Science Degree – 2003
Major – Real Estate and Finance

REAL ESTATE APPRAISAL EDUCATION

Appraisal Institute: Basic Income Capitalization – October 2004
 Course 510 Advanced Income Capitalization – September 2008
 Course 520 Market Analysis & Highest and Best Use – December 2009
 Course 530 Advanced Sales Comparison & Cost Approaches – July 2010
 Course 550 Advanced Applications – October 2009
 General Appraiser Report Writing & Case Studies – October 2010
 Separating Real Property, Personal Property & Intangible Assets – June 2012

APPRAISAL/REAL ESTATE EXPERIENCE

2007 – Present	Senior Appraiser, Walter Duke + Partners, Inc., f/k/a, Clobus, McLemore & Duke, Inc.
2003 – 2007	Trainee Appraiser, Clobus, McLemore & Duke, Inc.

Appraisal assignments include the valuation and/or evaluation of a wide variety of commercial properties in Florida prepared for banks, savings and loans, insurance companies, estates, governmental agencies, REITs, mortgage bankers and individual investors. Property types include, but are not limited to, proposed and existing shopping centers, office buildings, warehouses and industrial properties, rental apartment projects, acreage tracts, commercial/industrial land, mixed-use properties, self-storage facilities and senior housing facilities.

PROFESSIONAL AFFILIATIONS

MAI – Member, Appraisal Institute, No. 456819
State-Certified General Appraiser – State of Florida No. RZ3092
Real Estate Salesperson – State of Florida No. SL-3210795

RECERTIFICATION AND CONTINUING EDUCATION

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs who meet the minimum standards of this program are awarded periodic education certification. I am currently certified under this program.

WALTER DUKE + PARTNERS

COMMERCIAL REAL ESTATE VALUATION

BANKS / LENDERS

Amerinational
Amarillo National Bank
Bank Leumi
Bank of America, N.A.
Bank of Florida
Bank OZK
Bank United, F.S.B.
Banesco USA
BBVA / Compass Bank
Capital Bank
Capital One Bank
Catholic Order of Foresters
Centerstate Bank
CIBC World Markets
Citibank, F.S.B.
Citizens Bank
City National Bank
CLI Capital
CNL Bank
Coconut Grove Bank
Comerica
Commerce Bank, N.A.
Credit Suisse
Eastern Savings Bank
ECCU
Fidelity Bank of Florida
Fifth Third Bank
First American Bank
First Horizon Bank
First Housing
First Republic Bank
Florida Shores Bank
First United Bank
Flagler Bank
Floridian Community Bank
GE Capital
Gibraltar Private Bank & Trust
Grand Bank and Trust of Florida
Heartland Bank
Housing Trust Group
HSBC Bank USA
Hudson Valley Bank
Iberia Bank
International Finance Bank
Ironstone Bank
Key Bank, N.A.
Landmark Bank
Legacy Bank of Florida
Mack RE Strategies
Marquis Bank
Mercantile Bank
Mutual of Omaha Bank
Northern Trust Bank of Florida
Ocean Bank
OptimumBank
Pacific National Bank
PNC Bank
Popular Community Bank
Professional Bank
RBC Bank
Regions Bank
Sabadell United Bank
Safra National Bank of New York
Seacoast Bank
Seltzer Management Group
Stonegate Bank
Sun State Bank
Surety Bank
Synovus
Textron Financial
TD Bank

The Private Bank
TIAA Bank
Total Bank
Truist
U.S. Bank
U.S. Century Bank
United National Bank
Valley National Bank
Wells Fargo Bank
Zeigler Capital Markets

DEVELOPERS / INVESTORS

Allen Morris Commercial Real Estate
Alliance Companies
Alta Development
Altman Companies
American Land Company
Atlantic Pacific Companies
Bachow Ventures
Bergeron Development
Blue Water Developers
Brandon Companies
Bridge Development
Centerline Homes
Charter Schools USA
Colliers International S Florida
Cornerstone Group
Cymbal Development
Drury Development Corporation
Easton & Associates
Eden Multifamily
EJS Capital Partners
El Ad National Properties
Flagler / Codina Development
Florida Crystals
Florida East Coast Industries
Fort Partners
Foundry Commercial
Gatlin Development Company
Genting Group
Graham Companies
Groupe Pacific
Ireland Companies
Hix Snedeker
Hooper Construction
Jeff Greene Partners
Lincoln Property Company
McCourt Development
Mill Creek Residential Trust
Milton & Associates
M.R. McTigue & Co
MRK Partners
Netz Real Estate Fund
New Urban Development
Olen Properties
Pebb Capital
Pillar Multifamily
Plaza Equity Partners
Premier Developers
RAM Real Estate Development
Raza Development
Red Apple Development
Related Group
Richman Capital I
Rilea Group
Ross Realty Investments
Segbro Companies
Stiles Corporation
Taplin Companies
Trinsic Residential Group
Woolbright Development
ZOM Companies

CORPORATE / COMPANIES

Aelion Enterprises
Avison Young
BBX Capital
Bradford Marine
Brightline
Budget Rent-A-Car Corporation
Derecktor Shipyards
Foundry Commercial
Fox Rock
Holman Automotive
Huizenga Holdings
Lago Mar Beach Resort & Club
Lowes Home Centers
Miami Dolphins
Pantropic Power
Roscioli Yachting Center
Seminole Indian Tribe of Florida
Tampa Electric (TECO)
Uniform Advantage
Westrec Marinas
WS Development
Yacht Management Group

GOVERNMENT / MUNICIPAL

Broward County Housing Authority
Broward County Property Appraiser
Broward County, Florida
Broward Health
Broward Regional Health Planning Council
City of Boca Raton
City of Coral Springs
City of Coral Gables
City of Fort Lauderdale
City of Hallandale Beach
City of Hollywood
City of Homestead
City of Oakland Park
City of Miramar
City of Oakland Park
City of Sunny Isles Beach
City of Sunrise
City of Wilton Manors
Fort Lauderdale DDA
Florida Housing Finance Corp.
Housing Authority City of Ft. Laud.
Miami Parking Authority
Miami-Dade Housing Authority
Palm Beach Housing Authority
Pinecrest School
School Board of Broward County
Town of Miami Lakes
Town of Southwest Ranches
United States Department of Justice

INSTITUTIONAL / NON-PROFIT

Aids Healthcare Foundation
American Maritime Officers (AMO)
Archdioceses of Miami
Boca Raton Community Hospital
Bonnet House Museum & Gardens
CSCI of Broward County
Dan Marino Foundation
First Housing Corporation
Florida Inland Navigation District
Habitat for Humanity
Holy Cross Hospital
Memorial Healthcare Systems
Nova Southeastern University
Salvation Army
South Broward Hospital District
Urban League

Volunteers of America
Watchtower Bible and Tract Society of New

LIFE COMPANIES

AEGON USA Realty Advisors
Aetna Life Insurance
Allstate Life Insurance Company
Berkshire Life Insurance Co.
Genworth Financial
Great American Life Insurance Co.
Guardian Life Insurance
ING Life Insurance
John Hancock Mutual Life
Life of Georgia Insurance Co.
Lincoln National Life Ins. Co.
Met Life Mortgage
Mutual Life Insurance Co.
Nationwide Life Insurance
New York Life
New England Mutual Life
Northwestern Mutual Life
Principal Real Estate Investors
Provident Mutual
Prudential Insurance Corporation
State Farm Life Insurance
Thrivent Financial for Lutherans
TransAmerica Life

LAW FIRMS

Akerman LLP
Arnstein & Lehr LLP
Berger Singerman LLP
Buchanan Ingersoll & Rooney PC
Cooney Trybus Kwavnick Peets
Dunay, Miskel & Backman
Frank Weinberg & Black, PL
Greenberg Traurig
Hackelman, Olive & Judd
Lochrie & Chakas, PA
Mastriana & Christiansen, PA
Moskowitz, Mandell, Salim & Simowitz
Nexterra Law
Rice Pugatch Robinson Storfer & Cohen
Saavedra Goodwin
Shutts, LLP
Tripp Scott
White & Case, LLP

MORTGAGE / WALL STREET

Ackman Ziff
AGM Financial
ASB Capital Management, Inc.
Aztec Group
Berkadia
Berkshire Mortgage Finance
Chrysler Credit Corporation
Dockerty Romer & Company
Florida Bond & Mortgage
Gross Mortgage Finance
Guggenheim Pillar Multifamily
Holliday Fenoglio Fowler, L.P.
InterBay Funding
Mercury Capital Corporation
Memill Lynch Capital
Midland Funding
Morgan Stanley Mortgage Capital
Northmarq Capital
Thomas D. Wood & Company
Walker & Dunlop