

Integra Realty Resources
Miami / Caribbean

Market Rent Analysis

Granada Diner

Retail Property
2003 Granada Blvd.
Coral Gables, Miami-Dade County, Florida 33134

Prepared For:

City of Coral Gables

Date of the Report:

March 26, 2024

Report Format:

Appraisal Report

IRR - Miami / Caribbean

File Number: 123-2024-0057

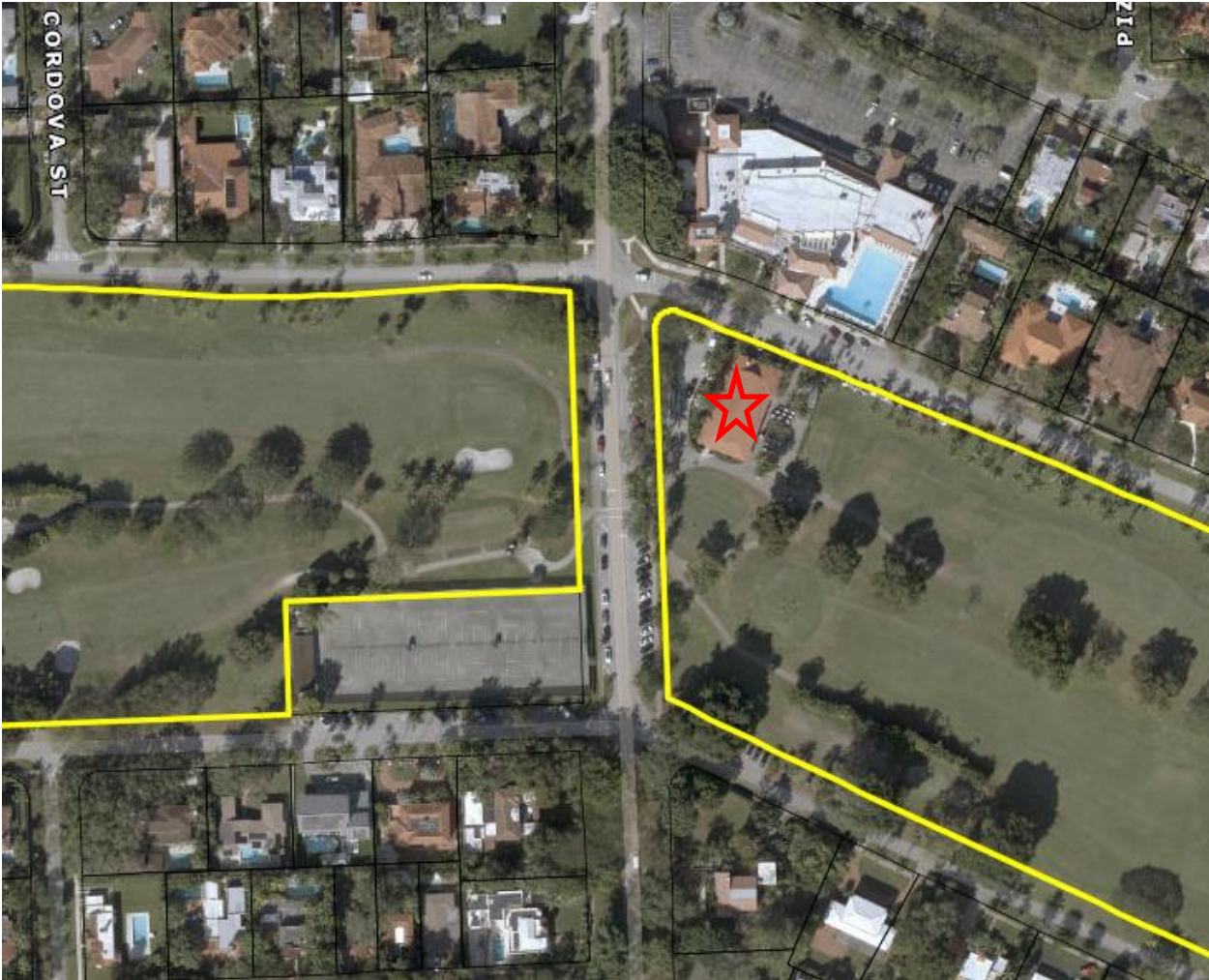


Subject Photographs



Granada Diner
2003 Granada Blvd.
Coral Gables, Florida

Aerial Photograph





March 26, 2024

Zeida C. Sardinas
Asset Manager
City of Coral Gables
2121 Ponce De Leon Blvd.
Coral Gables, FL 33134

SUBJECT: Market Rent Analysis
Granada Diner
2003 Granada Blvd.
Coral Gables, Miami-Dade County, Florida 33134
IRR - Miami / Caribbean File No. 123-2024-0057

Dear Ms. Sardinas:

Integra Realty Resources – Miami / Caribbean is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market rent, pertaining to the fee simple interest in the property.

The client for the assignment is City of Coral Gables. The intended user of this report is the client the City of Coral Gables. The intended use of the report is for planning and decision making. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject it's the Granada Diner, a 1,799 square foot restaurant onsite of the Granada golf course, and in the same building as the golf course pro-shop. The restaurant space, the former home of a diner-style restaurant operating under the name of Burger Bob's, is currently vacant and undergoing a complete renovation by the City of Coral Gables in preparation for obtaining a new tenant to again operate a restaurant in the space. The restaurant will be open to the public but will have operating hours limited to the hours of operating for the golf course which, at present is 7 AM to 7 PM. Upon completion of the renovation the space will be of good quality construction and finishes. The restaurant space has limited visibility from Granada Boulevard.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations. Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report.

This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Concluded Market Lease Terms						
Space Type	Market			Rent		Lease
	SF	Rent	Measure	Escalations	Lease Type	Term (Mos.)
Retail	1,799	\$35 - \$40	\$/SF/Yr	Fixed Percentage	Triple Net	60-120

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.



Zeida C. Sardinias
City of Coral Gables
March 26, 2024
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Respectfully submitted,

Integra Realty Resources - Miami / Caribbean

A handwritten signature in blue ink that reads "C. Badell". The signature is fluid and cursive, with the first letter "C" being particularly large and stylized.

Charles E. Badell, MAI
Managing Director
Florida State-Certified General Real Estate
Appraiser #RZ 3182
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Quality Assurance

IRR Quality Assurance Program

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Designated IRR Certified Reviewer

The IRR Certified Reviewer who provided the quality assurance assessment for this assignment is James V. Andrews, MAI, CRE, FRICS, ASA. An internal quality assurance assessment was conducted by an IRR Certified Reviewer prior to delivery of this appraisal report. This assessment should not be construed as an appraisal review as defined by USPAP.

Identification of the Appraisal Problem

Subject Description

The subject is the Granada Diner, a 1,799 square foot restaurant onsite of the Granada golf course, and in the same building as the golf course pro-shop. The restaurant space, the former home of a diner-style restaurant operating under the name of Burger Bob's, is currently vacant and undergoing a complete renovation by the City of Coral Gables in preparation for obtaining a new tenant to again operate a restaurant in the space. The restaurant will be open to the public but will have operating hours limited to the hours of operating for the golf course which, at present is 7 AM to 7 PM. Upon completion of the renovation the space will be of good quality construction and finishes. The restaurant space has limited visibility from Granada Boulevard. A legal description of the property is provided elsewhere in the report.

Property Identification

Property Name	Granada Diner
Address	2003 Granada Blvd. Coral Gables, Florida 33134

Sale History

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

Based on discussions with the appropriate contacts, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.

Appraisal Purpose

The purpose of the appraisal is to develop the following opinion(s) of value:

- The market rent of the fee simple interest in the subject property as of the effective date of the appraisal, February 23, 2024

The date of the report is March 26, 2024. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs).

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

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.¹

Client and Intended User(s)

The client and intended user is City of Coral Gables. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Intended Use

The intended use of the appraisal is for planning and decision making. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP).
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- Applicable state appraisal regulations.

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site and improvements, flood plain data, seismic zone designation, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

The financial data of the subject, including occupancy statistics reports, historical income/expense figures, and tax and assessment records was not analyzed.

Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

Property Inspection		
Party	Inspection Type	Inspection Date
Charles E. Badell, MAI	Interior and exterior	January 24, 2024

Economic Analysis

Miami-Dade County Area Analysis

Miami-Dade County is located in southeastern Florida approximately 30 miles south of Fort Lauderdale. It is 1,898 square miles in size and has a population density of 1,435 persons per square mile.

Population

Miami-Dade County has an estimated 2024 population of 2,723,579, which represents an average annual 0.2% increase over the 2020 census of 2,701,767. Miami-Dade County added an average of 5,453 residents per year over the 2020-2024 period, but its annual growth rate lagged the State of Florida rate of 1.3%.

Looking forward, Miami-Dade County's population is projected to increase at a 0.3% annual rate from 2024-2029, equivalent to the addition of an average of 6,847 residents per year. Miami-Dade County's growth rate is expected to lag that of Florida, which is projected to be 1.0%.

Population Trends

	Population			Compound Ann. % Chng	
	2020 Census	2024 Estimate	2029 Projection	2020 - 2024	2024 - 2029
Coral Gables, FL (city)	49,248	49,752	49,925	0.3%	0.1%
Miami-Dade County, FL	2,701,767	2,723,579	2,757,812	0.2%	0.3%
Florida	21,538,187	22,724,182	23,916,544	1.3%	1.0%

Source: Claritas

Employment

Total employment in Miami-Dade County was estimated at 1,214,605 jobs as of June 2023. Between year-end 2013 and 2023, employment rose by 166,619 jobs, equivalent to a 15.9% increase over the entire period. There were gains in employment in eight out of the past ten years. Although Miami-Dade County's employment rose over the last decade, it underperformed Florida, which experienced an increase in employment of 23.3% or 1,806,127 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Miami-Dade County unemployment rate has been slightly higher than that of Florida, with an average unemployment rate of 5.1% in comparison to a 4.9% rate for Florida. A higher unemployment rate is a negative indicator.

Recent data shows that the Miami-Dade County unemployment rate is 1.6% in comparison to a 2.9% rate for Florida, a positive sign for Miami-Dade County.

Employment Trends

Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Miami-Dade		Florida		Miami-Dade	
	County	% Change	County	% Change	County	Florida
2013	1,047,986		7,741,539		7.6%	7.5%
2014	1,083,134	3.4%	8,012,496	3.5%	6.8%	6.5%
2015	1,117,022	3.1%	8,314,343	3.8%	6.1%	5.5%
2016	1,135,111	1.6%	8,542,086	2.7%	5.6%	4.9%
2017	1,149,091	1.2%	8,718,087	2.1%	4.8%	4.3%
2018	1,171,176	1.9%	8,907,904	2.2%	3.7%	3.6%
2019	1,189,201	1.5%	9,094,742	2.1%	2.9%	3.2%
2020	1,092,673	-8.1%	8,664,195	-4.7%	8.4%	8.2%
2021	1,176,195	7.6%	9,251,180	6.8%	5.6%	4.7%
2022	1,228,320	4.4%	9,627,996	4.1%	2.6%	2.9%
2023*	1,214,605	-1.1%	9,547,666	-0.8%	1.8%	2.8%
Overall Change 2013-2023	166,619	15.9%	1,806,127	23.3%		
Avg Unemp. Rate 2013-2023					5.1%	4.9%
Unemployment Rate - December 2023					1.6%	2.9%

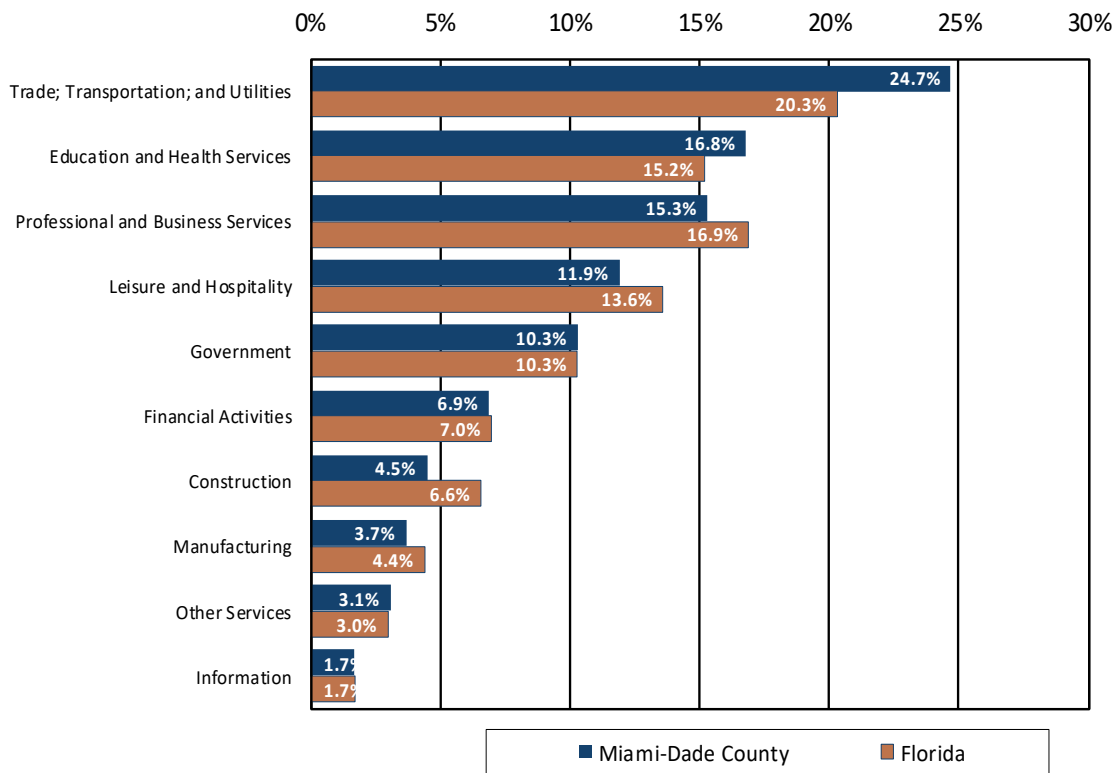
*Total employment data is as of June 2023.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Miami-Dade County job market is depicted in the following chart, along with that of Florida. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Miami-Dade County jobs in each category.

Employment Sectors - 2023



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Miami-Dade County has greater concentrations than Florida in the following employment sectors:

1. Trade; Transportation; and Utilities, representing 24.7% of Miami-Dade County payroll employment compared to 20.3% for Florida as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Education and Health Services, representing 16.8% of Miami-Dade County payroll employment compared to 15.2% for Florida as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Other Services, representing 3.1% of Miami-Dade County payroll employment compared to 3.0% for Florida as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

Miami-Dade County is underrepresented in the following sectors:

1. Professional and Business Services, representing 15.3% of Miami-Dade County payroll employment compared to 16.9% for Florida as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
2. Leisure and Hospitality, representing 11.9% of Miami-Dade County payroll employment compared to 13.6% for Florida as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
3. Financial Activities, representing 6.9% of Miami-Dade County payroll employment compared to 7.0% for Florida as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
4. Construction, representing 4.5% of Miami-Dade County payroll employment compared to 6.6% for Florida as a whole. This sector includes construction of buildings, roads, and utility systems.

Major Employers

Major employers in Miami-Dade County are shown in the following table.

Major Employers - Miami-Dade County, FL	
Name	Number of Employees
1 Baptist Health South Florida	11,353
2 University of Miami	12,818
3 American Airlines	11,031
4 Florida Power & Light Company	3,011
5 Carnival Cruise Lines	3,500
6 Mount Sinai Medical Center	3,321
7 Miami Childrens Hospital	3,500
8 Royal Caribbean International/Celebrity Cruises	2,989
9 Bank of America Merrill Lynch	2,000
10 Wells Fargo	2,050

Source: Beacon Council 2020 (Private only)

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been somewhat lower in Miami-Dade County than Florida overall during the past five years. Miami-Dade County has grown at a 3.0% average annual rate while Florida has grown at a 3.7% rate. However, Miami-Dade County has recently performed better than Florida. GDP for Miami-Dade County rose by 5.8% in 2022 while Florida's GDP rose by 4.6%.

Miami-Dade County has a per capita GDP of \$69,007, which is 26% greater than Florida's GDP of \$54,772. This means that Miami-Dade County industries and employers are adding relatively more value to the economy than their counterparts in Florida.

Gross Domestic Product				
Year	(\$,000s)		(\$,000s)	
	Miami-Dade County	% Change	Florida	% Change
2017	159,539,066	–	1,014,866,900	–
2018	166,478,173	4.3%	1,050,433,800	3.5%
2019	167,321,203	0.5%	1,079,271,000	2.7%
2020	156,638,289	-6.4%	1,068,377,500	-1.0%
2021	174,396,302	11.3%	1,164,778,200	9.0%
2022	184,513,444	5.8%	1,218,430,200	4.6%
Compound % Chg (2017-2022)		3.0%		3.7%
GDP Per Capita 2022	\$69,007		\$54,772	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2023.

The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2017 dollars.

Household Income

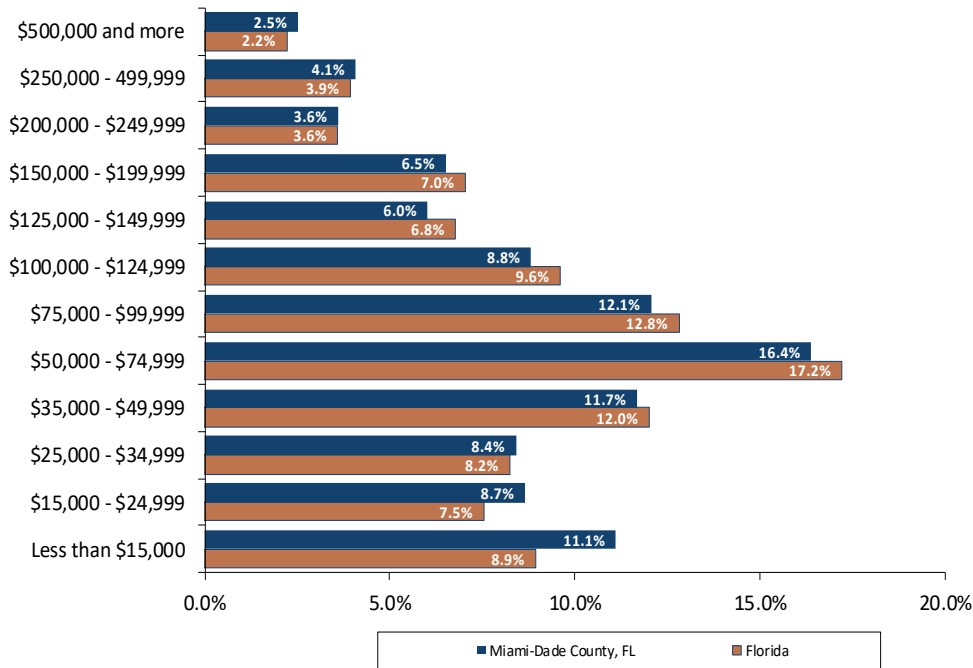
Miami-Dade County has a lower level of household income than Florida. Median household income for Miami-Dade County is \$64,649, which is 5.8% less than the corresponding figure for Florida.

Median Household Income - 2024	
	Median
Miami-Dade County, FL	\$64,649
Florida	\$68,658
Comparison of Miami-Dade County, FL to Florida	- 5.8%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. Miami-Dade County has a greater concentration of households in the lower income levels than Florida. Specifically, 40% of Miami-Dade County households are below the \$50,000 level in household income as compared to 37% of Florida households. A lesser concentration of households is apparent in the middle income levels, as 43% of Miami-Dade County households are between the \$50,000 - \$150,000 levels in household income versus 46% of Florida households.

Household Income Distribution - 2024



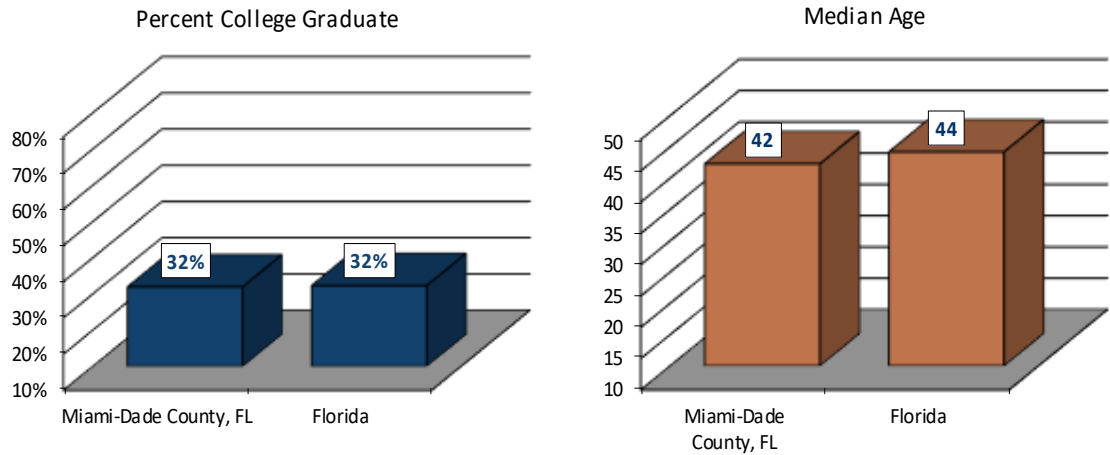
Source: Claritas

Education and Age

Residents of Miami-Dade County have a similar level of educational attainment to those of Florida. An estimated 32% of Miami-Dade County residents are college graduates with four-year degrees, which is the same percentage as Florida residents. People in Miami-Dade County are younger than their Florida counterparts. The median age for Miami-Dade County is 42 years, while the median age for Florida is 44 years.



Education & Age - 2024



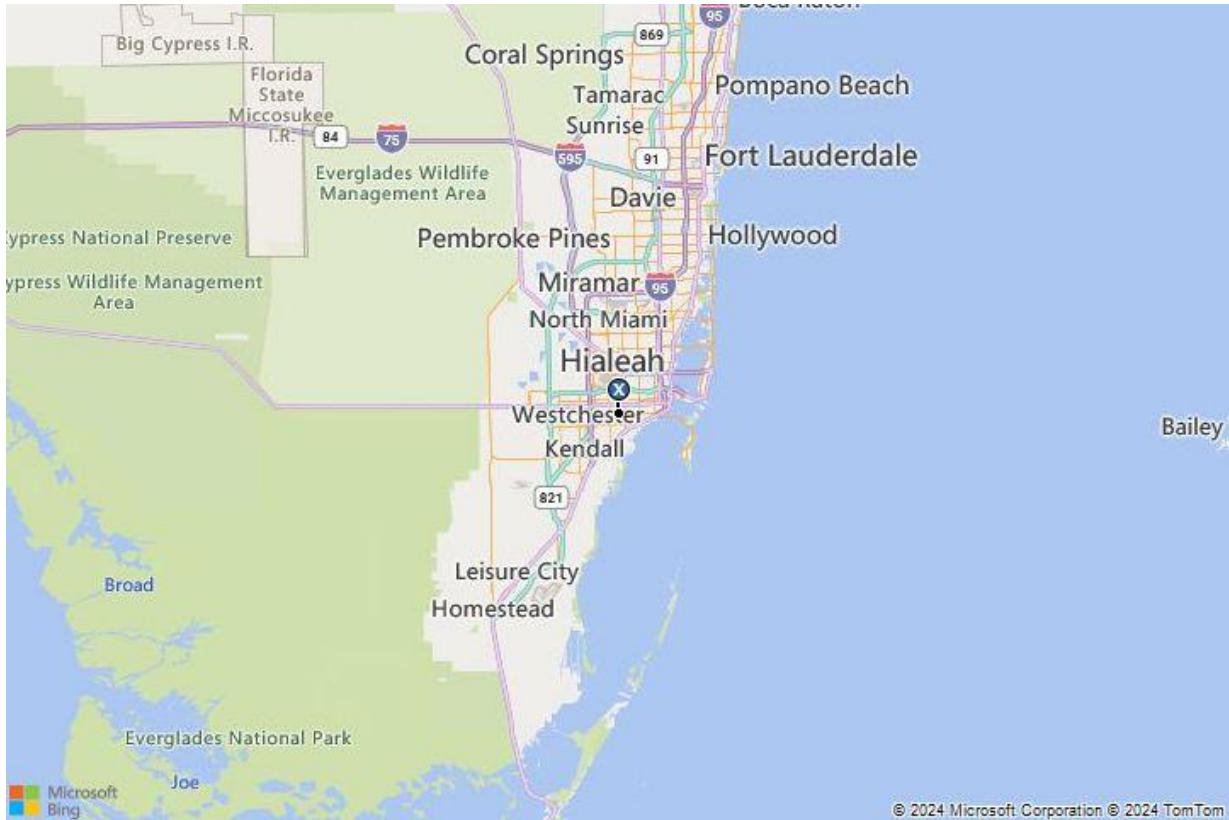
Source: Claritas

Conclusion

The Miami-Dade County economy will be affected by a stable to slightly growing population base and a lower level of median household income. Miami-Dade County experienced growth in the number of jobs over the past decade, and it is reasonable to assume that employment growth will occur in the future. It is anticipated that the Miami-Dade County economy will improve and employment will grow, strengthening the demand for real estate.



Area Map



Surrounding Area Analysis

The subject is located in the northwestern area of Coral Gables, a primarily residential area with a few restaurant/retail properties sprinkled within it. This area is part of the Coral Gables submarket. Area boundaries and delineation are indicated in the following table. A map identifying the location of the property follows this section.

Boundaries & Delineation	
Boundaries	
Market Area	Miami-Palm Beach, FL
Submarket	Coral Gables/Kendall
Area Type	Suburban
Delineation	
North	SW 8th St
South	Coral Way
East	S Le Jeune Rd
West	SW 57th Ave

Access and Linkages

Primary access and linkages to the subject area, including highways, roadways, public transit, traffic counts, and airports, are summarized in the following table.

Access & Linkages	
Vehicular Access	
Major Highways	Dolpin Expressway, I-95
Primary Corridors	Coral Way/Miracle Mile, Douglas Road, Le Jeune Road
Vehicular Access Rating	Average
Public Transit	
Providers	Miami-Dade Transit, Miami & Coral Gables Trolley
Nearest Stop/Station	Along Coral Way
Transit Access Rating	Average
Airport(s)	
Name	Miami
Distance	5 mi
Driving Time	20 min
Primary Transportation Mode	Automobile

The subject benefits from average daily traffic counts. Furthermore, the Miami CBD, the economic and cultural center of the region, is approximately 5.5 miles from the property.

Demand Generators

The typical generators of demand affecting the subject property and its market are discussed and analyzed below.

Employment and Employment Centers

Major employers include a large concentration of professional and corporate office along the Coral Way/Miracle Mile corridor as well as the University of Miami, Coral Gables Hospital, and Doctors Hospital. These are located within 3 miles of the property and represent significant concentrations in a variety of industries. In addition to its strong employment base, the area is easily accessible to the Downtown, Brickell, and West Miami submarkets, all within 15 minutes driving time. Access to employment centers in other submarkets is a major demand driver.

Nearby residential communities such as Coral Way and Little Havana, about 3 miles from the property, provide a reliable source of workers at all skill and income levels.

Nearby Retail Uses

The nearest shopping facilities serving the area are a café within the Coral Gables Country Club complex. This is located immediately surrounding the property. They offer basic convenience goods and personal services. The closest regional malls are Brickell City Centre (conventional) and Merrick Park (luxury). Restaurants, principally along major arterials but also interspersed along side streets, are within a 5-minute travel time of the property. The closest lodging facilities are located within a 10-minute drive of the subject and include most major flags.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2024 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Miami-Dade County, FL	Florida
Population 2020	19,345	224,796	513,047	2,701,767	21,538,187
Population 2024	19,057	223,594	511,771	2,723,579	22,724,182
Population 2029	18,909	223,594	512,988	2,757,812	23,916,544
Compound % Change 2020-2024	-0.4%	-0.1%	-0.1%	0.2%	1.3%
Compound % Change 2024-2029	-0.2%	0.0%	0.0%	0.3%	1.0%
Households 2020	8,109	86,647	200,171	967,414	8,529,067
Households 2024	8,066	87,241	202,285	981,728	9,019,295
Households 2029	8,068	88,216	205,177	1,001,031	9,519,180
Compound % Change 2020-2024	-0.1%	0.2%	0.3%	0.4%	1.4%
Compound % Change 2024-2029	0.0%	0.2%	0.3%	0.4%	1.1%
Median Household Income 2024	\$117,955	\$66,489	\$57,940	\$64,649	\$68,658
Average Household Size	2.4	2.5	2.5	2.7	2.5
College Graduate %	61%	39%	35%	32%	32%
Median Age	48	45	45	42	44
Owner Occupied %	63%	46%	40%	50%	65%
Renter Occupied %	37%	54%	60%	50%	35%
Median Owner Occupied Housing Value	\$846,761	\$549,932	\$514,900	\$441,950	\$339,410
Median Year Structure Built	1958	1964	1970	1979	1988
Average Travel Time to Work in Minutes	28	30	31	34	30

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 223,594, and the average household size is 2.5. Population in the area has declined since the 2020 census, but the trend is projected to be flat over the next five years. This differs from the population of Miami-Dade County, which is projected to grow, as discussed previously.

Median household income is \$66,489, which is higher than the household income for Miami-Dade County. Residents within a 3-mile radius have a higher level of educational attainment than those of Miami-Dade County, while median owner-occupied home values are considerably higher.

Services and Amenities

The subject is served by the Miami-Dade County school district. The nearest public services, including police and fire departments, as well as public schools are summarized in the following table.

Public Services			
Service	Name/Station	Driving Distance (Miles)	Direction
Police Department	Headquarters	1	East
Fire Department	Headquarters	1	East
Elementary School	Various	<5	Various
Middle/Junior High School	Various	<5	Various
High School	Various	<5	Various



The closest colleges and universities are University of Miami and Miami-Dade College. They offer associate's through postgraduate programs, as well as various continuing education programs. Proximity to parks, golf courses, and other recreational activities is above average. Of particular note is the proximity of the Granada Golf Course.

Land Use

Predominant land uses in the immediate vicinity of the subject include a mix of medium- and high-density retail, office, hotel, and residential types. Land use characteristics of the area are summarized below.

Surrounding Area Land Uses	
Character of Area	Suburban
Predominant Age of Improvements (Years)	0-50+
Predominant Quality and Condition	Good
Approximate Percent Developed	90%
Land Use Allocation	
Single-Family	85%
Retail	5%
Vacant Land	10%
Infrastructure and Planning	Above Average
Predominant Location of Undeveloped	Infill
Prevailing Direction of Growth	Infill

Immediate Surroundings	
North	Retail Clubhouse
South	Single-Family
East	Single-Family and Golf Course
West	Golf Course

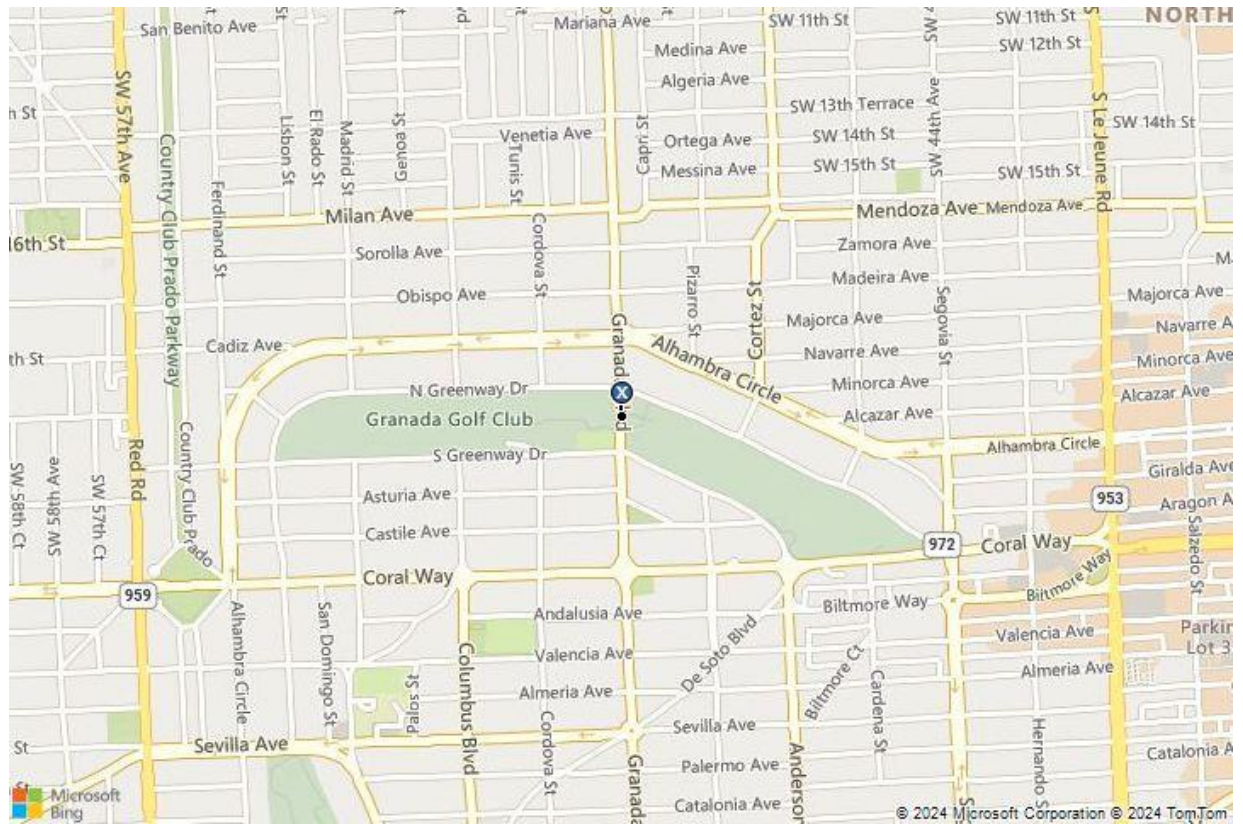
Development Activity and Trends

During the last five years, development has been predominantly of medium-density mixed-use projects, and has included the Mediterranean Village development. The pace of development has generally been continuous over this time.

Outlook and Conclusions

The area is in the mature stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will remain stable in the near future.

Surrounding Area Map



Retail Market Analysis

Metro Area Overview

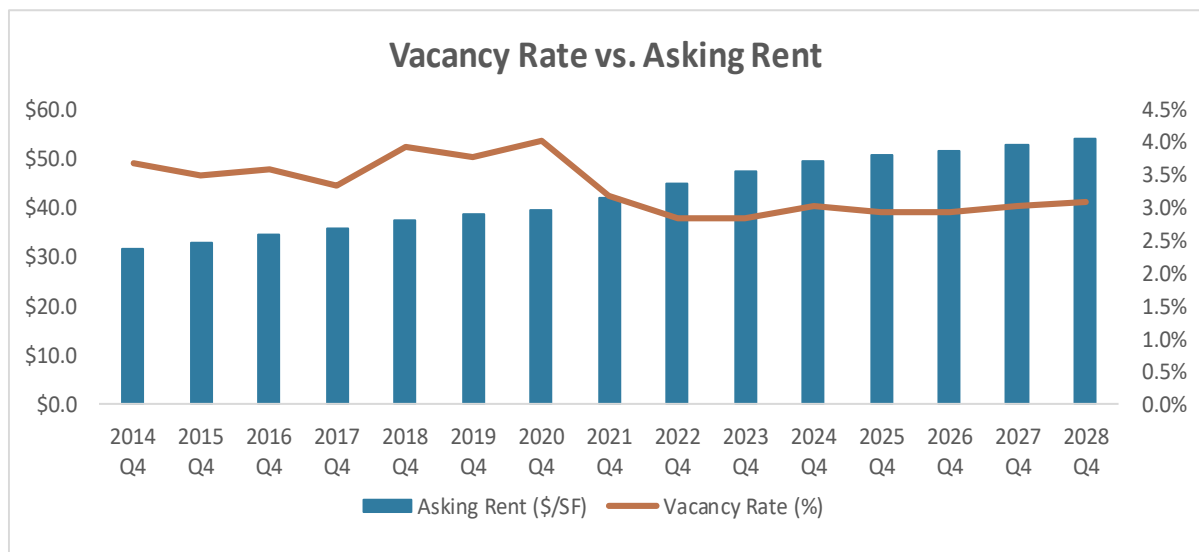
The subject is located in the Miami - FL (USA) metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Retail Miami - FL (USA) Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q4	134,709,950	129,758,832	3.68%	1,236,430	1,715,482	1,813,146	\$31.57	6.67%	16.12%	6.00%
2015 Q4	135,809,742	131,063,416	3.49%	1,099,792	2,437,685	1,282,496	\$33.17	5.09%	9.81%	5.71%
2016 Q4	137,380,329	132,424,720	3.61%	1,513,680	2,216,646	1,325,073	\$34.50	4.00%	3.23%	5.73%
2017 Q4	139,200,674	134,528,560	3.36%	1,820,345	1,413,693	2,032,923	\$35.94	4.17%	2.71%	5.71%
2018 Q4	140,199,178	134,687,696	3.93%	988,941	2,453,281	222,954	\$37.48	4.29%	3.36%	5.70%
2019 Q4	141,366,801	136,036,976	3.77%	1,154,112	1,971,902	1,337,439	\$38.79	3.51%	4.54%	5.62%
2020 Q4	142,921,674	137,143,104	4.04%	1,554,873	1,930,259	1,102,000	\$39.59	2.05%	1.16%	5.62%
2021 Q4	143,744,786	139,169,408	3.18%	823,112	2,806,213	2,030,434	\$41.94	5.93%	5.80%	5.50%
2022 Q4	144,846,613	140,725,360	2.85%	1,098,657	2,501,704	1,553,741	\$44.89	7.04%	7.08%	5.40%
2023 Q4	146,238,087	142,093,264	2.83%	1,391,474	1,339,244	1,367,898	\$47.67	6.18%	4.79%	5.37%
2024 Q4	147,055,367	142,606,992	3.02%	817,280	0	526,654	\$49.47	3.78%	-11.52%	6.21%
2025 Q4	147,272,563	142,957,296	2.93%	217,196	0	362,190	\$50.68	2.45%	0.58%	6.36%
2026 Q4	147,487,979	143,164,912	2.93%	215,416	0	202,804	\$51.88	2.36%	6.99%	6.12%
2027 Q4	147,918,252	143,450,048	3.02%	430,273	0	267,644	\$52.95	2.06%	6.47%	5.89%
2028 Q4	148,525,112	143,922,336	3.10%	606,860	0	455,665	\$54.00	2.00%	3.19%	5.82%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

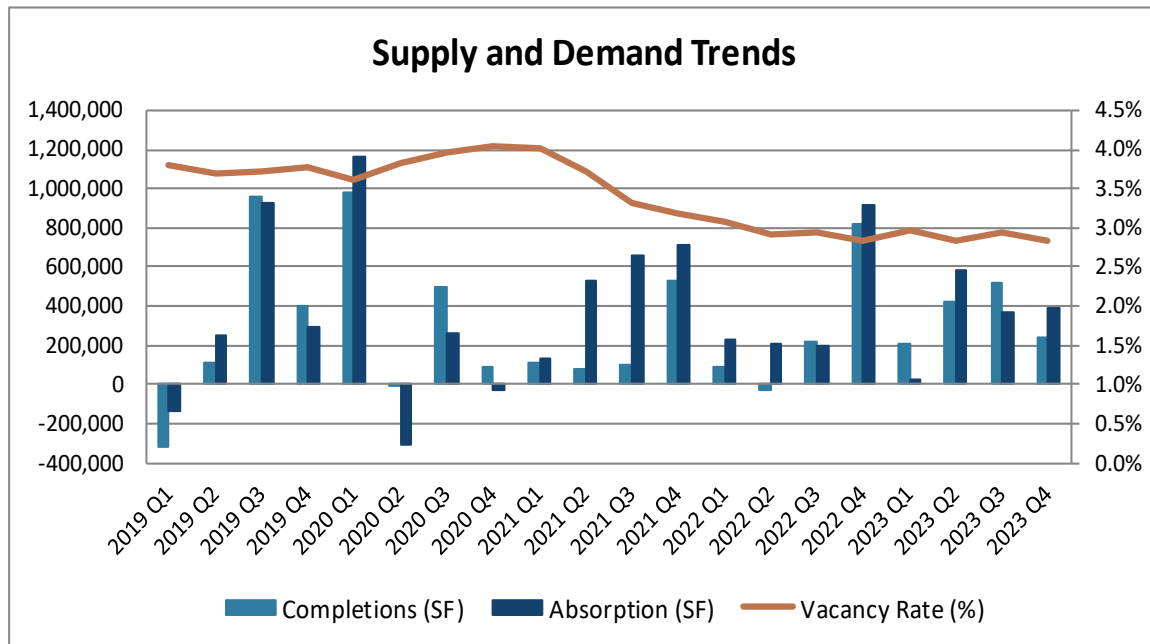
Miami - FL (USA) Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 2.83%; the vacancy rate has decreased by 35 bps from 2021 Q4.

- Two-year Base Case forecasts project a 2.93% vacancy rate in the metro area, representing an increase of 10 bps by 2025 Q4.
- Asking rent averages \$47.67/SF in the metro area, and values have increased by 13.66% from 2021 Q4.
- Two-year Base Case forecasts project a \$50.68/SF asking rent in the metro area, representing an increase of 6.31% by 2025 Q4.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.73% from 2021 Q4, while the demand has increased by 2.10%.
- Between 2019 Q1 and 2023 Q4, net completions in the metro area have averaged 1,204,446 SF annually, and reached a peak of 980,747 SF in 2020 Q1.
- Between 2019 Q1 and 2023 Q4, net absorption in the metro area has averaged 1,478,302 SF annually, and reached a peak of 1,168,117 SF in 2020 Q1.

Submarket Overview

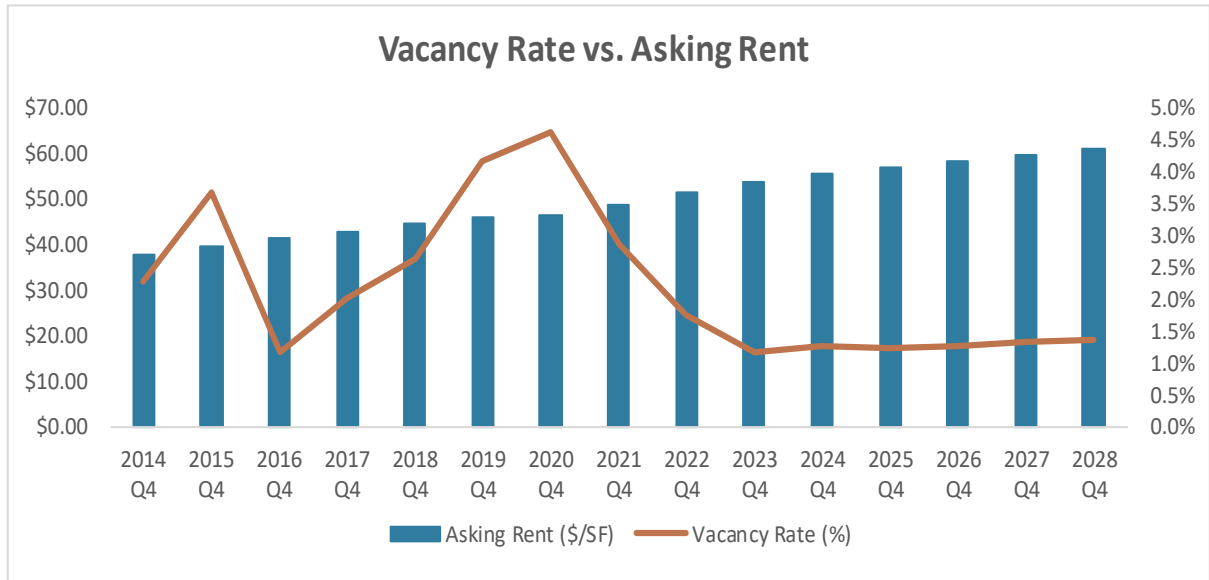
The subject is located in the Coral Gables submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

All Retail Coral Gables Submarket Trends										
Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q4	4,148,785	4,054,957	2.26%	0	0	56,773	\$37.87	6.58%	16.76%	5.74%
2015 Q4	4,153,669	4,000,899	3.68%	4,884	0	-54,058	\$39.83	5.17%	11.02%	5.44%
2016 Q4	4,147,349	4,099,029	1.17%	-6,320	6,745	98,130	\$41.33	3.78%	3.23%	5.47%
2017 Q4	4,144,016	4,059,926	2.03%	-3,333	0	-39,103	\$43.02	4.07%	3.35%	5.45%
2018 Q4	4,144,016	4,035,121	2.63%	0	0	-24,805	\$44.85	4.26%	4.46%	5.41%
2019 Q4	4,144,988	3,972,169	4.17%	972	38,134	-62,952	\$46.12	2.84%	4.84%	5.34%
2020 Q4	4,144,988	3,952,928	4.63%	0	324,134	-19,241	\$46.72	1.30%	0.96%	5.30%
2021 Q4	4,308,122	4,184,801	2.86%	163,134	661,000	231,873	\$48.85	4.55%	5.64%	5.20%
2022 Q4	4,947,712	4,860,696	1.76%	639,590	167,275	675,895	\$51.33	5.09%	3.89%	5.21%
2023 Q4	5,108,712	5,049,542	1.16%	161,000	6,275	188,846	\$53.75	4.72%	4.54%	5.17%
2024 Q4	5,107,489	5,042,307	1.28%	-1,223	0	-6,755	\$55.68	3.58%	-13.48%	6.06%
2025 Q4	5,104,166	5,041,913	1.22%	-3,323	0	72	\$57.13	2.60%	0.67%	6.21%
2026 Q4	5,113,437	5,049,232	1.26%	9,271	0	7,126	\$58.56	2.50%	7.13%	5.97%
2027 Q4	5,131,112	5,063,388	1.32%	17,675	0	13,553	\$59.84	2.19%	6.61%	5.74%
2028 Q4	5,155,711	5,084,862	1.37%	24,599	0	20,866	\$61.12	2.13%	3.29%	5.67%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

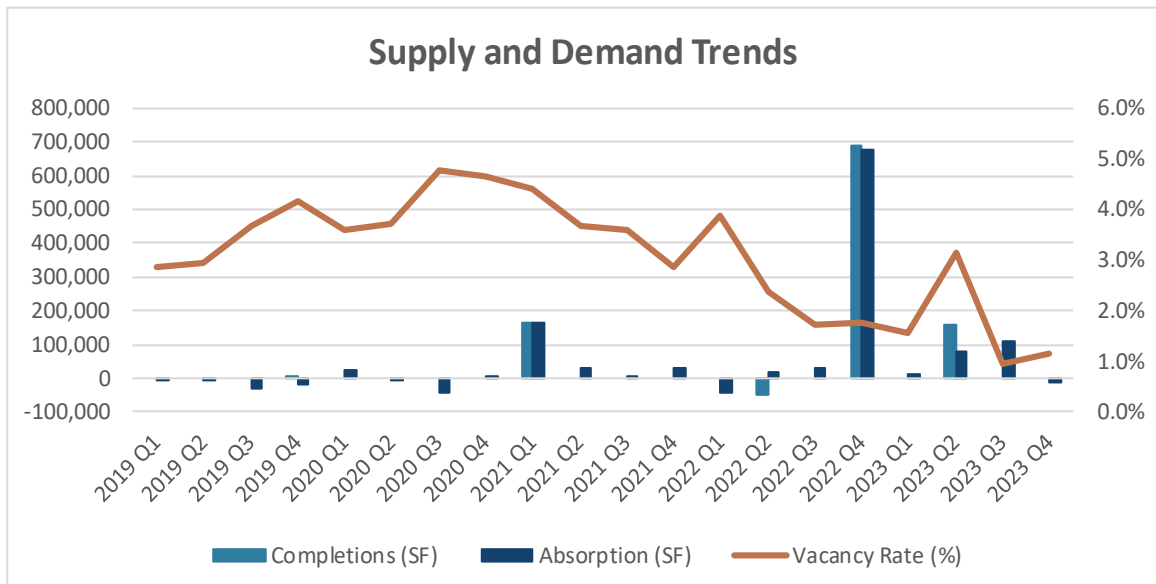
- The Coral Gables submarket comprises 3.5% of the metro building stock and 3.6% of the metro building demand.
- The vacancy rate in the Coral Gables submarket is 1.16%, which is less than the metro area's average of 2.83%.
- Coral Gables market rate is \$53.75/SF which is greater than the metro area's average rate of \$47.67/SF.

Coral Gables Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the submarket area is 1.16%; the vacancy rate has decreased by 170 bps from 2021 Q4.
- Two-year Base Case forecasts project a 1.22% vacancy rate in the submarket area, representing an increase of 6 bps by 2025 Q4.
- Asking rent averages \$53.75/SF in the submarket area, and values have increased by 10.03% from 2021 Q4.
- Two-year Base Case forecasts project a \$57.13/SF asking rent in the submarket area, representing an increase of 6.29% by 2025 Q4.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 18.58% from 2021 Q4, while the demand has increased by 20.66%.
- Between 2019 Q1 and 2023 Q4, net completions in the submarket area have averaged 192,939 SF annually, and reached a peak of 690,678 SF in 2022 Q4.
- Between 2019 Q1 and 2023 Q4, net absorption in the submarket area has averaged 202,884 SF annually, and reached a peak of 677,203 SF in 2022 Q4.

Retail Marketplace Profile

Retail sales trends in the market area are a key indicator of demand. Therefore, we have reviewed the Nielsen retail market power (RMP) opportunity gap overview, which is included in the ensuing table. The opportunity gap or surplus available represents the difference between demand and supply. When the demand is greater than supply, there is an opportunity gap, but when demand is less than supply, there is a surplus. A positive value signifies an opportunity gap, while a negative value signifies a surplus.

Opportunity Gap - All Retail Stores - Radius									
Retail Store Type	1 mile			3 miles			5 miles		
	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus	2022 Demand (Consumer Expenditures)	2022 Supply (Retail Sales)	2022 Opportunity Gap/Surplus
Motor Vehicle and Parts Dealers	\$125,288,807	\$57,264,274	\$68,024,533	\$1,066,771,891	\$1,819,072,829	-\$752,300,938	\$2,317,755,015	\$3,723,574,388	-\$1,405,819,373
Non-Store Retailers	\$78,759,789	\$34,589,994	\$44,169,795	\$659,066,170	\$799,658,080	-\$140,591,910	\$1,423,863,000	\$1,542,625,295	-\$118,762,295
Food and Beverage Stores	\$64,869,097	\$29,746,353	\$35,122,744	\$548,622,652	\$881,320,363	-\$332,697,711	\$1,189,558,097	\$1,972,649,332	-\$783,091,235
General Merchandise Stores	\$56,879,263	\$29,565,590	\$27,313,673	\$478,158,131	\$689,677,024	-\$211,518,893	\$1,035,184,692	\$1,326,492,303	-\$291,307,611
Building Material and Garden Equipment and Supplies Dealers	\$37,273,396	\$12,391,226	\$24,882,170	\$303,683,231	\$346,985,011	-\$43,301,780	\$651,337,865	\$666,012,226	-\$14,674,361
Gasoline Stations	\$38,507,679	\$17,354,451	\$21,153,228	\$324,464,555	\$276,228,007	\$48,236,548	\$705,904,791	\$514,745,581	\$191,159,210
Miscellaneous Store Retailers	\$9,519,650	\$4,742,367	\$4,777,283	\$79,670,959	\$153,447,797	-\$73,776,838	\$172,448,654	\$285,467,952	-\$113,019,298
Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$6,461,653	\$2,123,876	\$4,337,777	\$53,788,177	\$85,382,734	-\$31,594,557	\$116,163,580	\$154,465,482	-\$38,301,902
Furniture and Home Furnishings Stores	\$10,062,285	\$6,875,169	\$3,187,116	\$84,449,738	\$175,413,004	-\$90,963,266	\$181,644,213	\$336,620,542	-\$154,976,329
Food Services and Drinking Places	\$57,596,641	\$58,424,081	-\$827,440	\$480,847,150	\$996,803,597	-\$515,956,447	\$1,037,213,298	\$1,918,768,201	-\$881,554,903
Electronics and Appliance Stores	\$7,434,911	\$11,862,292	-\$4,427,381	\$62,425,434	\$266,476,024	-\$204,050,590	\$135,023,252	\$518,961,974	-\$383,938,722
Health and Personal Care Stores	\$28,755,243	\$53,229,877	-\$24,474,634	\$240,253,015	\$676,968,905	-\$436,715,890	\$518,676,200	\$1,264,779,752	-\$746,103,552
Clothing and Clothing Accessories Stores	\$19,284,480	\$62,239,443	-\$42,954,963	\$163,022,139	\$770,609,553	-\$607,587,414	\$352,745,157	\$1,441,735,239	-\$1,088,990,082
Total Retail Sales Incl Eating and Drinking Places	\$540,692,894	\$380,408,993	\$160,283,901	\$4,545,223,242	\$7,938,042,928	-\$3,392,819,686	\$9,837,517,814	\$15,666,898,267	-\$5,829,380,453

Source: Claritas; compiled by Integra Realty Resources, Inc.

Retail Opportunity Gap Key Takeaways

- The total retail opportunity gap between consumer demand and retail supply within a 1-mile radius of the subject is \$160,283,901.
- The Motor Vehicle and Parts Dealers retail category presents the greatest opportunity gap of \$68,024,533 within a 1-mile radius of the subject.
- The Clothing and Clothing Accessories Stores retail category presents the lowest retail opportunity within a 1-mile radius of the subject.
- The Sporting Goods, Hobby, Musical Instrument, and Book Stores retail category saw the lowest consumer demand within a 1-mile radius of the subject.
- Of the 13 main retail category groups, 9 present an opportunity gap based on consumer demand within a 1-mile radius of the subject.
- Of the 13 main retail category groups, 4 present a surplus based on the supply within a 1-mile radius of the subject.

Retail Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Miami - FL (USA) metro area to have a positive impact on the subject property's performance in the near-term.

Property Analysis

Improvements Description and Analysis

Overview

The subject it's the Granada Diner, a 1,799 square foot restaurant onsite of the Granada golf course, and in the same building as the golf course pro-shop. The restaurant space, the former home of a diner-style restaurant operating under the name of Burger Bob's, is currently vacant and undergoing a complete renovation by the City of Coral Gables in preparation for obtaining a new tenant to again operate a restaurant in the space. The restaurant will be open to the public but will have operating hours limited to the hours of operating for the golf course which, at present is 7 AM to 7 PM. Upon completion of the renovation the space will be of good quality construction and finishes. The restaurant space has limited visibility from Granada Boulevard.

Improvements Description	
Name of Property	Granada Diner
General Property Type	Retail
Property Sub Type	Single User
Specific Use	Sit Down Restaurant
Competitive Property Class	C
Occupancy Type	Single Tenant
Number of Buildings	1
Stories	1
Construction Class	C
Construction Type	Masonry
Construction Quality	Good
Condition	Good
Gross Building Area (SF)	3,618
Gross Leasable Area (SF)	1,799
Building Area Source	Public Records
Year Built	1974
Year Renovated	Periodically
Actual Age (Yrs.)	50
Estimated Effective Age (Yrs.)	5
Estimated Economic Life (Yrs.)	45
Remaining Economic Life (Yrs.)	40
Source of Parking Count	Inspection
Parking Type	Surface and street

Construction Details	
Foundation	Slab
Basement	None
Structural Frame	CBS, reinforced concrete
Exterior Walls	Block
Windows	Retail front, ceiling to floor, fixed impact windows and a two-double door entry.
Interior Finishes	–
Floors	Ceramic Tile flooring
Walls	Painted Drywall
Ceilings	Wire suspended acoustical tiles
Lighting	Wire suspended flourescent lighting and LED
HVAC	Central
Electrical	Updated electrical wiring throughout
Plumbing	Updated plumbing throughout
Hot Water	Tankless watetr heater
Utility Meters - Tenants	Separate utility meters
Restrooms	One resroom - tiolet, and vanity
Other Fire Safety	Fire alarm
Security	CCTv and security alarm

Quality and Condition

The improvements are of good quality construction and are in good condition. Fluorescent

Functional Utility

The improvements appear to be adequately suited to their current use.

Deferred Maintenance

No deferred maintenance is apparent from the property inspection.

ADA Compliance

Based on the property inspection and information provided, there are no apparent ADA issues. However, ADA matters are beyond the scope of expertise of the assignment participants, and further study by an appropriately qualified professional would be recommended to assess ADA compliance.

Hazardous Substances

An environmental assessment report was not provided for review, and environmental issues are beyond the scope of expertise of the assignment participants. No hazardous substances were observed during the inspection of the improvements; however, detection of such substances is outside the scope of expertise of the assignment participants. Qualified professionals should be consulted. Unless otherwise stated, it is assumed no hazardous conditions exist on or near the subject.

Personal Property

The appraisal assignment is specifically focused on the value of the real property only. Items of personal property are excluded from consideration.

Conclusion of Improvements Analysis

In comparison to competitive properties in the market, the subject improvements are rated as follows:

Improvements Ratings

Visibility/Exposure	Below Average
Design and Appearance	Above Average
Age/Condition	Above Average
Adaptability of Space to other Retail Users	Average
Interior Amenities	Average
Layout - Store to Store Proximity	Average
Parking Ratios	Average
Anchor Tenants	Below Average
Distance of Parking to Store Access	Average
Landscaping	Average

Renderings – Upon Completion





Subject front view



Subject front view



Subject interior - Front



Subject front



Subject view of the kitchen area



Subject front, view of the golfcart parking



Subject, view of the work area, rear door



Subject rear area, fetures to grease traps.



Subject gas meter



Subject street, granada, view north

Market Rent Analysis

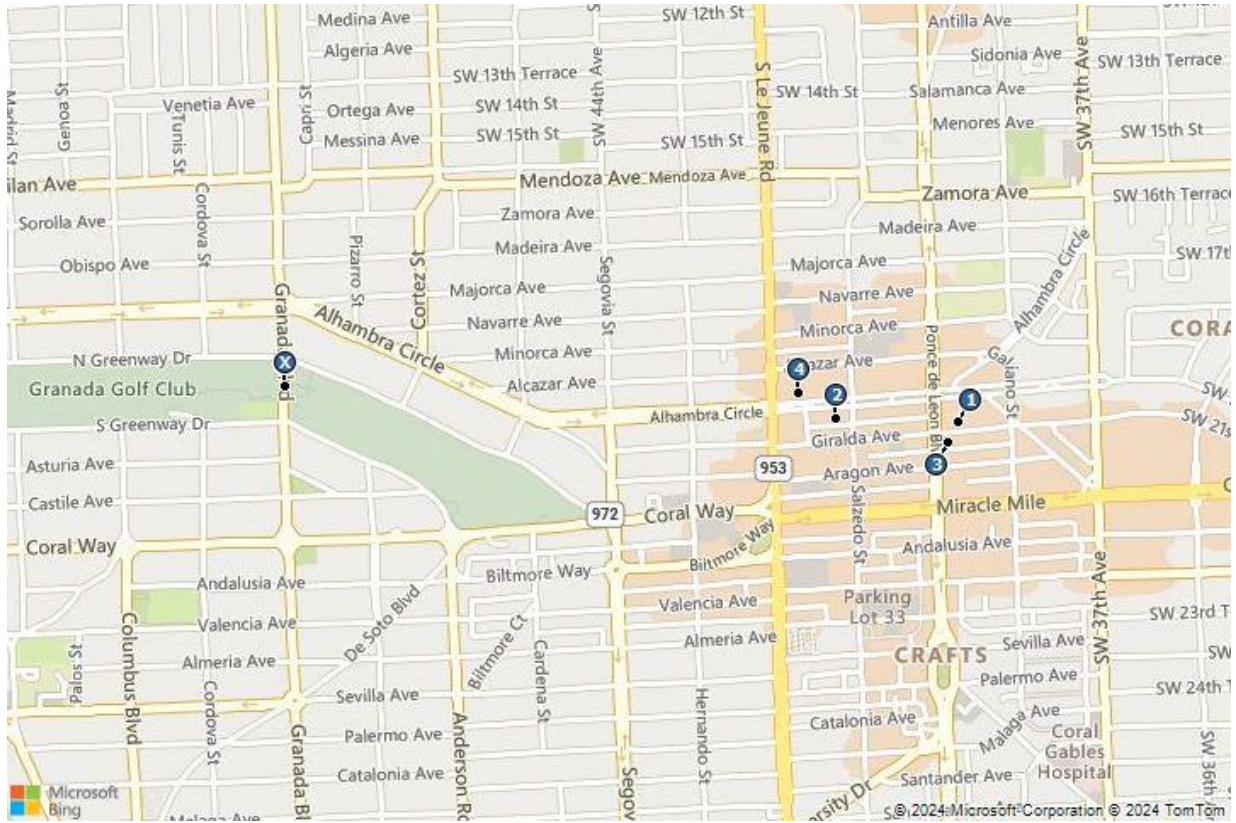
To estimate market rent for the subject, the research focused on comparable rentals within the following parameters:

- Location: Coral Gables
- Property Type: Retail Restaurant
- Size: 1,000 to 5,000 square feet
- Date: 2022 to present

Comparable rentals considered most relevant are summarized in the following table.

Summary of Comparable Rentals - Retail									
No.	Property Information	Description	Tenant	SF	Lease Start	Term (Mos.)	Rent/SF	Escalations	Lease Type
1	Giralda Plaza Pedestrian 177 Giralda Ave. Coral Gables Miami-Dade County FL	Yr Blt. 1956 Stories: 2 GLA: 2,299	Restaurant TBA	4,000	Feb-24	240	\$75.00	None	Triple Net
<i>Comments: Two-story restaurant for lease in the pedestrian section of Giralda Avenue. The leasing broker confirmed the initial asking rate was high to appease the landlord, and expects an eventual contract rent to be signed closer to \$65 per square foot. The space is in need of significant interior renovation and the landlord will provide TI and abatement for the right tenant.</i>									
2	318-322 Alhambra Office 318 Alhambra Cir. Coral Gables Miami-Dade County FL	Yr Blt. 2005 Stories: 2 GLA: 7,645	The Melting Pot	5,000	Dec-23	120	\$50.00	Fixed %	Triple Net
<i>Comments: This is the December 2023 signed lease of approximately 5,000 square feet of restaurant space for the Melting Pot. The lease is \$50.00/SF/Yr. NNN for 10-years. The tenant was offered 12-months in free rent and \$65 in TI. Net expenses are estimated to be \$16.50/SF.</i>									
3	North Downtown Coral 2305 Ponce de Leon Blvd. Coral Gables Miami-Dade County FL	Yr Blt. 1946 Stories: 1 GLA: 2,262	Undisclosed Restaurant	2,500	Nov-23	60	\$43.00	None	Triple Net
<i>Comments: October 2023 lease of a single-story second generation restaurant space in Coral Gables, Florida.</i>									
4	NW Downtown Coral 367 Alhambra Cir. Coral Gables Miami-Dade County FL	Yr Blt. - Stories: - GLA: 1,635	Let Them Have Cake	1,635	Oct-22	36	\$79.00	None	Gross + TE
<i>Comments: September 2022 lease of a second generation restaurant space in Coral Gables, Florida.</i>									

Comparable Rentals Map





Lease 1
Giralda Plaza Pedestrian Mall Retail



Lease 2
318-322 Alhambra Office Building



Lease 3
North Downtown Coral Gables Street Retail



Lease 4
NW Downtown Coral Gables Storefront

Analysis and Adjustment of Rents

The rents are compared to the subject and adjusted to account for material differences that affect lease rates. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired analysis.

While percentage adjustments are presented in the adjustment grid that follows, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market behavior and perception. Except for market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-10% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable rent in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its rent is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its rent is adjusted upward.

Transactional adjustments are applied for expense structure, conditions of lease, and market conditions. In addition, property adjustments include – but are not limited to – location, access/exposure, size, quality, effective age, and economic characteristics. Adjustments are considered for the following factors, in the sequence shown below.

Expense Structure

Comp 4 is adjusted for its Gross + TE expense structure versus the remaining comparables which are leased on a triple net basis.

Conditions of Lease

Rent one represents a property listing. Actual rates are often negotiated downward from the asking rate. A downward adjustment is. The remaining rents require no adjustment.

Market Conditions

The comparable rents were signed from October 2022 to February 2024. The rents are generally representative of current market rates as of the date signed. Most leases have annual escalations. Market conditions have generally been strengthening. The adjustment grid accounts for this trend with upward adjustments over this period through the effective date of value.

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

All of the comparables are similar to the subject. No adjustments are necessary.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

All of the comparables are superior to the subject. Downward adjustments are applied.

Space Size

Due to economies of scale, the market exhibits an inverse relationship between building area and price per square foot, such that larger properties rent for a lower rate per square foot than smaller properties, all else being equal. To account for this relationship, applicable adjustments are applied for differences in building area.

All of the comparables are similar to the subject. No adjustments are necessary.

Parking

This adjustment refers to the amount and type of parking provided. The subject has a parking ratio of 0.00 spaces per 1,000 square feet of building area.

All of the comparables are similar to the subject. No adjustments are necessary.

Effective Age/Condition

While year built can give insight into the utility of a property, the more important consideration is the level of condition and modernization of the property. The subject was constructed in 1974, has an effective age of 5 years, and is in good condition. Comparables exhibiting newer effective ages are adjusted downward to reflect the discrepancy in remaining economic life, and vice versa.

All of the comparables are similar to the subject. No adjustments are necessary.

Quality of Construction

This category accounts for differences in quality of construction materials and finishes between the subject and the comparables.

All of the comparables are similar to the subject. No adjustments are necessary.

Anchor Strength

Retail sites benefit greatly from a strong anchored shopping center. Rental rates are greatly influenced by the additional foot traffic that a strong anchor draws to the center.

All of the comparables are similar to the subject. No adjustments are necessary.

Economic Characteristics

Items considered in this category include variations in rental rate attributable to such factors as free rent or other concessions, pattern of rent changes over the lease term, or tenant improvement allowances.

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The following table summarizes the adjustments discussed above and applied to each comparable rent.

Rental Adjustment Grid - Retail					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Name	Granada Diner	Giralda Plaza Pedestrian Mall Retail	318-322 Alhambra Office Building	North Downtown Coral Gables Street Retail	NW Downtown Coral Gables Storefront
Address	2003 Granada Blvd.	177 Giralda Ave.	318 Alhambra Cir.	2305 Ponce de Leon Blvd.	367 Alhambra Cir.
City	Coral Gables	Coral Gables	Coral Gables	Coral Gables	Coral Gables
County	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade
State		FL	FL	FL	FL
Lease Start Date		Feb-24	Dec-23	Nov-23	Oct-22
Lease Term (Months)		240	120	60	36
Tenant Name		Restaurant TBA	The Melting Pot	Undisclosed Restaurant	Let Them Have Cake
Leased SF	1,799	4,000	5,000	2,500	1,635
Lease Type		Triple Net	Triple Net	Triple Net	Gross + TE
Year Built	1974	1956	2005	1946	—
Database ID		3198635	3198632	3198623	3198628
Base Rent/SF/Yr		\$75.00	\$50.00	\$43.00	\$79.00
Transactional Adjustments					
Expense Structure					
\$ Adjustment		—	—	—	-\$20.00
Conditions of Lease		Listing	Arm's Length	Arm's Length	Arm's Length
% Adjustment		-20%	—	—	—
Market Conditions	2/23/2024	Feb-24	Dec-23	Nov-23	Oct-22
Annual % Adjustment	5%	—	1%	2%	7%
Cumulative Adjusted Rent		\$60.00	\$50.50	\$43.86	\$63.13
Property Adjustments					
Location		—	—	—	—
Access/Exposure		-20%	-20%	-20%	-20%
Space Size		—	—	—	—
Parking		—	—	—	—
Effective Age/Condition		—	—	—	—
Quality of Construction		—	—	—	—
Anchor Strength		—	—	—	—
Economic Characteristics		—	—	—	—
Net Property Adjustments (\$)		-\$12.00	-\$10.10	-\$8.77	-\$12.63
Net Property Adjustments (%)		-20%	-20%	-20%	-20%
Final Adjusted Price		\$48.00	\$40.40	\$35.09	\$50.50
Range of Adjusted Rents		\$35.09 - \$50.50			
Average		\$43.50			
Indicated Rent		\$35 - \$40			

After analysis, the overall range is \$35.09 - \$50.50 per square foot per year.



Market Rent Conclusion

Based on the preceding analysis of comparable rentals and trends evident in the market market lease terms for the subject are concluded as follows:

Concluded Market Lease Terms

Space Type	SF	Market		Rent		Lease Type	Lease Term (Mos.)
		Rent	Measure	Escalations			
Retail	1,799	\$35 - \$40	\$/SF/Yr	Fixed Percentage		Triple Net	60-120

Our estimate of market rent for the space considers the restaurant will have limited operating hours as well as limited visibility from the fronting street, resulting in a conclusion of market rent toward the lower end of the indicated range.

Final Opinion of Value

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinion of value is as follows:

Concluded Market Lease Terms

Space Type	Market		Measure	Rent		Lease Type	Lease Term (Mos.)
	SF	Rent		Escalations			
Retail	1,799	\$35 - \$40	\$/SF/Yr	Fixed Percentage		Triple Net	60-120

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. Charles E. Badell, MAI has made a personal inspection of the property that is the subject of this report. Oscar J. Icabceta has personally inspected the subject.
12. Significant real property appraisal assistance was provided by Oscar J Icabceta, State Registered Trainee RI11189 and under the supervision of Charles Badell, MAI who have not signed this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Charles E. Badell, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



Charles E. Badell, MAI
Florida State-Certified General Real Estate
Appraiser #RZ 3182

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report 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 our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Miami / Caribbean, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 24. **IRR - Miami / Caribbean is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Miami / Caribbean. In addition, it is expressly**

- agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
25. IRR - Miami / Caribbean is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. 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 paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A
Appraiser Qualifications



About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B

IRR Quality Assurance Survey



IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Addendum C

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022), unless otherwise noted.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Class of Retail Property

For the purposes of comparison, retail properties are grouped into three classes: Class A, B and C. These classes represent a subjective quality rating of properties, which indicates the competitive ability of each property to attract similar types of tenants. The differences between these classifications vary by market, and Class B and C properties are generally classified relative to Class A properties.

Class A properties represent the highest quality properties in a market. They have the best locations for retail use and the best access. Construction tends to be new and of good quality, and maintenance standards are high. Building and site designs are functional. As a result, Class A properties attract the highest quality tenants and also command the highest rents.

Class B properties are a step down in quality from Class A properties. Class B buildings tend to be somewhat older, less functional, and less well maintained. Sometimes they are in less desirable locations. Class B properties command rents in the average range for the area.

Class C properties fall into the lowest classification. These properties are older and often in need of renovation. Locations may be inferior, and building and site designs exhibit functional obsolescence and lower standards of maintenance. Class C properties command rents that are below average for the area.

(Source: Integra Realty Resources)

Common Area

1. The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.
2. In a shopping center, the walkways and areas onto which the stores face and which conduct the flow of customer traffic. (ICSC)

Common Area Charges

Income collected from owners or tenants for the operation and maintenance of common areas; typically specified in commercial and retail leases.

Common Area Maintenance (CAM)

1. The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.
2. The amount of money charged to tenants for their shares of maintaining a center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of the parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, and upkeep. (ICSC)

Deferred Maintenance

Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of the property, such as a broken window, a dead tree, a leak in the roof, or a faulty roof that must be completely replaced. These items are almost always curable.

Depreciation

A loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.

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 and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.

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

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analysis, opinions, and conclusions apply; also referred to as *date of value*. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect.

Entrepreneurial Incentive

The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovation change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Excess Land; Surplus Land

Excess Land: Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.

Surplus Land: Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

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 zoning or 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.

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to outside wall surfaces.

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property 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.
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Lease Type

Full-Service Lease or Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses.

Full-Service + Tenant Electric Lease or Gross + Tenant Electric Lease: A lease in which the tenant pays electric charges for its space but in other respects is a full service or gross lease as defined above. Tenant electric is often abbreviated as "TE". (Source: *Integra Realty Resources*)

Modified Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.

Net Lease: A general term for a lease in which the tenant pays all or most of the operating and fixed expenses of a property. Whenever the term net lease is used, an analyst should identify the specific expense responsibilities of the tenant and owner. (Source: *Integra Realty Resources*)

Triple Net Lease: A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN, net net net, or fully net lease.

Absolute Net Lease: A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant.

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.

7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Marketing Time

An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs).

Market Value

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

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

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

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakpoint sales volume.

Percentage Rent

Rental income received in accordance with the terms of a percentage lease; typically derived from retail store and restaurant tenants and based on a certain percentage of their gross sales.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design and layout.

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, a duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.”

Shopping Center Classifications

A collection of retail stores with common parking areas and generally one or more large department, discount, or food stores; sometimes includes an enclosed mall or walkway. The uses listed below are generally organized first by building size and then by specialty.

Community Shopping Center: This type of center offers general merchandise, grocery, and conveniences in 100,000 to 300,000 square feet of gross leasable area (GLA) on 10 to 30 acres. Often two or more anchors (like a discount department store, a supermarket, a drug store, a home

improvement store, or a large specialty discount store) occupy 40% to 60% of the entire center. Its primary trade area (the area from this 60% to 80% of its sales originate) typically extends outward as much as 6 miles.

Convenience/Strip Center: A collection of businesses offering convenience goods and services with on-site parking in the front of the site. Open canopies may connect the storefronts, but enclosed walkways do not link stores. Typically less than 30,000 square feet with the primary trade area being less than a 5-minute drive time. Typical tenants include convenience stores, drug stores, dry cleaners, small restaurants, hair salons or barbershops, shoe repair shops, and local professional services.

Neighborhood Center: This type of center also focuses on conveniences but typically contains 30,000 to 150,000 square feet of gross leasable area (GLA) on 4 to 10 acres. A supermarket is often the principal anchor, with all anchors occupying 30% to 50% of the entire property. Its primary trade area (the area from which 60% to 80% of its sales originate) typically extends up to 1.5 miles, with drive times being less than 5 minutes.

Regional Center: A regional center offers general merchandise and convenience goods. Typically comprising 300,000 to 1,000,000 square feet of gross leasable area (GLA) on 25 to 100 acres, it is often anchored by one or two department stores, each occupying a minimum of 100,000 square feet. The primary trade area (the area from which 60% to 80% of its sales originate) typically extends to 35 miles while drive times exceed 40 minutes.

Super-Regional Center/Mall: A super-regional center is almost always an enclosed mall with a concept similar to a regional center but that has more variety and assortment. It typically encompasses 800,000+ square feet of gross leasable area (GLA) on 60 to 120 acres. Usually anchored by three or more major tenants, the anchors often lease up to 50% of all space. The primary trade area (the area from which 60% to 80% of its sales originate) typically extends to 35 miles, while drive times exceed 40 minutes.

Specialty Center: A specialty center promotes a collection of stores or recreation that emphasize a theme, concentrate on a class of goods, or cater to a specific patron. The size varies from 30,000 to 500,000 square feet and could have a gross area of up to 40 acres.

Boutique: A collection of stores that sell design items, craft wares, gourmet foods, and other high-end specialty products like jewelry and fine art.

Fashion: Fashion centers offer high-end fashions in 80,000 to 250,000 square feet of gross leasable area (GLA) on 5 to 25 acres. They typically have fashion-oriented anchors with a primary trade area (the area from which 60% to 80% of sales originate) of 5 to 15 miles.

Festival: Festival centers are anchored by theme restaurants and entertainment tenants. They attract fun seekers, tourists, and retail patrons. Generally comprising of 80,000 to 250,000 square feet of gross leasable area (GLA) on 5 to 20 acres, their primary trade area (the area from which 60% to 80% of sales originate) is typically 25 to 75 miles.

Lifestyle: An open-air configuration typically occupied by upscale national chain specialty stores. Includes restaurants, entertainment, fountains, and backyard furniture. Typically varies between 150,000 and 500,000 square feet on 10 to 40 acres. The primary trade area (the area from which 60% to 80% of its sales originate) is typically 8 to 12 miles.

Outlet: Outlet centers are dominated by name-brand manufacturers offering goods at discounted prices. Comprising 60,000 to 400,000 square feet of gross leasable area (GLA) on 10 to 50 acres, the primary trade area (the area from which 60% to 80% of sales originate) is typically 25 to 75 miles, with drive times exceeding one hour.

Power: Power centers are occupied by category-dominant anchors with a few small tenants. They comprise 150,000 to 600,000 square feet of gross leasable area (GLA) on 25 to 80 acres with big-box anchors leasing 70% to 90% of the entire center. They usually have a minimum of three anchors like home improvement centers, discount department stores, warehouse clubs, and off-price manufacturers. The primary trade area (the area from which 60% to 80% of sales originate) typically exceeds 15 miles, with drive times of up to 30 minutes.

Stabilized Income

1. An estimate of income, either current or forecasted, that presumes the property is at stabilized occupancy.
2. The forecast of the subject property's yearly average income (or average-equivalent income) expected for the economic life of the subject property.
3. Projected income that is subject to change but has been adjusted to reflect an equivalent, stable annual income.

Stabilized Occupancy

1. The occupancy of a property that would be expected at a particular point in time, considering its relative competitive strength and supply and demand conditions at the time, and presuming it is priced at market rent and has had reasonable market exposure. A property is at stabilized occupancy when it is capturing its appropriate share of market demand.
2. An expression of the average or typical occupancy that would be expected for a property over a specified projection period or over its economic life.

Addendum D

Addendum E

Comparable Data

Lease Comparables

Location & Property Identification

Property Name:	Giralda Plaza Pedestrian Mall Retail
Sub-Property Type:	Single User, Street/Highway Retail
Address:	177 Giralda Ave.
City/State/Zip:	Coral Gables, FL 33134
County:	Miami-Dade
Submarket:	Coral Gables/Kendall
Market Orientation:	Suburban
IRR Event ID:	3198635



Space Information

Space Type:	Retail
Full Building Lease:	Yes
Leased Area:	4,000

Lease Information

Lease Status:	Signed Lease
Lessee:	Restaurant TBA
Start/Available Date:	02/06/2024
Expiration Date:	02/06/2044
Term of Lease:	240 months
Lease Measure:	\$/SF/Yr
Face Rental Rate:	\$85.00
Effective Rental Rate:	\$85.00
Escalation Type:	None
Escalation Desc.:	Undisclosed
Verified by:	Charles Badell, MAI
Verification Date:	02/06/2024
Verification Source:	F. Begrowicz
Transaction Reliability:	Confirmed

Legal/Tax/Parcel ID:	03-4108-007-3320
GBA-SF:	2,346
GLA-SF:	2,299
Acres(Usable/Gross):	0.09/0.09
Land-SF(Usable/Gross):	3,780/3,780
Usable/Gross Ratio:	1.00
Year Built:	1956
Bldg. to Land Ratio FAR:	0.62
Source of Land Info.:	Public Records

Comments

Two-story restaurant for lease in the pedestrian section of Giralda Avenue. The leasing broker confirmed the initial asking rate was high to appease the landlord, and expects an eventual contract rent to be signed closer to \$65 per square foot. The space is in need of significant interior renovation and the landlord will provide TI and abatement for the right tenant.

Lease Expense Information

Reimbursement Method:	Triple Net
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Improvement and Site Data

Location & Property Identification

Property Name:	318-322 Alhambra Office Building
Sub-Property Type:	Mixed Use, Office-Retail
Address:	318 Alhambra Cir.
City/State/Zip:	Coral Gables, FL 33134
County:	Miami-Dade
Submarket:	Coral Gables/Kendall
Market Orientation:	Suburban
IRR Event ID:	3198632



Space Information

Space Type:	Retail
Full Building Lease:	No
Leased Area:	5,000

Lease Information

Lease Status:	Signed Lease
Lessee:	The Melting Pot
Lease Signed Date:	12/01/2023
Start/Available Date:	12/01/2023
Expiration Date:	12/01/2033
Term of Lease:	120 months
Lease Measure:	\$/SF/Yr
Face Rental Rate:	\$50.00
Effective Rental Rate:	\$50.00
Escalation Type:	None
Escalation Desc.:	Undisclosed
TI Allowance (\$/SF):	\$65.00
Free Rent (Months):	12.00
Verified by:	Charles Badell, MAI
Verification Date:	02/06/2024
Verification Source:	S. Reyes @Inhouse
Transaction Reliability:	Confirmed

Lease Expense Information

Reimbursement Method:	Triple Net
Reimbursement Desc.:	\$16.50 expenses/sf

Improvement and Site Data

Legal/Tax/Parcel ID:	03-4108-006-2710
GBA-SF:	8,776
NRA-SF:	7,645
Acres(Usable/Gross):	0.11/0.11
Land-SF(Usable/Gross):	5,000/5,000
Usable/Gross Ratio:	1.00
Year Built:	2005
Property Class:	B
Bldg. to Land Ratio FAR:	1.76
Source of Land Info.:	Public Records

Comments

This is the December 2023 signed lease of approximately 5,000 square feet of restaurant space for the Melting Pot. The lease is \$50.00/SF/Yr. NNN for 10-years. The tenant was offered 12-months in free rent and \$65 in TI. Net expenses are estimated to be \$16.50/SF.

Location & Property Identification

Property Name:	North Downtown Coral Gables Street Retail
Sub-Property Type:	Single User, Street/Highway Retail
Address:	2305 Ponce de Leon Blvd.
City/State/Zip:	Coral Gables, FL 33134
County:	Miami-Dade
Submarket:	Coral Gables/Kendall
Market Orientation:	Suburban
IRR Event ID:	3198623



Space Information

Space Type:	Retail
Full Building Lease:	Yes
Leased Area:	2,500

GBA-SF:	2,522
GLA-SF:	2,262
Acres(Usable/Gross):	0.06/0.06
Land-SF(Usable/Gross):	2,500/2,500
Usable/Gross Ratio:	1.00
Year Built:	1946
Bldg. to Land Ratio FAR:	1.01
Source of Land Info.:	Public Records

Lease Information

Lease Status:	Signed Lease
Lessee:	Undisclosed Restaurant
Lease Signed Date:	01/01/2023
Start/Available Date:	11/01/2023
Expiration Date:	11/01/2028
Term of Lease:	60 months
Lease Measure:	\$/SF/Yr
Face Rental Rate:	\$43.00
Effective Rental Rate:	\$41.36
Escalation Type:	None
Escalation Desc.:	Undisclosed
Free Rent (Months):	2.00
Transaction Reliability:	Verified

Comments

October 2023 lease of a single-story second generation restaurant space in Coral Gables, Florida.

Lease Expense Information

Reimbursement Method:	Triple Net
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Improvement and Site Data

Legal/Tax/Parcel ID:	03-4108-007-3290
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Location & Property Identification

Property Name:	NW Downtown Coral Gables Storefront
Sub-Property Type:	Single User, Street/Highway Retail
Address:	367 Alhambra Cir.
City/State/Zip:	Coral Gables, FL 33134
County:	Miami-Dade
Submarket:	Coral Gables/Kendall
Market Orientation:	Suburban
IRR Event ID:	3198628



Space Information

Space Type:	Retail
Full Building Lease:	Yes
Leased Area:	1,635

Lease Information

Lease Status:	Signed Lease
Lessee:	Let Them Have Cake
Lease Signed Date:	09/01/2022
Start/Available Date:	10/01/2022
Expiration Date:	10/01/2025
Term of Lease:	36 months
Lease Measure:	\$/SF/Yr
Face Rental Rate:	\$79.00
Effective Rental Rate:	\$79.00
Escalation Type:	None
Escalation Desc.:	Undisclosed
Renewal Options:	Yes
Verified by:	Charles Badell, MAI
Verification Date:	02/06/2024
Verification Source:	G. Guiteras
Transaction Reliability:	Confirmed

Lease Expense Information

Reimbursement Method:	Full Service + TE
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Improvement and Site Data

Legal/Tax/Parcel ID:	03-4108-006-2550
GBA-SF:	1,638
GLA-SF:	1,635
Acres(Usable/Gross):	0.06/0.06
Land-SF(Usable/Gross):	2,500/2,500
Usable/Gross Ratio:	1.00
Bldg. to Land Ratio FAR:	0.66
Source of Land Info.:	Public Records

Comments

September 2022 lease of a second generation restaurant space in Coral Gables, Florida.

Addendum F
Engagement Letter

Integra Realty Resources
Miami | Caribbean

9155 S. Dadeland Boulevard
Suite 1208
Miami, FL 33156

T 305.670.0001
TF 305.670.2276
miamicarib@irr.com
www.irr.com



January 29, 2024

Zeida Sardinias Asset Manager
City of Coral Gables
405 Biltmore Way

SUBJECT: Proposal/Authorization for Valuation and Consulting Services
Granada Diner
2003 Granada Blvd
Coral Gables, FL (the "Subject")

Dear Ms. Sardinias:

Upon your acceptance of this letter agreement, Integra Realty Resources – Miami | Caribbean ("IRR –Miami | Caribbean"), will prepare a valuation (appraisal) of the Subject. The client and intended user for the assignment is the City of Coral Gables. Liability to any other third parties is hereby excluded.

The purpose of the appraisal is to provide an opinion of the Market Value of the Fee Simple interest in the subject as of a current date. The intended use of the appraisal is for asset valuation purposes.

The appraisal will be prepared in conformance with and subject to, the latest edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation, and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

In accordance with our correspondence, the scope of this assignment will require us to consider all relevant and applicable approaches to value as determined during the course of our research, Subject Property analysis, and preparation of the report.

Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other



Zeida Sardinas
City of Coral Gables
January 29, 2024
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transactions involving federally regulated lending institutions. Given that requirement, this appraisal may not be accepted by a federally regulated financial institution.

The appraisal will be communicated in an Appraisal Report format as defined by USPAP, and more specifically, the Standard Format according to our internal report type descriptions. The currency to be adopted with respect to the opinions of value is United States Dollars. All work will be performed under the direct supervision of the undersigned, together with other staff members. The appraisal and this letter agreement will be subject to our standard assumptions and limiting conditions a copy of which is attached as Attachment I.

The total fee for this assignment will be USD [REDACTED] including expenses. We require a retainer prior to mobilization of % of the fee.

The delivery date will be within 10 business days from the date we receive the signed engagement and the retainer (if applicable). The 10 business days agreed delivery date is contingent upon the absence of events outside our control, timely access for inspection of the properties, as well as our receipt of all requested information. The appraisal report is to be delivered electronically in PDF format. If requested, two hard copies of each appraisal report will be provided.

Any remaining balance of the fees will be due and payable upon completion and delivery of the report(s). It is understood that a simple interest of 15% per annum will accrue on any unpaid balance for compensation due after 30 days from the date of the invoice, subject to reduction pursuant to any applicable usury law. We shall also be entitled to recover our costs (including attorneys' fees), associated with collecting any amounts owed or otherwise incurred in connection with this assignment. If the assignment is canceled by either party prior to completion, you agree to pay us for all our expenses and our time to date based upon the percentage of work completed.

IRR – Miami | Caribbean is an independently owned and operated company. The parties hereto agree that Integra Realty Resources, Inc. ("Integra") shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR – Miami | Caribbean. In addition, it is expressly agreed that in any action which may be brought against IRR – Miami | Caribbean and/or any of its officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

The Ethics Rule of USPAP requires us to disclose to you any prior services we have performed regarding the Subject Property within a three-year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity. We have not performed any

Zeida Sardinas
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prior services regarding the subject property within the three year period preceding this letter of engagement.

Please be advised that we are not experts in the areas of building inspection (including mold), environmental hazards, ADA compliance (where applicable), or wetlands. Therefore, unless we have been provided with appropriate third-party expert reports, the appraisals will assume that there are no environmental, wetlands, or ADA compliance problems. The agreed-upon fees for our services assume the absence of such issues inasmuch as additional research and analysis may be required. If an expert is required, you are responsible for their selection, payment, and actions.

In the event that we receive a subpoena or are called to testify in any litigation, arbitration, or administrative hearing of any nature whatsoever or as a result of this engagement or the related report, to which we are not a party, you agree to pay our then-current hourly rates for such preparation and presentation of testimony.

You agree that: (i) the data collected by us in this assignment will remain our property; and (ii) with respect to any data provided by you, IRR – Miami | Caribbean and its partner companies may utilize, sell, and include such data (either in the aggregate or individually), in the Integra database and for use in derivative products. You agree that all data already in the public domain may be utilized on an unrestricted basis. Finally, you agree that we may use commercially available as well as proprietary software programs to perform your assignment (web based and others).

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If you are in agreement with the terms set forth in this letter (and the additional conditions in the attachments to this letter) and wish us to proceed with the engagement, please sign below and return one copy to us. Thank you for this opportunity to be of service and we look forward to working with you.

Sincerely,

INTEGRA REALTY RESOURCES – MIAMI | CARIBBEAN



Charles E. Badell, MAI
Managing Director

AGREED & ACCEPTED THIS 7 DAY OF February, 2024

BY: CITY OF CORAL GABLES



AUTHORIZED SIGNATURE

Zeida C. Sardinas
NAME (PRINT)

Zeida Sardinas
City of Coral Gables
January 29, 2024
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ATTACHMENT I

ASSUMPTIONS & LIMITING CONDITIONS

This appraisal will be based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements, and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos on the property.
4. The compensation amount (or amount of revenue stamps) indicated on any deed or conveyance referenced herein indicating the sale price is in correct relation to the actual financial consideration of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other applicable laws, regulations, and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
7. This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.
8. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
9. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
10. No changes in any applicable laws, regulations, or codes (including, without limitation, the U.S. Internal Revenue Code) are anticipated.
11. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such a statement will be favorable and will be approved by the appropriate regulatory bodies.
12. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena, or attend any court, governmental, or other hearing with reference to the property without compensation relative to such additional employment.
13. We have made no boundary survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size.

Zeida Sardinas
City of Coral Gables
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14. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
15. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
16. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural, and other engineering and environmental matters.
17. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
18. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute or any other professional organization) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
19. Information, estimates, and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
20. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
21. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
22. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
23. The current purchasing power of the currency being used is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
24. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
25. The analyses contained in the report 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

Zeida Sardinas
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events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

26. For appraisals of properties in the United States and its territories: The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues and render no opinion regarding the compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
27. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries, and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
28. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environmental hazards including, without limitation, hazardous wastes, toxic substances, and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
29. The person signing the report may have reviewed available flood maps (where applicable and available) and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of floodplain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
30. IRR – Miami | Caribbean is not a building or environmental inspector. IRR – Miami | Caribbean does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
31. The appraisal report and value conclusion for an appraisal assume the satisfactory completion of construction, repairs, or alterations in a workmanlike manner.
32. IRR – Miami | Caribbean is an independently owned and operated company. The parties hereto agree that Integra Realty Resources, Inc. ("Integra") shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR – Miami | Caribbean. In addition, it is expressly agreed that in any action which may be brought against IRR – Miami | Caribbean and/or any of its officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement

Zeida Sardinas
City of Coral Gables
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letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

33. Integra (IRR) – Miami | Caribbean, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. As stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
34. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
35. All prospective value estimates 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 paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors, and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar to the future. As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.