

Appraisal Report

Prepared for

**Ms. Cynthia S. Birdsill
Economic Sustainability Director
City of Coral Gables, FL**

Property Appraised

**Valuation of Land Only
City of Coral Gables Police and
Fire Department Building Site
2801 Salzedo Street
Coral Gables, FL 33134**

Date of Valuation

January 30, 2015

Prepared by

**Waronker & Rosen, Inc.
5730 SW 74th Street, Suite 200
South Miami, Florida 33143**

JOSH L. ROSEN, MAI

LEE H. WARONKER, MAI, SRA

File # 8003

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Josh L. Rosen, MAI
josh@waronkerandrosen.com

February 6, 2015

Ms. Cynthia S. Birdsill, Economic Sustainability Director
City of Coral Gables, FL
1 Alhambra Circle, Suite 617
Coral Gables, FL 33146

Re: Valuation of Land Only
City of Coral Gables Police and Fire Department Building Site
2801 Salzedo Street
Coral Gables, FL 33134
WRI File No. 8003

Dear Ms. Birdsill:

We have prepared an appraisal report of the above referenced property for the purpose of estimating the market value of the fee simple interest as of January 30, 2015. The terms market value and fee simple interest are defined in the pages of this report. This report has been prepared based on the scope of work which is detailed on a following page. The reader of the appraisal is strongly advised to read the scope of work so as to understand the scope of this appraisal.

This report is intended for use only by the client and intended users as noted herein. No additional intended users are identified or intended. Use of this report by others is not intended by the appraiser. No one else, or any other entities, should rely on this appraisal other than those noted herein.

The subject property is located at the northeast corner of Salzedo Street and Palermo Avenue in the City of Coral Gables, Miami-Dade County, Florida. This site has frontage along Salzedo Street, Palermo Avenue and Sevilla Avenue just west of Ponce de Leon Boulevard and the planned Old Spanish Village development in the city of Coral Gables, Miami-Dade County, FL. It consists of a 63,000 square foot (1.45 acres) site. Zoning on this site is S, Special Use District by the city of Coral Gables, FL.

Ms. Cynthia S. Birdsill, Economic Sustainability Director
City of Coral Gables, FL
February 6, 2015

In order to prepare the analysis, we were only supplied with a reduced copy of floor plans entitled "The City of Coral Gables Police and Fire Department Building". These plans were prepared by Klements and Associates, Inc. Architects, their file no. 7914, dated September 26, 1972. Within this document was a site plan, of which a copy can be found on page 14 herein. Requested, but not supplied was a survey and legal description. Any deviation from the information supplied and assumptions used herein will likely result in a change of value.

As a result of our investigation, it is our opinion that the market value of the fee simple interest as of January 30, 2015, is in the amount of

NINETEEN MILLION DOLLARS
(\$19,000,000)

The above estimated value is subject to Hypothetical Conditions. This appraisal is based on a hypothetical condition. A hypothetical condition is defined in The Dictionary of Real Estate Appraisal, 5th Edition (2010) as "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis." The Hypothetical Condition herein is based on the subject property being zoned "Commercial, High-Rise Intensity", which permits mixed-use projects. In addition, there are building improvements on the site which are considered to not be in place. Any change in this assumption will result in a change in the estimated value herein.

Following the table of contents is the scope of work and the certification. The reader is advised to review the assumptions and conditions which follow the certification to understand the limitations applicable to this appraisal.

Very truly yours,



Josh L. Rosen, MAI
State-Certified General Real Estate Appraiser
License No. RZ395



Lee H. Waronker, MAI, SRA
State-Certified General Real Estate Appraiser
License No. RZ162

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Scope of Work

The appraisal problem herein is to estimate the As Is market value, of the land only, of the fee simple interest of the subject property.

This appraisal is based on Hypothetical Conditions. The Hypothetical Condition for this appraisal is identified on page 2, as is the definition of a Hypothetical Condition. The reader should be familiar with the Hypothetical Conditions for this appraisal.

All appraisals begin by identifying the appraisal problem. Data on the subject property can be derived from various sources including but not limited to, the property owner, the county property appraiser's office, recorded plats and surveys. When possible, more than one source is utilized to confirm data and the data sources are acknowledged. Land size is based on surveys (when available), public records and recorded plats. Land measurements are not performed.

Valued herein is vacant land which can be valued by the following methods:

1. Sales Comparison Approach
2. Market Extraction
3. Allocation
4. Land Residual
5. Ground Rent Capitalization
6. Subdivision Analysis

The sales comparison approach was used herein and was considered the most applicable method in the valuation of the subject property. A search was performed for the sale of properties considered comparable to the subject property. Research of comparable sales and market data include, but is not limited to using the following data sources:

CoStar
Imapp
Newspaper clippings
Board of Realtors' Multiple Listing Service
Loopnet.com

Comparable sales are inspected and the transactional information is reported. Sale prices are from public records and are typically confirmed with a party to the transaction, i.e. buyer, seller, real estate agent, or closing attorney. All information is analyzed in processing the appraisal report and as support for the estimated value.

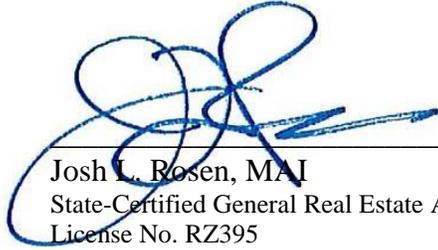
The scope of work for this assignment has been described above and is to be typical for an assignment of the nature of the subject appraisal problem.

Certification

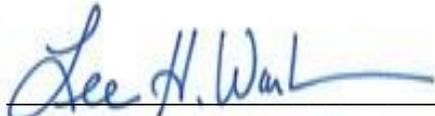
The undersigned does hereby certify that, to the best of my knowledge and belief:

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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I 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. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My 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.
7. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the following requirements.
 - Uniform Standards of Professional Appraisal Practice (USPAP)
 - The Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute
 - The State of Florida requirements for state-certified appraisers
8. I have complied with the USPAP Competency Rule.
9. This appraisal report sets forth all of the limiting conditions imposed by the terms of this assignment or by the undersigned affecting the analyses, opinions and conclusions contained in this report.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. Additionally, it is subject to review by the state of Florida relating to review by the real estate appraisal subcommittee of the Florida Real Estate Commission.
12. As of the date of this report Josh L. Rosen, MAI and Lee H. Waronker, MAI, SRA have completed the continuing education program of the Appraisal Institute.

13. I, Josh L. Rosen, MAI made a personal inspection of the property that is the subject of this report.
14. I, Lee H. Waronker, MAI, SRA made a personal inspection of the property that is the subject of this report.
15. Neither the undersigned, nor Waronker & Rosen, Inc. have performed any valuation or professional services involving the subject property in any capacity, nor have we been involved with the management, leasing, disposition, nor any similar service regarding the subject property in the past three years.



Josh L. Rosen, MAI
State-Certified General Real Estate Appraiser
License No. RZ395



Lee H. Waronker, MAI, SRA
State-Certified General Real Estate Appraiser
License No. RZ162

Date of Report February 6, 2015

General Assumptions and Limiting Conditions

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable but, no warranty is given for its accuracy.
5. All engineering studies are assumed to be correct. Any plot plans or illustrative material in this report are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering that may be required to discover them. The values estimated herein are subject to typical inspections such as roof, structural, and termite, if applicable.
7. It is assumed that the property is in full compliance with all applicable federal, state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal.
8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a non-conformity has been identified, described and considered in the appraisal.
9. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and considered in the appraisal.
11. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presences of substances such as asbestos, ureaformaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

12. The physical condition of the improvements, if any, described herein was based on visual inspection. No liability is assumed for the soundness of structural members, since no engineering tests were made of same.
13. Neither all nor any part of this appraisal report shall be disseminated to the general public using the appraiser's name or appraisal designation, without prior written consent of the appraisers signing this appraisal report.
14. Authorization is not allowed for the out-of-context quoting from, or partial reprinting of, this appraisal report.
15. By reason of the report, there is no requirement to testify with reference to the property herein appraised, unless arrangements have been previously made.
16. The reader should be advised that our employment was not contingent on the appraisal providing a minimum valuation, a specific calculation or the approval of a loan. Additionally, we have complied with the USPAP Competency Rule.

Limiting Conditions:

1. The allocation of total value between land and improvements applies only under the described utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
2. The Americans with Disability Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the requirements of the ADA. It is possible that a compliance survey of the property and a detailed analyses of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.

INTRODUCTION

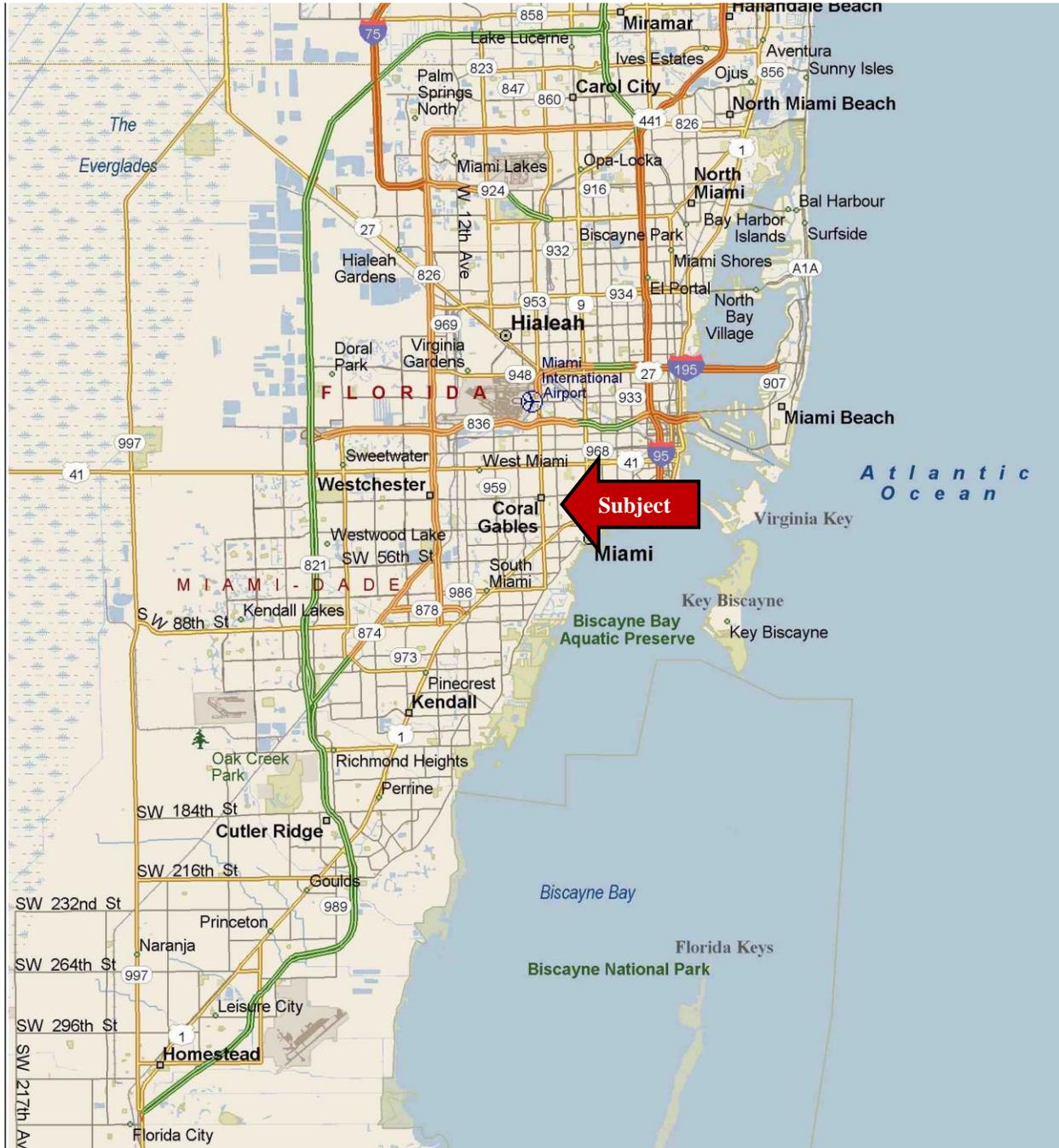


Summary of Pertinent Data

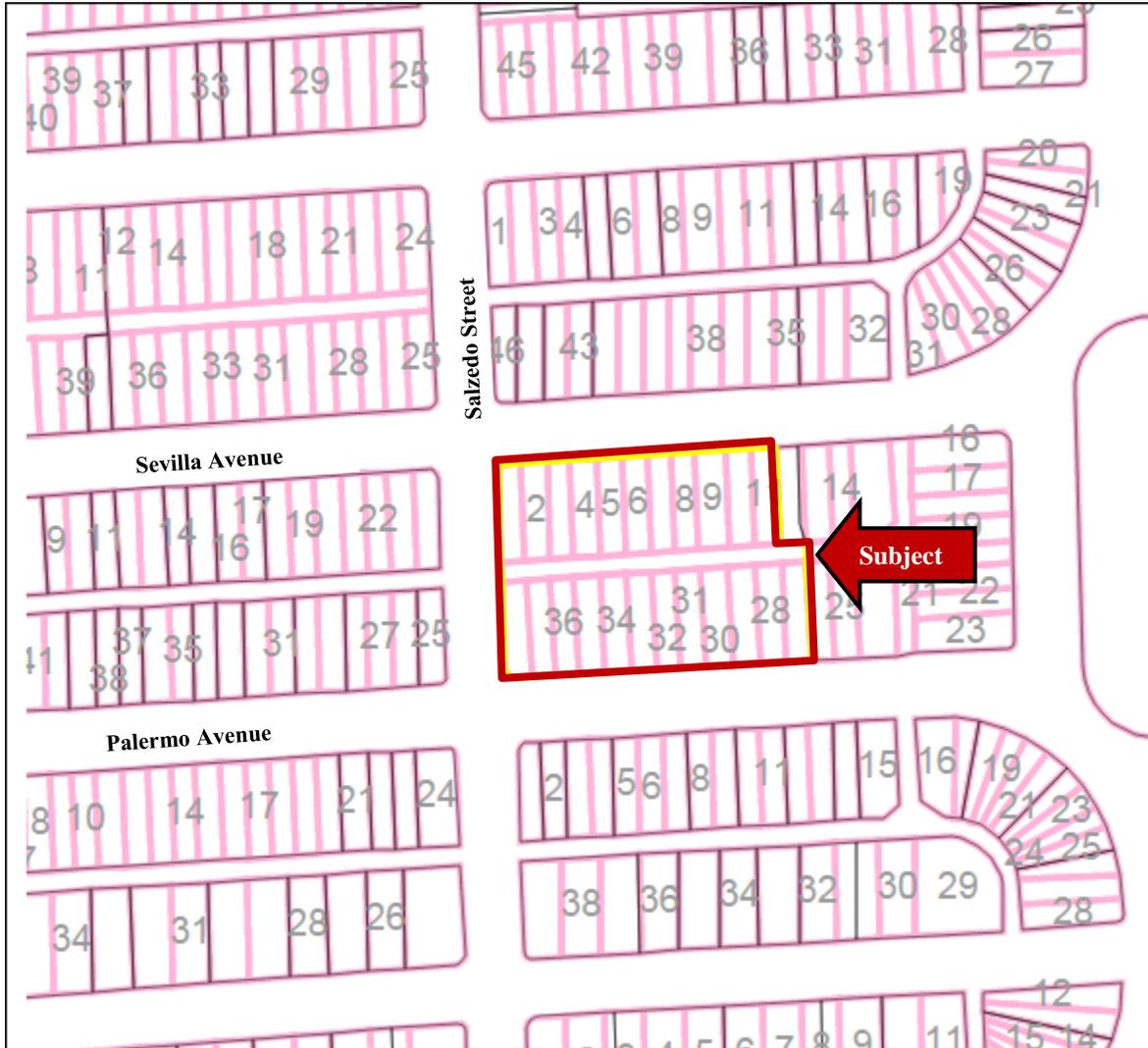
Location:	At the northeast corner of Salzedo Street and Palermo Avenue in the City of Coral Gables, Miami-Dade County, Florida. This site has frontage along Salzedo Street, Palermo Avenue and Sevilla Avenue just west of Ponce de Leon Boulevard and the planned Old Spanish Village development in the city of Coral Gables, Miami-Dade County, FL.
Address:	2801 Salzedo Street Coral Gables, FL 33134
Type of Use:	Existing City of Coral Gables Police and Fire Department Building. Appraised herein is the land value only
Zoning:	The existing zoning is S, Special Use District by the city of Coral Gables, FL. This appraisal is based on a Hypothetical Condition that the zoning is C, Commercial District, with a high intensity overlay
Land Area:	63,000 square feet (1.45 acres)
Value by Cost Approach:	Not applicable
Value by Income Capitalization Approach:	Not applicable
Value by Sales Comparison Approach:	\$19,000,000
Market Value Estimate of the Fee Simple Interest:	\$19,000,000 ¹
Date of Valuation:	January 30, 2015
Date of Report:	February 6, 2015

¹ This appraisal is based on Hypothetical Conditions. The Hypothetical Condition for this appraisal is identified on page 2, as is the definition of a Hypothetical Condition. The reader should be familiar with the Hypothetical Conditions for this appraisal.

Miami-Dade County Map



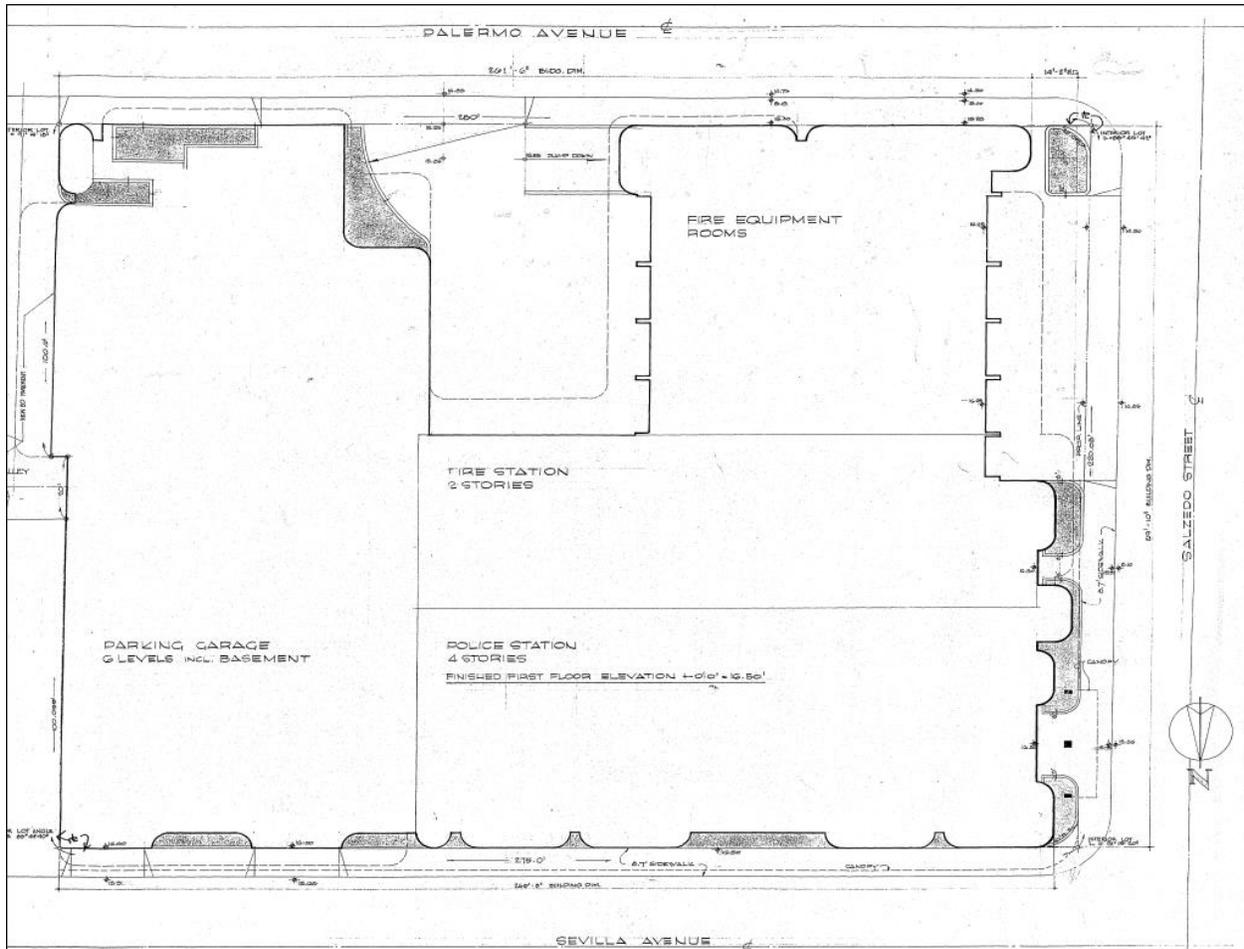
Plat Map



Aerial Photograph



Site Plan



Subject Photographs



View looking southeast at the subject site from the corner of Salzedo Street and Sevilla Avenue



View looking northeast at the west elevation of the subject site from the corner of Salzedo Street and Palermo Avenue



View looking northeast at the subject site from the corner of Salzedo Street and Palermo Avenue



View looking northeasterly at the south elevation of subject site from the corner of Salzedo Street and Palermo Avenue



View looking northeast at the eastern portion of the south elevation of the subject site from Palermo Avenue



View looking northwesterly at the south elevation of the subject site from the eastern property line



View looking north from Palermo Avenue at the eastern property line (alley) of the subject site



View looking southwest at the north elevation of the subject site from Sevilla Avenue



Street view looking east along Palermo Avenue from Salzedo Street. Subject site is visible to the left.



Street view looking west along Palermo Avenue. Subject site is visible to the right.



Street view looking west along Sevilla Avenue. Subject site is visible to the left.



Street view looking east along Sevilla Avenue. Subject site is visible to the right.

Appraiser Qualifications

JOSH L. ROSEN, MAI

Education: The University of Florida, Gainesville, Florida. School of Business Administration.

Major in Real Estate and Urban Analysis. Awarded degree of Bachelor of Business Administration, May 1983.

Affiliations: MAI Designation (No. 11800) awarded by the Appraisal Institute in 2001. State-Certified General Real Estate Appraiser, State of Florida, License Number RZ395, May 1990.

Experience: Appraised various types of properties, including:

Office Buildings	Hotels and Motels	Office Condominiums
Warehouses	Amusement Park	Service Stations
Shopping Centers	Golf Courses	Marinas
Apartment Bldgs.	Industrial Buildings	Special Purpose Facilities
Restaurants	Vacant Land	Churches and Synagogues
Residences	Residential Condominiums	Dockominiums

Vice President/Principal, *Waronker & Rosen, Inc.*, Miami, Florida, from 1987 to present

Appraiser, *Property Consultants, Inc.*, Miami, Florida, from 1983 to 1987.

Course Work: Appraisal Institute:

Course 1A-1	<i>Real Estate Appraisal Principles</i>
Course 1A-2	<i>Basic Valuation Procedures</i>
Course 1B-A	<i>Capitalization Theory and Techniques, Part A</i>
Course 1B-B	<i>Capitalization Theory and Techniques, Part B</i>
Course 2-1	<i>Case Studies in Real Estate Valuation</i>
Course 2-2	<i>Report Writing and Valuation Analysis</i>
Courses 410, 420 & 430	<i>Standards of Professional Practice, Parts A, B & C</i>
Litigation Valuation	
Appraising Non-Conforming Uses	
Partial Interest Valuation – Undivided	
Appraising Distressed Commercial Real Estate	
Hotel Appraising – New Techniques for Today’s Uncertain Times	
Fundamentals of Separating Real and Personal Property from Intangible Business Assets	

Other: Past Regional Representative for Region X of the Appraisal Institute
Past Director of the South Florida Chapter of the Appraisal Institute

Appraiser Qualifications

LEE H. WARONKER, MAI, SRA

Education: Master of Science in Management, School of Business and Organizational Science, Florida International University, 1981 (Major – Real Estate)

Bachelor of Science Degree, The Florida State University, Tallahassee, Florida 1976 (Major – Real Estate)

Affiliations: MAI Designation (No. 6738) awarded by the Appraisal Institute in 1983.

SRA (SRPA) Designation awarded by the Appraisal Institute in 1981.

State-Certified General Real Estate Appraiser, State of Florida, License Number RZ162, May 1990.

Registered Real Estate Broker, State of Florida, License #BK0152877 (1978)

Experience: Appraised various types of properties, including:

Industrial Buildings	Restaurants	Warehouses
Office Buildings	Hotels and Motels	Hospitals
Service Stations	Retail Stores	Marinas
Churches & Synagogues	U.S. Post Offices	Historical Buildings
Residences	Condominiums	Special Purpose Properties

President, *Waronker & Rosen, Inc.*, (formerly Waronker & Associates, Inc.) Miami, Florida, from 1987 to present. Vice President, *Property Consultants, Inc.* from 1979 to 1986. Appraiser, The Keyes Company, 1978 to 1979. Appraiser, Miami-Dade County Department of Right-of-Way, 1977 to 1978.

Instructor: Appraisal Institute. Taught Courses 1A-1, 1A-2, 8-2, 1B-A, 1B-B, 110, 120, 210, 310, 320, 410, 420, 430, 510, 550, 600, 610 and 620, et al

Author: Seminars entitled “*Dynamics of Office Building Valuation*”, “*Why the Capitalization Rate is Always 10*” and the “*Appraisal of Real Estate 10th vs. 11th Edition*”.

Other: Special Master for the Dade County Valuation Adjustment Board, 1989 to 1996. Assisted in the editing of *The Appraisal of Real Estate, 11th Edition and 13th Edition*.

President of the Miami Chapter of the Appraisal Institute, 1990 to 1991.

Partial Client List

LENDERS		GOVERNMENT AGENCIES
1 st United Bank	TD Bank, N.A.	Broward County School Board
Amerasia Bank	Totalbank	Broward County Public Works Dept.
Apollo Bank	U.S. Century Bank	City of Coral Gables
BAC Bank	Wells Fargo Bank	City of Miami Beach
BNY Mellon Bank	Zions First National Bank	City of Miami General Services Administration
BankUnited		Federal Deposit Insurance Corp. (FDIC)
Bank of America	LIFE INSURANCE COMPANIES	Federal Home Loan Mortgage Corp. (FHLMC)
Bank of Coral Gables	Allstate Insurance Company	Florida Dept. of Environmental Protection
Bank Leumi	American General Life Insurance Co.	Florida Department of Transportation
Bessemer Trust	Equitrust Life Insurance Co.	Florida Keys Aqueduct Authority
Branch Banking and Trust (BB&T)	Fortis Capital Corp. & Life Insurance Company	Miami-Dade Water and Sewer Authority
BridgeInvest, LLC	Franklin Life Insurance Company	Miami-Dade Co. - Aviation Authority
C1 Bank	General American Life Insurance Co.	Miami-Dade Co. - County Attorney's Office
CNL Bank	Independent Order of Foresters	Miami-Dade Co. - General Serv. Admin.
Capital Bank	John Alden Life Insurance Company	Miami-Dade Co. - Housing & Urban Dev.
Cigna Investments, Inc.	Kansas City Life Insurance Company	Miami-Dade Co. - Public Works Dept.
Citibank and Citicorp	Lumberman's Life Insurance Company	Miami-Dade Co. - School Board
City National Bank of Florida	Omaha Woodmen Life Ins. Society	Miami Parking Authority
Coconut Grove Bank	Standard Life Insurance Company	Nature Conservancy, Florida Chapter
Comerica Bank	State Farm Insurance Company	South Florida Water Management District
Credit Suisse First Boston Mortgage Capital, LLC	Sun Life Insurance Co. of America	United States Department of Justice
Espirito Santo Bank of Florida	CORPORATIONS	United States General Serv. Admin.
Executive National Bank	Church of Jesus Christ of the Latter-Day Saints	United States Postal Services
Fifth Third Bank	Florida Power and Light Corp. (FPL)	Village of Pinecrest
First Bank of Miami	JC Penny Corporation	
First National Bank of South Miami	The Wendy's Company	LAW FIRMS
FirstBank Florida	Chevron U.S.A., Inc.	Akerman, Senterfitt & Eidson
Florida Community Bank	Johnson and Johnson Company	Arnstein & Lehr, LLP
Gibraltar Private Bank and Trust		Barranco & Associates, P.A.
HSBC Bank, N.A.	DEVELOPERS AND INVESTORS	Berger Singerman
Holliday Fenoglio Fowler, LP	Berkowitz Development Group	Berman, Wolfe Rennart Vogel & Mandler, P.A.
Intercredit Bank, N.A.	Bristol Group, Inc.	Carlton Fields
International Finance Bank	Fifteen Group, Inc.	Colson Hicks Eidson, P.A.
Israel Discount Bank of New York	Franklin Street Properties	Greenberg Traurig, P.A.
JP Morgan Chase Bank	Flagler Development Corporation	Holland & Knight
Live Oak Bank	Goldman Properties	Kirkpatrick and Lockhart
Lloyds Int'l. Bank (Lloyds of London)	Hampshire Real Estate Companies	Kutner and Associates
Lutheran Brotherhood	Lennar Corporation	Richman Greer
Marquis Bank	MDM Development, Inc.	Shutts & Bowen, LLP
Morgan Stanley Mortgage Capital	Napolitano Realty and Harnap Corp.	Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, P.A.
Northern Trust Bank	Noble House Resorts and Hotels	Steel Hector and Davis
Ocean Bank	Ocean Properties, Ltd.	Tabas, Freedman, Soloff, Brown & Rigali, P.A.
OptimumBank	Panther Real Estate	Tripp Scott
Popular Community Bank	PLC Investments, LLC	Weiss Serota Helfman Pastoriza Cole & Boniske, P.A.
Professional Bank	R.K. Associates, Inc.	
Regions Bank	The Scott Robins Companies	
Sabadell United Bank	Wometco Enterprises, Inc.	
Space Coast Credit Union		
Stonegate Bank		
SunTrust Bank		
Terrabank, N.A.		

Notable Properties Appraised

Miami-Dade County

Miami Seaquarium	Virginia Key	Miami Free Zone – Global Trade Cntr	Miami
Miami International Airport	Miami	Metropolitan Hospital of Miami	Miami
City of Miami Correctional Facility	Miami	Spinnaker Marina	North Miami
Country Club of Miami Golf Course	Miami	Virginia Key & Rickenbacker Marinas	Key Biscayne
Mel Reese Golf Course	Miami	Waterways Yacht Basin	Miami
Burger King Headquarters – Waterford	Miami	Porto Vita Club and Spa	Aventura
Doctors Hospital	Coral Gables	Ocean Steps Entertainment Center	S. Miami Beach
Beacon Centre Development	Miami	Indian Creek Country Club	Indian Creek
FBI Headquarters	Miami	BIV Tower	Miami
Gables Waterway Executive Center	Coral Gables	Courthouse Tower	Miami
Joe's Stone Crab restaurant	Miami Beach	South Shore Hospital	Miami Beach
Doral Ocean Beach Resort (formerly)	Miami Beach	SouthCom Headquarters	Miami
Metro-Dade Bus Facility	Miami		

Fort Lauderdale/Broward County

Florida Medical Center (Hospital)	Ft. Lauderdale
Jackson Marine Center	Ft. Lauderdale
Las Olas Centre Office Building	Ft. Lauderdale
Martha's Restaurant	Hollywood
Various Luxury Single Family Homes	Fort Lauderdale
Seneca Industrial Park	Pembroke Park

Monroe County/Florida Keys

Marriott Key Largo Bay Beach Resort	Key Largo
Islander Resort	Islamorada
Hawk's Cay Resort, Marina and DRI	Duck Key
Westin, formerly Hilton Resort and Sunset Key Island	Key West
Little Palm Island	Little Torch Key
Louis' Backyard Restaurant	Key West
Ocean Key Resort	Key West
Sloppy Joe's Bar	Key West
Truman Annex - Navy Base	Key West

Other Florida Counties

Jupiter Beach Resort	Jupiter, Palm Beach County
La Playa Beach Resort	Naples, Collier County
Sheraton Four Points	Orlando, Orange County
Spring Hill Suites	Tampa, Hillsborough County
Hilton Carillon Park	St. Petersburg, Pinellas County

Outside of the United States

Various Single Family Homes	Cat Cay, Bahamas
Single Family Home	Casa de Campo, Dominican Republic
Sapphire Beach Resort	St. Thomas, U.S. Virgin Islands
Hotel Site	Grand Turks and Caicos Islands
Montego Beach Resort	Montego Bay, Jamaica
Botany Bay Subdivision (400 acres)	St. Thomas, U.S. Virgin Islands
Ocean Club Resort	Grand Turks and Caicos Islands
Land lease under Ritz Carlton	San Juan, Puerto Rico
Various Land Holdings	St. Croix, U.S. Virgin Islands
Vacant Land	West End, Grand Bahama Island
Buccaneer Hotel and Golf Course	St. Croix, U.S. Virgin Islands

DESCRIPTION & ANALYSES



Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple interest of the land only, as of January 30, 2015. The term fee simple interest is defined below and the term market value is defined on the following page.

Client, Intended User and Use of the Appraisal

The intended user of this appraisal is City of Coral Gables (client). No purchaser or seller of the subject property, nor any borrower are intended users of this appraisal and no such parties should use or rely on this appraisal for any purpose. All such parties are advised to consult with appraisers or other professionals of their own choosing. The intended use is for internal asset management by the client. No additional intended users are identified or intended.

Definition of Real Property Interest Appraised

The real property interest appraised herein is that of the fee simple interest, defined as follows:

Fee Simple Interest: an absolute fee without limitations to any particular class of heirs, but subject to the limitations of eminent domain, escheat, police power and taxation. An inheritable estate.

Definition of Market Value

Market Value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.¹ The Uniform Standards of Professional Appraisal Practice (USPAP) states Market Value is “a type of value, stated as an opinion, that presumes the transfer of property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in the appraisal”.² This requires the appraiser to identify the definition of market value and its authority.

The definition that follows is the basis of the valuation in this appraisal and the source is the Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472.

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

- 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.”³

This market value definition is referenced within the appraisal regulations of the following governmental agencies:

- Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989
- Department of the Treasury
- The Federal Reserve System (FRS)
- Federal Deposit Insurance Corporation (FDIC)
- Office of Comptroller of the Currency (OCC)

¹ *Appraisal of Real Estate*, 14th Edition, page 58

² USPAP 2014-2015, page U-3

³ Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472

Location and Address

The subject property is located at the northeast corner of Salzedo Street and Palermo Avenue in the City of Coral Gables, Miami-Dade County, Florida. This site has frontage along Salzedo Street, Palermo Avenue and Sevilla Avenue just west of Ponce de Leon Boulevard and the planned Old Spanish Village development in the city of Coral Gables, Miami-Dade County, FL.

Address: 2801 Salzedo Street
Coral Gables, FL 33134

Legal Description

The subject property is partially described as Lots 1 thru 11 and Lots 27 thru 38 and 20 feet of the alley lying between Block 18, CORAL GABLES CRAFTS SECTION, according to the Plat thereof, as recorded in Plat Book 10, Page 40 of the Public Records of Miami-Dade County, Florida.

Although requested, neither a survey nor legal description was supplied.

Source: www.miamidade.gov

Owner of Record

City of Coral Gables
City Hall
Coral Gables, FL 33154-2067

Source: www.miamidade.gov

History of the Subject Property

There have been no recorded sales of the subject property in the past five years.

The subject property is not under contract nor listed for sale.

Source: www.miamidade.gov

Site Data

The subject site is basically rectangular. Per the site plan provided by the client, there is frontage of approximately 220 feet along the east side of Salzedo Street, a two lane asphalt paved road in good condition. There is additional frontage of 280 feet along the north side of Palermo Avenue, a two lane asphalt paved road in good condition and frontage of approximately 277 feet along the south side of Sevilla Avenue, a two lane asphalt paved road in good condition. Per the public records the total area of the parcel is 63,000 square feet (1.45 acres). The subject property is accessible from the Salzedo Street, Palermo Avenue and Sevilla Avenue, as well as an alleyway connecting Sevilla Avenue to Palermo Avenue at the subjects' east property line. The site is level and at approximate street grade. Utilities available to the site are:

Electric:	Florida Power and Light
Telephone:	AT&T
Water:	Miami-Dade County Water and Sewer Authority
Sewer Disposal:	Miami-Dade County Water and Sewer Authority

Zoning

The existing zoning of the subject property is S, Special Use District by the city of Coral Gables, FL. This zoning allows for golf or tennis grounds, private clubs, public recreation buildings, schools, libraries, hospitals, medical facilities and university related facilities. **This appraisal is based on a Hypothetical Condition, identified on page 2, that the zoning on the property is C, Commercial District by the city of Coral Gables, FL. The estimated value herein is based on the subject property being zoned "Commercial, High-Rise Intensity" which permits mixed-use projects. There is additional discussion of the zoning on page 38 within the highest and best use section of this report.** For a detailed listing of allowable uses and restrictions, refer to the zoning code of Coral Gables, FL.

Flood Zone

The subject is within Flood Zone X, areas of minimal flood hazard from the principal source of flood in the area and determined to be outside the 0.2 percent annual chance floodplain. This flood zone has non-mandatory, but available, purchase of flood insurance in participating communities. This identification was located on Flood Insurance Rate Map, Community Panel No. 12086C0457L, revised September 11, 2009. **For insurance purposes, a surveyor should be contacted to verify the exact zone by a flood elevation certificate, as well as its impact on insurance.**

Source: www.interflood.com

Real Estate Assessment and Taxes

Taxing Authority:	Miami-Dade County
Assessment Year:	2014
School Board Millage Rate:	7.9740
City, County, Region Millage Rate:	<u>11.9086</u>
Total Millage Rate:	19.8826
Folio Number:	03-4117-005-5110

The Miami-Dade Property Appraiser reports two values; Assessed Value and Market (Just) Value, also referred to as Just Value. Millage rates are multiplied times the respective values to calculate real estate taxes.

Nonresidential properties are subject to the Non Homestead Cap which limits increases in the assessed value to 10% annually. Single family residences are subject to the Save Our Homes Amendment which limits the increase for a home to 3% annually, or the Consumer Price Index (CPI), whichever is less. A change in ownership resets the base year of the cap to the following year. When this occurs the assessed value will be equal to the market (just) value. There is no cap on the increase in market value. Following is a summary of the reported market (just) and assessed values.

TYPE OF VALUE	VALUE	SQ.FT. SIZE ¹	VALUE PER SQ.FT.
Land Value	\$10,080,000	63,000	\$160.00
Building Value	\$11,225,982	190,678	\$58.87
Extra Features Value	\$722,704		
Market (Just) Value	\$22,028,686	190,678	\$115.53
Assessed Value	\$22,028,686	190,678	\$115.53

To calculate real estate taxes, the school board millage rate is multiplied times the market (just) value. In addition, the county, city and regional millage rate is multiplied times the assessed value. The results of each are added together to indicate the total real estate taxes.

¹ This is the size per the Miami-Dade County Property Appraiser's records.

The real estate taxes are estimated as follows:

TAXING AUTHORITY	MILLAGE (A)	VALUE (B)	TAXES (A x B)
School Board	.0079740	\$22,028,686	\$175,657
City, County & Regional	.0119086	\$22,028,686	\$262,331
Estimated Real Estate Taxes			\$437,988
Taxes Per Square Foot			\$2.30

There is a 4% discount given for early (November) payment of taxes which would reduce the estimated real estate taxes to \$420,468 (\$437,988 minus 4%).

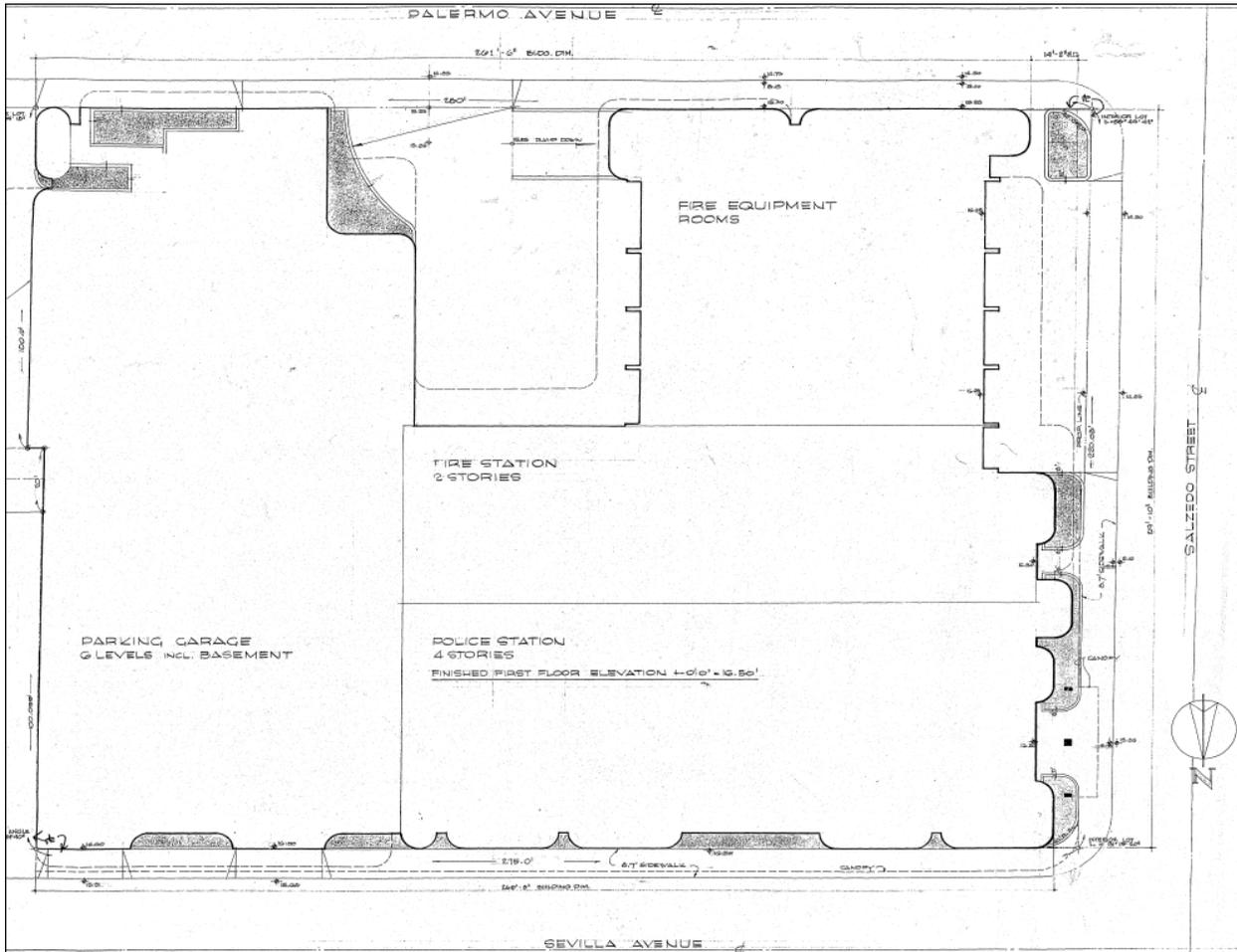
Florida Statutes require assessments to be at 100% of market (just) value with an allowable adjustment to indicate net proceeds that would be derived from a sale. This adjustment varies dependent on the taxing authority with the Miami-Dade County Property Appraiser’s office typically designating in the range of 15%.

The subject property is owned by the city of Coral Gables and therefore is not subject to real estate taxes. The above projected real estate taxes are based on the current assessment.

Description of the Improvements

This appraisal values only the land value of the subject property and therefore the description of the improvements is only a summary. The improvements consist of the city of Coral Gables Police Station and the Fire Department and a parking garage. The Police Station and Fire Department front on the east side of Salzedo Street. The parking portion is to east of the Police Station and Fire Department and extends from Palermo Avenue to Sevilla Avenue. The Fire Station portion is two stories and the Police Station portion is four stories. The parking garage has six (6) levels.

The site plan below indicates the location of the building improvements on the site.



Neighborhood Overview

General Neighborhood Data

Location:	Urban
Built Up:	100%
Growth Rate:	Steady
Property Values:	Increasing
Demand/Supply:	In balance
Present Land Use:	Commercial
Change in Present Land Use:	Not likely
Predominant Use:	Commercial
Property Compatibility:	Good
General Appearance of Properties:	Good
Appeal to Market:	Very good

Adjacent Uses

East:	Office building
West:	Retail and office
South:	Retail and office
North:	Office buildings

Linkages

Distance

Access

Public Transportation:	Within a few blocks	Excellent
Employment Centers:	Within a few blocks	Excellent
Expressway Access:	Three to five miles	Good
Miami International Airport:	Three to five miles	Very good

City of Coral Gables

The relationship of the subject property with surrounding properties forms the basis of the neighborhood analysis. Influences on properties such as social, economic, governmental and environmental forces influence values in the vicinity of a property, which in turn, directly affects the value of property itself. Neighborhood analysis is a study of forces and factors which influence the value of the subject property. The subject property is located within the city of Coral Gables. The primary city boundaries are as follows:

- North - Tamiami Trail (SW 8th Street)
- South - Sunset Drive (SW 72nd Street) – along east portion down to SW 136th Street
- East - Douglas Road (SW 37th Avenue)
- West - Red Road (SW 57th Avenue)

Major thoroughfares include Douglas Road (SW 37th Avenue), Red Road (SW 57th Avenue), South Dixie Highway (US Hwy. No. 1), LeJeune Road (S.W. 42nd Avenue), Alhambra Circle, Miracle Mile, and Ponce de Leon Boulevard. Coral Gables is within ten to 20 minutes driving time to Miami International Airport (approximately 5 miles), downtown Miami and the Brickell financial district (approximately 6 miles), PortMiami (approximately 8 miles), Coconut Grove (approximately 2 miles) and other areas such as the Jackson Memorial Hospital/University of Miami Hospital area (Civic Center), the Dadeland area and the University of Miami.

The Palmetto Expressway is located two miles west and extends north-south and east-west through Miami-Dade County. Interstate 95 (I-95) is four miles east and extends north through Miami-Dade County and into Broward County. State Road 836 (the Dolphin Expressway) is located within one mile to the north and runs east-west connecting the Palmetto Expressway (State Road 826) with I-95.

Deemed “The City Beautiful,” Coral Gables is built in the Mediterranean Revival style. The city is characterized as a moderate to high priced urban market attracting branch banks, accounting and law firms, communications, advertising firms and national and international corporations focusing on American and Latin American business. Some of the largest employers include University of Miami, Bacardi U.S.A., The Biltmore Hotel, Del Monte Fresh Produce, and HBO Latin America. Coral Gables also caters to small and medium size businesses.

Demographics for the city of Coral Gables include:

Population:	49,411
Mean Household Income:	\$114,926
Median Household Income:	\$66,466
Median Owner-Occupied Housing Value:	\$525,380

Property taxes are comparable to other surrounding neighborhoods for the level of services provided; zoning, building, and housing codes are strictly enforced; there is very good fire and police protection and mass transit is sufficiently provided.

Supply and Demand

The subject property consists of 63,000 square feet of land located within the Central Business District (CBD) southern portion of the City of Coral Gables. The subject benefits from being located between LeJeune Road and Ponce de Leon Boulevard, both very important north-south arterial roads providing the primary means of access through Coral Gables. This location, south of Miracle Mile and with frontage on Salzedo Street, is a desirable location. Surrounding properties consist of office buildings and retail buildings, with residential single family and multi-family along the outskirts. The surrounding area experienced much less rent, occupancy and price erosion during the recent recession than most neighboring communities, and continue to make it one of the more attractive areas for development. Large-scale development continues to move ahead. Among the most prominent recent developments both in the subject area as well as a southern area where more land was available are:

- Gables Ponce Phase I, a recently completed 10-story mixed use project with approximately 370 rental apartments and 84,000 square feet of ground floor retail located south of the Central Business District on Ponce de Leon Boulevard and LeJeune Road, just north of South Dixie Highway in the Merrick Park area. The main retail tenant, Epicure Market is an upscale gourmet food market with café.
- Gables Ponce Phase II, a nearly completed 10-story building with 119 rental apartments above a three-story office complex comprising 24,000 square feet of office space, located along Ponce de Leon Boulevard just east of LeJeune Road (and across a public alley from the Phase I building described above).
- Gables Station, a planned 330,000 square foot “vertical retail center” by Berkowitz Development Group, with 60,000 square feet at street level located on South Dixie Highway in the Merrick Park area. Approvals are being obtained at present.
- Ponce & Bird, an under construction eight-story, 276-unit multi-family project, located south of the subject on Bird Road and Ponce de Leon Boulevard in the Merrick Park area.
- Merrick Manor, a planned mixed-use project with 180 rental apartments and 17,000 square feet of ground floor retail space, located south of the subject between LeJeune Road and Laguna Street in the Merrick Park area.
- A planned development comprising retail, and possibly office and residential components, on a 50,650 sq. ft. site with primary frontage on Bird Road and Douglas Road in the City of Miami east of the Merrick Park area.
- A planned 14-story 246-unit residential development on a full city block at Bird Road, between 37th Court and 38th Avenue in the City of Miami east of the Merrick Park area.
- A purchase by Baptist Health Systems of a site on LeJeune Road at the west entrance to the Village of Merrick Park where they plan to build a medical office building.

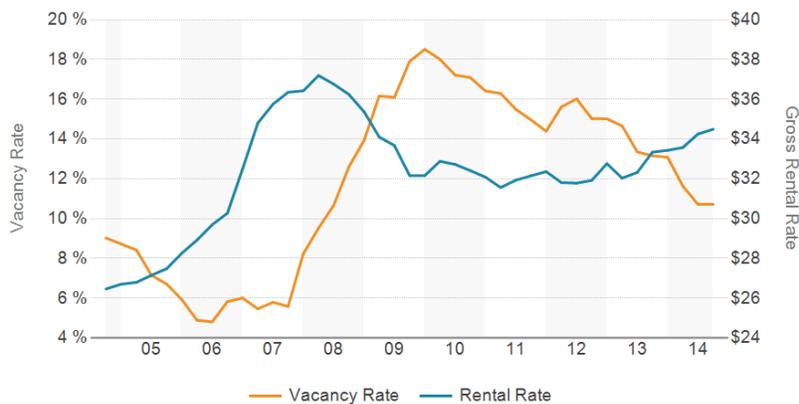
- A planned development on the south side of Bird Road between Ponce de Leon Boulevard and LeJeune Road, one block north of the Village of Merrick Park. One of the buyers is an affiliate of the owner of the adjoining property to the east, 4000 Ponce. Reportedly, they plan to build 270 luxury residential units and 40,500 sq. ft. of ground floor retail with below-grade parking.
- A planned development at the southwest corner of Antilla Avenue (approximately SW 12th Street) and Ponce de Leon Boulevard. The developer plans to break ground in the Fall 2015 and intends to build a 16 story condominium office building containing 96,427 square feet, 47 units and 322 parking spaces.
- North of the subject property at the intersection of Salzedo Street and Minorca Avenue (2020 Salzedo), a mixed use plan has been approved. It will consist of a four story office building, 16 story residential building, seven story parking garage and retail.
- A proposed development of an 18-story, 282 apartment development and an expansion to the existing Publix Grocery store at 2551 LeJeune Road along with a 793 space parking garage.
- At 2524 LeJeune Road is an under construction Starwood hotel Aloft scheduled to open January 2016.
- At 100 Alhambra Circle northeast of the subject property, plans call for approximately 5,294 square feet of retail, 188 residential units and a 368 space parking garage.
- A recently completed development known as “The Palace at Coral Gables”, which is at the north and south sides of Andalusia Avenue, just west of Douglas Road. It is an eight-story building with 245 luxurious senior living residences, commercial space and parking on the ground floor and a parking garage on the seven levels above.
- There are two one plus acre sites on the north side of Andalusia Avenue, between LeJeune Road and Ponce de Leon Boulevard. They are city owned sites with parking garages. The city is currently having internal discussions about either joint development of parking or mixed use development and/or selling one of the parcels.

A significant presence in the area is the assemblage of approximately 7 acres known as Mediterranean Village at Ponce Circle. This development will be on the east side of Ponce Circle and Ponce de Leon Boulevard at 2801 to 3001 Ponce de Leon Boulevard, along with multiple properties to the east. The developer Agave, LLC has a very prominent presence in Coral Gables with several signature developments. The Mediterranean Village development will be a mixed-use development, at an anticipated cost of over \$500 million. It will have to be of a very high quality, similar to Shoppes at Merrick Park in Coral Gables and Mizner Park in Boca Raton. The development will include a Class A office building of approximately 314,000 sq. ft.; a high-end hotel which will include 184 rooms; an estimated 324,000 sq. ft. to include retail space of 242,000 sq. ft., restaurant space of an estimated 29,000 sq. ft.; a high-end cinema with VIP seating including a café of approximately 46,000 sq. ft., and three residential towers with a total of 214 condominium units plus 15 townhouses. There will also be a Fitness club using approximately 9,500 sq. ft., and a Daycare Center of an estimated 12,000 sq. ft. The application

summary was submitted on January 30, 2015 after numerous revisions and discussions with city planners. From the date of approval by the City Commission, commencement of construction will occur in 12 months with the project build-out to be completed 46 months from that point. This project is expected to completely change the southern portion of the CBD in Coral Gables bridging the Miracle Mile district with the Shoppes of Merrick Park area. Give the strength and experience of the developer as well as the strong Coral Gables market the area is expected to significantly benefit from this development.

The projects noted point to a significant amount of development underway within the Coral Gables market. These projects are the result of market conditions that have become very favorable for development of mixed-use to include multi-family, office and retail. These factors coincide with a general improvement in overall economic conditions and increasing consumer confidence as the economy continues its steady recovery from the recession.

Two very important sectors of commercial real estate in the Coral Gables sub-market are office and retail, and both have performed very well since the recent recession. The following chart shows the performance of the office market in Coral Gables during the last 10 years. It is based on a Costar Analytics study of all office buildings in Coral Gables, and excludes non-office space located in office buildings (e.g., ground floor retail space). The chart plots average rental rates against the vacancy rate, and shows the relatively steady declines in vacancy since the recovery began in 2009, with slight increases in average rental rates. While rental rates have yet to return to their pre-recession peaks and the vacancy rate is still well above the pre-recession lows, the office market generally has been showing signs of a slow but steady recovery.



A similar study was conducted for the retail sector (again, excluding non-retail space contained in retail buildings). This is shown below. The chart shows vacancy levels decreasing and rental rates increasing. Average rental rates have climbed in the last three years, but remain below their pre-recession peak overall. It should also be noted that in contrast to the last two years' results

indicated for the *overall* Coral Gables market, retail vacancy rates within the CBD boundaries have *declined* since the end of the recession.



According to Reinhold P. Wolff Economic Research, Inc., "The housing market of Miami-Dade County declined considerably from the second quarter 2014 to the third quarter 2014 as measured by new housing absorption. During the third quarter of 2014, a total of 704 new housing units were absorbed in Miami-Dade County, 30.2% less than the 1,008 absorbed in the second quarter of 2014 but 22.6% more than the 574 absorbed in the third quarter 2013. Used housing sales declined with 10,010 units resold in the third quarter of 2014, representing a 14.9% decline from the 11,760 units in the second quarter of 2014, but 12.0% above the 8,937 units in the third quarter of 2013. "This decline was after a significant increase in the first part of the year." The 176 new condominium units sold (deeded) during the third quarter of 2014 was 23.9% greater than sales of the second quarter of 2014 and they were 2.4 times greater than the third quarter of 2013. A total of 5,414 condominium units were resold during the third quarter of 2014, down 5.5% from sales in the second quarter 2014, but 27.5% more than in the third quarter of 2013.

Per Marcus & Millichap, Apartment Research, Market Report, fourth quarter 2014 "In the Coral Gables/South Miami submarket, vacancy tightened 90 basis points in the third quarter to 3.6 percent, although the rate has risen year-to-date. Two-bedroom units in the submarket were 3.9 percent vacant in the third quarter, marking an 80-basis point increase since the end of last year." Although the housing market continues to strengthen and new construction is taking place with approximately 2,200 apartments placed in service in the last 12 months, the apartment vacancies for the entire year of 2014 in Miami-Dade County will drop to 3.2%.

These very significant gains in the housing market indicate that the injuries of the recession and housing crash have largely healed. Furthermore, there are a significant number of new residential

projects currently in development in Coral Gables, both upscale condominium product and multi-family rental apartments that will raise the population density (and very likely the median household income). Though a detailed feasibility study to forecast demand and supply for residential uses at the subject location (in light of the significant amount of new residential development currently in the pipeline) is outside the scope of this appraisal, the recent market evidence points to a generally positive outlook for the success of residential development.

Conclusion

Market evidence points to very favorable conditions for development of one or a combination of all being retail, office and multi-family product at the subject location. Demand is currently high enough to support development, especially in the CBD. In conclusion, market conditions are favorable for mixed-use development.

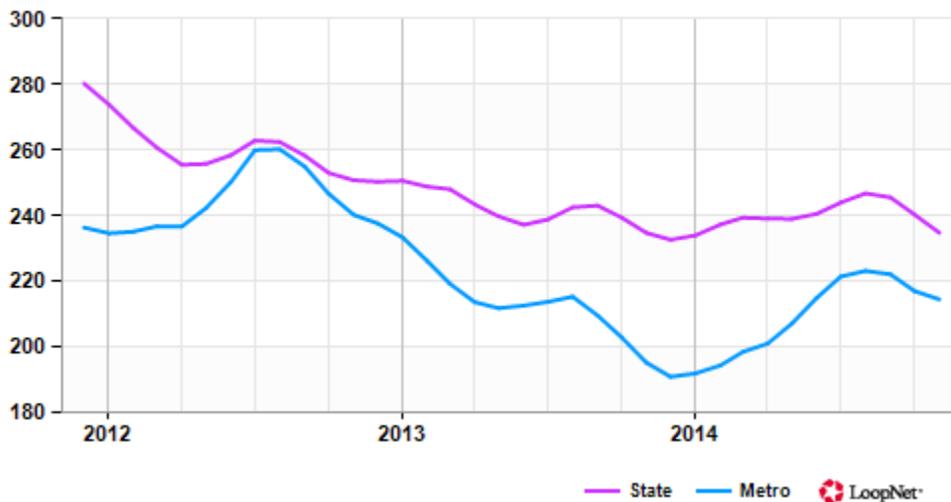
Exposure Time

Exposure time is the “estimated 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; a retrospective estimate based on an analysis of past events assuming a competitive and open market”¹.

This analysis considers the exposure time at a market related price such as the estimated market value herein. In estimating exposure time, sales are analyzed, real estate brokers and property owners are interviewed and statistics from published surveys are considered.

The primary uses in the area surrounding the subject site are office and retail. Per *Loopnet.com*, the days on market for **office properties** in the Miami-Fort Lauderdale area in all of 2013 and 2014 (through November), were in the range of 193 to 235 days with previous years (last quarter of 2011 to year-end 2012) ranging from approximately 235 to 260 days. The more recent timeframe after mid-year 2013 indicate exposure times below that of the prior years.

Median Days on Market Office for Sale Miami-Fort Lauderdale-Miami Beach, FL

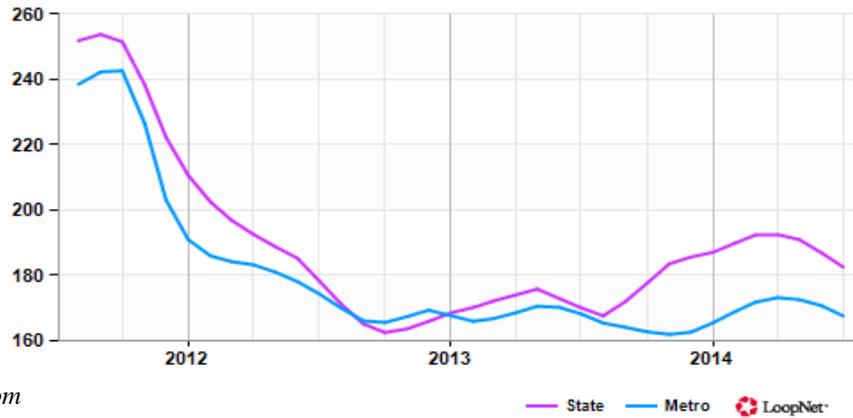


Source: Loopnet.com

¹ *The Dictionary of Real Estate Appraisal, 5th edition, page 73*

The days on market for **retail properties** in 2013 (through November 2014) were in the range of 162 to 172 with previous years (second half 2011 to 2012) ranging from approximately 165 to 240 days. The more recent exposure times in the 162 to 220 day range reflects the strength of the market.

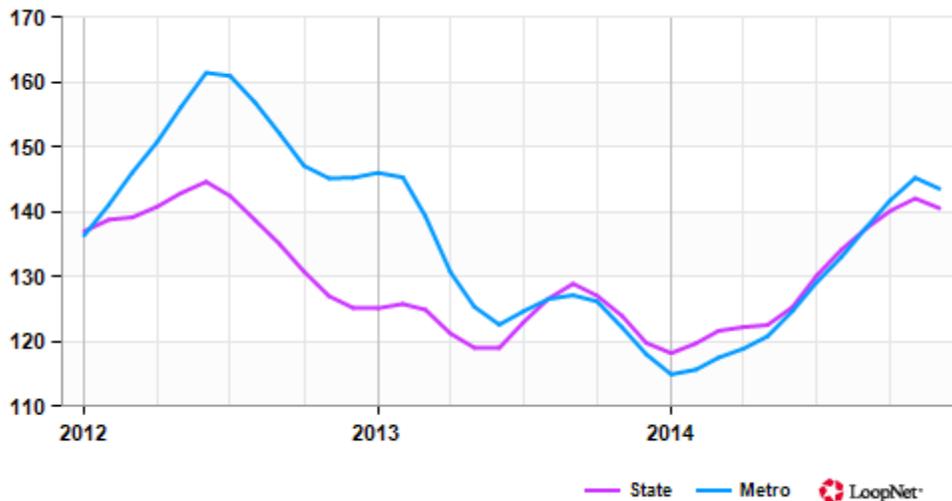
Median Days on Market Retail for Sale Miami-Fort Lauderdale-Miami Beach, FL



Source: Loopnet.com

Per *Loopnet.com*, the days on market for **multi-family properties** in the Miami-Fort Lauderdale area in 2013 and 2014 (through December), were in the range of 115 to 145 days with previous years (2012 to year end 2013) ranging from approximately 145 (year end 2013) days to 162 days (mid-2012). Based on the chart below, the exposure times have decreased to their lowest level in early 2014, with a very slight increase through the third quarter.

Median Days on Market Multifamily for Sale Miami-Fort Lauderdale-Miami Beach, FL



Source: Loopnet.com

Considering the main uses which would be appropriate on the subject property; office, retail and multi-family, the more recent exposure times range from 115 to 190 days (approximately 4 to 6 months). Based on current favorable market conditions and a relative abundance of potential investors and developers seeking quality development sites, the subject would likely achieve an exposure time of three to six months. This estimate considers that the property would have been properly marketed and priced. If the property were not to have been priced correctly or marketed through proper channels, then it is not likely that the estimated market value and the estimated reasonable exposure time would have been achieved.

Typical Purchaser of the Subject

The subject is being valued as vacant site. The typical purchaser would be a developer with experience building a mixed use development which is considered the highest and best use of the site.

Highest and Best Use

The site is valued for its highest and best use, which may be defined as follows:

That reasonable and probable use that will support value
as defined as of the effective date of the appraisal.

In analyzing the highest and best use, the following four questions are answered:

1. **Legally Permissible.** What uses are legally permitted on the subject site with respect to zoning ordinances and deed restriction.
2. **Physically Possible.** What uses of those legally allowed are physically possible on the subject site?
3. **Financially Feasible.** Of those uses determined to be physically possible and legally permissible, which ones will produce a positive return?
4. **Maximally Productive.** Of those that are feasible, legally permissible, and physically possible, which will produce the highest rate of return or value?

Conclusion of the Highest and Best Use

As Vacant

The subject property is zoned S, Special Use District by the city of Coral Gables, FL. This appraisal has a hypothetical condition that the site will be rezoned C, Commercial District, with a “High-Rise Intensity. **Any change in this hypothetical condition will cause the estimated value to be lower.**

The estimated value herein is based on the subject property being zoned C, Commercial District by the city of Coral Gables, FL, which permits mixed-use projects. It is being valued based upon the hypothetical condition that it carries a “Commercial, High-Rise Intensity”. The maximum building height is 150 feet, or 190.5 feet with “Mediterranean bonuses” (provided for designs that conform to the City’s standards for Mediterranean Revival style architecture). The maximum FAR (Floor Area Ratio) is 3.0, or 3.5 with Mediterranean bonuses and up to 4.25 with TDR’s in the CBD. These FAR limits do not include square footage allocated to parking structures. Parking requirements vary by uses based on the square footage for each use. Permitted uses include commercial uses, and mixed-use projects with a residential component. Residential uses are only allowed as part of mixed-use projects. Market analysis shows that with demand growing steadily for office and retail uses, a robust lodging market and a very strong

residential market, and with recent supply growth being relatively constrained (with the possible exception of the residential market), a variety of uses are likely to be potentially feasible. However, note that pedestrian-oriented retail uses are more likely to be profitable at the ground level compared to other uses, whereas other uses are more likely to be profitable on upper floors. This makes it likely that a mixed-use project including a ground floor retail component would be the most profitable use.

As Improved

The subject property is being valued as vacant land and therefore an analysis of the highest and best use as improved is not applicable.

Appraisal Process

An analysis of three separate approaches to value; sales comparison approach, cost approach, and income capitalization approach, will be considered to estimate the value of the subject property. Although these three approaches to value are considered within every appraisal report, they may not be applicable to each and every property being appraised.

The cost approach is based on the principle of substitution which states that an informed purchaser would not pay more for a property than the cost of reproducing a property with the same utility. The cost approach can often yield reliable estimates of value for new construction. This approach entails estimating the cost of producing the improvements, deducting an estimate of depreciation, then adding the value of the site as if vacant. To this value an entrepreneurial incentive is added to arrive at the estimated value by the cost approach.

The income capitalization approach is based on the concept that value is created by the expectations of future benefits and higher earnings should result in higher values. Income producing real estate is purchased for the right to receive future income. The income capitalization approach consists of methods to analyze a property's capacity to generate income, and a reversion, and convert these monetary benefits into an estimate of value.

The sales comparison approach is based on the principle of substitution which suggests that, within competitive markets, similar products will realize similar prices. Inherent in this concept is the premise that a purchaser would not pay more for a property than the cost to acquire another property with the same amenities and utility.

The final steps in the appraisal process are review and reconciliation of the data and conclusions. In reaching a final conclusion of value, the entire process involving the approaches that were estimated must be reviewed for accuracy, completeness and consistency. After analysis, evaluation and reconciliation of the indications a value is estimated. The essence of this final reconciliation should be a defensible and rational conclusion of value.

The only approach used in this appraisal is the sales comparison approach. The income capitalization approach and the cost approach are not applicable to the valuation of the subject property.

Cost Approach

The basis of the cost approach is the principle of substitution. This principle suggests that a prudent buyer would not pay more for a property than the cost to acquire a similar site and construct comparable improvements.

Following are the procedures for preparing the cost approach.

1. Estimate the value of the land as though vacant and available to be developed to its highest and best use.
2. Determine which cost basis is most applicable to the assignment: reproduction cost or replacement cost.
3. Estimate the direct (hard) and indirect (soft) costs of the improvements as of the effective appraisal date.
4. Estimate an appropriate entrepreneurial profit or incentive from analysis of the market.
5. Add estimated direct costs, indirect costs, and the entrepreneurial profit or incentive to arrive at the total cost of the improvements.
6. Estimate the amount of depreciation in the structure and, if necessary, allocate it among the three major categories: physical deterioration, functional obsolescence, and external obsolescence.
7. Deduct the estimated depreciation from the total cost of the improvements to derive an estimate of their depreciated cost.
8. Estimate the contributory value of any site improvements that have not already been considered. (Site improvements are often appraised at their contributory value - i.e., directly on a depreciated-cost basis - but may be included in the overall cost calculated in Step 3 and depreciated, if necessary).
9. Add land value to the total depreciated cost of all the improvements to develop the market value of the property.
10. Adjust for personal property (e.g., furniture, fixtures, and equipment) or intangible assets that are included in the appraisal.
11. Adjust the value conclusion, which reflects the value of the fee simple estate, for the property interest being appraised to arrive at the indicated value of the specified interest in the property.¹

As the subject property is unimproved vacant land, the cost approach is not applicable. Land value has been estimated in the sales comparison approach herein.

¹ *The Appraisal of Real Estate*, 14th Edition, 2013, Pages 568 and 569

Income Capitalization Approach

Income producing real estate is typically purchased as an investment, and from an investor's point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher value, provided the amount of the risk remains constant. An investor who purchases income-producing real estate is essentially trading present dollars for the expectation of receiving future dollars. The income capitalization approach to value consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value.¹

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach.²

An income capitalization approach was not applied as it is not applicable in the valuation of vacant land. Vacant land is not generally purchased based on its income generating potential. Since this approach is typically not considered by purchasers of this property type, not using it does not limit the reliability of the value estimated herein.

¹ Appraisal of Real Estate, 14th Edition, 2013, Page 439

² Ibid., 439

Sales Comparison Approach

The *sales comparison approach* is based on the principle of substitution. *The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.*¹

In the Sales Comparison Approach, an opinion of market value is developed by comparing properties similar to the subject property that have recently sold, are listed for sale, or are under contract (i.e., for which purchase offers and a deposit have been recently submitted). A major premise of the sales comparison approach is that an opinion of the market value of a property can be supported by studying the market's reaction to comparable and competitive properties.

Qualitative analysis is a relative comparison process without mathematics. Sales are ranked based upon their desirability as compared to the subject. Comparisons can be expressed as plus or minus as opposed to dollar or percentage adjustments.

Quantitative analysis is the process of applying mathematical techniques. Sales are adjusted to the subject property on a dollar or a percentage basis. One method of supporting adjustments is through *paired data analysis*. This method analyzes two sales and attributes the difference in their sales prices to the characteristic which is different. This analysis requires an abundance of sales data which is frequently not available.

Qualitative analysis is used herein to estimate a value by the *sales comparison approach*. Characteristics of the sales considered superior to the subject are given a minus (-) adjustment. Those characteristics of the sales considered inferior to the subject are given a plus (+) adjustment. Each sale is given an overall adjustment indicating how it compares to the subject.

On the following page is a grid of the sales used for comparison to the subject property.

¹ The Appraisal of Real Estate 14th Edition, 2013, page 379

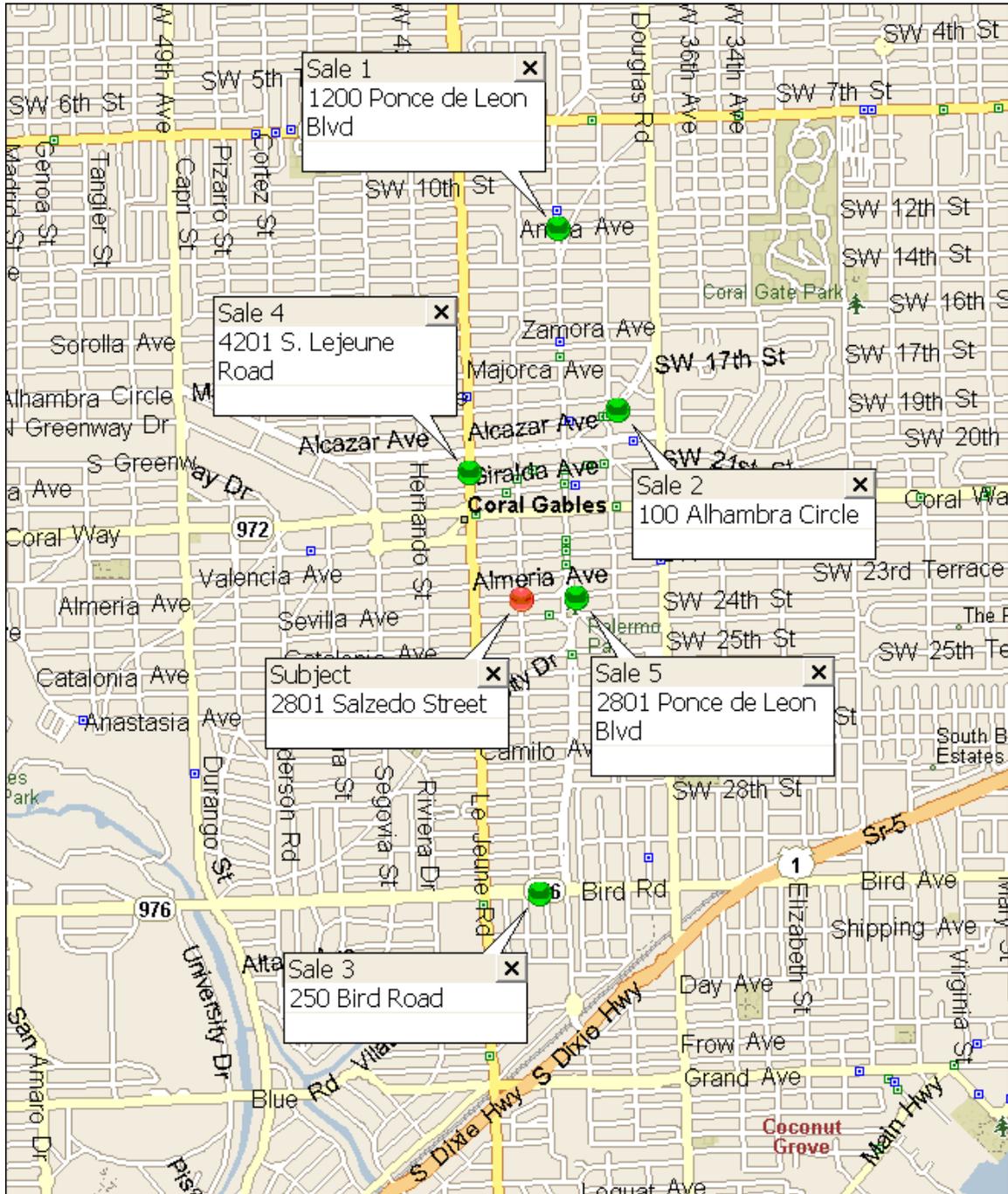
Vacant Land Sales Grid

Following is a grid of the comparable sale properties used for comparison to the subject property.

Sale	Sale Date	Location	Zoning	Sale Price	Sq. Ft. Size	Price/Sq.Ft.
1	8/14	1200 Ponce de Leon Boulevard Coral Gables	C	\$6,650,000	28,502	\$233
2	7/14	100 Alhambra Circle Coral Gables	C	\$6,200,000	22,246	\$191
3	12/13	250 Bird Road Coral Gables	C/IMXD	\$28,000,000	107,000	\$261
4	10/13	4201-4231 South LeJeune Road Coral Gables	C	\$7,360,000	28,910	\$255
5	5/13	2801 Ponce de Leon Boulevard Coral Gables	C	\$24,000,000	42,781	\$561
Subject		2801 Salzedo Street Coral Gables	S (see note)		63,000	

Note: The subject property is zoned S, Special Use District by the city of Coral Gables, FL. This appraisal has a hypothetical condition that the site will be rezoned C, Commercial District, with a "High-Rise Intensity. **Any change in this hypothetical condition will cause the estimated value to be lower.**

Vacant Land Sales Map



Comparable Land Sale 1

Location

1200 Ponce de Leon
Boulevard
Coral Gables, FL 33134

Property Type

Vacant Commercial

Square Feet

28,502

Price/Sq.Ft.

\$233.32

WAR No.

303718



Recording Information

Sale Price:	\$6,650,000
Sale Date:	August 2014
ORB/Page:	29275/3288
Grantor:	1200 Ponce, LLC
Grantee:	Ofizzina 1200, LLC
Legal Description:	Lots 6 through 10, Block 26, REVISED PLAT OF CORAL GABLES DOUGLAS SECTION, according to the Plat thereof, as recorded in Plat Book 25, Page 69 of the Public Records of Miami-Dade County, Florida
Folio No.:	03-4108-009-2390

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	None in the past five years

Property Description

Zoning:	C, Commercial District by the city of Coral Gables, FL
Shape:	L Shape
Topography:	Grade level

Comments

This is the sale of a parcel located at the southwest corner of Antilla Avenue and Ponce de Leon Boulevard in the city of Coral Gables. At the time of the purchase, it contained a two-story 12,876 square foot building. The buyer intends to build a 16 story office condominium building containing 96,427 square feet, 47 units and 322 parking spaces.

Comparable Land Sale 2

Location

100 Alhambra Circle
Coral Gables, FL 33134

Property Type

Vacant Commercial

Square Feet

32,426

Price/Sq.Ft.

\$191.20

WAR No.

303720



Recording Information

Sale Price:	\$6,200,000
Sale Date:	July 2014
ORB/Page:	29236/1373
Grantor:	USRE Holdings, LLC
Grantee:	Columbus Center GU, LLC
Legal Description:	Lots 3, 4, 5 and 6, Block 22, REVISED PLAT OF CORAL GABLES SECTION L, according to the Plat thereof, as recorded in Plat Book 8, Page 85 of the Public Records of Miami-Dade County, Florida
Folio No.:	03-4108-007-2010 and -2020

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	None in the past five years

Property Description

Zoning:	C, Commercial District by the city of Coral Gables, FL
Shape:	Irregular
Topography:	Grade level

Comments

This is the sale of two parcels that were used as parking lots located on the south corner where Alhambra Circle and Minorca Avenue meet in the city of Coral Gables. The land use is high rise intensity and plans call for approximately 5,294 square feet of retail, 188 residential units and a 368 space parking garage.

Comparable Land Sale 3

Location

250 Bird Road
Coral Gables, FL 33146

Property Type

Vacant Commercial

Square Feet

107,000

Price/Sq.Ft.

\$261.68

WAR No.

303611R



Recording Information

Sale Price: \$28,000,000
Sale Date: December 2013
ORB/Page: 28943/650 and 28943/655
Grantor: Yeung Property Corp.
Grantee: Coral Gables Luxury Holdings, LLC
Legal Description: Lots 1 - 42, Block 3, REVISED PLAT OF CORAL GABLES INDUSTRIAL SECTION, according to the Plat thereof, as recorded in Plat Book 28, Page 22 of the Public Records of Miami-Dade County, Florida
Folio No.: 03-4120-017-0571; 03-4120-017-0580; 03-4120-017-0720; 03-4120-017-0700; 03-4120-017-0710 and 03-4120-017-0790

Financing & Prior Sale

Financing: \$16,200,000 loan from Florida Community Bank
Prior Sale: The two folios located at the southwest corner of the site (total 13,500 sq. ft.) were acquired by the seller in February 2013 for \$3,500,000 (\$259.26 per sq. ft.).

Property Description

Zoning: C (Commercial) zoning applicable to the portion fronting Bird Road, and I (Industrial) zoning applicable to the rest of the site, with an MXD (Mixed Use District) overlay by the city of Coral Gables, FL
Shape: Rectangular
Topography: Grade level

Comments

This property consists of two elongated rectangular segments of equal size, divided by a public alleyway. Each segment has 100 feet of frontage along both the south side of Bird Road (SW 40th Street) and the north side of Altara Avenue, the east segment having 535 feet of frontage along the west side of Aurora Street and the west side 535 feet of frontage along the east side of Salzedo Street. The location is between Ponce de Leon Boulevard and LeJeune Road, one block north of the Village of Merrick Park. One of the buyers is an affiliate of the owner of the adjoining property to the east. Reportedly, they plan to build 270 luxury residential units and 40,500 sq. ft. of ground floor retail with below-grade parking. The total price stipulated in the purchase contract is \$28,000,000. One part of the transaction closed on December 5, 2013 for \$27,000,000. The remaining \$1,000,000 is a bonus to be paid to the seller when The Collection (a luxury car dealership owned by an affiliate of the buyer and located in the adjoining property) enters into a lease with the buyer for retail space and parking. Zoning on the site is mixed, with C (Commercial) zoning applicable to the portion fronting Bird Road, and I (Industrial) zoning applicable to the rest of the site, with a MXD (Mixed Use District) overlay applicable to the entire site. Note that recent sales of similar parcels straddling an alley in the neighborhood have resulted in the buyer acquiring the alley from the City and incorporating it into the development (nullifying the disadvantage of non-contiguous segments).

Comparable Land Sale 4

Location

4201 - 4231 South LeJeune Road
Coral Gables, FL 33134

Property Type

Vacant Commercial

Square Feet

28,910

Price/Sq.Ft.

\$254.58

WAR No.

303510R



Recording Information

Sale Price:	\$7,360,000
Sale Date:	October 2013
ORB/Page:	28866/2705
Grantor:	Century Laguna, LLC
Grantee:	Baptist Health South Florida, Inc.
Legal Description:	Lots 12 through 22, inclusive (less the Westerly portion thereof dedicated to the Right of Way Plat for LeJeune Road, Plat Book 72 at Page 29), Block 9, REVISED PLAT OF CORAL GABLES INDUSTRIAL SECTION, according to the Plat thereof, as recorded in Plat Book 28, Page 22 of the Public Records of Miami-Dade County, Florida
Folio No.:	03-4120-017-1640; 03-4120-017-1580 and 03-4120-017-1575

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	None in the past five years

Property Description

Zoning:	C, Commercial District by the city of Coral Gables, FL
Shape:	Rectangular
Topography:	Grade level

Comments

This parcel is located on LeJeune Road, with double corners on Altara and San Lorenzo Avenues. It has frontage of 295 feet on LeJeune Road, 98 feet on Altara and San Lorenzo Avenues. It is also accessible via an alley running north-south along the east side, providing an

additional 295 feet of frontage. The site is improved with a 1,696 sq. ft. single-tenant former bank branch building (now vacant) built in 1950, and a 3,061 sq. ft. single-occupant designed pizza restaurant built in 1994. The lease for the restaurant is up in July-2014. The seller had purchased the property in 2006 along with numerous other nearby parcels under a plan to redevelop the area, but he ran into financial difficulty and never began development. The buyer is the region's largest hospital group. According to a hospital official, the intent is to construct a medical office building serving the doctors currently housed at Doctors Hospital. The site lies within the North Industrial Mixed Use overlay district (MXD).

Comparable Land Sale 5

Location

2801 Ponce de Leon
Boulevard
Coral Gables, FL 33134

Property Type

Vacant Commercial

Square Feet

42,781

Price/Sq.Ft.

\$561.00

WAR No.

303512R



Recording Information

Sale Price:	\$24,000,000
Sale Date:	May 2013
ORB/Page:	28627/2427
Grantor:	Ponce de Leon Financial Towers, LLC
Grantee:	2901 Ponce, LLC
Legal Description:	Lots 1 through 7, inclusive, and Lots 30 through 36, inclusive, all in Block 20, of CORAL GABLES CRAFTS SECTION, as recorded in Plat Book 10, Page 40, of the Public Records of Miami-Dade County, Florida. Together with that portion of the North-South alley and the portion of the East-West alley which lies West of the East property line of Lots 30 and 7 projected North and South respectively, Block 20, of CORAL GABLES CRAFTS SECTION, as recorded in Plat Book 10, Page 40, of the Public Records of Miami-Dade County, Florida.
Folio No.:	03-4117-005-5390

Financing & Prior Sale

Financing:	All cash to the seller
Prior Sale:	December 2007 for \$24,000,000

Property Description

Zoning:	C, Commercial District by the city of Coral Gables, FL
Shape:	Square
Topography:	Grade level

Comments

This parcel is located on the east side of Ponce de Leon Boulevard, with double corners and substantial additional frontage on Sevilla and Palermo Avenues. The buyer is an affiliate of the Cuervo Tequila family (Agave Holdings) and the owner of significant adjoining and nearby parcels, which were acquired in June 2011 from a distressed seller for \$32,120,000 (after adjustments), or \$127.13 per sq. ft. This purchase completes the assemblage, and creates a 6.8 acre tract comprising 100% of three city blocks in the Coral Gables CBD, four blocks south of Miracle Mile. The aerial photograph shows the May 2013 sale in yellow outline and the parcels included in the 2011 purchase in red.

Adjustment Grid

Below is a grid which illustrates qualitative adjustments used to compare the comparable sales to the subject property. Percentage adjustments were not utilized. In order to utilize percentage adjustments it would be necessary to pair (compare) sales to extract value differences. This is difficult as there is normally insufficient data to provide pairings for all value differences. Below is a grid which illustrates the adjustments made. A plus (+) sign indicates the unit of comparison of the sale must be adjusted upward as that characteristic is inferior to the subject. A minus (-) sign indicates the unit of comparison of the sale must be adjusted downward since the characteristic is superior to the subject. An equal (=) sign indicates the comparable sale characteristic is similar to the subject.

Sale	1	2	3	4	5
Price Per Square Foot	\$233	\$191	\$262	\$255	\$561
Property Rights Conveyed	=	=	=	=	=
Financing	=	=	=	=	=
Conditions of Sale	=	++	-	-	-----
Market Conditions (Time)	+	+	++	++	++
Location	+	+	=	+	--
Zoning	=	=	=	=	=
Size	=	=	=	=	=
Shape	=	+	+	+	=
Overall Adjustment	++	+++	+	++	---

After considering the individual differences, either a plus (+), minus (-) or equal (=) sign has been placed in the "Overall" column. This indicates the overall adjustment that the sale would require as compared to the subject property.

Analysis of Sales

Following is the discussion and comparison of various characteristics of the sales as compared to the subject property.

Financing:

The financing of the sales did not indicate any adjustments of their sale prices are warranted for favorable financing. The sales were all financed with loans at or near market rates, or purchased for all cash.

Conditions of Sale:

This category considers if the comparable sales were arm's length. An arm's length sale means the buyer and seller each acted prudently, knowledgeably, and were under no necessity to buy or sell, i.e., a sale that is other than a forced or liquidation sale. Also considered are if any of the sales were purchased by an adjoining owner, whereby a premium was paid. None of the sales required adjustment for this category.

Market Conditions (Time):

This adjustment considers current market conditions as compared to market conditions in place at the time of the respective sale. Sales selling when market conditions were inferior were adjusted upward. Sales selling when market conditions were similar did not require adjustment. Sales 1 and 2 sold in the second half of 2014 and required upward adjustments to reflect trends in value. Sales 3, 4 and 5 sold in 2013 and also adjusted upward, however at a greater level to reflect increases in value from 2013 to current date.

Location:

Sales considered superior to the subject were adjusted downward. Sales considered inferior to the subject were adjusted upward. Those sales considered similar did not require an adjustment. Sales 1, 2 and 4 are considered inferior based on their general location and/or their frontage. Sale 3 was considered equivalent and Sale 5 is superior.

Zoning:

The subject property is being appraised based upon the hypothetical condition that the zoning is “Commercial, High-Rise Intensity”. All five sales have C, Commercial District zoning, with Sale 3 also having I, Industrial and MXD, Mixed Use Zoning. None of the sales were considered to require an adjustment for zoning.

Size and Shape:

The size adjustment is based on the principle of economies of scale whereby larger sites tend to sell for less per square foot. Smaller sites were considered superior and adjusted downward, larger sales were considered inferior and adjusted upward and those sales similar in size were not adjusted. There was no indication, based on the prices per square foot of the sales that the size made a difference in the price paid. All were above 20,000 square feet which in Coral Gables is the threshold for higher density construction. Therefore, an adjustment for size was not made.

The subject site is approximately square. Sales 2, 3 and 4 were considered inferior in shape as compared to the subject. Sales 1 and 5 were both somewhat irregular in shape; however the shape of these sites was not considered to require adjustment.

Conclusion of Land Value by the Sales Comparison Approach

The sales comparison approach compared similar properties to the subject property and adjustments were made for the pertinent characteristics. Based on these comparisons a value was estimated for the subject property. Sale prices per square foot range from \$191 to \$561 with a mean of \$300 per square foot and a median of \$255 per square foot.

After adjustments on a cumulative basis a cumulative basis Sale Nos. 1, 2, 3, 4 (\$191 to \$261 per sq. ft.) were considered inferior. Sale 5 (\$561 per sq. ft.) was considered superior. A value within the range of \$261 to \$561 per square foot was indicated by the adjustment grid with the value being closer to a majority of the sales at \$191 to \$261 per square foot.

After considering the sales data available and the factors influencing value described, it is concluded that the subject land has a value, as if vacant, of \$300 per square foot. The estimated land value equals 63,000 square feet times \$300 per square foot, equal to \$19,000,000 (rounded).

Reconciliation of Value

The reconciliation process considers the approaches which were utilized in this report. Each approach to value is analyzed as to its reliability and applicability. These approaches indicated the following values:

Cost Approach	Not applicable
Income Capitalization Approach	Not applicable
Sales Comparison Approach	\$19,000,000

The cost approach estimates the land value and adds the depreciated value of the improvements. As the properties being appraised are considered unimproved, this approach does not apply. Vacant land values were estimated in the sales comparison approach.

The income capitalization approach analyses the projected income and expenses of a property and capitalizes the net income into a value estimate. Typically vacant land is not purchased based on its ability to generate income. This method is not applicable to the properties being appraised as vacant land. An income capitalization approach was not applicable and not applied herein.

The sales comparison approach compares sales of similar properties to the subject property and is the only applicable approach to value. These sales were analyzed for differences such as conditions of sale, financing, market conditions, location, zoning, shape/size, and other characteristics. The strength of this approach relies on the quality of the comparable sales. Sales which closely resemble and can be compared easily with the subject are most desirable. The sales utilized were considered comparable and make the sales comparison approach the only reliable indication of value.

As the subject property is vacant land total reliance was placed on the sales comparison approach. The subject property has an indicated market value of the fee simple interest as of January 30, 2015 in the amount of \$19,000,000.

This appraisal is based on Hypothetical Conditions. The Hypothetical Conditions for this appraisal is identified on page 2, as is the definition of a Hypothetical Condition. The reader should be familiar with the Hypothetical Conditions for this appraisal.

ADDENDA



ADDENDUM A
COUNTY AREA DESCRIPTION

Miami-Dade County and Area Description

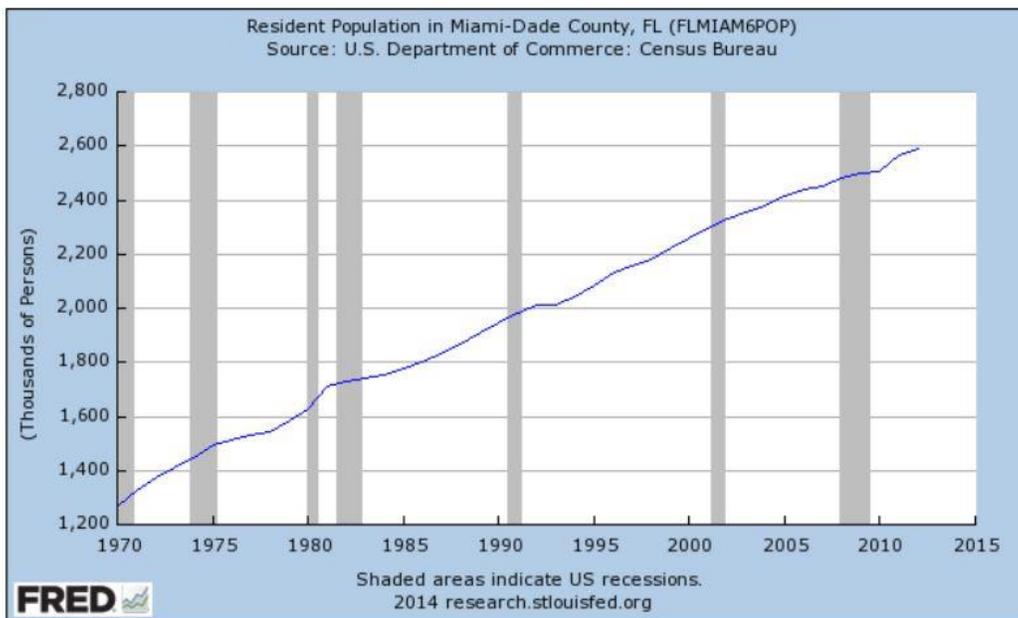
General Overview

Miami-Dade County, often referred to as “Miami” is known internationally for its weather, beaches, banking, fine art, shopping, and Latin culture. While many pass through the Cruise Capital of the World, 2.5 million people call it home.

Miami-Dade County is at the southeastern tip of Florida and is the south-easternmost state in the continental United States. Its land area is approximately 1,946 square miles and is bordered by Broward, Collier, and Monroe Counties to the north, southwest, and south, respectively. The county is bordered by the Atlantic Ocean to the East and Everglades National Park to the West.

Demographics

As of the 2013 Census report, Miami-Dade County has 2,496,435 residents. Over half of those were born outside the United States; 70 percent fall between the ages of 25 and 55. As depicted in the following graph, the county’s population has risen steadily since 1970.



Miami-Dade County Population Projections			
2015 Projection based on 2011 Estimate	Percentage change 2011 to 2015	2020 Projection based on 2011 Estimate	Percentage change 2011 to 2020
2,591,790	3.8%	2,717,631	4.9%

Miami has a positive reputation for international business, and developers are marketing their new projects to those individuals. Therefore, the county's population is expected to increase at an even greater rate approaching the year 2020.

Miami is the largest city in the County. Other populous municipalities include Hialeah, Miami Gardens, Miami Beach, and unincorporated land. Actively growing are some new cities since 2000 such as Cutler Bay and Doral.

Brief History

Miami was founded in 1866 after the end of Spanish rule in Florida. Before the turn of the century, prominent figures such as William and Mary Brickell and Henry Flagler established a community and connected the young city to the rest of the United States. Island people moved here for work.

In 1910, John Collins discovered fresh water on Miami Beach, and within a decade, the population soared, and businessmen bought up the land. The city quickly became a popular spot for tourists, but it crumbled under the hurricane of 1926. During the decades of war, parts of Miami-Dade County became training grounds for military. Residents then slowly built back up the tourism industry.

The early 1960's marked the beginning of the arrival of large numbers of Cuban Refugees into Miami-Dade County and South Florida. In the years following, significant numbers of immigrants have come from Haiti, Cuba and other Latin American countries.

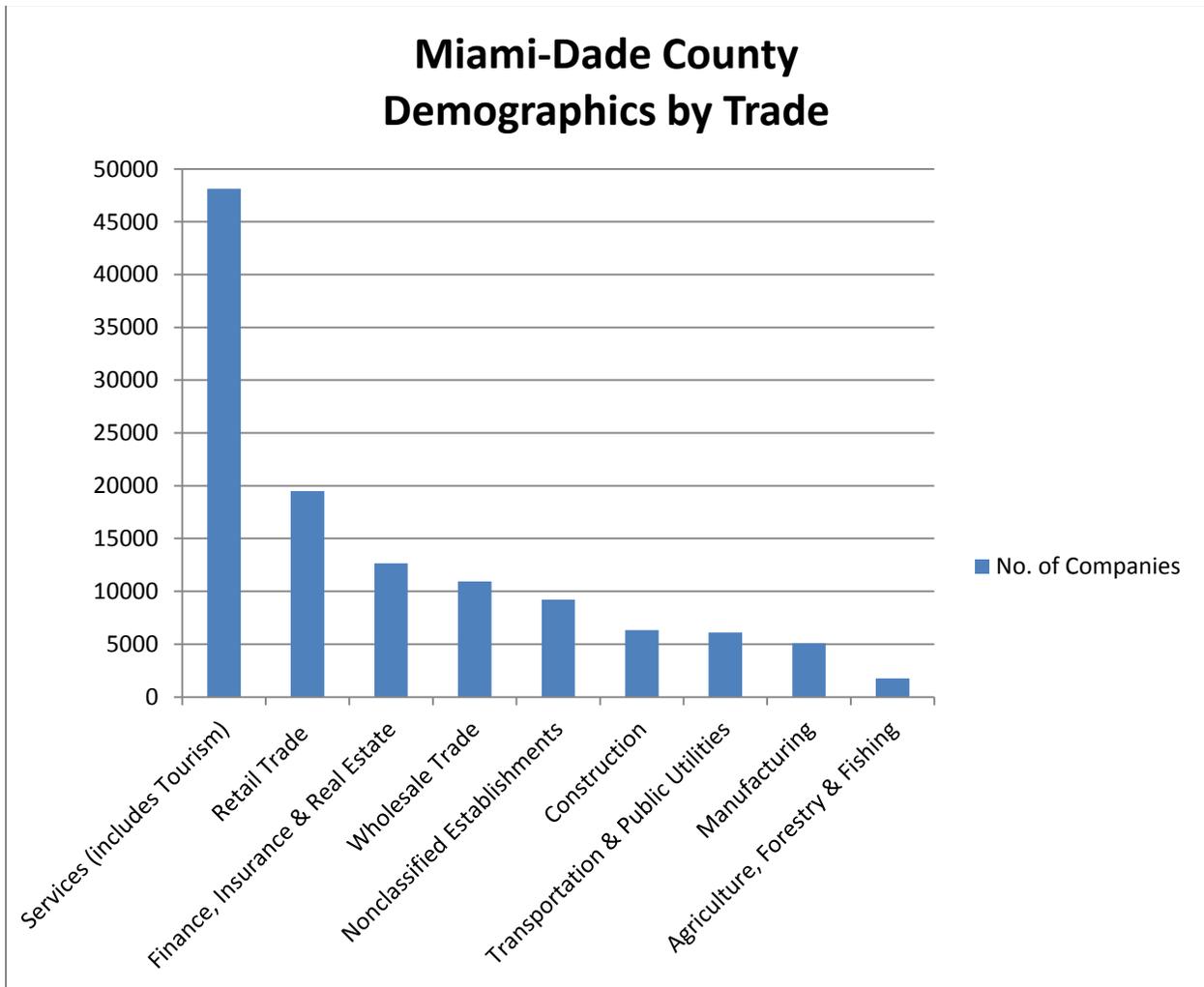
Government

Miami-Dade County has a strong mayor form of government, with nine elected individuals (one mayor and eight commissioners) making up the Miami-Dade County Board of Commissioners. The mayor appoints a professional administrator to manage the daily activities of the county government and a county attorney to handle its legal matters.

Some governmental activities, services and functions previously handled by individual municipalities are now handled by the county. Among these are real property assessment and valuation, health and welfare, most water and sewers, traffic engineering, public libraries, public transportation, public housing, urban renewal, seaport, airport, regional parks and air and water pollution control. In addition to these, Miami-Dade County provides services to the unincorporated areas of the county such as: police and fire protection, building and zoning regulation, trash and garbage collection and disposal, parks and recreation, consumer protection and corrections and rehabilitation of adults and youth offenders.

Economic Base

The primary industries that support Miami-Dade County's economy through employment are trade, transportation and utilities, followed by education/health services and government. The most known is tourism, a major industry for Miami-Dade County. The following chart reflects the county's demographics by trade, with tourism ranking the highest number of companies, followed by retail and finance, insurance and real estate.



Source: The Beacon Council

A year-round growing season allows the agricultural industry to be the top vegetable supplier and producer in the country. The industry employs more than 20,000 people and produces more than \$2.7 billion in economic benefits each year. As a result, agritourism has sprouted an industry throughout the agricultural area where visitors can sample and purchase locally grown products.

Transportation

Miami International Airport (MIA) and its linkages are considered to be the driving force for growth behind its surrounding area. Airport traffic in 2013 included over 40 million passengers, 2 million tons of freight, and 2 million tons of cargo. Other airports within the county include Kendall-Tamiami Airport and Opa-locka Executive Airport. The aviation industry directly and indirectly contributes \$26.7 billion and 282,043 jobs to the local economy.

PortMiami annual activity includes 4.3 million cruise passengers and 7.4 millions of tons of cargo. The port contributes more than \$27 billion annually to the South Florida economy and helps provide direct and indirect employment for more than 207,000 individuals. It is currently undergoing construction for a two-way underwater tunnel between the port and downtown Miami. Scheduled to be completed in 2015 is the Deep Dredge Project, set to deepen the channel from its current 42-foot depth to minus 50 feet in order to accommodate super cargo ships now being constructed.

Within Miami-Dade County, major roads include the *Palmetto Expressway* (State Road No. 826), a major north/south expressway; the *Dolphin Expressway* (State Road No. 836), a major east/west expressway; *Interstate 95* and the *Florida Turnpike*. All of these represent Miami's expressway network and make almost any destination in Miami-Dade County within 30 to 45 minutes driving time.

Transportation systems include a Busway in south Miami-Dade County linking to Metrorail, an elevated rail rapid transit system connecting portions of Miami-Dade County. In July 2012, a new Metrorail station in MIA links south Miami-Dade County, downtown Miami and the entire elevated rail line. The enables seamless connections to the Metromover systems and to a web of transportation arteries in neighboring counties leading to the rest of Florida.

The Miami Intermodal Center (MIC) links the airport, East/West Rail, Amtrack, Tri-Rail, Airport/Seaport Connector and Metrorail mainline rail. Located near the State Road No. 836/State Road 112 Connector, it presently contains the bulk of the rental car agencies. East of the airport in the future it will contain retail, commercial, residential and tourist-designed development.

The Metromover automated people mover system is located in downtown Miami and is an off-shoot of the Metrorail system. There are also Metrobus buses, most of which are in service daily throughout the county. The Metromover system includes the Brickell Avenue financial district and also runs north to the Omni area. Other transportation services in Miami-Dade County include Tri-Rail, railroads and taxicabs. Railroad service by Amtrak is accessible in northwest Miami-Dade. Tri-Rail is South Florida's commuter train system which services Miami-Dade, Broward and Palm Beach Counties.

Education

Based upon student population, the Miami-Dade County School system is the fourth largest public school system in the nation with 415 institutions including elementary, middle, high, K-8, charter, alternative and magnet schools. Many private institutions exist as well.

Several colleges and universities located in the county are University of Miami, Barry University, Florida International University, Miami-Dade Community College, St. Thomas University, Florida Memorial College and Johnson & Wales University.

Medical

Miami-Dade County has the largest concentration of medical facilities in Florida. The largest institution is Jackson Memorial Medical Center, the second largest public hospital in the nation which shares many teaching, treatment and research capacities with the University of Miami. Private hospitals include Baptist Health System, Mercy, Miami Children's, and Mount Sinai.

Sports

Professional, college and even local neighborhood sports draw spectators, participants and investors to a high degree and create a positive atmosphere. Professional football (Miami Dolphins), basketball (Miami Heat), baseball (Miami Marlins) and ice hockey (Florida Panthers) are continual draws. As of January 2014, business negotiations are currently underway to bring Major League Soccer to Miami. There are two horse tracks and a dog track. Several of these tracks have been approved for slot gambling or table gambling, depending upon location in a municipality or Indian reservation. Also offered are golf, tennis, as well as the numerous water sports, given the significant bodies of water.

Arts and Culture

Known for the wealth of ethnic diversity and heritage, Miami-Dade County has a cultural mix of festivals, concerts, theater, and dance performances. Adrienne Arsht for the Performing Arts of Miami-Dade County opened in 2006 and is home to the Concert Association of Florida, Florida Grand Opera, Miami City Ballet, and the New World Symphony. The county is also home to several museums and wildlife attractions.

Summary

During its history, Miami-Dade County and the Greater Miami area have experienced significant changes and growth. Trends indicate that the growth will continue with Miami-Dade County rapidly becoming an international city with a diverse culture. The economic base and the bilingual population should continue to attract new residents and businesses into Greater Miami.

Sources including, but not limited to:

United States Census Bureau (Jan. 2014). <http://quickfacts.census.gov/qfd/states/12/12086.html>

Miami-Dade County Portal (Jan. 2014). www.miamidade.gov

The Beacon Council (Jan. 2014). www.beaconcouncil.com

Federal Reserve Economic Data (Jan. 2014). <http://research.stlouisfed.org/fred2/>

Miami Herald (various articles). <http://www.miamiherald.com/>