

# Appraisal Report

*Prepared for*

**Mr. Leonard Roberts, Assistant Director of Economic Development  
The City of Coral Gables**

*Property Appraised*

**245 and 385 Andalusia Avenue  
(Land Only)  
Coral Gables, FL 33134**

*Date of Valuation*

**June 26, 2018**

*Prepared by*

**Waronker & Rosen, Inc.  
2260 NW 66<sup>th</sup> Avenue, Suite 215  
Miami, Florida 33122**

**JOSH L. ROSEN, MAI**

**ALEJANDRO C. PUENTE, APPRAISER**

**File # 9108 08132018**

# Waronker & Rosen, Inc.

Real Estate Appraisers and Consultants

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Miami, Florida 33122

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lee@waronkerandrosen.com www.waronkerandrosen.com

**Josh L. Rosen, MAI**  
josh@waronkerandrosen.com

August 13, 2018

Mr. Leonard Roberts, Assistant Director of Economic Development  
The City of Coral Gables  
2121 Ponce de Leon Boulevard, Suite 720  
Coral Gables, FL 33134

**Re:** 245 and 385 Andalusia Avenue  
(Land Only)  
Coral Gables, FL 33134  
WRI File No. 9108 08132018

Dear Mr. Roberts:

We have prepared an *Appraisal Report* of the above referenced property as of June 26, 2018. The purpose is to estimate the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 3.5, 4.5; and the incremental increase from 3.5 to 4.5 (one (1) additional FAR ). Definitions for the terms Floor Area Ratio, market value and fee simple interest are 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 advised to read the scope of work which follows the table of contents, to understand the scope of this appraisal. Following the scope of work is the certification and general assumptions and limiting conditions, which the reader is advised to review to understand the limitations applicable to 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 consists of two parcels located in the city of Downtown Central Business District of the Coral Gables, Miami-Dade County, FL. Parcel A (245 Andalusia Avenue) is located along the north side of Andalusia Avenue, just east of Salzedo Street and Parcel B (385 Andalusia Avenue) is located at the northwest corner of Andalusia Avenue and Salzedo Street. Parcel A consists of a site with 34,941 square feet and Parcel B consists of a site with 55,000 square feet. Zoning on both sites is C, Commercial District by the city of Coral Gables, FL. Currently the subject parcels are improved with parking garages constructed in 1955 and 1962. These improvements are not considered in this analysis, nor was any cost to demolish considered.

Mr. Leonard Roberts, Assistant Director of Economic Development  
The City of Coral Gables  
August 13, 2018

**This appraisal is based on an extraordinary assumption. An extraordinary assumption is defined in The Dictionary of Real Estate Appraisal, 6th Edition (2015) as "an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. The extraordinary assumption in this report is as follows:**

**The subject property is zoned C, Commercial district which allows a maximum FAR of 3.5 with bonuses. The second valuation in this appraisal assumes the property is granted a higher FAR to 4.5 and the third valuation utilizes the 4.5 FAR to determine a value for the incremental increase of 1.0 FAR above the 3.5 FAR.**

**The extraordinary assumption, if found to be false or different in any way, could alter the opinions and/or conclusions of value, herein. The reader is advised to be familiar with these assumptions and how it could affect value herein.**

To prepare this analysis, supplied were the following items:

- A. Letter regarding summary of the proposed legal structure for the redevelopment of the Coral Gables parking garages prepared by Greenberg Traurig dated December 5, 2017
- B. Copy of article published by the Florida Bar Journal by Martin Schwartz
- C. Unexecuted proposed development letter between Coral Gables City Center, LLC and the City of Coral Gables prepared by Coral Gables City Center, LLC dated March 30, 2018
- D. Coral Gables City Center Pro Forma Summary, development costs and income projections for Garages 1 and 4 and Financial Impacts of Lease vs. Buy

The city of Coral Gables has received a proposal to develop the subject. Proposed for Parcel A also known as Garage 1 is ground floor retail, six levels of public and private parking, 8 levels of office building for a total size of 144,024 gross square feet and 121,760 rentable square feet. Proposed for Parcel B, also known as Garage 4 is ground floor retail, four levels of public and private parking and 12 levels of residences for a total size of 402,607 gross square feet and 371,624 rentable square feet. In addition, the height for each shall not exceed 190.5 feet and both improvements will include a 12-foot covered pedestrian arcade on Andalusia Avenue. ***Our analysis does not consider these proposals nor any other proposals. The analysis is purely to determine the value per buildable per square foot of the sites together under various scenarios.***

Mr. Leonard Roberts, Assistant Director of Economic Development  
The City of Coral Gables  
August 13, 2018

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 3.5, as of June 20, 2018 is in the amount of

**EIGHTY-FIVE DOLLARS PER BUILDABLE SQUARE FOOT  
(\$85.00)**

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 4.5 as of June 20, 2018 is in the amount of

**SEVENTY-FIVE DOLLARS PER BUILDABLE SQUARE FOOT  
(\$75.00)**

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, of the incremental increase in FAR from 3.5 to 4.5 (One (1) additional FAR) as of June 20, 2018 is in the amount of

**FORTY DOLLARS PER BUILDABLE SQUARE FOOT  
(\$40.00)**

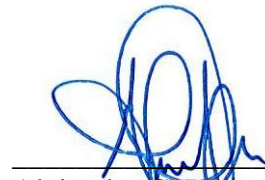
Any deviation from the information supplied and assumptions used herein could result in a change in the estimated value.

Very truly yours,



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



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Alejandro C. Puente  
State-Certified General Real Estate Appraiser  
License No. RZ3697

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## Scope of Work

The purpose of this appraisal is to estimate the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 3.5, 4.5; and the incremental increase from 3.5 to 4.5 (one (1) additional FAR ). The only approach to value applied in this appraisal is the sales comparison approach. Neither a cost approach nor an income capitalization approach was applied, since neither of these approaches are typically considered by purchasers of this property type. Not using these approaches does not limit the reliability of the value estimated herein. The analysis herein is considered sufficient to develop credible assignment results in solving the appraisal problem.

**This appraisal report contains an extraordinary assumption. The reader is advised to be familiar with the definition of an extraordinary assumption and the extraordinary assumptions of this appraisal, because it is significant in understanding the premise of this appraisal. The definition and the extraordinary assumptions are detailed on page 2, in the letter of transmittal. It is applicable to this appraisal because a change in the extraordinary assumption could cause a change in the opinions and conclusions herein.**

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.

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

CoStar  
Imapp  
Published Articles  
Board of Realtors' Multiple Listing Service (MLS)

Comparable sales are inspected, and 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, when possible. All information is analyzed in processing the appraisal report as support for the estimated value.

The scope of work for this assignment has been described above and is typical for the appraisal problem.

## Certification

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

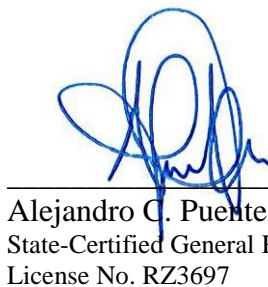
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no 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 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. 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.
11. It should be noted that the valuation herein does not include any furniture, fixtures or equipment necessary to operate any business, or businesses occupying the subject property. The valuation herein does not include a value for any business entity, or entities occupying the subject property.

12. I, Josh L. Rosen, MAI have made a personal inspection of the property that is the subject of this report.
13. As of the date of this report Josh L. Rosen, MAI has completed the continuing education program of the Appraisal Institute.
14. I, Alejandro C. Puente have made a personal inspection of the property that is the subject of this report.
15. As of the date of this report, Alejandro C. Puente has completed the Standard and Ethics Education Requirements for Candidates of the Appraisal Institute.
16. No one provided significant real property appraisal assistance to the person signing this certification.
17. I have performed services, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. The service provided was a real estate consulting assignment. I have performed no other services in any capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.



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



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Alejandro C. Puente  
State-Certified General Real Estate Appraiser  
License No. RZ3697

***Date of Report*** August 13, 2018



## 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 nor is responsibility assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable.
2. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear.
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. Noted in this appraisal report are any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in the appraisal report, the appraisers have no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. The appraisers have no responsibility for any such conditions that do exist, or for any engineering or testing, that might be required to discover whether such conditions exist.
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. Appraisers are not experts in the field of environmental hazards and this report should not be considered an environmental assessment of the property. The client and any intended user is urged to retain an expert in this field. 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 and is not qualified to detect such substances. The presences of substances such as asbestos, urea formaldehyde 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.

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 public using the appraiser's name or appraisal designation, without prior written consent of the appraisers signing this appraisal report.
14. Neither all nor any part of this appraisal report shall be disseminated without the appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
15. Authorization is not allowed for the out-of-context quoting from, or partial reprinting of, this appraisal report.
16. There is no requirement to give testimony or appear in court because of having made an appraisal of the appraised property, unless specific arrangements to do so have been made in advance, or as otherwise required by law.
17. 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.
18. The Client, as identified within the appraisal, is the party or parties who engaged the appraiser for a specific assignment. By receiving a copy of this report from the client, that person or persons do not become a party to the appraiser-client relationship, nor an intended user. Any person who receives a copy of this appraisal report, due to disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment and they are identified in the report.
19. If the valuation in the report is subject to satisfactory completion, repairs, or alterations, it is assumed that the improvements will be completed competently and without significant deviation. If a cost to complete these improvements was provided by the client, it is assumed that the estimate is accurate, unless otherwise noted.
20. The contents of the appraisal report, except as required by the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws, will not be disclosed.

***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 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 analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative 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

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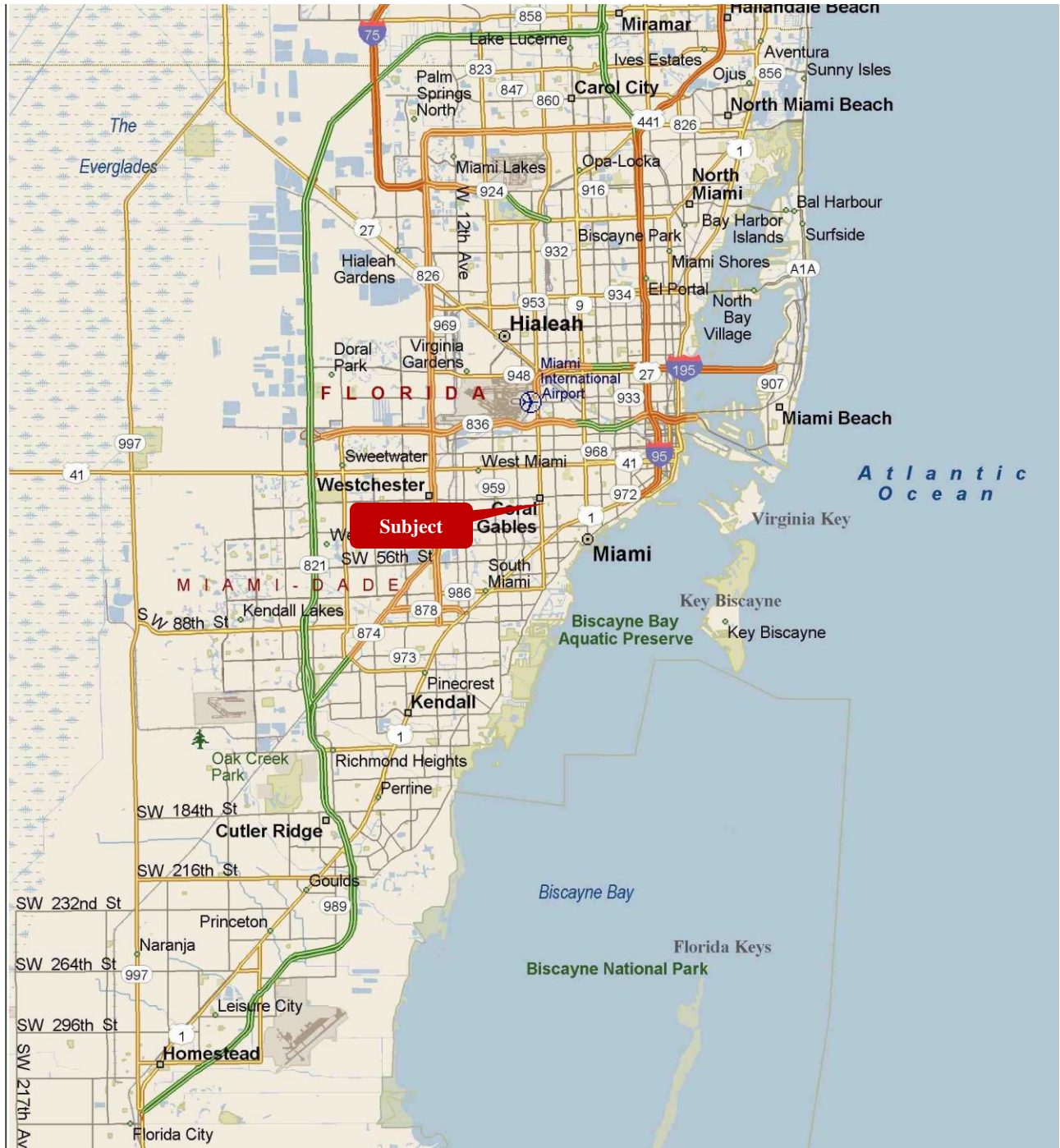
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## Summary of Pertinent Data

Location:	Parcel A (245 Andalusia Avenue) is located along the north side of Andalusia Avenue, just east of Salzedo Street and Parcel B (385 Andalusia Avenue) is located at the northwest corner of Andalusia Avenue and Salzedo Street in the city of Coral Gables, Miami-Dade County, FL.
Address:	245 and 385 Andalusia Avenue Coral Gables, FL 33134
Type of Use:	Two parking garages appraised as vacant land
Zoning:	C, Commercial District by the city of Coral Gables, FL
Land Area:	
Parcel A:	34,941 square feet (0.80 acres)
Parcel B:	<u>55,000</u> square feet (1.26 acres)
Total:	89,941 square feet (2.06 acres)
Value by Cost Approach:	Not applicable
Value by Income Capitalization Approach:	Not applicable
Value by Sales Comparison Approach:	\$85.00 (Based on 3.5 FAR) \$75.00 (Based on 4.5 FAR) \$40.00 (Incremental increase in FAR from 3.5 to 4.5)
Final Estimated Market Value of the Fee Simple Interest:	\$85.00 (Based on 3.5 FAR) \$75.00 (Based on 4.5 FAR) \$40.00 (Incremental increase in FAR from 3.5 to 4.5)
Date of Valuation:	June 20, 2018
Date of Report:	August 13, 2018

# Miami-Dade County Map



# Plat Map



## Aerial Photograph



## **Subject Photographs**

(Parcel A)



View of Parcel A looking northeasterly



View of Parcel A looking southwesterly





South and partial east elevations



East and partial south elevations



West and partial south elevations



South elevation



Looking west along Andalusia Avenue.  
Parcel A is to the right.



Looking east along Andalusia Avenue.  
Parcel A is to the left.

(Parcel B)



View of Parcel B looking northeasterly



View of Parcel B looking southeasterly



South elevation



South elevation



East elevation



West and north elevations



Looking north along Salzedo Street.  
Parcel B is to the left.



Looking south along Salzedo Street.  
Parcel B is to the right.



Looking west along Andalusia Avenue.  
Parcel B is to the right.



Looking east along Andalusia Avenue.  
Parcel B is to the left.

## 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 &amp; 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	
Evaluating Commercial Construction	
Redefining the Appraisal and its Role in an Evolving Banking Environment	

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

## Appraiser Qualifications

### ALEJANDRO C. PUENTE

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**Education:** Master of Business Administration, St. Thomas University, 2010  
 Bachelor of Arts Degree, Business Studies, St. Thomas University, 2007  
 Associate in Arts Degree, Miami-Dade Community College, 2003

**Affiliations:** State-Certified General Real Estate Appraiser, State of Florida, RZ3697

**Experience:** *Waronker & Rosen, Inc.* Staff Appraiser  
 April 2010 to present

*Capital Mortgage, LLC* Assistant  
 June 2004 to April 2008

Assisted in the appraisal and in the research of various types of properties, including:

- Apartment buildings
- Vacant land
- Office/industrial/commercial condominium units
- Warehouses
- Commercial property
- Industrial property
- Marinas
- Restaurants
- Hotels

**Course Work:** Gold Coast School of Real Estate

- Course *Basic Appraisal Principles*
- Course *Basic Appraisal Procedures*
- Course *Residential Report Writing*
- Course *State of Florida Law and Appraisers*
- Course *15 Hour National USPAP Course*

The Appraisal Institute

- 400: *General Appraiser Market Analysis and Highest & Best Use*
- 401: *General Appraiser Sales Comparison Approach*
- 402: *General Appraiser Site Valuation and Cost Approach*
- 403: *General Appraiser Income Approach/Part 1*
- 404: *General Appraiser Income Approach/Part 2*
- 405: *General Appraiser Report Writing and Case Studies*
- 500: *Advanced Market Analysis and Highest & Best Use*
- 501: *Advanced Income Capitalization*
- 502: *Quantitative Analysis*
- 503: *Advanced Concepts & Case Studies*

## Partial Client List

LENDERS	LIFE INSURANCE COMPANIES	GOVERNMENT AGENCIES
1 <sup>st</sup> United Bank Amerasia Bank Apollo Bank BNY Mellon Bank BankUnited Bank of America Bank Leumi Bessemer Trust Branch Banking and Trust (BB&T) BridgeInvest, LLC CenterState Bank Capital Bank Centennial Bank Citibank and Citicorp City National Bank of Florida Grove Bank Comerica Bank Credit Suisse Executive National Bank Fifth Third Bank First American Bank First National Bank of South Miami FirstBank Florida Florida Community Bank Gibraltar Private Bank and Trust HSBC Bank, N.A. HFF IberiaBank Intercredit Bank, N.A. International Finance Bank Israel Discount Bank of New York JP Morgan Chase Bank Live Oak Bank Lloyds Int'l. Bank (Lloyds of London) Lutheran Brotherhood Marquis Bank Northern Trust Bank Ocean Bank Optimum Bank Popular Community Bank Professional Bank Regions Bank Space Coast Credit Union SunTrust Bank Terrabank, N.A. Tropical Federal Credit Union TD Bank, N.A. U.S. Century Bank Valley National Bank Wells Fargo Bank Zions First National Bank	<p>Allstate Insurance Company American General Life Insurance Co. Equitrust Life Insurance Co. Fortis Capital Corp. &amp; Life Insurance Company Franklin Life Insurance Company General American Life Insurance Co. Independent Order of Foresters John Alden Life Insurance Company Kansas City Life Insurance Company Lumberman's Life Insurance Company Omaha Woodmen Life Ins. Society Standard Life Insurance Company State Farm Insurance Company Sun Life Insurance Co. of America</p> <p style="text-align: center;"><b>CORPORATIONS</b></p> <p>AT&amp;T Chevron U.S.A., Inc. Church of Jesus Christ of the Latter-Day Saints Costco Wholesale Florida Power and Light Corp. (FPL) Jackson Health Systems JC Penny Corporation Johnson and Johnson Company Wendy's Company</p> <p style="text-align: center;"><b>DEVELOPERS AND INVESTORS</b></p> <p>Berkowitz Development Group Bristol Group, Inc. Fifteen Group, Inc. Flagler Development Corporation Fort Partners Goldman Properties Hampshire Real Estate Companies Lennar Corporation MDM Development, Inc. The Morgan Group, Inc. Napolitano Commercial Properties Noble House Resorts and Hotels Ocean Properties, Ltd. Optimum Development, USA Panther Real Estate PLC Investments, Inc. R.K. Associates, Inc. Shoma Group Scott Robins Companies Terra Group Vornado Realty Trust</p>	<p>Broward County School Board Broward County Public Works Dept. City of Atlanta City of Coral Gables City of Miami Beach City of Miami - General Serv. Admin. Federal Deposit Insurance Corp. (FDIC) Federal Home Loan Mortgage Corp. Florida Dept. of Environmental Protection Florida Department of Transportation Florida Keys Aqueduct Authority Miami-Dade Co. - Water and Sewer Miami-Dade Co. - Aviation Department Miami-Dade Co. - County Attorney Miami-Dade Co. - General Serv. Admin. Miami-Dade Co. - Housing &amp; Urban Dev. Miami-Dade Co. - Public Works Dept. Miami-Dade Co. - School Board Miami Parking Authority Nature Conservancy, Florida Chapter South Florida Water Management District United States - Department of Justice United States - General Serv. Admin. United States - Postal Services Village of Bal Harbour Village of Key Biscayne Village of Pinecrest</p> <p style="text-align: center;"><b>LAW FIRMS</b></p> <p>Akerman, Senterfitt &amp; Eidson Arnstein &amp; Lehr, LLP A.J. Barranco &amp; Associates, P.A. Berger Singerman, LLP Berman, Rennart Vogel &amp; Mandler &amp; Rodriguez, P.A. Carlton Fields Colson Hicks Eidson, P.A. Greenberg Traurig, LLP Holland &amp; Knight LLP Rice, Pugatch, Robinson, Storfer &amp; Cohen, PLLC Richman Greer Shutts &amp; Bowen, LLP Stearns, Weaver, Miller, Weissler, Alhadeff &amp; Sitterson, P.A. Steel Hector and Davis LLP Tabas, Soloff Attorneys Tripp Scott, Attorneys at Law Serota, Helfman, Weiss, Pastoriza, Guedes, Cole, Boniske, P.A.</p>



## Notable Properties Appraised

<i><b>Miami-Dade County</b></i>			
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		
<i><b>Fort Lauderdale/Broward County</b></i>			
Florida Medical Center (Hospital)	Ft. Lauderdale	Martha’s Restaurant	Hollywood
Jackson Marine Center	Ft. Lauderdale	Various Luxury Single Family Homes	Ft. Lauderdale
Las Olas Centre Office Building	Ft. Lauderdale	Seneca Industrial Park	Pembroke Park
<i><b>Monroe County/Florida Keys</b></i>			
Marriott Key Largo Bay Beach Resort	Key Largo	Louie’s’ Backyard Restaurant	Key West
Islander Resort	Islamorada	Ocean Key Resort	Key West
Hawk’s Cay Resort, Marina and DRI	Duck Key	Sloppy Joe’s Bar	Key West
Westin and Sunset Key Island	Key West	Truman Annex – Navy Base	Key West
Little Palm Island	Little Torch Key		
<i><b>Other Florida Cities</b></i>			
Jupiter Beach Resort	Jupiter	Spring Hill Suites	Tampa
LaPlaya Beach Resort	Naples	Hilton Carillon Park	St. Petersburg
Sheraton Four Points	Orlando		
<i><b>Outside of the United States</b></i>			
Various Single-Family Residences – Cat Cay, Bahamas		Ocean Club Resort – Grand Turks and Caicos	
Single Family Home – Casa de Campo, Dominican Republic		Ritz Carlton Land Lease – San Juan, Puerto Rico	
Sapphire Beach Resort – St. Thomas, U.S. Virgin Islands		Various Land Holdings – St. Croix, U.S. Virgin Islands	
Hotel Site – Grand Turks and Caicos		Vacant Land – West End, Grand Bahama Island	
Montego Beach Resort – Montego Bay, Jamaica		Buccaneer Hotel – St. Croix, U.S. Virgin Islands	
Botany Bay Subdivision – St. Thomas, U.S. Virgin Islands			

# Description & Analyses

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## Purpose of the Appraisal

The purpose is to estimate the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 3.5, 4.5; and the incremental increase from 3.5 to 4.5 (one (1) additional FAR ). The valuation is as of June 28, 2018. The terms floor area ratio and fee simple interest are 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 the 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. No additional intended users are identified or intended. Their intended use is for asset valuation.

## Definition of Floor Area Ratio (FAR)

The generic definition of Floor Area Ratio is as follows:

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

*Source: The Dictionary of Real Estate Appraisal, 6th Edition, 2015, Page 94*

The definition of Floor Area Ratio per the zoning code is as follows:

Floor area for Commercial, Industrial, and Mixed Use buildings is the total floor area including the gross horizontal area of the several stories of any building or buildings on the site, as measured from the exterior facing of exterior walls, and shall include any building area except for: A. Balconies which extend from exterior wall and extensions; B. Off-street parking areas within the building; C. Lobbies; and D. Open plazas.

## 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*** "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat".

*Source: The Dictionary of Real Estate Appraisal, 6th Edition, 2015, Page 90*

## 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.<sup>1</sup> 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 an appraisal”.<sup>2</sup> 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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”<sup>3</sup>

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)

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<sup>1</sup> *Appraisal of Real Estate*, 14<sup>th</sup> Edition, page 58

<sup>2</sup> USPAP 2018-2019, page 5

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

## **Location and Address**

Parcel A (245 Andalusia Avenue) is located along the north side of Andalusia Avenue, just east of Salzedo Street and Parcel B (385 Andalusia Avenue) is located at the northwest corner of Andalusia Avenue and Salzedo Street in the city of Coral Gables, Miami-Dade County, FL.

**Address:** 245 and 385 Andalusia Avenue  
Coral Gables, FL 33134

## **Legal Description**

### ***Parcel A***

Lots 29 through 42 inclusive, Block 2, CORAL GABLES CRAFTS SECTION, as recorded in Plat Book 10, Page 40, in the Public Records of Miami-Dade County, FL

### ***Parcel B***

Lots 22 through 43, Block 1, CORAL GABLES CRAFTS SECTION, as recorded in Plat Book 10, Page 40, in the Public Records of Miami-Dade County, FL

*Source: Public records of Miami-Dade County*

## **Owner of Record**

City of Coral Gables  
City Hall  
Miami, FL

*Source: Public records of Miami-Dade County and the Miami-Dade County Property Appraiser Office*

## **History of the Subject Property**

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

Based on a search of various real estate services, including the MLS and CoStar.com, the subject property is not listed for sale as of the date of value herein. According to the contact person for this appraisal, the subject property is not under contract nor listed for sale.

*Source: Public records of Miami-Dade County and the Miami-Dade County Property Appraiser Office*

## **Site Data**

The subject site **Parcel A** is almost rectangular. There is frontage of approximately 359 feet along the north side of Andalusia Avenue, a two-lane asphalt paved road in average condition. There is also frontage of approximately 97 feet along the west side and 367 feet along the south side of an alley. The total area of the parcel is 34,941 square feet (0.80 acres). The subject property is accessible from the northside of Andalusia Avenue in the east bound direction.

The subject site **Parcel B** is rectangular. There is frontage of approximately 550 feet along the north side of Andalusia Avenue, a two-lane asphalt paved road in average condition. There is also frontage of approximately 100 feet along the west side of Salzedo Street, a four-lane asphalt paved road in average condition. There is also 550 feet along the south side of an alley. The total area of the parcel is 55,000 square feet (1.26 acres). The subject property is accessible from the northside of Andalusia Avenue in the east bound direction.

The sites are level and at approximate street grade. Utilities available to the sites are:

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

## **Description of the Site Improvements**

Parcels A and B are improved with parking garages and the values herein does not include demolition costs.

## **Zoning**

The subject property is zoned C, Commercial District by the city of Coral Gables, FL. This zoning allows a wide variety of commercial community and municipal uses, including (but not limited to) offices, restaurants, retail, medical, parking and vehicle sales and service. Residential uses are not allowed except where mixed-use overlay zoning also applies. Maximum Floor Area Ratio is 3.0, or up to 3.5 with bonuses for Mediterranean architecture. Maximum building height is determined by the underlying land use designation, but building heights above 45 feet require a minimum lot size of 20,000 sq. ft. and a minimum of 200 feet of primary street frontage. Parking requirements are dependent on the use. For a detailed listing of allowable uses and restrictions, refer to the zoning code of the city 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 of a flood. 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.miamidade.gov](http://www.miamidade.gov) and [www.imapp.com](http://www.imapp.com)

## Real Estate Assessment and Taxes

Taxing Authority:	Miami-Dade County
Assessment Year:	2017
School Board Millage Rate:	06.9940
City, County, Region Millage Rate:	<u>11.7192</u>
Total Millage Rate:	18.7132
	03-4117-005-0400 (Parcel A)
	03-4117-005-0150 (Parcel B)

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 <sup>1</sup>	VALUE PER SQ.FT.
Land Value	\$14,390,560	89,941	\$160.00
Building Value	\$6,388,887	104,186	\$61.32
Extra Features Value	\$24,751		
Market (Just) Value	\$20,804,198	104,186	\$199.68
Assessed Value	\$20,804,198	104,186	\$199.68

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.

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



The real estate taxes are estimated as follows:

TAXING AUTHORITY	MILLAGE <sup>1</sup> (A)	VALUE (B)	TAXES (A x B)
School Board	.0069940	\$20,804,198	\$145,505
City, County & Regional	.0117192	\$20,804,198	\$243,809
Estimated Real Estate Taxes			\$389,313
Non-Ad Valorem Taxes			\$0
Total Taxes			\$389,313
Taxes Per Square Foot			\$3.74

There is a 4% discount given for early (November) payment of taxes which would reduce the estimated real estate taxes to \$373,741 (\$389,313 minus 4%).

**The subject property is owned by the city of Coral Gables and is not subject to taxes. Real estate taxes were not considered in the valuation and no analysis of expenses or income capitalization techniques was employed.**

Florida Statutes require assessments to be at 100% of market (just) value with an allowable adjustment (discount) 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 having a discount in the range of a 15% of the sales price.

<sup>1</sup> Millage rate divided by 1,000

## Neighborhood Overview

### General Neighborhood Data

Location:	Urban
Built Up:	90% to 100%
Growth Rate:	Stable
Property Values:	Increasing
Demand/Supply:	In balance
Present Land Use:	Commercial and residential
Change in Present Land Use:	Not likely
Predominant Use:	Commercial and residential
Property Compatibility:	Average
General Appearance of Properties:	Average to excellent
Appeal to Market:	Very good

### Adjacent Uses (Parcel A)

East:	Restaurant
West:	Theater
South:	Office and retail
North:	Office and retail

### Adjacent Uses (Parcel B)

East:	Theater
West:	Office building
South:	Grocery store and parking lot
North:	Office and retail

### Linkages

Public Transportation:
Employment Centers:
Expressway Access:
Miami International Airport:

### Distance

One-half block
Surrounding area
Two to three miles
Three to five miles

### Access

Excellent
Excellent
Good
Good

## **Supply and Demand**

The real estate market in South Florida and most of the nation remains strong, albeit in some locations it is stabilizing due to large amounts of all types of product being constructed. In the period of 2012 to 2016, the market experienced increased activity in purchases of improved property and vacant parcels for development. This trend continued through most of 2016 with parcels in favorable locations selling quicker and at higher prices. The latter half of 2016 and through 2017, there has been a stabilization of prices for many land product types. In some cases, there has been a leveling off and even decreases in prices for some residential, especially condominium land in certain areas. Mixed-use and industrial land appears to be some of the more desirable product, followed by office, some retail types, hospitality and multi-family rental product. Multi-family condominium construction was the most prevalent during and slightly before this period, and as a result has seen the most downward pressure. Projected for 2018 year is a continuation of the trends from late-2016 and through 2017.

The subject consists of two parcels located in the city of Coral Gables, Miami-Dade County, FL. Parcel A (245 Andalusia Avenue) is located along the north side of Andalusia Avenue just east of Salzedo Street and Parcel B (385 Andalusia Avenue) is located at the northwest corner of Andalusia Avenue and Salzedo Street. The subject benefits from being between LeJeune Road and Ponce de Leon Boulevard, both very important north-south arterial roads providing the primary means of access through Coral Gables and to the airport. It is also just south of Miracle Mile. To the west and south are upscale residential neighborhoods with average household incomes at the top of the Miami-Dade County range. These desirable characteristics allow the area to maintain higher rental rates, occupancy levels and sales prices.

The numerous projects under construction in Coral Gables are the result of market conditions that were previously more favorable for development of multi-family product, which has also provided additional stimulus for retail development. This is particularly true for rental apartments in mixed-use densely developed urban centers, as the local market appetite for such a product has increased substantially in recent years.

In addition, a positive influence has been the completion of the City of Coral Gables Streetscape project, a civic promenade planned as an enhancement to Miracle Mile and Giralda Avenue, “intended to provide a cohesive pedestrian-friendly experience with garden areas, outdoor dining, improved lighting, wayfinding, public art and more”.<sup>1</sup> This project was the major reason for previous high vacancies on Miracle Mile properties. As construction has completed, the area should rebound and be very much in demand. Discussions with knowledgeable individuals and property owners also reflect that there should be a resurgence in demand for product as well as an increase in business for merchants. The subject property’s proximity to Miracle Mile should benefit from this resurgence.

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<sup>1</sup> From the City of Coral Gables Department of Public Works web site (available at: <http://www.coralgables.com/index.aspx?page=1064>)

## **Conclusion**

There has been completed, and there is still a significant amount of development within the Coral Gables market. These projects are the result of market conditions that had become very favorable for development of mixed-use to include multi-family, office and retail. There is still a significant amount of product coming on-line. As a result, developers are attempting to quickly complete their construction and, in some cases, not beginning construction. With that said it is expected that given the subject prime location, there will be high demand for mixed-sue construction.

## **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. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market”<sup>1</sup>.

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.

An exposure time for the subject is estimated at six to twelve 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 likely that neither the estimated market value, nor the estimated exposure time, would have been achieved.

## **Typical Purchaser of the Subject**

Although the subject property has building improvements on it, the value is in the land. A typical purchaser of the subject property would be a developer or investor to construct on the sites.

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<sup>1</sup> *The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition, page 83*

## Highest and Best Use

Highest and best use is defined as follows:

*“The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity”<sup>1</sup>*

In analyzing the highest and best use, the four criteria are answered in order:

1. **Legal Permissibility.** What uses are legally permitted on the subject site with respect to zoning ordinances and deed restriction.
2. **Physical Possibility.** What uses of those legally allowed are physically possible on the subject site?
3. **Financial Feasibility.** Of those uses determined to be physically possible and legally permissible, which ones will produce a positive return?
4. **Maximum Productivity.** Of those that are feasible, legally permissible, and physically possible, which will produce the highest rate of return or value?

### *As Vacant*

The zoning on the subject property is C, Commercial District by the city of Coral Gables, FL. The subject is in a good location and the sites are large within an urban setting making them desirable. The market for this type product is still strong and values are high enough to feasibly construct on the site, however careful consideration should be given to the supply of all types of product being planned and under construction. Therefore, the highest and best use as though vacant, would be to construct a mixed-use development to include apartments, office and retail on the site.

### *As Improved*

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

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<sup>1</sup> *Source: The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition, Page 108*

## **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 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 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. The sales comparison approach was employed to develop an estimate of market value of Parcels A and B. In addition, the market value

## **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.<sup>1</sup>

The subject property value is in the land as vacant. The existing garage improvements are not considered in the analysis, nor is their cost to demolish. Therefore, the cost approach is not applicable.

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<sup>1</sup> *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.<sup>1</sup>

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.<sup>2</sup>

The subject property value is in the land as vacant. The existing garage improvements are not considered in the analysis, nor is their cost to demolish. Therefore, the income capitalization approach is not applicable.

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<sup>1</sup> Appraisal of Real Estate, 14<sup>th</sup> Edition, 2013, Page 439

<sup>2</sup> 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.*<sup>1</sup>

In the Sales Comparison Approach, an opinion of market value is developed by comparing properties 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.

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<sup>1</sup> The Appraisal of Real Estate 14<sup>th</sup> Edition, 2013, page 379

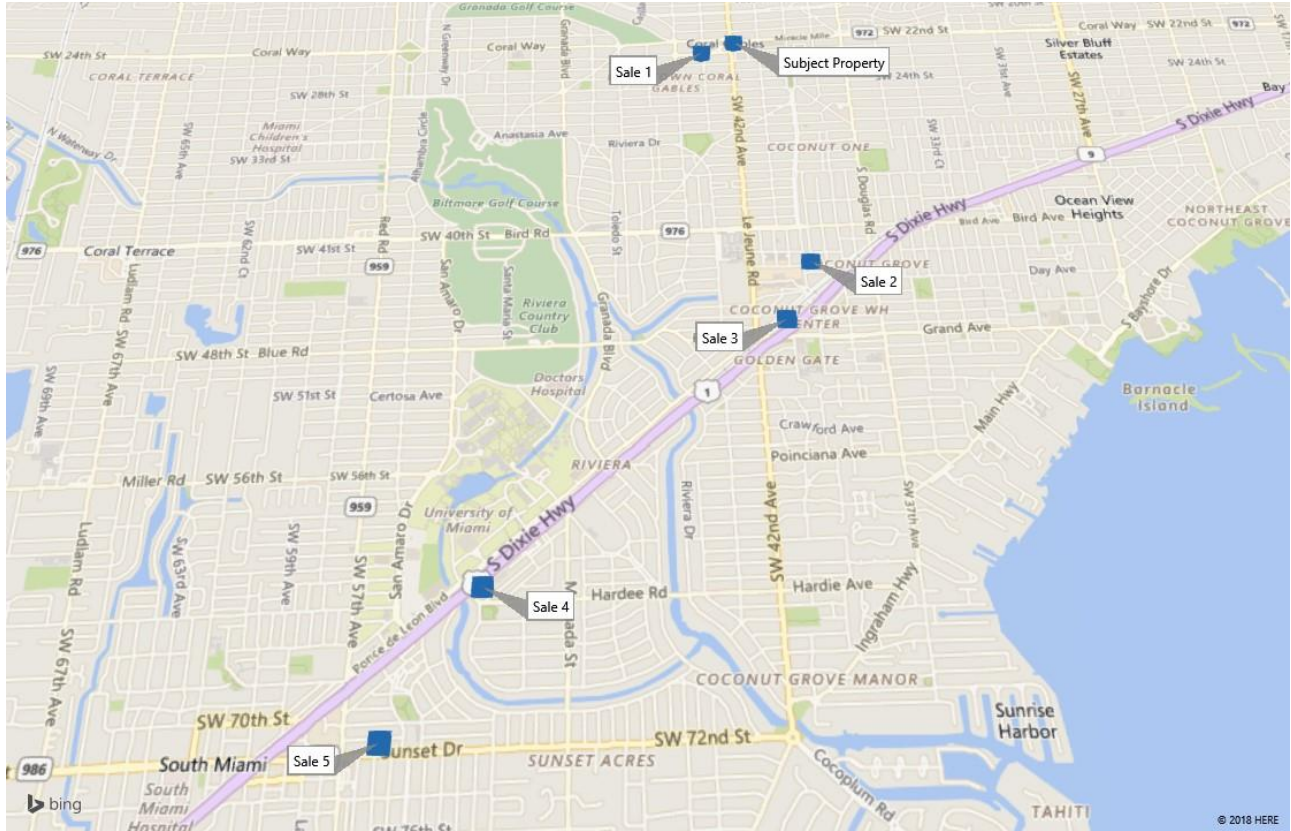
## Vacant Land Sales Grid

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.	FAR	Price/ Buildable Sq.Ft.
1	4/18	501-525 Valencia Avenue Coral Gables	MFSA	\$16,000,000	44,645	\$358	2.0	\$179
2	4/17	4225 & 4311 Ponce De Leon Boulevard Coral Gables	C	\$7,000,000	20,035	\$349	3.5	\$100
3	10/16	251 S Dixie Highway Coral Gables	I	\$60,250,000	188,157	\$320	3.59	\$89
4	3/16	1350 South Dixie Highway Coral Gables	C	\$44,000,000	115,870	\$380	3.49	\$109
5	6/15	1520 San Ignacio Avenue Coral Gables	C	\$3,800,000	15,364	\$247	3.5	\$71
Subj		<b>245 and 385 Andalusia Avenue Coral Gables</b>	<b>C</b>	<b>Parcel A Parcel B Total</b>	<b>34,941 55,000 89,941</b>			

On the following page is a sales map, indicating the location of the sales and the subject property

### Vacant Land Sales Map



**Comparable Land Sale 1****Property Location**

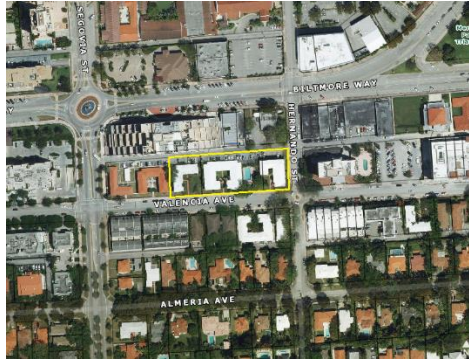
501-525 Valencia Avenue  
Coral Gables, FL 33134  
Miami-Dade County

**Property Identification**

Tax ID: 03-4117-008-1450, -1420  
and -1530  
WRI No: 318771

**Property Type**

Vacant Multi-Family Land

**Property Description**

Square Feet:	44,645
Acres:	1.02
FAR:	2.0
Topography:	Grade level
Shape:	Rectangular
Zoning:	MFSA, Multi-Family Special Area District by the city of Coral Gables, FL

**Recording Information**

Sale Price:	\$16,000,000
Sale Date:	April 4, 2018
ORB/Page:	30930/2658
Grantor:	Valencia 34 Development, LLC
Grantee:	515 Valencia SPE, LLC
Financing:	All cash to seller
Prior Sale:	None in the past five years

**Units of Comparison**

Price/Sq.Ft.:	\$358.38
Price/Acre:	\$15,611,155
Price/Buildable Sq. Ft.:	\$179

**Comments**

This is the sale of three parcels located at the northwest corner of Hernando Street and Valencia Avenue in the city of Coral Gables. At the time of the purchase, the property was improved with two-story apartment buildings with a combined 34 units. The seller was attempting to obtain approvals for 103 residential units and an assisted living facility but the buyer intends on building a 13-story, 39 unit condominium building and units would average 3,300 square feet.. Amenities will include a pool, spa, gym, cabanas, club room and business center. In addition

**Comparable Land Sale 2****Property Location**

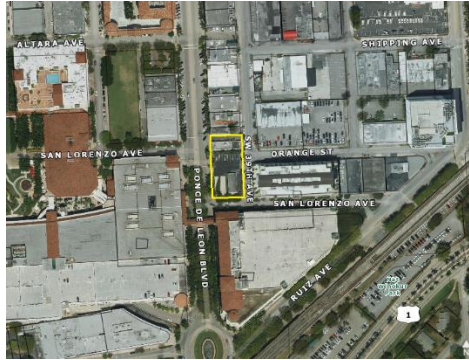
4225 & 4311 Ponce De Leon  
Boulevard  
Coral Gables, FL 33146  
Miami-Dade County

**Property Identification**

Tax ID: 03-4120-017-1230 and -  
1240  
WRI No: 318772

**Property Type**

Vacant Commercial Land

**Property Description**

Square Feet:	20,035
Acres:	.46
FAR:	3.5
Topography:	Grade level
Shape:	Rectangular
Zoning:	C, Commercial District by the city of Coral Gables, FL

**Recording Information**

Sale Price:	\$7,000,000
Sale Date:	April 7, 2017
ORB/Page:	30492/4372 and 4376
Grantor:	4225 Properties, LLC and 4311 Ponce De Leon, LLC
Grantee:	Gables Partners Holdings, LLC
Financing:	All cash to seller
Prior Sale:	None in the past five years

**Units of Comparison**

Price/Sq.Ft.:	\$349.39
Price/Acre:	\$15,219,366
Price/Buildable Sq. Ft.:	\$100

**Comments**

The subject property is two contiguous parcels located at the northeast corner of Ponce De Leon Boulevard and San Lorenzo Avenue with additional frontage along the west side of SW 39th Avenue. One parcel is 15,035 square feet of land improved with a 1,180-square foot building and the other parcel is 5,000 square feet of land improved with a 2,485-square foot office building. The buyer plans on building a 10-story 70,000 square foot office building with ground floor retail.

**Comparable Land Sale 3****Property Location**

251 S Dixie Highway  
Coral Gables, FL 33133  
Miami-Dade County

**Property Identification**

Tax ID: 03-4120-026-0010, 03-  
4120-027-0010 and -0020  
WRI No: 314805

**Property Type**

Vacant Commercial Land

**Property Description**

Square Feet:	188,157
Acres:	4.32
FAR:	3.59
Topography:	Grade level
Shape:	Elongated
Zoning:	I, Industrial District by the city of Coral Gables, FL

**Recording Information**

Sale Price:	\$60,250,000
Sale Date:	October 25, 2016
ORB/Page:	30282/2922
Grantor:	Gables Station, LLC
Grantee:	251 S Dixie, LLC c/o NP International USA, LLC
Financing:	All cash to the seller
Prior Sale:	None in the past five years

**Units of Comparison**

Price/Sq.Ft.:	\$320.21
Price/Acre:	\$13,948,405
Price/Buildable Sq. Ft.:	\$89

**Comments**

This is the sale of three contiguous elongated parcels located along the northwest side of South Dixie Highway with additional frontage along the north side of Grand Avenue. At the time of the sale it was improved with a small commercial building. The buyers intend on developing a mixed-use project with residential units, retail, hotel, parking and open spaces. The total project will consist of 1,158,278 square feet of gross building area and 602,550 square feet of net rentable area. The net buildable area to calculate FAR is 675,736 square feet.

**Comparable Land Sale 4****Property Location**

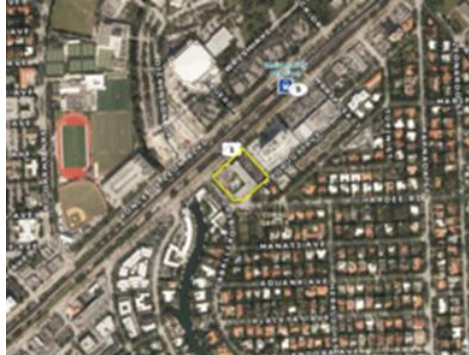
1350 South Dixie Highway  
Coral Gables, FL 33146  
Miami-Dade County

**Property Identification**

Tax ID: 03-4130-004-0021  
WRI No: 314990

**Property Type**

Vacant Commercial Land

**Property Description**

Square Feet:	115,870
Acres:	2.66
FAR:	3.49
Topography:	Grade level
Shape:	Square
Zoning:	CB, Commercial Business District by the city of Coral Gables, FL

**Recording Information**

Sale Price:	\$44,000,000
Sale Date:	March 31, 2016
ORB/Page:	30021/3287
Grantor:	CORAL PARK INN, LLC
Grantee:	1350 S DIXIE LLC
Financing:	All cash to seller
Prior Sale:	None in the past five years

**Units of Comparison**

Price/Sq.Ft.:	\$379.74
Price/Acre:	\$16,541,296
Price/Buildable Sq. Ft.:	\$109

**Comments**

This property is located on South Dixie Highway in the southern portion of the Coral Gables commercial area, very close to the South Miami Business District. It is northeast of the South Dixie Highway intersection with Red Road. Currently on the site is Holiday Inn which will be demolished to make way for a recently approved mixed-use development to be known as Paseo de la Riviera. This will consist of 236 multi-family residential units, a 252-unit hotel and 18,400 square feet of commercial space. The entire project will consist of 722,000 square feet of gross building area and 380,000 square feet of net rentable area. The net buildable area to calculate FAR is 404,430 square feet. The property was placed under contract in the beginning of the last quarter of 2015, subject to obtaining approvals for certain densities.



**Comparable Land Sale 5****Property Location**

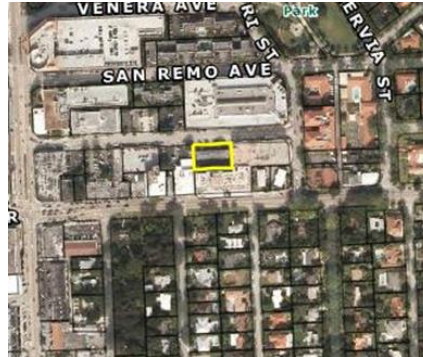
1520 San Ignacio Avenue  
Coral Gables, FL 33146  
Miami-Dade County

**Property Identification**

Tax ID: 03-4130-009-1520  
WRI No: 315001

**Property Type**

Vacant Commercial Land

**Property Description**

Square Feet:	15,364
Acres:	.35
FAR:	3.5
Topography:	Grade level
Shape:	Rectangular
Zoning:	C, Commercial District by the city of Coral Gables, FL

**Recording Information**

Sale Price:	\$3,800,000
Sale Date:	June 22, 2015
ORB/Page:	29664/4205-4206
Grantor:	Holston Apartments, Inc.
Grantee:	1515 Sunset, LLC
Financing:	All cash to the seller
Prior Sale:	None in the past five years

**Units of Comparison**

Price/Sq.Ft.:	\$247.33
Price/Acre:	\$10,773,757
Price/Buildable Sq. Ft.:	\$71

**Comments**

This was the purchase of a property in the southern portion of Coral Gables commercial properties and just outside of the City of South Miami and essentially within the Business District. It contains a 7,250 square foot two story office building which will be demolished to make way for new development. The buyer is developing an office/retail building surrounding it on the east and south sides. Although this is an adjoining owner, no premium was paid for the purchase.

## 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. To utilize percentage adjustments, it would be necessary to pair (compare) sales to extract value differences. This method is difficult, as there is typically insufficient data to provide pairings for all value differences. In the grid below, 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 sale characteristic is comparable to the subject property.

Sale	1	2	3	4	5
<b>Price Per Buildable Square Foot</b>	<b>\$179</b>	<b>\$100</b>	<b>\$89</b>	<b>\$109</b>	<b>\$71</b>
Property Rights Conveyed	=	=	=	=	=
Financing	=	=	=	=	=
Conditions of Sale	=	=	=	=	=
Market Conditions (Time)	=	+	+	+	++
Location	+	=	+	+	++
Zoning	+	=	=	=	=
Size	-	--	=	=	--
Shape	-	--	--	---	--
Density - Based on 3.5 FAR	---	=	=	=	=
<b>Overall Adjustment</b>	<b>--</b>	<b>-</b>	<b>=</b>	<b>-</b>	<b>=</b>

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

## 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 \$247 to \$380, with a mean of \$331 per square foot and a median of \$349 per square foot. Sale prices per buildable square foot range from \$71 to \$179, with a mean of \$110 per square foot and a median of \$100 per square foot. Also considered, but excluded were two transactions from the City of Coral Gables to an unrelated developer. These sales were not considered arms-length nor market value related due to an assemblage and other external agreements related to a future purchase of a City site, forgiveness of some impact fees, etc.

After adjustments on a cumulative basis, Sales 1, 2 and 4 (\$100 and \$179 per buildable square foot) are considered superior and required negative (downward) adjustments while Sales 3 and 5 (\$89 and \$71 per square foot, respectively) were considered comparable after offsetting adjustments. Therefore, the subject property should have a value less than \$100 per buildable square foot and in the range of \$71 to \$89 per buildable square foot. Also considered is the subject is two separate sites and elongated with some limited depth, as well as the large amount of product coming on-line. Sales 1 has a FAR of 2.0 and represents the highest price per buildable square foot. The remaining sales have FAR's of 3.49 to 3.59 and represent the lower prices per buildable square foot. This is shown in the chart below.

Sale	Sq. Ft. Size	Price/Sq.Ft.	FAR	Price/Buildable Sq.Ft.
1	44,645	\$358	2.0	\$179
2	20,035	\$349	3.5	\$100
3	188,157	\$320	3.59	\$89
4	115,870	\$380	3.49	\$109
5	15,364	\$247	3.5	\$71
<b>Subj</b>	<b>34,941</b> <b><del>55,000</del></b> <b>89,941</b>			

After considering the sales data available and the factors influencing value described, it is concluded that the subject land value based on a FAR of 3.5, as if vacant, is \$85 per buildable square foot.

Also estimated is the subject land value based on the extraordinary assumption of a FAR of 4.5. Considering the extraordinary assumption of a FAR of 4.5, the estimated land value equals \$75 per buildable square foot which is below that of the 3.5 analysis. Additional support for this reduction in value is provided by the higher FAR sales on the following page.

**Alternate analysis of Incremental Increase in FAR from 3.5 to 4.5**

Two methods were used to estimate the incremental FAR. Method 1 is by extracting out the incremental FAR given the two previous value estimates and Method 2 is using sales of higher FAR sites.

**Method 1** - To determine the value of the additional FAR of 1.0 (3.5 versus 4.5), the analysis considered the difference in the values based on the price per buildable square foot and divided it by the additional buildable square feet of 89,941 (404,735 (4.5 times 89,941 sq. ft.) less 314,794 (3.5 times 89,941 sq. ft.) to determine a value of the additional price per buildable square foot of \$40. This represents an approximately 50% discount from the estimate for the first 3.5 FAR indication. It is considered appropriate as the square footage built the lower the price per buildable square foot. That last square footage while it may achieve a higher price in the final product it also results in a longer lease-up or sellout and therefore less present worth dollars. Somewhat of an offset is that may be superior product to the first square footage sold or leased.

**Method 2** – The below sales have higher FAR's than the 3.5 and 4.5 considered for the subject in this analysis. They range from 7 to 24 and prices per buildable square foot of \$17.95 to \$41.37. These would reflect the lower end of the range at the bottom numbers, but do indicate that higher FAR's do indicate lower prices per buildable square foot. In that the analysis only considers the difference from 3.5 to 4.5, with the 4.5 still being below the sales, the incremental amount is considered to be at the high end of the sales range of \$40 per square foot which is a good check on Method 1.

No.	Location	Zoning at Sale	Floor Area Ratio (FAR)	Sale Date	Site Area (Sq.Ft.)	Site Area (Ac.)	Sales Price	Price Per Sq.Ft. Land	Price Per FAR Sq.Ft.
1	1100 SW 2nd Avenue	T6-24-O	7	May-17	14,000		\$4,430,700		
	237 SW 12th Street			May-17	7,500		\$2,101,200		
	235 SW 12th Street			May-17	7,500		\$2,101,200		
	221-233 SW 12th Street			May-17	15,000		\$4,202,400		
	1142 SW 2nd Avenue			May-17	6,750		\$1,898,700		
	1132 SW 2nd Avenue			May-17	4,500		\$1,266,100		
	City of Miami				55,250	1.27	\$16,000,300	\$289.60	\$41.37
2	501 N Miami Avenue	T6-80-O	24	Mar-17	35,992	0.83	\$18,095,000	\$502.75	\$20.95
3	470 NE 25th Street	T6-36A-L	12	Mar-17	40,935		\$10,302,500		
	411 NE 24th Street			Mar-17	6,050		\$1,522,700		
	421 NE 24th Street			Mar-17	16,600		\$4,177,900		
	427 NE 24th Street			Mar-17	11,050		\$2,781,100		
	455 NE 24th Street			Mar-17	6,600		\$1,716,000		
	434 NE 25th Street			Mar-17	5,550		\$1,200,000		
	City of Miami				86,785	1.99	\$21,700,200	\$250.05	\$20.84
4	2901 NE 1st Avenue	T6-24-O	7	Nov-16	88,446	2.03	\$25,000,000	\$282.66	\$40.38
5	17XX NE 2nd Avenue	T6-24-O	7	Jan-15	320,082	7.35	\$64,000,000	\$199.95	\$28.56
6	201 SW 2nd Avenue	T6-36b-O	12	Jan-15	97,511	2.24	\$21,000,000	\$215.36	\$17.95

Noted is that higher FAR's can result in lower incremental prices per buildable square foot and this only represents that increase in FAR of one (1) about the 3.5 to 4.5.

## Reconciliation of Value

Every appraisal begins by considering the three approaches to value; cost approach, income capitalization approach and sales comparison approach. All three approaches are not always applicable to the property being appraised. The only applicable approach to value for the subject property was concluded to be the sales comparison approach.

<b>Cost Approach</b>	<b>Not applicable</b>
<b>Income Capitalization Approach</b>	<b>Not applicable</b>
<b>Sales Comparison Approach:</b>	<b>\$85.00 (Based on 3.5 FAR)</b>
	<b>\$75.00 (Based on 4.5 FAR)</b>
	<b>\$40.00 (Incremental increase in FAR from 3.5 to 4.5)</b>

The cost approach estimates the land value and adds the depreciated value of the improvements. As the property being appraised is being valued as vacant land, this approach is not applicable and was not applied herein.

The income capitalization approach analyzes 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 approach is not applicable and was 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 being appraised vacant land, total reliance was placed on the sales comparison approach, which was considered the only applicable approach to value.

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 3.5, as of June 20, 2018 is in the amount of

**EIGHTY-FIVE DOLLARS PER BUILDABLE SQUARE FOOT  
(\$85.00)**

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, based on a Floor Area Ratio (FAR) of 4.5 as of June 20, 2018 is in the amount of

**SEVENTY-FIVE DOLLARS PER BUILDABLE SQUARE FOOT  
(\$75.00)**

Based on our research and analysis, it is our opinion that the market value per buildable square foot of the fee simple interest, of the incremental increase in FAR from 3.5 to 4.5 (One (1) additional FAR) as of June 20, 2018 is in the amount of

**FORTY DOLLARS PER BUILDABLE SQUARE FOOT  
(\$40.00)**

**This appraisal report contains an extraordinary assumption. The reader is advised to be familiar with the definition of an extraordinary assumption and the extraordinary assumptions of this appraisal, because it is significant in understanding the premise of this appraisal. The definition and the extraordinary assumptions are detailed on page 2, in the letter of transmittal. It is applicable to this appraisal because a change in the extraordinary assumption could cause a change in the opinions and conclusions herein.**

# Addenda

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**Miami-Dade County Area Description**



## Miami-Dade County Description

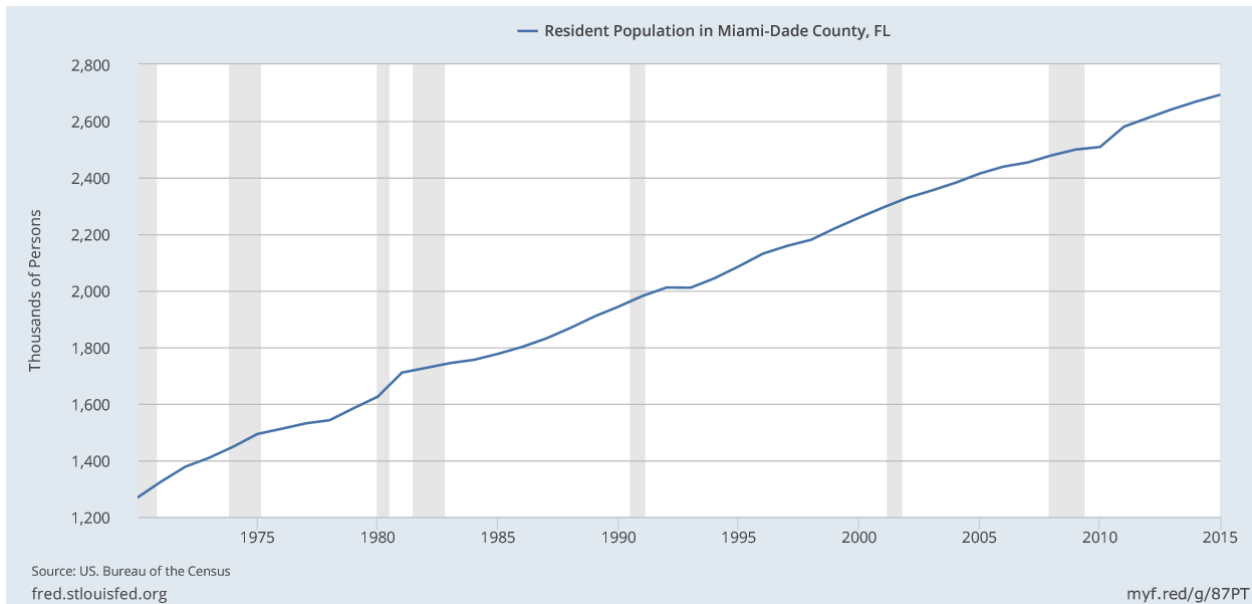
### General Overview

Miami-Dade County, often referred to as “Miami” is an international city known for its weather, beaches, banking, fine art, shopping, and Latin culture.

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 2,431 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 2015 Census report, Miami-Dade County has 2,693,117 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.



Source: Federal Reserve Economic Data

<b>Miami-Dade County Population Projections</b>			
<i>Source: Florida Legislature Office of Economic and Demographic Research</i>			
<b>2020 Projection based on 2015 Estimate</b>	<b>Percentage change 2015 to 2020</b>	<b>2025 Projection based on 2015 Estimate</b>	<b>Percentage change 2020 to 2025</b>
2,832,036	6.7%	2,995,956	5.8%

Miami is the largest city in Miami-Dade County. There are 34 cities in addition to unincorporated areas. The incorporated cities are as follows: Aventura, Bal Harbour, Bay Harbor Islands, Biscayne Park, Coral Gables, Cutler Bay, Doral, El Portal, Florida City, Golden Beach, Hialeah, Hialeah Gardens, Homestead, Indian Creek, Key Biscayne, Medley, Miami, Miami Beach, Miami Gardens, Miami Lakes, Miami Shores, Miami Springs, North Bay Village, North Miami, North Miami Beach, Opa-locka, Palmetto Bay, Pinecrest, South Miami, Sunny Isles Beach, Surfside, Sweetwater, Virginia Gardens and West Miami. The City of Miami is the largest municipality, followed by Hialeah, Miami Gardens, Miami Beach, North Miami and Coral Gables. Each municipality has its own government and provides city services such as police and zoning protection.

### **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.

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.

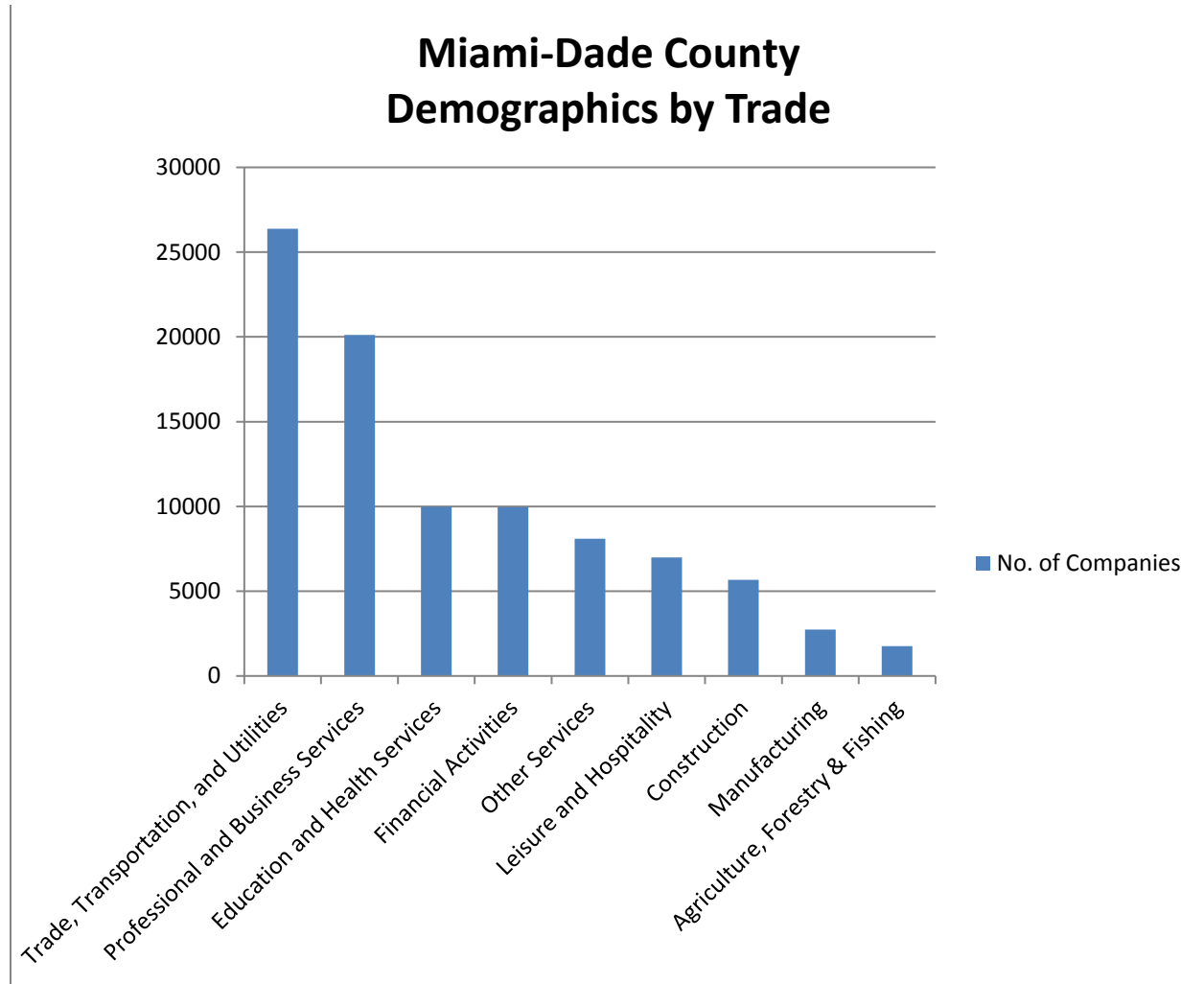
### **Government**

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 professional and business services. 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: Florida Legislature Office of Economic and Demographic Research

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. Thus, 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 the driving force for growth behind its surrounding area. Airport traffic in 2015 included over 40 million passengers, 2 million tons of freight, and 2 million tons of cargo. Other airports within the county, for general aviation, 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 4.9 million cruise passengers and 7.4 million tons of cargo. The port contributes more than \$28 billion annually to the South Florida economy and helps provide direct and indirect employment for more than 207,000 individuals. There is a two-way underwater tunnel between the port and downtown Miami. The Deep Dredge Project, increased the channel depth to minus 50+/- feet to accommodate super cargo ships, was completed in 2015.

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*. 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. Metrorail is an elevated rail rapid transit system connecting portions of Miami-Dade County. In July 2012, a new Metrorail station at 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 to the north, leading to the rest of Florida.

The Miami Intermodal Center (MIC) links the airport, East/West Rail, Amtrak, 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 which serve MIA. East of the airport adjacent to the MIC, has future plans for hotel, retail, commercial, residential and tourist-designed developments.

The Metromover automated people mover system is 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 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 County. 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 392 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 include the University of Miami, Barry University, Florida International University, Miami-Dade 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 and participants creating a positive atmosphere. The professional sports; football (Miami Dolphins), basketball (Miami Heat), baseball (Miami Marlins) and ice hockey (Florida Panthers) are continual draws. Business negotiations are ongoing to bring Major League Soccer to Miami. There are two horse tracks and a dog track. Several of these tracks are 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.

## **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 growth will continue with Miami-Dade County having become an international city with a diverse culture. The economic base and the bilingual population will continue to attract new residents and businesses into the area.