

Appraisal Report

Prepared for

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

Property Appraised

**7000 Old Cutler Road
Coral Gables, FL 33143**

Date of Valuation

June 23, 2017

Prepared by

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

JOSH L. ROSEN, MAI

BRUNO M. PICASSO, APPRAISER

File # 8792

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Josh L. Rosen, MAI
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July 25, 2017

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

Re: 7000 Old Cutler Road
Coral Gables, FL 33143
WRI File No. 8792

Dear Mr. Roberts:

We have prepared an appraisal report of the above referenced property to estimate the As Is market value of the fee simple interest as of June 23, 2017. Also estimated is the market value of the fee simple interest, based on the *hypothetical condition* that the site is vacant land and will have zoning that allows the development of a fire station or similar municipal use, as of June 23, 2017. The terms market value, fee simple interest and hypothetical condition 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 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 southwest side of the Cocoplum Plaza roundabout with frontage along the south side of Sunset Drive (SW 72nd Street) and the west side of Old Cutler Road in the city of Coral Gables, Miami-Dade County, Florida. This location is subject to some extensive traffic at different times of the day, also having a public transportation bus stop out front along the street. It consists of a heavily landscaped 32,716-square foot (0.75 acres) site. The improvements consist of a one and two-story single-family home built in 1936 and totaling 3,381 square feet of adjusted area. The building improvements represent an older dated home in average to below average condition. It is in the city of Coral Gables, FL, a desirable residential neighborhood where older homes are being demolished to construct new ones. Although the subject property appears livable, the value is in the land and the landscaping with the current improvements being an underutilization of the site and at the end of their economic life. hence this appraisal provides an As Is value being of the land as though vacant.

Mr. Leonard Roberts, Economic Development Department Assistant Director
The City of Coral Gables
July 25, 2017

The second valuation scenario, allowing a commercial use on the subject property considers a hypothetical condition. A hypothetical condition is defined in The Dictionary of Real Estate Appraisal, 6th Edition (2015) as "a condition directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are 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 in this report is as follows:

The subject property is currently zoned SFR, Single Family Residential which does not allow the development of a fire station or any use other than a single family residence. Therefore, this scenario is based on the hypothetical condition that the site is zoned to allow the development of a fire station and/or another commercial type municipal use.

The hypothetical condition, if found to be false or different in any way, would alter the opinions and/or conclusions of value herein. The reader is advised to be familiar with this assumption and how it would affect value.

To prepare this analysis, supplied were the following items:

- A. Boundary survey prepared by John Ibarra & Associates Inc., dated February 24, 2017
- B. City of Coral Gable memorandum exploring potential sizes for a new fire station

Although requested, access to the complete home was not allowed. Given the age, it is assumed that there are no environmental issues such as asbestos tiling or similar problems that could significantly increase the cost of removal of the building improvements. Any deviation from the information supplied and assumptions used herein will likely result in a change of value.

Mr. Leonard Roberts, Economic Development Department Assistant Director
The City of Coral Gables
July 25, 2017

Based on our research and analysis, it is our opinion that the As Is market value of the fee simple interest as of June 23, 2017, is in the amount of

**ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$1,800,000)**

Based on our research and analysis, it is our opinion that the is the market value of the fee simple interest, based on the *hypothetical condition* that the site is vacant land and will have zoning that allows the development of a fire station or similar municipal use, as of June 23, 2017, is in the amount of

**ONE MILLION THREE HUNDRED THOUSAND DOLLARS
(\$1,300,000)**

Neither of the above values considers any potential value to the expansive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

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



Bruno Picasso
Registered Trainee Appraiser
License No. RI24054

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Scope of Work

The appraisal problem herein is to estimate the As Is market value of the fee simple interest as of June 23, 2017. Also estimated is the market value of the fee simple interest, based on the *hypothetical condition* that the site is vacant land and will have zoning that allows the development of a fire station or similar municipal use, as of June 23, 2017.

This appraisal report contains a hypothetical condition. The reader is advised to be familiar with the definition of a hypothetical condition because it is significant in understanding the premise of this appraisal. The definition is detailed on page 2 in the letter of transmittal. It is applicable to this appraisal because a change in the hypothetical condition would 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.

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 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 has completed the continuing education program of the Appraisal Institute.
13. I, Josh L. Rosen, MAI have made a personal inspection of the property that is the subject of this report.
14. I, Bruno Picasso have made a personal inspection of the property that is the subject of this report.
15. Waronker & Rosen, Inc. have previously performed an appraisal on the subject property in the past three years. We were not then, and are not now involved with the management, leasing, disposition, or 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



Bruno Picasso
Registered Trainee Appraiser
License No. RI24054

Date of Report July 25, 2017

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, 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. 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 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. Because of the report, there is no requirement to testify regarding 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 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 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:	The subject property is located at the southwest side of Cocoplum Plaza roundabout with frontage along the south side of Sunset Drive (SW 72 nd Street) and the west side of Old Cutler Road in the city of Coral Gables, Miami-Dade County, Florida	
Address:	7000 Old Cutler Road Coral Gables, FL 33143	
Type of Use:	Currently a single family zoned site improved with a dated single-family residence	
Zoning:	SFR, Single Family Residential by the city of Coral Gables, FL. Note: A hypothetical valuation scenario is also prepared, based on the hypothetical condition that the site is zoned for a governmental/municipal use that allows the construction of a fire station or similar use.	
Census Tract:	120860079.01	
Flood Zone :	X (Map 12086C0459L)	
Land Area:	32,716 square feet (0.75 acres)	

	<i>As Is</i>	<i>Value Based on a Hypothetical Condition</i>
Cost Approach:	Not Applicable	Not Applicable
Income Capitalization Approach:	Not Applicable	Not Applicable
Sales Comparison Approach:	\$1,800,000	\$1,300,000
Final Value Estimates:	\$1,800,000	\$1,300,000
Date of Valuation:	June 23, 2017	
Date of Report:	July 25, 2017	

Neither of the above values considers any potential value to the expensive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

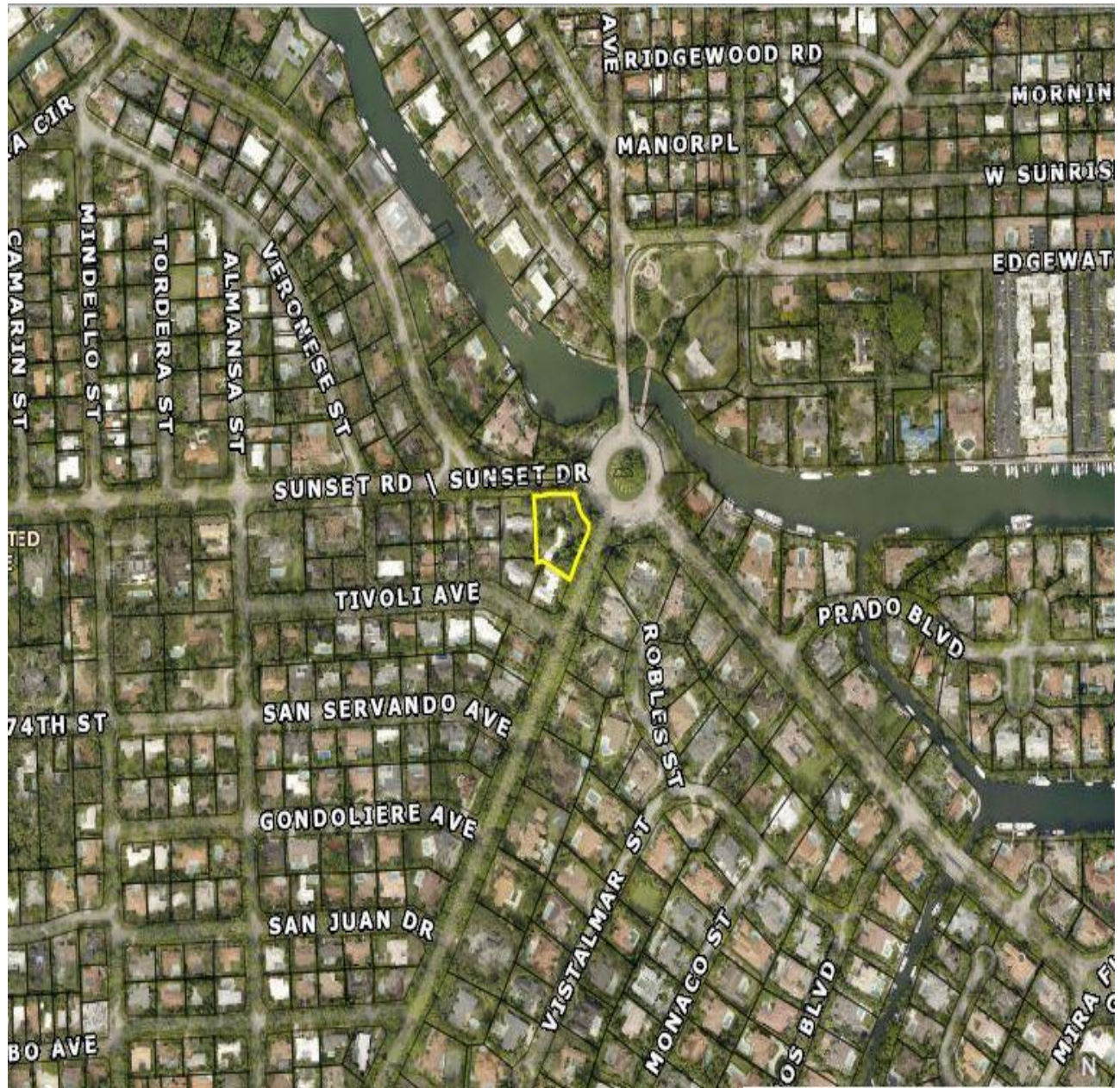
Miami-Dade County Map



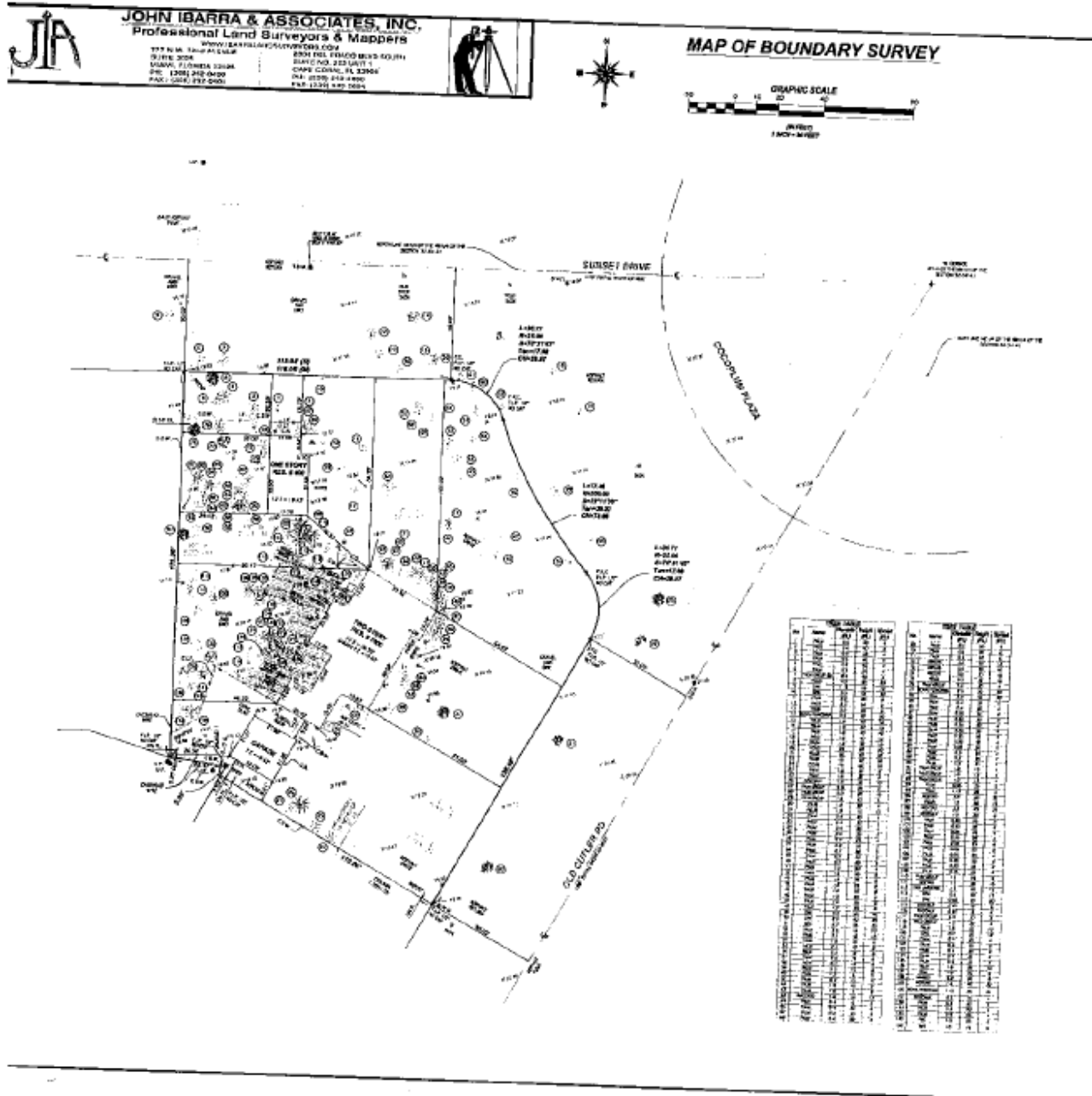
Plat Map



Aerial Photograph



Survey



Subject Photographs



Subject site from Old Cutler Road



Subject site from Sunset Drive (SW 72nd Street)









South view along Old Cutler Road
Subject to the right.



North view along Old Cutler Road
Subject to the left.



East view along Sunset Drive (SW 72nd Street).
Subject to the right.



West view along Sunset Drive (SW 72nd Street).
Subject 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 & 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

BRUNO M. PICASSO

Education: Master of Business Administration, Florida International University, Miami Florida 2008

Bachelor of Arts Degree, Florida International University, Miami, Florida 2003 (Double Major – Finance and Marketing)

Affiliations: Registered Trainee Appraiser, State of Florida, License Number RI162, May 1990.

Experience:

<i>Waronker & Rosen, Inc.</i>	Staff Appraiser Trainee February 2015 to present
Integra Realty Resource Miami	Staff Appraiser Trainee January 2014 to January 2015
H & G Commercial Group	Staff Appraiser Trainee February 2011 to December 2013
Integra Realty Resource Miami	Director of Market Research Trainee September 2004 to November 2013

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

Apartment buildings	Warehouses
Vacant land	Commercial property
Commercial condominiums	Industrial property
Warehouses	Restaurants

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

- 401: *General Appraiser Sales Comparison Approach*
- 402: *General Appraiser Site Valuation and Cost Approach*
- 403: *General Appraiser Income Approach/Part 1*
- 405: *General Appraiser Report Writing and Case Studies*

Partial Client List

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

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 As Is market value of the fee simple interest as of June 23, 2017. Also estimated is the market value of the fee simple interest, based on the *hypothetical condition* that the site is vacant land and will have zoning that allows the development of a fire station or similar municipal use, as of June 23, 2017. 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 The City of Coral Gables (client). The intended use of this appraisal is for internal decision making relating to a possible acquisition. 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.

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 southwest side of Cocoplum Plaza roundabout, with frontage along the south side of Sunset Drive (SW 72nd Street) and the west side of Old Cutler Road in the city of Coral Gables, Miami-Dade County, Florida.

Address: 7000 Old Cutler Road
Coral Gables, FL 33143

Legal Description

Lots 8, 9, 10, 11 and 12 and Northerly 22 inches of Lot 13, Block 82 of Re-subdivision of a portion of Block 82, CORAL GABLES BISCAYNE BAY SECTION PART I, Plat A, according to the plat thereof, as recorded in Plat Book 40, at Page 22, of the Public Records of Dade County, Florida.

Source: www.miamidade.gov

Owner of Record

Cal B. Rosenbaum
7000 Old Cutler Road
Coral Gables, FL 33143-6332

Source: www.miamidade.gov

History of the Subject Property

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

According to the owner, the subject property is not under contract nor listed for sale. However, the property owner informed us that he has turned down a recent \$3,000,000 offer from a private buyer who planned to demolish the current improvements and potentially build a 12,000-square foot home. Support for this statement was requested but not provided.

Source: www.miamidade.gov

Site Data

The subject site is irregular. There is frontage of approximately 130 feet along the southwest side of Cocoplum Plaza roundabout, a three-lane asphalt paved road in average condition. There is also frontage of approximately 113 feet along the south side of Sunset Drive (SW 72nd Street), a two-lane asphalt paved road in average condition and frontage of approximately 137 feet along the west side of Old Cutler Road, a two-lane asphalt paved road in average condition. Per the public records the total area of the parcel is 32,716 square feet (0.75 acres). The subject property is accessible from the south side of Sunset Drive (SW 72nd Street) and the west side of Old Cutler Road. Note that in front in front of the Sunset Drive portion of the subject is a municipal bus bench. The site is level and at approximate street grade. Utilities available to the site are:

Electric:	Florida Power and Light
Telephone:	AT&T and other carriers
Water:	Miami-Dade Water and well irrigation system
Sewer Disposal:	Reportedly two on-site septic tanks

Zoning

The subject property is zoned SFR, Single Family Residential by the city of Coral Gables, FL. This zoning allows for the construction of Single family residences only. This district is intended to accommodate low density, single-family units with adequate yards and open space that characterize the residential neighborhoods of the city. The following uses are also permitted; Accessory dwellings and single family dwellings.. 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 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. 12086C0459L, 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.** A copy of the flood zone map is in the Addenda to this report.

Source: www.miamidade.gov and www.imapp.com

Real Estate Assessment and Taxes

Taxing Authority:	Miami-Dade County
Assessment Year:	2016
School Board Millage Rate:	07.3220
City, County, Region Millage Rate:	<u>11.7726</u>
Total Millage Rate:	19.0946
Folio Number:	03-4132-006-0100

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	\$1,892,620	32,716	\$57.85
Building Value	\$218,945	3,381	\$64.76
Extra Features Value	\$10,269		
Market (Just) Value	\$2,121,834	32,716	\$64.86
Assessed Value	\$712,047	32,716	\$21.76

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	.0073220	\$2,121,834	\$15,536
City, County & Regional	.0117726	\$712,047	\$8,383
Estimated Real Estate Taxes			\$23,919
Taxes Per Square Foot			\$.73

There is a 4% discount given for early (November) payment of taxes which would reduce the estimated real estate taxes to \$22,962 (\$23,919 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%. Based upon the value estimated in this appraisal the assessment is above what is appropriate and taxes should be appealed. This is primarily due to the home contributing no value to the site.

As per the public records there does not appear to be any back taxes due for the subject property.

The Value Adjustment Board (VAB) website indicates "no folio found" for the previous three years. This indicates that the real estate assessments were not appealed.

Description of Building and Site Improvements

The site is comprised of 32,716-square foot parcel or 0.75 acres. As previously stated the subject improvements are an underutilization of the site and are at the end of their economic life. **The following is for informational purposes only as the valuation herein is of the land with no consideration to the building or site improvements.**

The site is improved with a one and two-story single-family home built in 1936 and totaling 3,381 square feet. **Although requested, access to the complete home was not allowed. Given the age, it is assumed that there are no environmental issues such as asbestos tiling or similar problems that could significantly increase the cost of removal of the building improvements.**

Site improvements include but are not limited to: wood deck, landscaping sprinklers, asphalt paving and various hedges, sod and trees in good condition. Note: There are numerous trees including but not limited to: Various Palms, Oaks, Ficus, Coconut, Avocado, Royal Ponciana, Nispero, etc. Neither of the values estimated consider any potential value to the expansive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

Neighborhood Overview

General Neighborhood Data

Location:	Suburban
Built Up:	90% to 100%
Growth Rate:	Stable
Property Values:	Slight increase
Demand/Supply:	In balance
Present Land Use:	Residential
Change in Present Land Use:	Not likely
Predominant Use:	Residential
Property Compatibility:	Good
General Appearance of Properties:	Below average to excellent
Appeal to Market:	Above average

Adjacent Uses

East:	Single family residential
West:	Single family residential
South:	Single family residential
North:	Single family residential

Linkages

Distance

Access

Public Transportation (bus):	Along Sunset Drive	Excellent
Employment Centers:	Three to five miles	Good
Expressway Access:	Three to five miles	Above average
Miami International Airport:	Seven to ten miles	Average

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”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. This analysis considers the exposure time at a market related price such as the estimated market value herein. In estimating exposure time for the subject property, the Multiple Listing Service was referenced for the days on market for the sales used herein and other sold residences in the area. The statistics for properties in zip code 33143 indicated an average of 203 days (approximately 6.75 months) on the market and an average value of \$1,122,000.

An exposure time for the subject is estimated at six to nine 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 nor the estimated exposure time would have been achieved.

Typical Purchaser of the Subject

The subject is a single-family residence that is dated and in below average condition. Given the surrounding area and the highest and best use, the subject value is in the land. The typical purchaser of the subject would be either a developer or a user that would demolished the current improvements and develop a luxury single-family home. Note: If the subject site is rezoned for a municipal/governmental (hypothetical condition) use, the typical purchaser would be a governmental agency.

¹ *The Dictionary of Real Estate Appraisal, 6th Edition, page 83*

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 restrictions?
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?

As Vacant

The zoning on the subject property is SFR, Single Family Residential by the city of Coral Gables, FL. The subject location is desirable and has surrounding luxury residential uses; however, the market is not at an equilibrium as it appears that there might be oversupply of newly built homes; therefore, the current market is not strong enough to justify the cost of new construction. The highest and best use as though vacant, would be to hold the property for future development as permitted by zoning. This would likely be a single-family residence on the site.

If the subject site is rezoned for a municipal/government (*based on the hypothetical condition*); the highest and best use would be to develop a building for a government agency.

As Improved

The existing building improvements are dated and in below average condition. They do not appear to contribute value above that of the land as though vacant, therefore they would be demolished to avoid additional upkeep costs including real estate taxes.

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.

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

Land value was estimated within the sales comparison approach for both scenarios. A cost approach was not estimated herein. Purchasers of this type property do not typically rely on a cost approach.

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

The value of the subject property is in the land. Therefore, the income capitalization approach is not applicable as the value is in the land.

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 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.

The appraisal problem herein is to estimate the site based on two scenarios: **Scenario 1** is to value the site As Is. **Scenario 2** is to value the site, based on the hypothetical condition that the site is vacant land and will have zoning that allows the development of a municipal/institutional use.

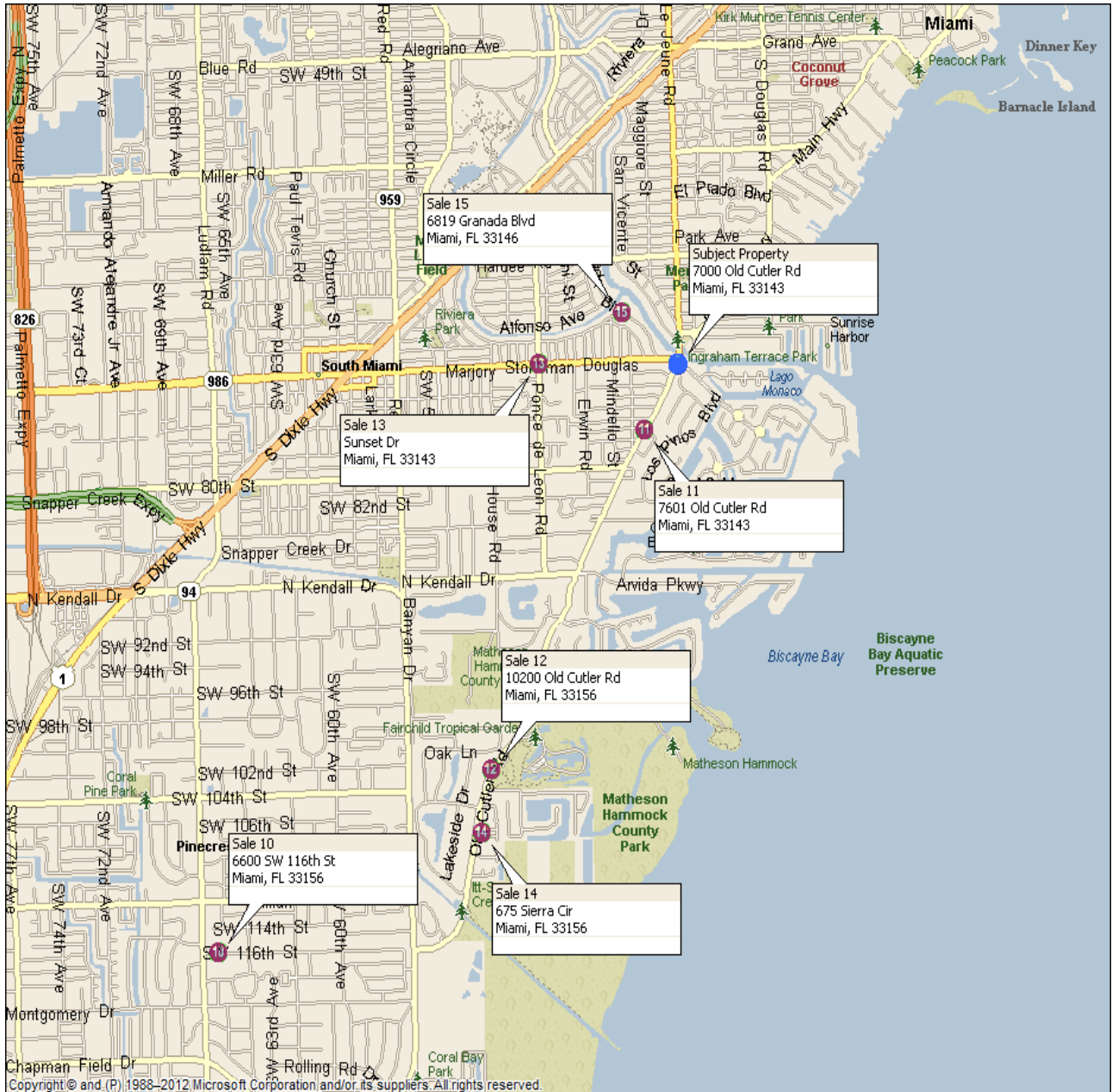
¹ The Appraisal of Real Estate 14th Edition, 2013, page 379

Vacant Land Sales Grid (As Is)

Following is a sales grid of the comparable properties used for comparison to the subject property. The sales below are for vacant sites or sites that were purchased with improvements with the intent to demolish the improvements making these type purchases land sales.

Sale	Sale Date	Location	Sale Price	Land Size (Sq.Ft.)	Price/Sq.Ft.	Zoning
10	5/17	6600 SW 116 th Street Pinecrest	\$1,235,000	41,599	\$29.69	EU-1
11	5/17	7601 Old Cutler Road Coral Gables	\$2,725,000	68,750	\$39.64	SFR
12	2/17	10200 Old Cutler Road Coral Gables	\$2,785,000	64,469	\$43.20	SFR
13	1/17	4920 Sunset Drive Miami-Dade	\$1,800,000	43,124	\$41.74	EU-1
14	5/16	675 Sierra Circle Coral Gables	\$2,065,500	36,666	\$56.33	SFR
15	4/16	6819 Granada Boulevard Coral Gables	\$3,900,000	46,208	\$84.40	SFR
Subject		7000 Old Cutler Road Coral Gables	\$3,000,000 (reported offer)	32,716	\$91.69	SFR

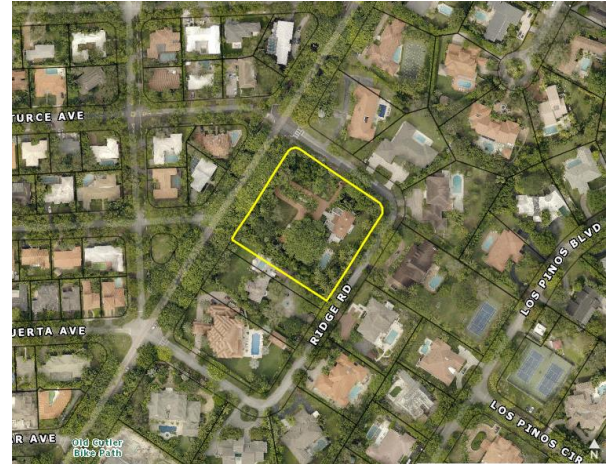
Land Sales Map



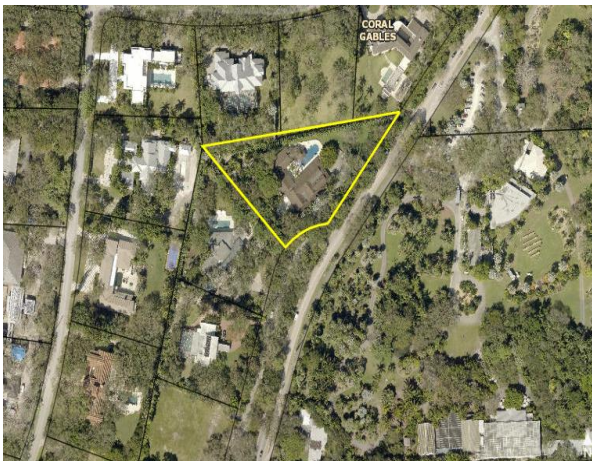
Comparable Sale Aerials



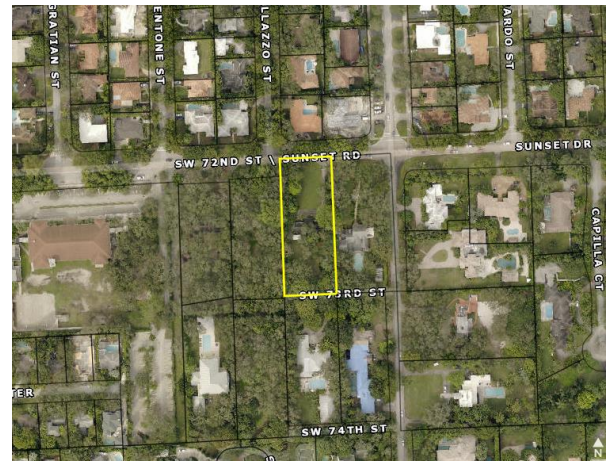
Sale 10



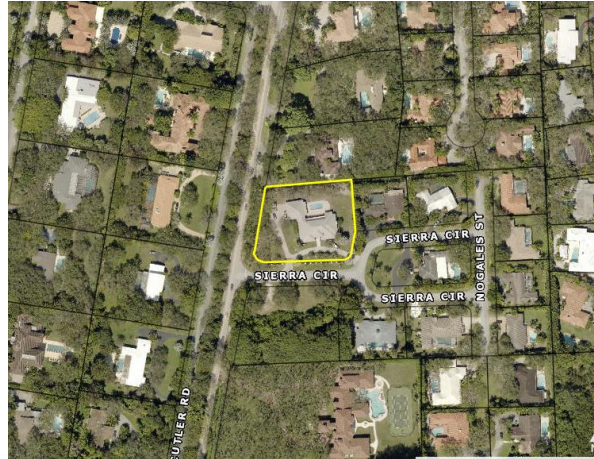
Sale 11



Sale 12



Sale 13



Sale 14



Sale 15

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 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 sale characteristic is comparable to the subject property.

Sale	10	11	12	13	14	15
Price Per Square Foot	\$29.69	\$39.64	\$43.20	\$41.74	\$56.33	\$84.40
Property Rights Conveyed	=	=	=	=	=	=
Financing	=	=	=	=	=	=
Conditions of Sale	=	=	=	=	=	=
Market Conditions (Time)	=	=	=	=	-	-
Location	++	=	+	+	=	-
Zoning	=	=	=	=	=	=
Size	=	+	+	=	=	=
Shape	=	=	+	=	=	=
Waterfront	=	=	+	=	=	--
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.

Conclusion of As Is 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 \$29.69 to \$84.40 with a mean of \$49.17 per square foot and a median of \$42.47 per square foot.

Sale 10 (\$29.69 per sq.ft.) is located along the south side of SW 116th Street, just east of SW 67th Avenue (Ludlam Road) at 6600 SW 116th Street within the Village of Pinecrest. It is a 41,599-square foot lot with a 1956 constructed five bedroom/three-bathroom home as well as a separate two bedroom/one-bathroom guest house.

Sale 11 (\$39.64 per sq.ft.) is located along the east side of Old Cutler Road at 7601 Old Cutler Road within the city of Coral Gables. This is just south of the Cocoplum roundabout. It is a 61,875-square foot lot with a 1926 classical style home with seven bedrooms, five bathrooms and a pool.

Sale 12 (\$43.20 per sq.ft.) is located along the west side of Old Cutler Road at 10200 Old Cutler Road within the city of Coral Gables. It is a 64,469-square foot lot improved with a 1958 constructed single family home with seven bedrooms/five bathrooms and a gym.

Sale 13 (\$41.74 per sq.ft.) is located along the south side of SW 72nd Street (Sunset Drive), just east of Ponce De Leon Road and north of Alhambra Circle in unincorporated Miami-Dade County. This is just west of the Coral Gables submarket at 4920 Sunset Drive. It is a 43,124-square foot lot improved with a 1931 single family home with five bedrooms/three and one-half bathrooms.

Sale 14 (\$56.33 per sq.ft.) is located at the northeast corner of Sierra Circle and Old Cutler Road at 675 Sierra Circle within the city of Coral Gables, just east of the desirable Snapper Creek residential development. Access is only via Sierra Circle off of Old Cutler Road. It is a 36,666-square foot lot improved with a 1973 constructed single family home with four bedrooms and five bathrooms.

Sale 15 (\$84.40 per sq.ft.) it is located along the north side of Granada Boulevard, just south of Alhambra Circle and two blocks north of SW 72nd Street (Sunset Drive) within the city of Coral Gables at 6819 Granada Boulevard. It is a 46,208-square foot unimproved waterfront lot.

Also considered was a listing located at 10840 Old Cutler Road. It is a 49,658-square foot lot improved with a 1958 constructed house with an asking price of \$2,195,000 or \$44.20 per square foot. The listing is offered a lot for sale within no value to the improvements.

As a supplement for additional support as to the value as vacant, contribute significant value to the site summarized below:

Address	Sale Date	Year Built	Bldg. Size	Sale Price	Lot Size	Price Per Sq. Ft. of Land including Building Improvements
7275 Old Cutler Road	Jan-17	2004	8,258	\$4,000,000	40,365	\$99.10
7041 Old Cutler Road	Nov-16	1990	4,781	\$2,280,000	24,479	\$93.14
580 Puerta Avenue	Feb-16	2003	9,673	\$3,400,000	34,466	\$98.65

These sales reflect an absolute upper limit of possible value for the subject land, and in fact the subject value should be lower since the building improvements contribute value. Considered for the subject is its location at a busy roundabout.

After adjustments on a cumulative basis, Sales 14 and 15 (\$56.33 and \$84.40 per square foot) were considered superior and required negative (downward) adjustments while Sales 10, 11, 12 and 13 (\$29.69 to \$43.20 per square foot) were considered inferior and required positive (upward) adjustments. Therefore, the subject property value should be greater than \$43.20 per square foot and less than \$56.33 per square foot.

Based upon analysis of these and other factors affecting value described, it is concluded that the subject property as one lot has a value of \$55 per square foot times 32,716 square feet, equal to \$1,800,000, rounded.

The above value does not consider any potential value to the expansive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

Vacant Land Sales Grid (Based on Hypothetical Condition)

Following is a sales grid of the comparable properties used for comparison to the subject property. After an extensive search, we found no governmental/institutional zoned sales for development of government building; therefore, we expanded our research to include land sales with the buyer or seller being a city or the intended use institutional such as universities, schools, adult living facilities, churches, etc., within or very near residential neighborhoods.

Sale	Sale Date	Location	Sale Price	Land Size (Sq.Ft.)	Price/ Sq.Ft.	Zoning
1	10/16	12430 NE 11 th Place North Miami	\$925,000	31,290	\$29.56	C2-A
2	9/16	10890 NW 17 th Street Sweetwater	\$2,842,000	101,714	\$27.94	UI-1
3	8/16	8790 SW 94 th Street Miami-Dade	\$5,350,000	193,843	\$27.60	EU-1
4	1/16	8100 SW 81 st Drive Miami-Dade	\$7,700,000	186,436	\$41.30	BU-1
Subject		7000 Old Cutler Road Coral Gables		32,716		SFR*

*Considers a hypothetical condition allowing an institutional use.

Vacant Land Sales Map



Adjustment Grid (Based on Hypothetical Condition)

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 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 sale characteristic is comparable to the subject property.

This scenario is based on the extraordinary assumption that the subject is zoned for a municipal/institutional use.

Sale	1	2	3	4
Price Per Square Foot	\$29.56	\$27.94	\$27.60	\$41.30
Property Rights Conveyed	=	=	=	=
Financing	=	=	=	=
Conditions of Sale	=	=	=	=
Market Conditions (Time)	=	=	=	=
Location / Exposure	+++	+++	+	+
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.

Conclusion of Land Value by the Sales Comparison Approach (Based on a Hypothetical Condition)

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 \$27.60 to \$41.30 with a mean of \$31.60 per square foot and a median of \$28.75 per square foot.

Sale 1 (\$29.56 per sq.ft.) is located at the southwest NE 125th Street and NE 11th Place in the city of North Miami. This is the sale of five contiguous and adjacent lots totaling 31,290 square feet for the intended use to develop a school.

Sale 2 (\$27.94 per sq.ft.) is located along the south side of NW 17th Street, between NW 108th and NW 110th Avenues in the city of Sweetwater. This is an assemblage of parcels sold by the City of Sweetwater. Development plans are not in place.

Sale 3 (\$27.60 per sq.ft.) is located along the south side of SW 94th Street, on SW 87th Avenue, just south of Baptist Hospital. This is the purchase of a synagogue for land value to redevelop with office space.

Sale 4 (\$41.30 per sq.ft.) is located along the south side of SW 81st Drive in unincorporated Miami-Dade County within the Kings Creek Development, just west of the Palmetto Expressway and Dadeland Mall. This was a sale of a retail strip center that was purchased with the intention to demolish and re-develop with an assisting living facility.

After adjustments on a cumulative basis, based on one lot at 32,716 square feet, Sales 1, 2 and 3 (\$27.60 to \$29.56 per square foot) were considered inferior and required positive (upward) adjustments and Sale 4 (at \$41.30 per square foot) had offsetting adjustments. Therefore, the subject property based on one lot at 32,716 square feet should have a value greater than \$29.56 per square foot and close to \$41.30 per square foot.

Based upon analysis of these and other factors affecting value described, it is concluded that the subject property as one lot has a value of \$40 per square foot times 32,716 square feet, equal to \$1,300,000, rounded.

The above value does not consider any potential value to the expansive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

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:

	<i>As Is Value</i>	<i>Market Value based Upon a Hypothetical Condition</i>
Cost Approach	Not applicable	Not applicable
Income Capitalization Approach	Not applicable	Not applicable
Sales Comparison Approach	\$1,800,000	\$1,300,000

The cost approach estimates the land value and adds the depreciated value of the improvements. As the land being appraised is vacant, 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.

Regarding the As Is value, as the subject property is land, total reliance was placed on the sales comparison approach. The subject property has an indicated As Is market value of the fee simple interest as of June 23, 2017 in the amount of \$1,800,000.

In addition, it is our opinion that the subject property has a market value of the fee simple interest, based on the *hypothetical condition* that the site is vacant land and will have zoning that allows the development of a fire station or similar municipal use, as of June 23, 2017 in the amount of \$1,300,000.

Neither of the above values considers any potential value to the expansive landscaping and tree canopy above what is standard, based on the comparables analyzed herein. It is suggested that the client undertake an analysis by an expert to determine any potential added value.

This appraisal report contains a hypothetical condition. The reader is advised to be familiar with the definition of a hypothetical condition because it is significant in understanding the premise of this appraisal. The definition is detailed on page 2 in the letter of transmittal. It is applicable to this appraisal because a change in the hypothetical condition would cause a change in the opinions and conclusions herein.

Addenda



County Area Description

Miami-Dade County Description

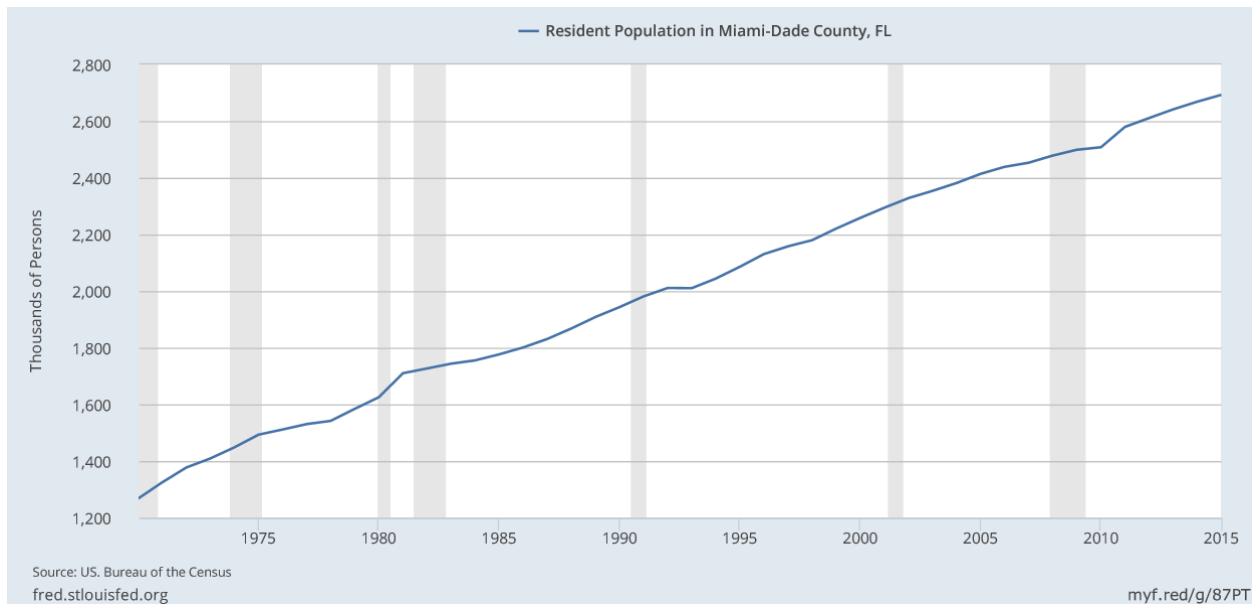
General Overview

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.



Miami-Dade County Population Projections			
<i>Source: Florida Legislature Office of Economic and Demographic Research</i>			
2020 Projection based on 2015 Estimate	Percentage change 2015 to 2020	2025 Projection based on 2015 Estimate	Percentage change 2020 to 2025
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 not 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.

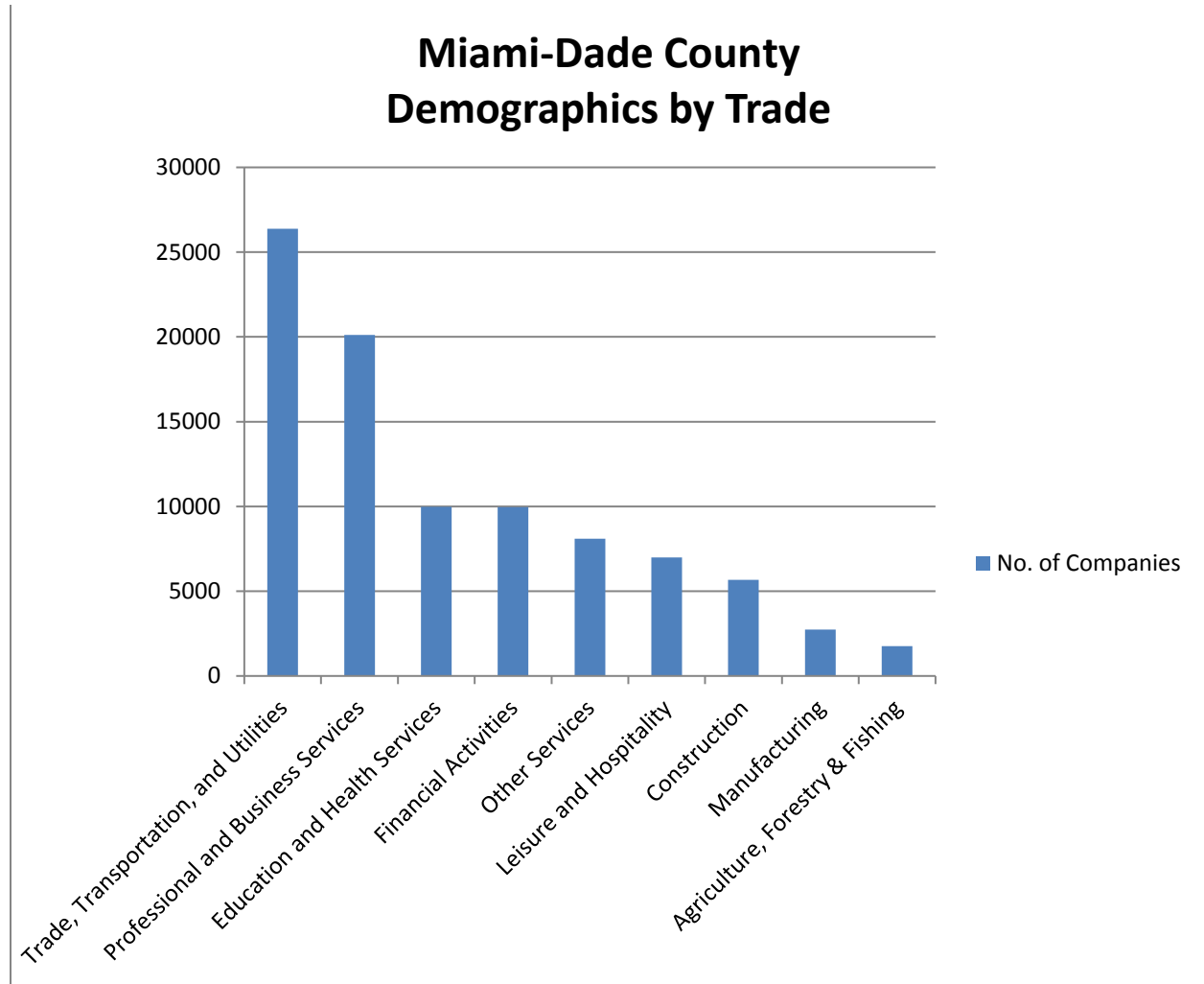
Government

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.