

ITEM #74₍₂₎


**ADDITIONAL MATERIAL
10:00 A.M. REGULAR MEETING**

MARCH 20, 2018

**SUBMITTED AT THE REQUEST OF
OFFICE OF THE COUNTY ATTORNEY**

MEMORANDUM

TO: Board of County Commissioners

FROM: Andrew J. Meyers, County Attorney 

DATE: March 19, 2018

RE: **Item 74 on the March 20, 2018, County Commission Agenda Regarding the Shaw Properties**

Attached please find the following documents:

1. A revised "Mediated Settlement Agreement." There are no significant changes from the draft that was previously distributed. The primary changes are to paragraph 19 (creating a process if the County wishes to challenge the amount of attorneys' fees) and paragraph 21 (addressing releases);
2. Recent appraisal reports (separate reports for the separate properties) from AMH Appraisal Consultants, Inc., retained by the County, establishing 2018 values for the properties at issue;
3. A recent appraisal report from Florida Coastal Appraisal Services, retained by the County, establishing 2018 values for the properties at issue; and
4. Recent appraisal reports (separate reports for the separate properties) from Robert D. Miller, ASA, retained by the Plaintiffs, establishing a 2018 value for these properties.

Please feel free to contact Mike Kerr (extension 7566) or me (extension 7601) with any questions or concerns.

AJM/MJK/gf
Attachments

c: Bertha Henry, County Administrator
Bob Melton, County Auditor
Michael J. Kerr, Deputy County Attorney

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UPDATED DRAFT (PARTIES ARE CONTINUING TO DISCUSS)

Mediated Settlement Agreement

1. Shaw Farms & Land Company of Florida, LLC and Dania Place, LLC (collectively, the "Shaws") own approximately thirty-eight (38) acres of property (the "Shaw Property") in close proximity to Fort Lauderdale-Hollywood International Airport (the "Airport"). The Shaw Property is legally described as follows:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D. K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the South east corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45' 20" West along the south line of the said Southeast One-Quarter (SE 1/4) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35' 42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

Together with

Parcels “A,” “B” and “C,” of THE RITA W. SHAW PLAT, according to the Plat thereof, recorded in Plat Book 146, Page 25, of the Public Records of Broward County, Florida, being a portion of Sections 27 and 34, Township 50 South, Range 42 East; LESS therefrom that portion thereof taken by Broward County, a political subdivision of the State of Florida by Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida identified thereon as Parcel 1415.

And

Parcel “A” of C.I.D.B. Plat, according to the Plat thereof, as recorded in Plat Book 140, Page 28 of the Public Record so Broward County, Florida being a portion of the NE ¼-NE ¼ of Section 34, SE ¼-SE ¼ of Section 27, Township 50 South, Range 42 East.

2. This lawsuit, an inverse condemnation action filed by the Shaws in 2015 (the “Lawsuit”), alleges that Broward County (the “County”) took and significantly damaged the Shaw Property by causing flooding, loss of access, and other adverse effects in connection with the County’s expansion of the Airport’s south runway.

3. The Shaw Property is comprised of the following components more-fully described above:

- a. The DDK Plat property (“DDK”), comprising approximately seven (7) acres; and
- b. The Rita Shaw and CIDB properties (collectively, the “South Parcels”), comprising approximately thirty-one (31) acres.

4. On September 1, 2017, the Court entered an Order of Taking finding that, as a result of the construction of the south runway expansion including NE 10th Street, the County “took” the following property interests on the following dates:

- a. As of July 1, 2012, a permanent flowage easement over the entirety of the Shaw Property;
- b. As of August 21, 2012, all of the use and value (the full fee simple interest) of DDK; and
- c. As of October 1, 2012, several hundred trees on DDK.

5. The Court ordered the County to convey an “Initial Offer” to the Shaws stating what the County was willing to pay to fully compensate the Shaws for the property interests taken. In connection therewith, the Shaws and the County exchanged appraisals of the value of the property interests taken. Each party’s appraisal recognizes that the permanent flowage easement over the entirety of the South Parcels renders the South Parcels commercially unmarketable and undevelopable. Due to that substantial impact of the judicially-declared permanent flowage easement, the parties’ respective appraisers each independently determined that the value of the permanent flowage easement on the South Parcels was ninety percent (90%) of the fair market value of the full fee simple interest of the South Parcels.

6. The parties participated in mediation on February 16, 2018 and February 23, 2018.

7. The Shaws seek to recover the full value of the property interests taken, together with applicable prejudgment interest from the respective dates of taking, attorneys’ fees, and expert and other litigation-related costs.

8. The Shaws have presented appraisal values of the property interests addressed in the Order of Taking. Those values, which are determined as of the respective 2012 dates of taking, are as follows:

- a. For the full fee simple interest in DDK, \$7,460,000;
- b. For the permanent flowage easement across the South Parcels, \$25,600,000; and

- c. For the trees taken on DDK, \$183,000.
9. The Shaws also seek the following amounts;
 - a. Prejudgment interest exceeding \$9,000,000;
 - b. Attorneys' fees with the Shaws representing that the amount of "Lodestar" fees being approximately \$573,000 as of the date of this Mediated Settlement Agreement; and
 - c. Reimbursement for expert and other litigation-related costs in the amount of \$285,548.34.
10. Thus, the Shaws seek, in total, in excess of \$43,000,000.
11. The County's experts believe the value of the property interests taken is \$26,728,000. When adding prejudgment interest, and attorneys' fees and costs claimed by the Shaws, the County's valuation of the damages is \$34,873,000.
12. Importantly, whether the outcome of the trial were a judgment of \$34.9 million or \$43 million, going to trial would expose the County to significant additional potential attorneys' fees and would result in the County acquiring only an undevelopable permanent flowage easement on the South Parcels.
13. The County does not believe it is reasonable to accept this level of financial exposure and wind up with (aside from DDK) an undevelopable easement. Even if the County subsequently takes, through eminent domain, the Shaws' remaining property interests in the South Parcels, the full additional compensation for such taking would likely exceed \$4 million (exclusive of additional attorneys' fees and costs).
14. Pursuant to this Mediated Settlement Agreement, the parties stipulate and agree that the County is properly exercising its delegated authority in furtherance of a public purpose, and

the property hereby acquired by the County is reasonably necessary for this public purpose. Additionally, the acquisition of these parcels will allow the County to provide for and implement more robust airspace protection than that currently afforded airport operators under Florida Statutes Chapter 333 Airport Zoning, and allows the development of land for future Port Everglades, Fort Lauderdale-Hollywood International Airport, or County use for the benefit of the people of Broward County.

15. For these reasons, and because the Shaws would also lack the ability to develop the South Parcels, the parties believe settlement of this Lawsuit is in their mutual interest.

16. Subject to the terms and conditions stated herein, the County agrees to pay to the Shaws Forty Two Million Dollars (\$42,000,000.00) as full compensation for all of the Shaw Property, in fee simple, and in full satisfaction of any and all claims asserted (or that could have been asserted) exclusive of attorney's fees, experts' fees, and costs. Two-thirds of this sum, Twenty Eight Million Dollars (\$28,000,000.00), shall be paid to Shaw Farms & Land Company of Florida, LLC, and one-third of this sum, Fourteen Million Dollars (\$14,000,000.00), shall be paid to Dania Place, LLC. No sums shall be paid to DANIA FARMS, INC. At least thirty (30) days before the payment is due, the Shaws shall inform the County, in writing, of the representative and address where checks representing this payment shall be delivered.

17. If requested by the County, the Shaws will execute and deliver to the County a special warranty deed to all of the Shaw Property, which warranty deed shall be subject to the conditions, reservations, restrictions, and easements of record and the interests in the Shaw Property the County was found to have taken in the Order of Taking dated September 1, 2017, provided that said deed shall not re-impose same. The Shaws also agree to deliver to the County any other documents the County determines are reasonably required to ensure full and good

conveyance to the County of all of the Shaw Property including any improvements thereon. Title to the Shaw Property shall vest in the County as of the date of the payment of said funds. Therefore, the acquisition of the Shaw Property by County shall be as of the date of the payment and no portion of the payment shall be for prejudgment interest.

18. The County shall also pay the following amounts as part of the full compensation due the Shaws pursuant to Article 10, Section 6(a) of the Florida Constitution and Sections 73.091 and 73.092 of the Florida Statutes, subject to the County's receipt from the Shaws of detailed documentation establishing those amounts: Attorneys' fees in the amount of \$573,000; and experts' fees and litigation costs in the amount of \$285,548.34.

19. If, upon review of the above-referenced documentation, the County wishes to challenge any of these amounts, the presiding court shall determine the amount of such fees and/or costs. In such event, the parties shall not be precluded from claiming that any subsection of Section 73.092 of the Florida Statutes is applicable or inapplicable. Prior to any challenge to attorneys' fees, the County (through the County Attorney, who is authorized to do so by the Board of County Commissioner's approval of this agreement) shall offer in writing to pay the Shaws a specific amount of attorneys' fees. If the parties do not reach agreement on the amount of fees, and the disagreement is subsequently resolved by the presiding court, the Shaws shall be paid their reasonable attorney's fees for litigating the amount in dispute if the presiding court awards them an amount of attorneys' fees greater than the amount offered by the County. Attorney's fees for litigating the amount of expert's fees and/or litigation costs shall be paid by the County as otherwise required by Florida law.

20. The Shaws shall have continued possession of the Shaw Property for ninety (90) days after the Court enters the Order of Taking and Stipulated Partial Final Judgment Approving

Mediated Settlement Agreement (“Partial Final Judgment”) (referenced below) to enable its tenant-at-will, Dania Farms, Inc., to wind down its business.

21. Payment by the County shall be due on the later of the end of this ninety (90) day period or five business days after notice from the Shaws that they and all tenants and occupants, further described below, have vacated the property. Possession of the Shaw Property and ownership of all plants and trees remaining on the Shaw Property shall vest in the County as of the date of payment. Neither the Shaws nor Dania Farms, Inc. may remove any trees or plants from DDK (the Shaws assert that such removal is not physically possible due to flooding problems and lack of access).

22. The Shaws agree not to encumber the Shaw Property or take any action to encumber the Shaw Property from the date hereof and throughout the extended possession period. The Shaws further represent that, to the best of their knowledge, the Shaw Property is free and clear of all liens, taxes, encumbrances and claims of every kind, except for real estate and personal property taxes for the year 2018 and those encumbrances shown in the public record and the interests in the Shaw Property the County was found to have taken in the Order of Taking dated September 1, 2017. The Shaws represent that, since October 9, 2017, the date of the title search performed by County, they have not taken any action, nor are they aware of any action taken, that would encumber the Shaw Property and that they are not aware of any improvements or alterations to the Shaw Property that could result in a lien being recorded against same.

23. The Shaws represent that no other person or entity has any ownership or possessory interest in all or any portion of the Shaw Property except for the possessory interests of Dania Farms, Inc., Wrightscapes, Inc. (which operates a business on the property at will without a written

lease), and John Bulow and Lazaro Roque, who reside on the property (Lazaro Roque only on days he is working for Dania Farms, Inc.) both at will (without written leases).

24. The parties will, subject to the approval hereof by the Broward County Board of County Commissioners, move for the entry of a Partial Final Judgment which shall supersede the Order of Taking entered in this cause and shall: (i) approve this Mediated Settlement Agreement and direct the parties to comply with same; (ii) retain jurisdiction to enforce this Mediated Settlement Agreement; and (iii) provide for the Court to retain jurisdiction to determine the amount of attorneys' fees, experts' fees, and costs in the event County wishes to challenge same.

25. This Mediated Settlement Agreement shall fully resolve all claims, as to the County, which were or could have been filed by the Shaws or Dania Farms, Inc., in connection with the subject matter of the Lawsuit; it shall not, however, affect the County's claims against any person or entity other than the Shaws, whether or not a current party to the Lawsuit. The County, Shaws, and Dania Farms, Inc. shall execute and deliver full, general mutual releases releasing all claims they did file or could have filed against each other in connection with the Lawsuit. However, these releases shall not release the parties from their respective obligations under this Mediated Settlement Agreement and shall become effective only upon the payment of all sums required hereunder including the payment of all agreed or adjudicated attorneys' fees and experts' fees and costs including any fees for litigating the amount of fees.

26. Within ten (10) days of the payment by County of all amounts due hereunder, the Shaws shall execute and deliver a Satisfaction of the Partial Final Judgment.

27. The County shall bring the terms of this Mediated Settlement Agreement (and any County resolutions authorizing the acquisition of the Shaw Property) before the Broward County Board of County Commissioners ("Board") for a vote at a meeting on March 20, 2018. If approved

by the Board, the parties shall forthwith submit the Stipulated Order for entry by the Court. If rejected by the Board or if title to the Shaw Property is unmarketable, this Mediated Settlement Agreement shall become null and void, inadmissible in any court proceeding, and of no force or effect, and the action shall proceed to trial at the first available docket.

28. The Office of the County Attorney is authorized to execute this Mediated Settlement Agreement on behalf of the County.

Dated March 19, 2018

SHAW FARMS & LAND COMPANY DANIA PLACE, LLC
OF FLORIDA, LLC

By: _____

By: _____

As Its: _____

As Its: _____

DANIA FARMS, INC.

BROWARD COUNTY, a political
subdivision of the State of Florida

By: _____

By: _____

As
Its: _____

Alexander J. Williams, Jr. Date
Senior Assistant County Attorney
As Its: Counsel

As counsel for Plaintiffs

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APPRAISAL REPORT OF

Vacant Land (CIBD Plat)

**South side of Taylor Road, east of Federal Hwy.
Dania Beach, FL 33004**

AS OF

March 4, 2018



PREPARED FOR:

**Broward County
115 S Andrews Avenue
Fort Lauderdale, FL 33301**

PREPARED BY:

**ANN MARIE MCCARTHY, MAI CCIM
AMH APPRAISAL CONSULTANTS, INC.
43 S Powerline Road, Suite 395
Pompano Beach, Florida 33069**

**Telephone 954.978.2445
Facsimile 954.978.2076**

AMH APPRAISAL CONSULTANTS, INC.
“Committed to Quality and Integrity”

March 14, 2018

Broward County
115 S Andrews Avenue
Fort Lauderdale, FL 33301

Re: Appraisal of Vacant Land (CIDB Plat)
Vacant land south of Fort Lauderdale/Hollywood International Airport
South side of Taylor Road, east of Federal Hwy.
Dania Beach, Broward County, FL 33004
AMH File 4585B

Ladies and Gentlemen:

We are pleased to submit this appraisal of the above-referenced property. The subject of this appraisal is a parcel of land located south of the Fort Lauderdale/ Hollywood International Airport at the South side of Taylor Road, east of Federal Hwy., Dania Beach, Broward County, FL. The parcel measures approximately 325 feet along Taylor Road and contains a total of 127,630 square feet or 2.93 acres.

The purpose of this appraisal was to estimate the “as is” market value of the subject as of March 4, 2018. An inspection was made and all research, analysis, and reporting was performed by Ann Marie McCarthy, MAI, CCIM. This appraisal is not based upon a requested minimum valuation or a specific valuation. No one other than the undersigned contributed to this report.

This appraisal was prepared in conformance with all regulations issued by the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute as well as the Uniform Appraisal Standards for Federal Land Acquisition. The assignment is the result of the development of the sales comparison approach.

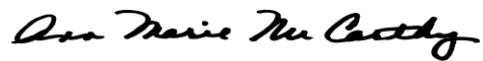
Mr. Peter Oppenheimer, Esquire
March 14, 2018
Page 2

As a result of our analysis, we have formed the opinion that the market value of the subject property, subject to the assumptions, limiting conditions, restrictions, certifications, and definitions, as disclosed within the attached report as of March 4, 2018, was:

\$3,175,000

Three Million One Hundred Seventy Five Thousand Dollars

**Respectfully submitted,
AMH Appraisal Consultants, Inc.**



Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser #RZ 1971

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Appraiser Qualifications
IG Zoning
Regional Analysis

INTRODUCTION**Summary of Salient Facts****Subject Data:**

Property Location:	South side of Taylor Road, east of Federal Hwy. Dania Beach, FL 33004
Property Type:	Agriculturally Improved Vacant Land
Ownership:	Dania Place, LLC
Land Area:	2.93 Acres
Zoning:	IG

Report Specifics:

Applied Approaches:	Sales Comparison Approach
Appraiser:	Ann Marie McCarthy, MAI, CCIM State-Certified General Appraiser #RZ 1971
Intended Use:	This appraisal is intended to provide Broward County with a reliable estimate of market rent for internal purposes.
Client & Intended User:	Broward County
Interest Appraised:	Fee Simple Market Value, "As Is"
Date of Value As-Is:	March 4, 2018
Date of Inspection:	March 4, 2018
Appraisal Report Date:	March 14, 2018
Market Value Estimate:	\$3,175,000

Extraordinary Assumptions and Hypothetical Conditions*Extraordinary Assumptions:*

An extraordinary assumption is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

We have relied on expert opinions regarding the cost of mitigation, which was estimated at \$225,000 for all Shaw lands south of Taylor Road, with \$20,000 allocated to the subject. If this estimate proves to be inaccurate the market value estimate provided could be impacted.

Hypothetical Conditions:

A hypothetical condition is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Scope of Appraisal

This appraisal involved the systematic market research and analyses necessary to reach a reliable estimate of market value for a parcel of vacant land located at South side of Taylor Road, east of Federal Hwy. The market value of the Fee Simple Interest was estimated subject to the Standards of Professional Appraisal Practices of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice in effect as of March 4, 2018, the effective date of the appraisal.

Research regarding the subject of this appraisal was gathered from numerous sources including, but not limited to the following:

- Public Records of Broward, Florida
- The Clerk of Court's Office of Broward
- Property Appraiser's Office of Broward
- The Planning and Zoning Departments of Broward County, Florida
- FEMA
- The Federal Aviation Administration
- The Uniform Appraisal Standards for Federal Land Acquisition

The search for comparable market data was accomplished primarily through Costar, Loopnet, Multiple Listing Service, and County Public Records.

Our primary emphasis in the data research process was centered on similar parcels of land proximate to FLL.

We inspected the subject property on March 4, 2018. This included an inspection of the site and the local neighborhood.

In estimating the market value of the subject several independent analyses were completed. Using this information, the Sales Comparison Approach to value was developed and explained in detail. The quality and quantity of the information was then weighed and reconciled into a final value estimate.

The parcel has an irregular shape which measures approximately 325 feet along Taylor Road (SE 10th Street) by an average depth of 400 feet and contains a total of 127,630 square feet or 2.93 Acres.

History

The subject is owned by Dania Place, LLC and Shaw Farms & Land Co. of FL, LLC. No transfers have occurred over the past five years.

Tax Assessment

Following is the Broward County Tax Assessment for 2017.

Real Estate Assessment and Taxes					
Tax ID	Land Improvements	Other	Total	Taxes	
5042 34 51 0010	\$954,230	\$0	\$0	\$954,230	\$803

Assessed values are determined by the Broward County Property Appraiser and are based upon 100% of their estimated market value. According to the Property Appraiser's Office, there are no delinquent taxes due for these folios. The property is subject to an agricultural exemption in the amount of \$949,900.

Market Value Definition

Market value is 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, 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:

- (A) buyer and seller are typically motivated;
- (B) both parties are well informed or well advised, and each acting in what he considers his own best interests;
- (C) a reasonable time is allowed for exposure in the open market;
- (D) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (E) The price represents the normal consideration for the property sold unaffected by special financing or concessions granted by anyone associated with the sale^a

NOTE: *The above economic definition has been agreed upon by the federal financial institutions in the United States of America. This definition is shown in 2006 USPAP under Advisory Opinion 22 (AO-22) on page 192.*

Statement of Competency

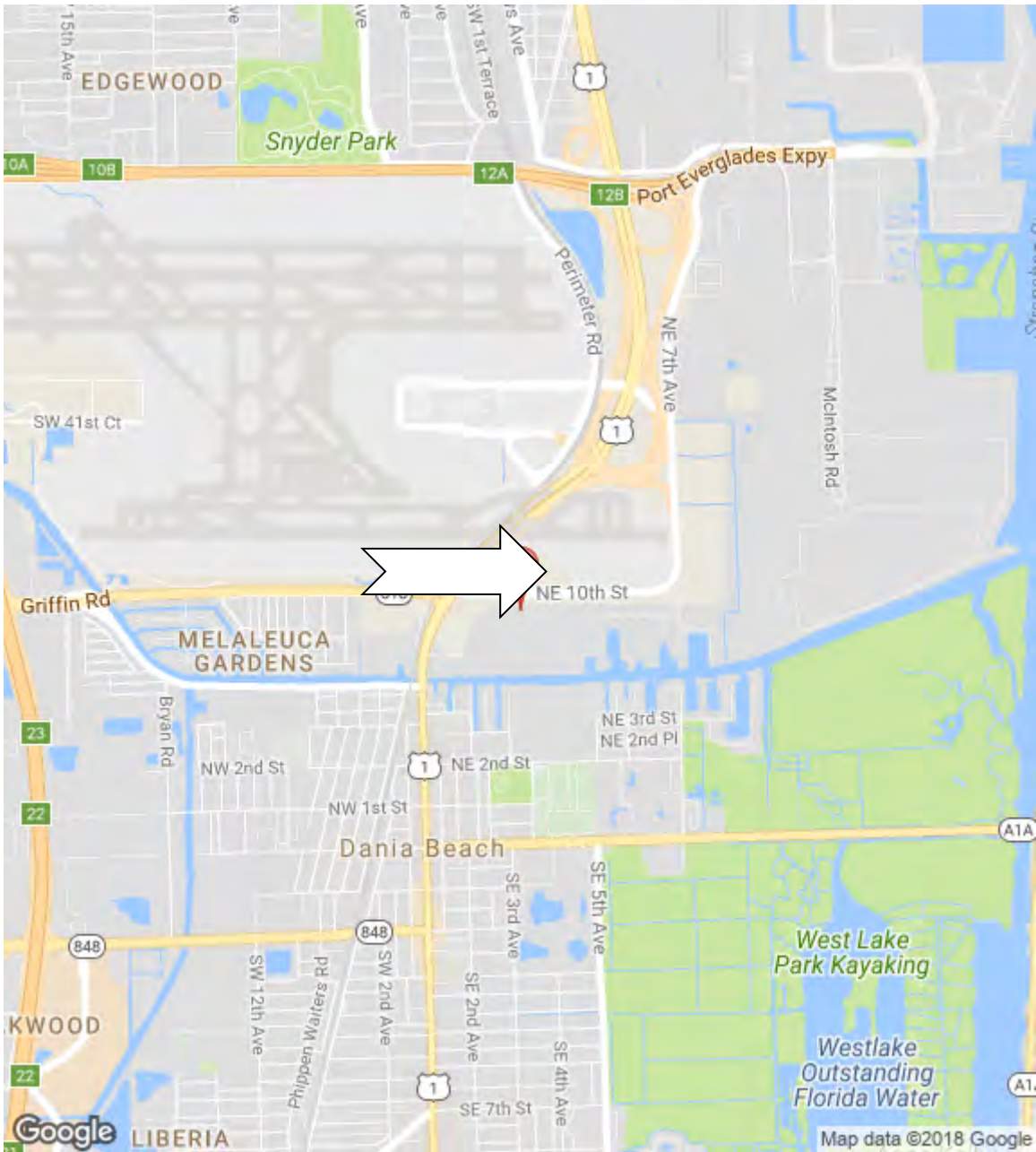
In accordance with the competency provision of USPAP, prior to accepting an assignment or entering into an agreement to perform an assignment, the appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently.

- In the appraiser's opinion, we are competent to perform this appraisal based on the fact that the appraisers have full knowledge in appraisal experience in similar type properties as the subject.
- All necessary and appropriate steps have been taken in order to complete the assignment competently.
- There is no lack of knowledge or experience that would prohibit this assignment to be completed in a professional competent manner where an unbiased or misleading opinion of value would be rendered.
- We have experience appraising aeronautical properties, including properties within and outside FLL.

^a*The Appraisal of Real Estate, 14th Ed.*, (Chicago: The Appraisal Institute, 2013)

SUBJECT PROPERTY MAPS, PHOTOGRAPHS & DESCRIPTION

Subject Maps



Subject Photographs





Aerial Photograph



Neighborhood Description

Neighborhood

A neighborhood is defined by *The Appraisal of Real Estate, Fourteenth Edition*, as “a group of complementary land uses.” These uses may take on a variety of forms, but when combined, they function as a unit. Residential neighborhoods usually contain a unit mix of detached, single-family homes, villas, town homes, condominiums, and apartments, as well as the amenities, services, commercial, and retail businesses necessary to support the neighborhood.

The subject is located just south of the Fort Lauderdale/Hollywood International Airport. It is east of Federal Highway on the south side of Taylor Road, which is just south of the northbound entrance to FLL from Federal Highway. Most properties along Taylor Road are vacant, although a number of marine oriented properties are located south of Taylor Road along the Dania Cutoff Canal.

Fort Lauderdale International Airport

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is the 21st busiest airport in North America in terms of passenger traffic, remaining steady at 29.1 million in 2016. The number of operations is estimated at over 325 departures and 325 arrivals per day and flights now provide access to the Bahamas, Cuba, the Caribbean, Mexico, Latin America and Europe. Direct nonstop flights to London will begin later this year. As of 2014 FLL was the 45nd busiest airport in North America in terms of cargo volume where 77,967 metric tons moved through its facilities.

FLL supports a total of 12,500 badged employees and is said to create, directly or indirectly, 139,920 jobs. An estimated 80,000 people per day travel through the airport on an estimated 640 commercial and 100 private flights per day.

The airport is in the midst of a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects are planned and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport’s high growth is due in large part to its growth among low cost providers and cruise passengers. The new \$200 million Concourse A of Terminal One is nearing completion and scheduled to open June 30.

Airport	Orlando, FL (MCO)	Miami, FL (MIA)	Ft. Lauderdale, FL (FLL)	Tampa, FL (TPA)	Palm Beach, FL (PBI)
Airport General Information					
1. Passenger Count	37 million	34 million	21 million	17 million	6 million
2. Square Feet (a)	4.2 million	6.5 million	1.6 million	2.0 million	0.6 million
3. Primary Airport Type	Mixed	HUB	Destination	Destination	Destination
4. % International	15%	40%	14%	2%	1%
5. # of Terminals	2 terminals (1 building + 4 concourses)	3 terminals (1 horseshoe shaped building)	4 terminals	1 terminal (+ 4 concourses)	1 terminal (+ 3 concourses)

It is important to note that Fort Lauderdale is the only city on the east coast with rail, deep water port and international air passenger and cargo service located within one mile of one another. In terms of rail service, CSX and FEC are the largest carriers in the state, handling, among other things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami.

A multitude of destinations are available from Amtrak's three Fort Lauderdale stations. Tri-Rail Commuter Rail, with its four double-decker passenger cars accommodating a total of 700-seated passengers, services Dade, Broward and Palm Beach counties for convenient commuter travel between West Palm Beach and Miami. There are a total of 28 north and southbound trains running each day covering a 70-mile route. All Tri-Rail stations are served by a dedicated Tri-Rail shuttle system, interconnecting county transit buses or other transit systems.

A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

FLL has been attempting to expand for several years. This expansion has been controversial, as it involves taking a number of residences south of the airport in Dania Beach. Construction has recently completed on the extension of the south runway (9R-27L) to the east by about 3,644 for a total length of 8920 and widening it by 50 feet for a total width of 150 feet. It also involves the elevation of runway 9R-27L to a minimum of 37.5 feet mean sea level and construction of a bridge to provide clearance over the Florida East Coast (FEC) Railroad and U.S. 1, necessitating the appraisal of the subject easement.

In 1992, Broward County initiated an update of the airport's 1987 Master Plan. The results of the process indicated that there is a lack of a back-up runway in the event that the primary commercial aircraft runway (9L-27R) is closed for rehabilitation, maintenance or due to an incident. The Master Planning process also revealed that a long-term deficiency is a lack of airfield capacity to meet projected demand with acceptable delays. Airport officials project that there will be 32-36 million passengers by 2020.

The constraints included annual noise contour modeling based on prior year and current noise monitoring data conducted by the County. Operations on the extended south runway shall be prohibited between 10 p.m. and 7 a.m. until the County modifies the operations of the south runway based upon airport requirements.

If at any time, the required projected five-year noise exposure map reflects that a portion of any residential properties, which are located within the City, will be exposed to day-night average sound levels greater than or equal to 65 decibels because of the proposed extension, then the County will amend the Noise Compatibility Program to include a noise mitigation program.

Port Everglades

Originally known as Lake Mabel, Port Everglades was officially established as a deep water harbor in 1927 and has since grown to become one of South Florida's strongest economic engines with annual operating revenues of more than \$66 million and total waterborne commerce exceeding 23 million tons in liquid, bulk and containerized cargoes.

More than 5,300 ships call at Port Everglades in a year forming the basis of a diverse maritime operation that includes a thriving cruise industry and a reputation as the "world's best cruise port," a growing containerized cargo business that establishes Port Everglades among the nation's top seaports, a major petroleum storage and distribution hub, South Florida's primary bulk cargo depot and a favorite U.S. Navy liberty port.

The seaport is renowned for its commitment to ongoing capital improvements, environmental protection and convenient maritime operations with unbeatable connections through the adjacent Fort Lauderdale/Hollywood International Airport and the direct links with all of Florida's highway system via I-595.

Its name somewhat misleading, Port Everglades is not a part of the wetland ecosystem known as the Florida Everglades. The seaport is, in fact, located on the southeastern coast of the Florida peninsula within the three cities of Fort Lauderdale, Hollywood and Dania Beach, as well as unincorporated Broward County. It is approximately 23 miles north of Miami, 48 miles south of West Palm Beach and 312 miles south of Jacksonville.

The South Florida industrial market is being heavily influenced by the impending expansion of the Panama Canal expected to be completed in 2014. We spoke to several top brokers, including Harry Tangalakis and Mike Silver, both of CBRE.

Miami-Dade County should feel the strongest effects, and major infrastructure upgrades are underway to make way for a new, larger ship, known as post-panamax, which can be 160 feet wide and up to 1300 feet long, as opposed to the pre-panamax ships, which were up to 106 feet wide and 960 feet long. Miami-Dade County is using federal stimulus money to build a tunnel which will connect the airport to interstate highways avoiding existing overcapacity highways. This one billion dollar project is under construction.

In addition, the Governor recently announced that the state would help with funding to dredge the Miami River in order to accommodate larger ships which require 50 feet of draft as opposed to the previous 42 foot level. The Army Corps of engineers is fast tracking the project, entertaining bids currently.

It is believed that the smaller ships will move north to Port Everglades and Port of Palm Beach, and some smaller air shippers receiving shipments from MIA may truck cargo north to the Opa Locka Airport, which is now somewhat underutilized, but with good access to major highways.

In Broward County, a new intermodal project was recently announced. Currently cargo from Port Everglades is driven east to Andrews Avenue and the FEC railroad tracks. Once the intermodal project is complete cargo will be loaded on site and shipped on rail directly from the port.

The implication for real estate is that this increase in shipping activity will create demand for new distribution space, primarily in Miami-Dade County, but also in both Broward and Palm Beach, most likely 6-9 months from now, which would result in construction completion in time to meet this new demand.

Outside of this major event, the market is described as being two tiered, with locations suitable to national companies performing well, but with small bay warehousing and older, functionally obsolescent buildings with low clearance, not performing nearly as well. The smaller warehouse properties rely upon tenants most heavily affected by the recession and neither small multi-bay buildings nor the obsolescent single user buildings are positioned to take advantage of the new demand for distribution space and recovery in this sector of the market will recover, albeit at a slower pace.

Port Everglades' jurisdiction encompasses a total of 2,190 acres which includes 1,742 acres of upland and 448 acres of submerged land. Upland acreage falls within the following municipalities:

1,242 acres or 71.3% of Port Everglades is located within the City of Hollywood.

232 acres or 13.3% is located within the City of Fort Lauderdale.

234 acres or 13.4% is located within the City of Dania.

34 acres or 2% is located within unincorporated Broward County.

(Source:www.porteverglades.org)

Surrounding Development

Within the airport, several cargo operations are located along the northern perimeter and Interstate 95, and several large office buildings and Fixed Base Operations can be found in the western and southwestern quadrant. Most properties in the areas outside the airport are industrial, per zoning, especially north and west of the airport. Industrial land further west has experienced strong pace of development, in part due to the proximity to and influence of Marina Mile and the significant marine industry found in Broward County. Properties east of the airport and outside Port Everglades consist of secondary rental car facilities and park-and-ride lots. A good portion of this area will be used as part of the airport expansion. The extensive activity occurring at Port Everglades and FLL discussed previously, should result in an increase in demand for land with good access to both facilities. The map on the following page depicts the subject's location and its proximity to major highways, FLL, and Port Everglades as well as the projects either underway or recently completed.

Industrial Market Overview

The Broward County industrial market ended the fourth quarter 2017 with a vacancy rate of 3.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 384,842 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 299,382 square feet. Rental rates ended the fourth quarter at \$9.88, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 226,885 square feet, with 1,465,271 square feet still under construction at the end of the quarter.

Absorption

- Net absorption for the overall Broward County Industrial market was positive 384,842 square feet in the fourth quarter 2017. That compares to positive 55,301 square feet in the third quarter 2017, positive 381,886 square feet in the second quarter 2017, and positive 410,666 square feet in the first quarter 2017.
- The Flex building market recorded net absorption of positive 11,571 square feet in the fourth quarter 2017 compared to positive 534 square feet in the third quarter 2017, positive 124,890 in the second quarter 2017, and negative 102,309 in the first quarter 2017.
- The Warehouse building market recorded net absorption of positive 373,271 square feet in the fourth quarter 2017 compared to positive 54,767 square feet in the third quarter 2017, positive 256,996 in the second quarter 2017, and positive 512,975 in the first quarter 2017.

Vacancy

- The Industrial vacancy rate in the Broward County market area decreased to 3.5% at the end of the fourth quarter 2017.
- The vacancy rate was 3.7% at the end of the third quarter 2017, 3.6% at the end of the second quarter 2017, and 3.8% at the end of the first quarter 2017.
- Flex projects reported a vacancy rate of 4.9% at the end of the fourth quarter 2017, 4.5% at the end of the third quarter 2017, 4.5% at the end of the second quarter 2017, and 5.2% at the end of the first quarter 2017.
- Warehouse projects reported a vacancy rate of 3.3% at the end of the fourth quarter 2017, 3.5% at the end of third quarter 2017, 3.4% at the end of the second quarter 2017, and 3.6% at the end of the first quarter 2017.

Rental Rates

- The average quoted asking rental rate for available Industrial space was \$9.88 per square foot per year at the end of the fourth quarter 2017 in the Broward County market area.
- The average quoted rate within the Flex sector was \$13.70 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$9.20. At the end of the third quarter 2017, Flex rates were \$13.22 per square foot, and Warehouse rates were \$9.22.

Inventory and Construction

- Total industrial inventory in the Broward County market area amounted to 128,656,525 square feet in 6,247 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 19,602,214 square feet in 1,052 projects. The Warehouse sector consisted of 109,054,311 square feet in 5,195 buildings. Within the Industrial market there were 562 owner-occupied buildings accounting for 18,133,064 square feet of Industrial space.
- During the fourth quarter 2017, three buildings totaling 226,885 square feet were completed in the Broward County market area. This compares to one buildings totaling 166,370 square feet that were completed in the third quarter 2017, three buildings totaling 82,270 square feet completed in the second quarter 2017, and 70,964 square feet in one building completed in the first quarter 2017.
- There were 1,465,271 square feet of Industrial space under construction at the end of the fourth quarter 2017.
- The largest projects underway at the end of fourth quarter 2017 were South Florida Distribution Center- Building, a 224,572 square foot building with no space pre-leased, and Coral Spring commerce center III, a 215,486-square-foot facility that is not pre-leased.

Sales Activity

- Tallying industrial building sales of 15,000 square feet or larger, Broward County industrial sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 industrial transactions closed with a total volume of \$180,109,585. The 13 buildings totaled 1,405,593 square feet and the average price per square foot equated to \$128.14 per square foot.
- Caps rates have been higher in 2017, averaging 8.15%, compared to the first nine months of last year when they averaged 7.38%.
- One of the largest transactions that have occurred within the last four quarters in the Broward County market is the sale of Bridge point I-95 in Fort Lauderdale. This 306,465-square-foot industrial building sold for \$54,825,000, or \$178.89 per square foot. The property sold on 9/27/2017.

Retail Market Overview

The Broward County retail market did not experience much change in market conditions in the fourth quarter 2017. The vacancy rate went from 3.4% in the previous quarter to 3.3% in the current quarter. Net absorption was positive 238,658 square feet, and vacant sublease space decreased by (11,208) square feet. Quoted rental rates increased from third quarter 2017 levels, ending at \$21.09 per square foot per year. A total of 19 retail buildings with 206,611 square feet of retail space were delivered to the market in the quarter, with 716,545 square feet still under construction at the end of the quarter.

Absorption

- Retail net absorption was moderate in Broward County fourth quarter 2017, with positive 238,658 square feet absorbed in the quarter.
- In third quarter 2017, net absorption was positive 173,068 square feet, while in second quarter 2017, absorption came in at positive 199,881 square feet.
- In first quarter 2017, positive 709,378 square feet was absorbed in the market.

Vacancy

- Broward County's retail vacancy rate decreased in the fourth quarter 2017, ending the quarter at 3.3%.
- Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 3.7% in the first quarter 2017, to 3.6% at the end of the second quarter 2017, 3.4% at the end of the third quarter 2017, to 3.3% in the current quarter.
- The amount of vacant sublease space in the Broward County market has trended down over the past four quarters. At the end of the first quarter 2017, there were 124,176 square feet of vacant sublease space. Currently, there are 36,886 square feet vacant in the market.

Rental Rates

- Average quoted asking rental rates in the Broward County retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at \$21.09 per square foot per year. That compares to \$20.43 per square foot in the third quarter 2017. This represents a 3.2% increase in rental rates in the current quarter, and a 2.28% increase from four quarters ago.

Inventory and Construction

- During the fourth quarter 2017, nineteen buildings totaling 206,611 square feet were completed in the Broward County retail market.
- Over the past four quarters, a total of 657,206 square feet of retail space has been built in Broward County.
- In addition to the current quarter, six buildings with 109,386 square feet were completed in third quarter 2017, nine buildings totaling 91,763 square feet completed in second quarter 2017, and 249,446 square feet in 17 buildings completed in first quarter 2017.
- There were 716,545 square feet of retail space under construction at the end of the fourth quarter 2017.
- Some of the notable 2017 deliveries include: Impact strong kickboxing and fitness center, an 80,027 square-foot-facility that delivered in 2017 and is now 100% occupied.
- Total retail inventory in the Broward County market area amounted to 106,840,778 square feet in 7,363 buildings and 1152 centers as of the end of the fourth quarter 2017.

Shopping Centers

- The Shopping Center market in Broward County currently consists of 1126 projects with 49,269,885 square feet of retail space in 2,049 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.
- After absorbing 97,035 square feet and delivering 49,500 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 4.6% at the end of the third quarter 2017 to 4.5% this quarter.
- Over the past four quarters, the Shopping Center vacancy rate has gone from 5.4% at the end of the first quarter 2017, to 4.8% at the end of the second quarter 2017, to 4.6% at the end of the third quarter 2017, and finally to 4.5% at the end of the current quarter.
- Rental rates ended the fourth quarter 2017 at \$21.10 per square foot, up from the \$20.52 they were at the end of the third quarter 2017.

- Rental rates have trended up over the past year, going from \$20.20 per square foot a year ago to their current levels. Net absorption in the Shopping Center sector has totaled 891,698 square feet over the past four quarters.
- In addition to the positive 97,035 square feet absorbed this quarter, positive 81,074 square feet was absorbed in the third quarter 2017, positive 329,856 square feet was absorbed in the second quarter 2017, and positive 383,733 square feet was absorbed in the first quarter 2017.

Sales Activity

- Tallying retail building sales of 15,000 square feet or larger, Broward County retail sales figures fell during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 retail transactions closed with a total volume of \$116,115,000. The 13 buildings totaled 699,945 square feet and the average price per square foot equated to \$165.89 per square foot. That compares to 15 transactions totaling \$249,809,395 in the second quarter 2017. The total square footage in the second quarter was 726,534 square feet for an average price per square foot of \$343.84.
- Total retail center sales activity in 2017 was up compared to 2016.
- In the first nine months of 2017, the market saw 37 retail sales transactions with a total volume of \$589,974,395.

Office Market

The Broward County Office market ended the fourth quarter 2017 with a vacancy rate of 8.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 135,806 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 231,600 square feet. Rental rates ended the first quarter at \$26.95, a decrease over the previous quarter.

Absorption

- Net absorption for the overall Broward County office market was positive 135,806 square feet in the fourth quarter 2017. That compares to positive 393,257 square feet in third quarter 2017, positive 300,635 square feet in the second quarter 2017, and positive 604,341 square feet in the first quarter 2017.
- Tenants moving out of large blocks of space in 2017 include: Kaplan, Inc. moving out of 96,948 square feet at Kaplan University; Kaplan Inc. moving out of 96,948 square feet at Kaplan University; and Kaplan University moving out of 87,236 square feet at Plantation Corporate Center I.
- Net absorption for Broward County's central business district was positive 80,355 square feet in the fourth quarter 2017. That compares to positive 88,171 square feet in the third quarter 2017, negative (25,458) in the second quarter 2017, and negative (53,278) in the first quarter 2017.
- Net absorption for the suburban markets was positive 55,451 square feet in the fourth quarter 2017. That compares to positive 305,086 square feet in third quarter 2017, positive 326,093 in the second quarter 2017, and positive 657,619 in the first quarter 2017.

Vacancy

- The overall vacancy rate in Broward County's central business district at the end of the fourth quarter 2017 decreased to 8.5%. The vacancy rate was 9.4% at the end of the third quarter 2017, 10.4% at the end of the second quarter 2017, and 10.1% at the end of the first quarter 2017.

- The office vacancy rate in the Broward County market area decreased to 8.2% at the end of the fourth quarter 2017. The vacancy rate was 8.3% at the end of the third quarter 2017, 8.9% at the end of the second quarter 2017, and 9.1% at the end of the first quarter 2017.
- The vacancy rate in the suburban markets increased to 8.2% in the fourth quarter 2017. The vacancy rate was 8.1% at the end of the third quarter 2017, 8.6% at the end of the second quarter 2017, and 9.0% at the end of the first quarter 2017.

Rental Rates

- The average quoted asking rental rate for available office space, all classes, was \$26.95 per square foot per year at the end of the fourth quarter 2017 in the Broward County market area. This represented a 0.3% decrease in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$27.02 per square foot.
- The average quoted asking rental rate in Broward County's CBD was \$36.51 at the end of the fourth quarter 2017, and \$25.34 in the suburban markets. In the third quarter 2017, quoted rates were \$39.06 in the CBD and \$25.11 in the suburbs.

Sales Activity

- Tallying office building sales of 15,000 square feet or larger, Broward County office sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 12 office transactions closed with a total volume of \$114,383,367. The 12 buildings totaled 597,89 square feet and the average price per square foot equated to \$191.31 per square foot. That compares to 10 transactions totaling \$57,075,500 in the second quarter 2017. The total square footage in the second quarter was 491,391 square feet for an average price per square foot of \$116.15.
- Cap rates have been level in 2017, averaging 6.55% compared to the same period in 2016 when they averaged 6.56%.

Site Description

Location

The subject is located along the South side of Taylor Road, east of Federal Hwy., in Dania Beach, Broward County, Florida, 33004.

Legal Description

The subject is a portion of a parcel with the following legal description:

Abbreviated Legal Description	C.I.D.B. PLAT 140-28 B PARCEL "A"
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Land Area

The subject site measures approximately 325 feet along Taylor Road by a maximum depth of 400 feet and contains 127,831 square feet or 2.93 Acres.

Topography/Drainage/Environment

The site is level and appears to be near street grade. Drainage appears adequate as no standing water was observed. The site has some wetlands, the cost of mitigation for which is estimated at \$20,000.

Access

The subject has automobile access from Taylor Road and right of way has been dedicated for Taylor Road to extend along the western boundary, although this road has not been built. No easements were noted that would affect the marketability of the property. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75.

Utilities and Services

All necessary utilities and public services are available in adequate capacity to support development on the subject site.

Land Use and Zoning Requirements

The property is currently zoned IG, Industrial General, and has a land use designation of RAC, Regional Activity Center. The plat is approved for a 150 room hotel, but this is not permitted in IG zoning and a zoning change would be required. However, the RAC land use designation is very liberal and, while only 41 hotel rooms remain specifically designated as hotel rooms, 1,693 residential units are identified for Dania Beach properties east of Federal Highway and these residential units can be converted to hotel use based upon two hotel rooms per dwelling unit.

Easements and Encroachments

To the best of our knowledge no other easements or encroachments exist other than those noted.

Conclusion of Site Analysis

The subject is a parcel significant in size with excellent proximity to FLL. Land use and zoning call for a variety of possible uses and the plat calls for hotel development. A zoning change would be required for hotel development. The land use designation is very liberal and it appears likely that a zoning change would be granted.

HIGHEST AND BEST USE ANALYSIS

According to the Dictionary of Real Estate, published by the Appraisal Institute, the highest and best use may be defined as:

“The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

Highest and Best Use “As Vacant”

Legally Permissible

The property is currently zoned IG, Zoning Comments, by Broward County Broward County. This zoning does not allow for the site to be improved with a hotel, but a hotel would be legal if the zoning were changed, most likely to IROM. Distribution use may be approved as a special exception, and light industrial, medical laboratory, research and development, educational facility, enclosed automobile and bicycle repair, marine and training center.

The subject is subject to height restrictions in accordance with 14 CFR Part 77, relating to heights of structures in and around airports. The proximity to the airport and location below a flight path calls for a maximum building height of 62 feet.

The height restrictions within the airport are based on a formula which calls for an increasing slope, creating a cone effect. From a practical standpoint, the restrictions range from 10 feet nearest the runway to as much as 160 feet furthest from the runway, although most properties in the vicinity of the airport have a 62 foot maximum height per FAA regulations. This provides a high degree of flexibility a limits the effect of the restriction. We spoke to representatives from FEC Railway, Flagler Development and Stiles Development and all were of the opinion that the height restrictions would affect the possible development but would not prevent it as an appropriate design, such as a design calling for surface parking nearest the runway or a building with a stepped design, such as the hotel depicted below, locate adjacent to FLL.



Physically Possible

Size, Configuration, and Topography

The subject site consists of a mostly rectangularly shaped airside parcel of land south of FLL containing 2.9346 acres of land.

Accessibility

The subject has automobile access from Taylor Road / N.E. 10th Street, which runs along the southern border of the eastern portion of FLL. No easements were noted that would affect the marketability of the property. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75.

Economically Feasible/Maximally Productive

As mentioned, the subject's location adjacent to FLL is the overriding influence and its proximity to Interstate 595, Port Everglades and downtown Fort Lauderdale are all positive factors. The fact that it is not airside would indicate a secondary or supportive hospitality or industrial distribution use, which, it appears, would be possible given the liberal nature of the RAC land use.

Conclusion of Highest and Best Use "As Vacant"

We are of the opinion that the highest and best use of the subject as if vacant is to develop with a commercial or industrial use which would take advantage of the subject's proximity to FLL. These uses could include office, flex office or distribution space. The subject is platted as a hotel site, but this use will require a zoning change. From a valuation standpoint, however, prices paid for the comparables which were planned for hotel development do not vary significantly from prices paid for parcels developed as distribution warehouse. The site is subject to height restrictions but these restrictions do not rule out development, especially for industrial uses, whether distribution warehouse, self-storage, or flex office development.

VALUATION AND CONCLUSIONS

The Valuation Process/Methodology

There are three approaches in the estimation of market value: the Cost, Income and Sales Comparison Approaches to Value.

Market value via the **Cost Approach** consists of the sum of the land value and the cost new of the improvements less accrued depreciation. The Cost Approach is based on the premise that buyer would pay no more for a property than it would cost to build a similar property.

The **Income Approach** is based on the premise that an investor would pay no more for the subject property than he would for another investment with similar income and expenses. The value of an investment is based upon the quality and quantity of the anticipated income stream. Since this value is equal to the present worth of anticipated future benefits in the form of dollar income or amenities, this approach estimates the present value of the net income that the property is capable of producing. This amount is capitalized at a rate, which reflects risk to the investor and the amount of income necessary to support debt service.

The **Sales Comparison Approach** involves the process of comparing sales of similar properties and adjusting for differences in time, location and physical characteristics. This approach is based upon the assumption that a purchaser will not pay more for a property than it would cost to buy a comparable property.

Cost Approach

Methodology

The Cost Approach is based on the proposition that a knowledgeable purchaser would not pay more for a property than the cost of producing a substitute property with an equal amount of utility. The Cost Approach generally provides an accurate indication of value when the property being appraised involves relatively new building improvements, specialty improvements, which represent the highest and best use of the property.

In the Cost Approach, the depreciated value of the improvements is added to the land value. The depreciated value of the improvements is estimated by using the cost of reproducing or replacing the improvements new, less the total amount of accrued depreciation contributed by all forms of depreciation and obsolescence.

The cost approach was not applied due to the fact that the subject is vacant land.

Sales Comparison Approach

Methodology

The Sales Comparison Approach estimates the value of a property by comparing it with similar, recently sold properties in the surrounding or competing area. Inherent in this approach is the *Principle of Substitution*, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

By analyzing sales that qualify as arm's length transactions between willing and knowledgeable buyers and seller, we can identify market value and price trends. The sold properties must be comparable to the subject in physical, location and economic characteristics. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings throughout the competitive area;
2. Select and analyze properties that are similar to the subject, giving consideration to the date of sale, any changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or location factors;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sales price to a common unit of comparison such as price per square foot of building area, price per unit and gross income multiplier;
5. Make appropriate adjustments to the prices of the comparable properties; and
6. Interpret the adjusted sales data and draw a logical value conclusion.

The Sales Comparison approach was used in order to determine the appropriate unit value for the market value per square foot of land area.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

We have researched seven comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

VALUATION AND CONCLUSION

Comp	Address	Date	Zoning	Price per Land SF	Land SF	Comments
Subject	City	Price		Price per Acre	Acres	
	South side of Taylor Road, east of Federal Hwy. Dania Beach	3/4/2018	IG			
1	4160 Ravenswood Rd Dania	8/18/2017 \$2,106,400	IROM	\$24.67 \$1,074,694	85386 1.96	This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. T5.15:1 the property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse building in fair condition. The warehouse area is open and the land-to-building is 5.15:1.
2	2201 W Broward Blvd Fort Lauderdale	7/5/2017 \$10,400,000	B-1	\$20.48 \$892,217	507751 11.66	The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10 minutes from FLL.
3	3001 SW 26th Ter Dania Beach	6/28/2017 \$1,300,000	IROM-AA	\$18.09 \$787,879	71874 1.65	The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.
4	2300 Griffin Rd Dania Beach	10/24/2017 \$7,500,000	C-1 (Commercial)	\$17.97 \$782,881	417305 9.58	This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.
5	2638 Polk St Hollywood	5/23/2017 \$1,050,000	RAC-TC-1	\$27.06 \$1,178,784	38801 0.89	This 0.89 acres of land was sold for \$1,050,000. The land was recently re-zoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.
6	1900 NE 7th Ave Dania Beach	6/30/2017 \$3,640,000	IRO	\$19.25 \$838,711	189050 4.34	On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site. The buyer will build a distribution warehouse building with delivery
7	3200 SW 29th Ave Fort Lauderdale	2/7/2017 \$7,443,400	IROM	\$22.51 \$980,686	330620 7.59	7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.

Land Sale Comparables Data & Photographs
Land Comparable 1



Transaction

ID	2518	Date	8/18/2017
Address	4160 Ravenswood Rd	Price	\$2,106,400
City	Dania	Price Per Land SF	\$24.67
State	FL	Financing	Cash
Tax ID	50-42-28-01-0100	Property Rights	Fee Simple
Grantor	Kelly Dorothy M	Days on Market	Not listed
Grantee	Village Rent & Ride Llc	Verification Source	Seller
Legal Description	NA		

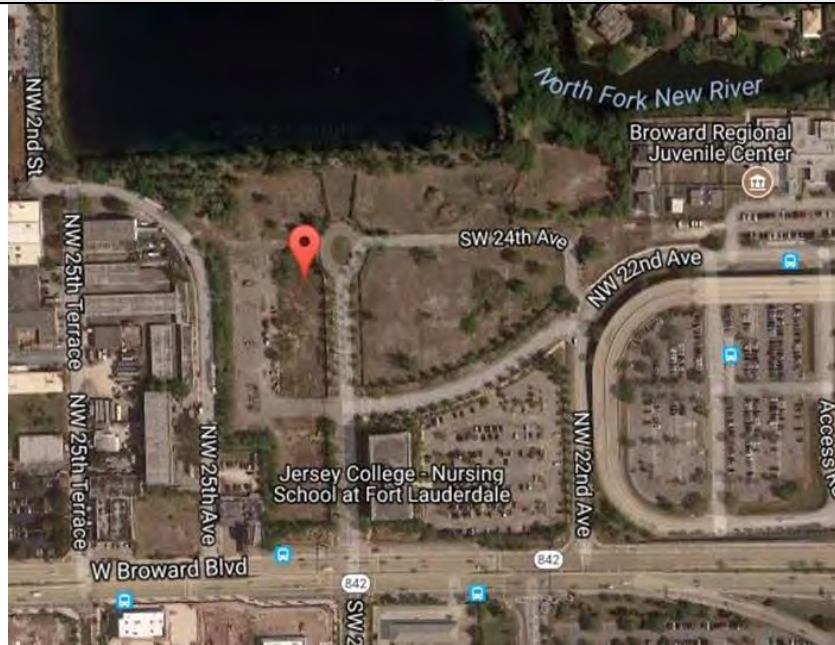
Site

Acres	2.0	Distance	1.87
Land SF	85,386	Zoning	IROM

Comments

This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. T5.15:1. The property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse building in fair condition. The warehouse area is open and the land-to-building is 5.15:1.

Land Comparable 2



Transaction

ID	2520	Date	7/5/2017
Address	2201 W Broward Blvd	Price	\$10,400,000
City	Fort Lauderdale	Price Per Land SF	\$20.48
State	FL	Financing	NA
Tax ID	50-42-05-50-0010	Property Rights	Fee Simple
Grantor	Riverbend Broward, LP	Days on Market	NA
Grantee	Bridge Riverbend, LLC	Verification Source	Buyer
Legal Description	A PORTION OF PARCEL		

Site

Acres	11.7	Distance	4.75
Land SF	507,751	Zoning	B-1

Comments

The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10 minutes from FLL.

Land Comparable 3



Transaction

ID	2522	Date	6/28/2017
Address	3001 SW 26th Ter	Price	\$1,300,000
City	Dania Beach	Price Per Land SF	\$18.09
State	FL	Financing	\$800,000
Tax ID	50-42-20-48-0010	Property Rights	NA
Grantor	Alex Nichols	Days on Market	1225
Grantee	Dania Resorts LLC	Verification Source	NA
Legal Description	PARCEL A, RUNWAY		

Site

Acres	1.7	Distance	2.77
Land SF	71,874	Zoning	IROM-AA

Comments

The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.

Land Comparable 4



Transaction

ID	2521	Date	10/24/2017
Address	2300 Griffin Rd	Price	\$7,500,000
City	Dania Beach	Price Per Land SF	\$17.97
State	FL	Financing	Cash
Tax ID	50-42-29-53-0010	Property Rights	Fee Simple
Grantor	Griffin Pointe Partners Lllp	Days on Market	NA
Grantee	Q-Med Corp	Verification Source	Buyer
Legal Description	Parcel A Griffin Pointe		

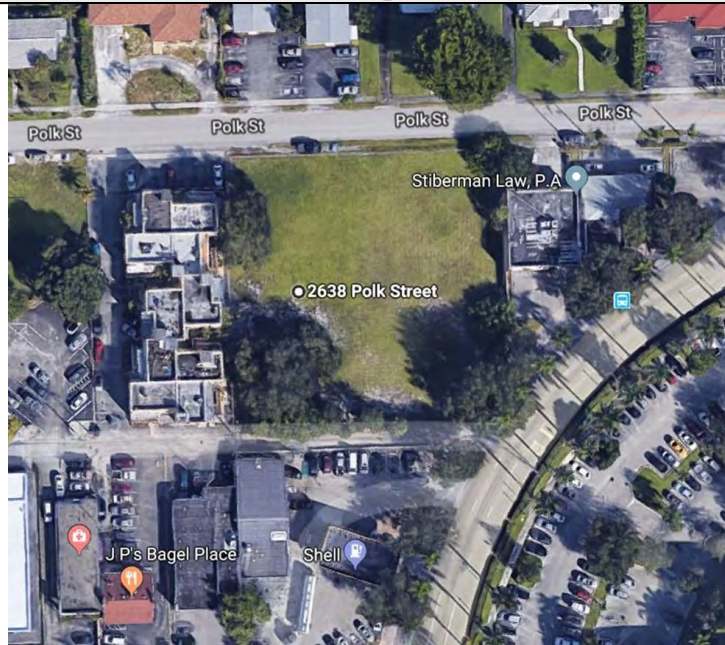
Site

Acres	9.6	Distance	1.98
Land SF	417,305	Zoning	C-1 (Commercial)

Comments

This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.

Land Comparable 5



Transaction

ID	2524	Date	5/23/2017
Address	2638 Polk St	Price	\$1,050,000
City	Hollywood	Price Per Land SF	\$27.06
State	FL	Financing	Cash
Tax ID	41-42-16-02-3450	Property Rights	Fee Simple
Grantor	2638 Polk Street, LLC	Days on Market	363
Grantee	Hollywood Downtown	Verification Source	Press Release
Legal Description	Lots 18-19 Hollywood		

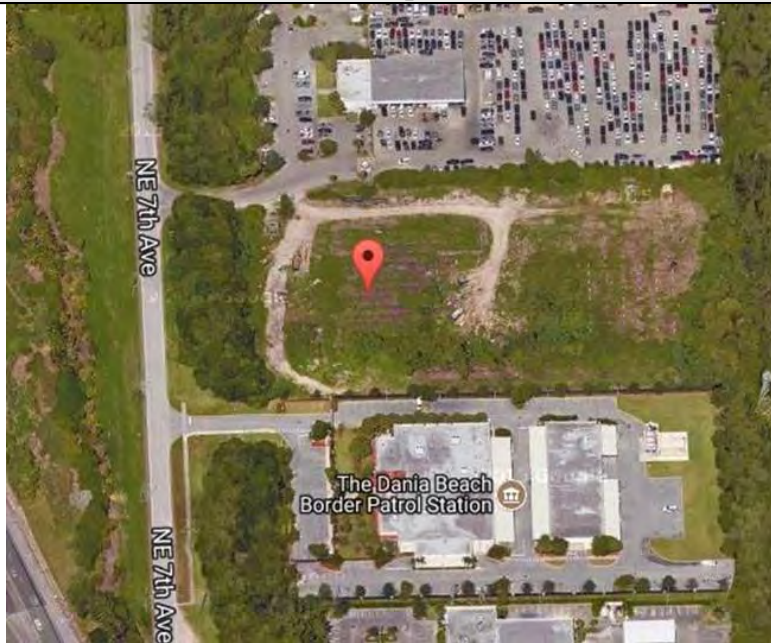
Site

Acres	0.9	Distance	3.72
Land SF	38,801	Zoning	RAC-TC-1

Comments

This 0.89 acres of land was sold for \$1,050,000. The land was recently re-zoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.

Land Comparable 6



Transaction

ID	2425	Date	6/30/2017
Address	1900 NE 7th Ave	Price	\$3,640,000
City	Dania Beach	Price Per Land SF	\$19.25
State	FL	Financing	Cash
Tax ID	50-42-26-09-0020	Property Rights	Fee Simple
Grantor	Port 5 Ltd	Days on Market	1179
Grantee	Gpt Dania Beach Owner	Verification Source	NA
Legal Description	NISA PLAT 147-14 B		

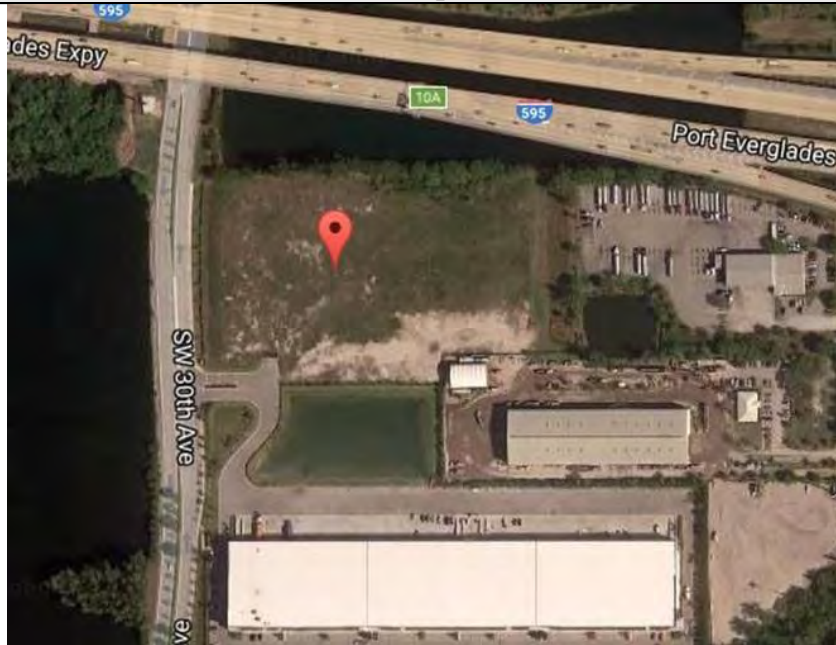
Site

Acres	4.3	Distance	0.88
Land SF	189,050	Zoning	IRO

Comments

On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site. The buyer will build a distribution warehouse building with delivery anticipated for May, 2019.

Land Comparable 7



Transaction

ID	2532	Date	2/7/2017
Address	3200 SW 29th Ave	Price	\$7,443,400
City	Fort Lauderdale	Price Per Land SF	\$22.51
State	FL	Financing	Cash
Tax ID	50-42-20-50-0012	Property Rights	Fee Simple
Grantor	Pantropic Power Inc	Days on Market	NA
Grantee	Msg I-595, LLC	Verification Source	Public Record/Costar
Legal Description	Lengthy		

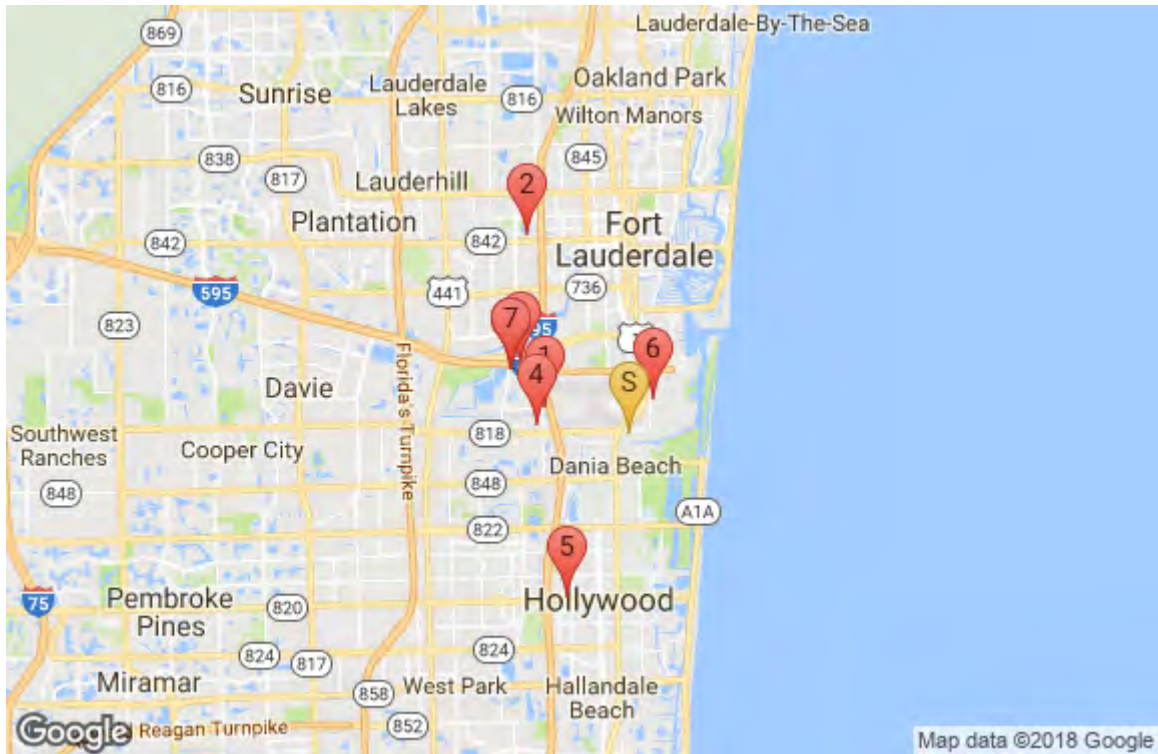
Site

Acres	7.6	Distance	2.87
Land SF	330,620	Zoning	IROM

Comments

7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.

Land Sales Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

VALUATION AND CONCLUSION

Land Sales Analysis Grid

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7
Address	South side of Taylor Road, east of Federal Hwy.	4160 Ravenswood Rd	2201 W Broward Blvd	3001 SW 26th Ter	2300 Griffin Rd	2638 Polk St	1900 NE 7th Ave	3200 SW 29th Ave
City	Dania Beach	Dania	Fort Lauderdale	Dania Beach	Dania Beach	Hollywood	Dania Beach	Fort Lauderdale
State	FL	FL	FL	FL	FL	FL	FL	FL
Date	3/4/2018	8/18/2017	7/5/2017	6/28/2017	10/24/2017	5/23/2017	6/30/2017	2/7/2017
Price		\$2,106,400	\$10,400,000	\$1,300,000	\$7,500,000	\$1,050,000	\$3,640,000	\$7,443,400
Land SF	127,831	85,386	507,751	71,874	417,305	38,801	189,050	330,620
Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51
Transaction Adjustments								
Property Rights	Fee Simple	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Financing	Conventional	0 0.0%	0 0.0%	800000 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Conditions of Sale	Cash	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Adjusted Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51
Market Trends Through	3/4/2018 8.0%	4.3%	5.2%	5.4%	2.8%	6.2%	5.3%	8.6%
Adjusted Land SF Unit Price		\$25.72	\$21.55	\$19.06	\$18.48	\$28.74	\$20.28	\$24.44
Location	Good	Inferior	Similar	Inferior	Inferior	Similar	Similar	Similar
% Adjustment		10%	0%	10%	10%	0%	0%	0%
\$ Adjustment		\$2.57	\$0.00	\$1.91	\$1.85	\$0.00	\$0.00	\$0.00
Acres	2.93	1.96	11.66	1.65	9.58	0.89	4.34	7.59
% Adjustment		0%	10%	0%	10%	-10%	0%	0%
\$ Adjustment		\$0.00	\$2.16	\$0.00	\$1.85	-\$2.87	\$0.00	\$0.00
Topography	Level	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shape	Rectangular	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	All	All	All	All	All	All	All	All
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning	IG	IROM	B-1	IROM-AA	C-1 (Commercial)	RAC-TC-1	IRO	IROM
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Land SF Unit Price		\$28.29	\$23.71	\$20.97	\$22.17	\$25.86	\$20.28	\$24.44
Net Adjustments		10.0%	10.0%	10.0%	20.0%	-10.0%	0.0%	0.0%
Gross Adjustments		10.0%	10.0%	10.0%	20.0%	10.0%	0.0%	0.0%

Sales Comparison Approach Conclusion – Land Valuation

Each comparable is a vacant parcel zoned for commercial or industrial use. Each is an arm's length sale and none were REO/short sales.

Sale one is a parcel of land located at 4160 Ravenswood Rd in Dania. This parcel is zoned IROM and consists of 85,386 square feet or 1.87 acres. This comparable sold on August 18, 2017 from Kelly Dorothy M to Village Rent & Ride Llc for a price of \$2,106,400 or \$24.67 per square foot. The property was sold to one of several tenants in place and the improvements in place were in fair condition.

Sale two is a parcel of land located at 2201 W Broward Blvd in Fort Lauderdale. This parcel is zoned B-1 and consists of 507,751 square feet or 11.7 acres. This comparable sold on July 5, 2017 from Riverbend Broward, LP to Bridge Riverbend, LLC for a price of \$10,400,000 or \$20.48 per square foot. Currently this parcel is being developed as a distribution warehouse project.

Sale three is a parcel of land located at 3001 SW 26th Ter in Dania Beach. This parcel is zoned IROM-AA and consists of 71,874 square feet or 1.7 acres. This comparable sold on June 28, 2017 from Alex Nichols to Dania Resorts LLC for a price of \$1,300,000 or \$18.09 per square foot. This parcel will be developed as a hotel.

Sale four is a parcel of land located at 2300 Griffin Rd in Dania Beach. This parcel is zoned C-1 (Commercial) and consists of 417,305 square feet or 9.6 acres. This comparable sold on October 24, 2017 from Griffin Pointe Partners Llp to Q-Med Corp for a price of \$7,500,000 or \$17.97 per square foot. A build-to-suit industrial building will be developed on the site.

Sale five is a parcel of land located at 2638 Polk St in Hollywood. This parcel is zoned RAC-TC-1 and consists of 38,801 square feet or 0.9 acres. This comparable sold on May 23, 2017 from 2638 Polk Street, LLC to Hollywood Downtown Hotel, LLC for a price of \$1,050,000 or \$27.06 per square foot. This parcel will be developed with a 119 room hotel. The price per room paid was \$8,824.

Sale six is a parcel of land located at 1900 NE 7th Ave in Dania Beach. This parcel is zoned IRO and consists of 189,050 square feet or 4.3 acres. This comparable sold on June 30, 2017 from Port 5 Ltd to Gpt Dania Beach Owner Llc for a price of \$3,640,000 or \$19.25 per square foot. The parcel was advertised as a self-storage site but the buyer will build an industrial distribution building of 80,000 square feet, anticipated to be delivered May, 2019.

Sale seven is a parcel of land located at 3200 SW 29th Ave in Fort Lauderdale. This parcel is zoned IROM and consists of 330,620 square feet or 7.6 acres. This comparable sold on February 7, 2017 from Pantropic Power Inc to Msg I-595, LLC for a price of \$7,443,400 or \$22.51 per square foot.

Comparable Land Sale Adjustments

As mentioned, each of the comparable sales is an arm's length sale having occurred since early 2017 of a commercial parcel of land located within the vicinity of FLL. No adjustment is made for motivation or financing terms.

Market Conditions

An adjustment for market conditions of 8% annually is included to address the improving market conditions.

Location

Each sale has a good office, retail or mixed use location, but sale one is located on a secondary street, as is sale three. These three sales are adjusted downward. Sale four is also some distance from FLL but is located east of I-95 in a desirable area of Hollywood. These factors offset and no adjustment was applied.

Size

Size adjustments are often applied based upon the economic theory of economies of scale. In certain cases this is appropriate, but there are many cases in where this adjustment would be incorrect. For example, a site so small that utility is limited will not necessarily sell for more per square foot than a larger site with greater utility. In South Florida the concept of scarcity comes into play, in that the area is reaching buildout with very few parcels significant in size remaining available for development. In this case each parcel is large enough for a significantly sized development but sale 5 is smaller than one acre and is adjusted downward whereas sales two and four are significantly larger and are adjusted upward for this factor.

Topography

None of the sales had topographic issues or challenges. The subject will require wetland mitigation, but this cost is subtracted from the market value estimate.

Shape

The subject has a generally rectangular shape as does each of the sales.

Utilities

Each sale has access to utilities and no adjustment is applied.

Zoning

Each sale is zoned for industrial, commercial or mixed-use development and no adjustments are needed.

Conclusion

The adjusted values of the comparable properties range from \$20.28 to \$28.29; the average is \$23.68. All of the value indications have been considered and we have at a final reconciled per square foot value of \$25.00.

As Is Market Value	
Indicated Value per square foot:	\$25.00
Subject Size:	127,831
Indicated Value:	\$3,195,779
Rounded:	\$3,175,000

The cost of wetland mitigation of \$20,000 is subtracted in order to arrive at the indicated market value of **\$3,175,000**.

Income Capitalization Approach

Methodology

The Income Capitalization Approach is a method of converting the anticipated economic benefits of owning property into a value estimate through capitalization. The Principle of Anticipation underlying this approach is that prudent investors recognize a relationship between income and the assets value. Through the completion of this approach, appraisers measure the present value of the future benefits of property ownership.

In order to value the anticipated economic benefits of a particular property, the following is completed.

1. Determine potential gross income from occupied and vacant space;
2. Deduct a vacancy and collection loss to derive effective gross income;
3. Deduct expenses of operation to derive net operating income and/or cash flow before debt service;
4. Analyze the duration and pattern of the income stream;
5. Select the appropriate capitalization method or methods;
6. Complete the computations to derive an indicated value by the Income Approach; and
7. If direct capitalization and a discounted cash flow are used, analyze the indicated values and conclude at a final value.

The two most common methods of converting net income into value are direct capitalization and discounted cash flow analysis. In direct capitalization, net operating income is divided by an overall rate extracted directly from market sales to indicate a value. In the discounted cash flow method, anticipated future net income streams and a reversionary value are discounted to a net present value based upon a discount rate which reflects the appropriate level of risk.

The subject is a currently vacant land which has been valued using comparable sales of similar parcels of land. No Income Approach was developed.

Certification

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported.

The appraisal was made and the appraisal report prepared in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions.

The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the Uniform Appraisal Standards for Federal Land Acquisitions.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

This appraisal is not based upon a requested minimum valuation, a specific valuation or the approval of a loan.

The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

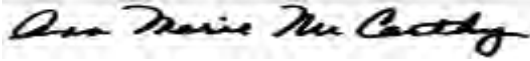
No one provided significant real property appraisal assistance to the persons signing this certification.

CERTIFICATION

As of the date of this report, I, Ann Marie McCarthy have completed the continuing education program of the Appraisal Institute.

Ann Marie McCarthy has inspected the subject property. As a result of our investigation into those matters which affect market value, and by virtue of our experience and training, we have formed the opinion that the annual market value of the subject as of March 4, 2018 is \$3,175,000.

AMH Appraisal Consultants, Inc.



Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser No. RZ1971

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

General Assumptions

1. The legal description used in this report is assumed to be correct.
2. No survey of the property has been made by the consultant and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matters of legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the analysis, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the consultant.
5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is analyzed as though under responsible ownership and competent management.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in this report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate provided.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines and that there is no encroachment or trespass unless noted.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

11. We are not expert in determining the presence of absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction, or otherwise present on the property. We assume no responsibility for the studies or analyses, which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The value estimate is based on the assumption that the subject property is not so affected.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

Limiting Conditions

1. The consultant will not be required to give testimony or appear in court because of having made this analysis, with reference to the property in question, unless arrangements have been previously made therefore.
2. Possession of the report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the consultant, and in any event only with proper written qualifications and only in its entirety.
3. The distribution of the total valuation in this report between land and improvements, if any, applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
4. No environmental impact studies were either requested or made in conjunction with this analysis, and the consultant hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
5. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the consultant. Nor shall the consultant, firm or professional organization of which the consultant is a member be identified without written consent of the consultant.
6. Neither our name nor report may be used in connection with any financing plan, which would be classified as a public offering under state or federal securities laws.
7. Acceptance of and/or use of this report constitutes acceptance of the foregoing General Assumptions and General Limiting Conditions.

ADDENDA

Appraiser Qualifications
Consultant Report – David Charland
Regional Analysis

CURRICULUM VITAE OF ANN MARIE MCCARTHY, MAI CCIM

BUSINESS ADDRESS

AMH Appraisal Consultants, Inc.
43 S Powerline Road
Suite 395
Pompano Beach, FL 33069
Telephone: (954) 978.2445 Fax: (954) 978.2076
Website www.amhappraisal.com

EDUCATION

North Central College, Naperville, IL - Bachelor of Arts, Marketing, 1987

Appraisal-related courses:

The Appraisal Institute:

Course 110 - Appraisal Principles, September 1993
Course 210 - Appraisal Procedures, March 1994
Course 1A-2 - Capitalization Part B, March 1992
Course 2-1 Case Studies, November 1992
Course 510 - Report Writing, October 1993
The Appraiser's Complete Review, July 1994
Course 700 – Appraising for Litigation I
Course 710 – Appraising for Litigation II

The American Institute of Real Estate Appraisers:

Course IA-1 Capitalization, September 1989
Course SPP Standards of Professional Practice, December 1989

Commercial Investment Real Estate Association:

CI 101 Financial Analysis for Commercial Real Estate
CI 201 Market Analysis for Commercial Real Estate
CI 301 Decision Analysis for Commercial Real Estate

PROFESSIONAL AFFILIATIONS

Member, Appraisal Institute, Certificate #10,760
Certified Commercial Investment Member (CCIM) #8349
Commercial Real Estate Women (CREW), Fort Lauderdale/Palm Beach
1996 Hospitality Director
1997 Hospitality Director
1998 Recording Secretary and National Delegate
2001 President Elect and Conference Chair
2002 President
2003-2004 National Delegate
2005 Founder, Past Presidents' Council
2006 Sponsorship, Chicago
2009 Chair - Programs Committee

Commercial and Industrial Real Estate Brokers Association (CIREBA)

NAIOP

Society of Commercial Realtors

Appraisal Institute

2000 -2003 Chair, Public Relations Committee
2003-2007 Member, National Membership Diversity Committee
2008, Chair, National Diversity Committee
2009 President – South Florida Chapter
2010-Current - Region X Representative, Appraisal Institute Government Relations Committee

EXPERIENCE

11/94 to Present President

AMH Appraisal Consultants, Inc.

11/92 to 11/94

Pardue, Heid, Church, Smith & Waller, of So. Fla., Inc.

Ft. Lauderdale, Florida

1/88 to 10/92

Appraisal Services, Inc.

Pompano Beach, Florida

PUBLICATIONS

“Aristotle, Appraisal Writing, and the Art of Persuasion”, The Appraisal Journal, July, 1997

Awarded Honorable Mention, Armstrong/Kahn Award presented April, 1998.

2003 - Co-authored “Accounting for Change: GASB, FASB and Mark to Market”, published in Valuation Insights and Perspective magazine.

LICENSES

State of Florida Certified General Appraiser #0001971

State of Florida Broker/Salesperson License #1495848

BROWARD COUNTY VALUE ADJUSTMENT BOARD

1996 Appraiser Special Master

1997 Appraiser Special Master

1998 Appraiser Special Master

1999 Appraiser Special Master

2000 Appraiser Special Master

2001 Appraiser Special Master

DADE COUNTY VALUE ADJUSTMENT BOARD

1997 Appraiser Special Master

FLORIDA DEPARTMENT OF TRANSPORTATION

Approved, Minority Business Enterprise

State of Florida Minority

EXPERT WITNESS QUALIFICATION

Palm Beach County Circuit Court

Broward County Circuit Court

Miami-Dade County Circuit Court

Collier County Circuit Court

Federal District Court Miami

Federal Bankruptcy Court Miami-Dade

Federal Bankruptcy Court Broward County

AWARDS

Recognized by Florida Real Estate Journal as one of the Top Women in Florida Commercial Real Estate for 2004.

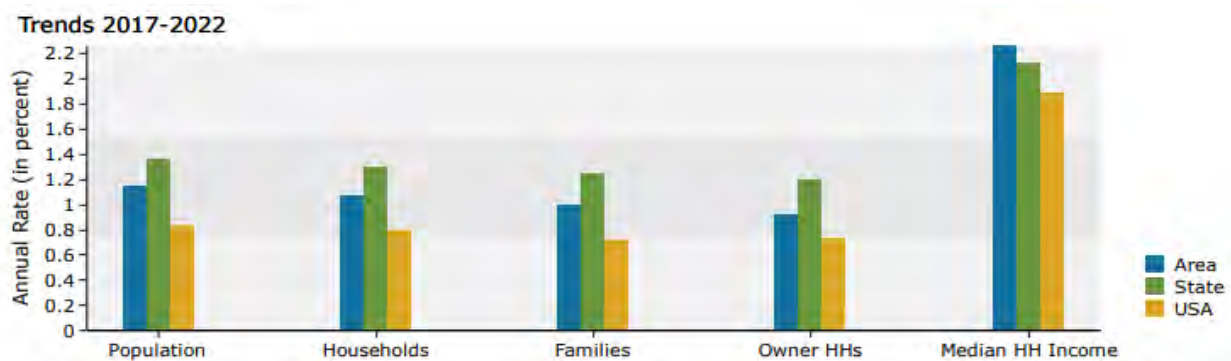
Ann Marie McCarthy, MAI, CCIM has completed appraisals of all property types, including industrial warehouse, condominium, and distribution properties, shopping centers and lifestyle centers, apartment complexes, office buildings, subdivisions, residential condominium projects, restaurants, marinas, boatyards, funeral homes, timeshare properties, single family rental home portfolios and automobile dealerships. Specialization includes aviation and port property appraisals. Appraisals were completed for financing, condemnation, non-condemnation litigation, financial reporting and asset management purposes.

Regional Analysis

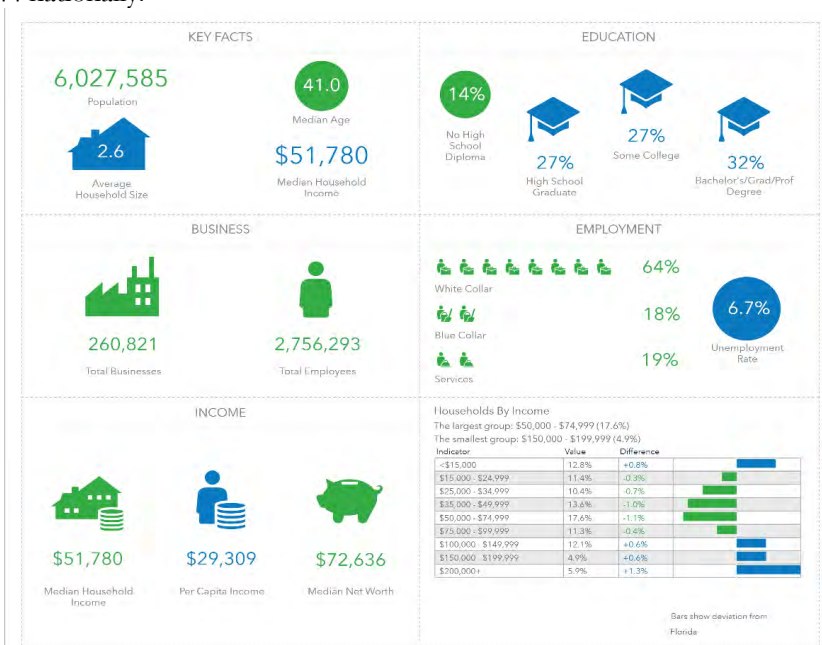
The subject is located in Broward County, which is located within the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area. The MSA is on the Atlantic coast of South Florida and encompasses Miami-Dade, Broward, and Palm Beach Counties, the three most populous counties in Florida. The region covers a geographic area of 6,137 square miles, with 1,011 miles of coast. Mild climate, high quality of life, potential for market growth, good transportation systems, strategic location, talented labor pool, burgeoning population base and ease of access are among the area's many positive attributes.

Population

Florida is now the third most populous state in the nation, having grown to 20.6 million residents.. The MSA's 6.01 million residents account for roughly 30% of the state's population and make it the eighth largest metropolitan area in the country. According to *Esri*, the population in the region is projected to grow at an annual rate of 1.14% over the next five years.



The number of households in the region has also been increasing since 2010 at a rate of 1.06% annually. The growth trend is expected to continue at a rate of 1.07% per year through 2022. The average household size is currently 2.64, while the median age in the region is 41.0. Current median household income is \$51,780 in the MSA, compared to \$56,124 for all U.S. households. Median home value in the region is currently \$242,806, compared to \$207,344 nationally.



Employment

The South Florida economy is largely driven by the service, retail, and finance/insurance/real estate trades which employ approximately 73.2% of the region's workforce. However, the MSA is diversifying itself away from a reliance on tourism, retirement and population growth, to a region more focused on business and commerce.

Although a large percentage of the employed people in the MSA still work in the service sector (52.7%), the influx of large corporations has increased the need for employees in the healthcare, financial services, telecommunications and computer fields. The region is currently home to six Fortune 500 companies: World Fuel Services, AutoNation, NextEra Energy, Inc., Office Depot, Lennar, and Ryder Systems. The MSA's largest employers are summarized in the following table.

Largest Employers		
Employer	# So. Fla. Employees	Total Employees
Publix Super Markets	39,098	187,500
Baptist Health South Florida	16,003	16,003
University of Miami	15,091	15,091
Tenet Healthcare Corp.	12,500	12,500
Jackson Health System	12,100	12,100
Source: South Florida Business Journal		

According to the Bureau of Labor and Statistics, the MSA's non-seasonally adjusted unemployment rate as of November 2017 was 4.1%, down from its high of 11.3% in August 2010. This is slightly higher than Florida's unemployment rate of 3.8% and the same as the national rate of 4.1%.

Transportation

A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Miami-Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

Air

The region is served by three full-service international airports: Palm Beach International, Fort Lauderdale/Hollywood International, and Miami International.

Palm Beach International Airport (PBIA) is conveniently located 2.5 miles west of downtown West Palm Beach and 3.5 miles west of Palm Beach. The airport is adjacent to Interstate 95 and located 20 miles north of Boca Raton and 15 miles south of Jupiter. There are 18 commercial and commuter airlines currently operating out of PBIA handling nearly 6.5 million passengers and 26,000 tons of cargo annually.

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is Florida's third busiest airport, and with improvements that are currently underway, is slated to be one of the most efficient in the nation. FLL was the fastest growing large hub airport for year to date and 12 months ending November 2017. The airport has seen total traffic increase 46 out of the last 47 months (as of December 2017) and is currently the 19th busiest U.S. airport. The airport recently completed a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects have been completed and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport's high growth is due in large part to its growth among low cost providers. The airport handles over 32 million passengers and is also a major hub for cargo traffic.

Miami International Airport (MIA) boasts the third highest number of international passengers in the United States and is currently first in international freight among U.S. airports. An estimated 44.1 million passengers used the airport in 2017 via 103 carriers serving 166 destinations. Miami International Airport operates more cargo flights to Latin America each day than all other United States Airports combined which underscores Miami-Dade County's role as the gateway to Latin America. MIA and the General Aviation Airports' annual economic impact is \$33.7 billion. MIA and related aviation industries contribute 282,724 jobs directly and indirectly to the local economy.

Rail

CSX and FEC are the largest carriers in the state, handling, among other things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers. A division of Florida East Coast Industries, Brightline is the only privately owned, operated, and maintained passenger rail system in the United States. Brightline currently provides express service between Fort Lauderdale and West Palm Beach, with access to Miami slated to begin soon and eventual connectivity to Orlando planned.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami. A multitude of destinations are available from Amtrak's three Fort Lauderdale stations. Tri-Rail Commuter Rail, with its four double-decker passenger cars accommodating a total of 700-seated passengers, services Dade, Broward and Palm Beach counties for convenient commuter travel between West Palm Beach and Miami. All Tri-Rail stations are served by a dedicated Tri-Rail shuttle system, interconnecting county transit buses or other transit systems.

Ports

The Port of Palm Beach is the fourth busiest container port of Florida's 14 deepwater ports and is the 18th busiest container port in the United States. In addition to intermodal capacity, the port is a major modal point for the shipment of bulk sugar (domestic usages), molasses, cement, utility fuels, water, produce, and breakbulk items. Unlike most ports in the United States, the Port of Palm Beach is an export port, with approximately 80% of its cargo being exported, with the subsequent improvement in the balance of trade. The majority of the exported cargo goes toward supporting the island nations of the Caribbean. The Port of Palm Beach supplies 60% of everything consumed in the Bahamas and is the essential lifeline to the rest of the Caribbean. All of the exported raw sugar that is produced in the Glades area, almost 900,000 tons, is shipped through the Port of Palm Beach. Additionally, The Grand Celebration cruise ship is based at the port. The Bahamas Paradise Cruise Line plans to launch a second ship from the port, the Grand Classica, which will also offer two-night trips to Grand Bahama. The port projects that it will receive from \$54.3 to \$62.9 million in net income from the two ships over the next 10 years.

Broward County's Port Everglades is one of the nation's leading container and cruise ports. According to the port's website, "Port Everglades is one of the top three cruise ports in the world. It is a leading container port in Florida and among the most active cargo ports in the United States. And, Port Everglades is South Florida's main seaport for receiving petroleum products including, gasoline and jet fuel. A foreign-trade zone and available office space inside the Port's secure area make Port Everglades a highly desirable business center for world trade... The total value of economic activity at Port Everglades is more than \$28 billion. Additionally, 224,054 Florida jobs are impacted by the Port, including 13,322 people who work for companies that provide direct services to Port Everglades." The Port Everglades Navigation Improvements Project, approved in late 2016, is moving forward. The federal government is funding almost \$200 million of the channel project's \$389.2 million cost, with the Port and State of Florida underwriting the rest. Construction of the channel project is estimated to be completed in mid-2021.

Miami is recognized as the "Cruise Capital of the World" and "Cargo Gateway of the Americas". PortMiami is the busiest passenger terminal in the world handling more than 5.1 million passengers in 2016. Royal Caribbean, Carnival Cruise Lines, Norwegian Cruise Lines, Oceania Cruises, Regent Seven Seas, and Celebrity Cruise Lines are headquartered in Miami-Dade County and dock their fleets at the port. The Port of Miami ranks as the 12th largest container port in United States, and is the second largest in the state of Florida, following only Port Everglades. The port handled approximately 8.9 million tons of cargo last year. PortMiami recently completed a series of capital improvements totaling around \$1 billion which included the completion of projects such as a new tunnel that provides direct access between the terminals and I-395 and I-95, modernization of on dock rail, and new cranes that can handle the larger Post-Panamax ships, which can now sail into the Port because of the recently completed 50-foot dredging alongside the main terminal.

APPRAISAL REPORT OF

**Vacant Land (DDK Plat)
Non-Airside Land adjacent to
Fort Lauderdale/Hollywood International Airport
North side of Taylor Road, 685 +/- Feet east of Federal Hwy.
Unincorporated, FL 33004**

**AS OF
March 7, 2018**



PREPARED FOR:

**Broward County
115 S Andrews Avenue
Fort Lauderdale, FL 33301**

PREPARED BY:

**ANN MARIE MCCARTHY, MAI CCIM
AMH APPRAISAL CONSULTANTS, INC.
43 S Powerline Road, Suite 395
Pompano Beach, Florida 33069**

**Telephone 954.978.2445
Facsimile 954.978.2076**

AMH APPRAISAL CONSULTANTS, INC.
“Committed to Quality and Integrity”

March 14, 2018

Broward County
115 S Andrews Avenue
Fort Lauderdale, FL 33301

Re: Appraisal of Vacant Land (DDK Plat)
Non-Airside Land adjacent to Fort Lauderdale/Hollywood International Airport
North side of Taylor Road, 685 +/- Feet east of Federal Hwy.
Unincorporated Broward County, FL 33004
AMH File 4585A

Ladies and Gentlemen:

We are pleased to submit this appraisal of the above-referenced property. The subject of this appraisal is a parcel of non-airside land outside Fort Lauderdale/ Hollywood International Airport along the North side of Taylor Road, 685 +/- Feet east of Federal Hwy., Unincorporated Broward County, FL. The parcel measures approximately 650 feet along Taylor Road and contains a total of 299,113 square feet or 6.87 acres.

The purpose of this appraisal was to estimate the “as is” market value of the subject as of March 7, 2018. An inspection was made and all research, analysis, and reporting was performed by Ann Marie McCarthy, MAI, CCIM. This appraisal is not based upon a requested minimum valuation or a specific valuation. No one other than the undersigned contributed to this report.

This appraisal was prepared in conformance with all regulations issued by the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute as well as the Uniform Appraisal Standards for Federal Land Acquisition. The assignment is the result of the development of the sales comparison approach.

Mr. Peter Oppenheimer, Esquire
March 14, 2018
Page 2

As a result of our analysis, we have formed the opinion that the market value of the subject property, subject to the assumptions, limiting conditions, restrictions, certifications, and definitions, as disclosed within the attached report as of March 7, 2018, was:

\$6,480,000

Six Million Four Hundred Eighty Thousand Dollars

**Respectfully submitted,
AMH Appraisal Consultants, Inc.**

A handwritten signature in black ink that reads "Ann Marie McCarthy". The signature is written in a cursive, flowing style.

Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser #RZ 1971

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Appraiser Qualifications
Consultant Report – David Charland
Regional Analysis

INTRODUCTION**Summary of Salient Facts****Subject Data:**

Property Location:	North side of Taylor Road, 685 +/- Feet east of Federal Hwy. Unincorporated Broward County, FL 33004
Property Type:	Vacant Land (DDK Plat)
Ownership:	Shaw Farms & Land Co. of FL, LLC & Dania Place, LLC
Land Area:	6.87 Acres
Zoning: Land Use	IRO , Industrial-Research-Office District Employment Center

Report Specifics:

Applied Approaches:	Sales Comparison Approach
Appraiser:	Ann Marie McCarthy, MAI, CCIM State-Certified General Appraiser #RZ 1971
Intended Use:	This appraisal is intended to provide Broward County with a reliable estimate of market rent for internal purposes.
Client & Intended User:	Broward County
Interest Appraised:	Fee Simple Market Value, "As Is"
Date of Value As-Is:	March 7, 2018
Date of Inspection:	March 7, 2018
Appraisal Report Date:	March 14, 2018
Market Value Estimate:	\$6,480,000

Extraordinary Assumptions and Hypothetical Conditions*Extraordinary Assumptions:*

An extraordinary assumption is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Information relied upon regarding land area were provided by the client and are assumed to be accurate. We have also relied upon expert opinions regarding costs to develop using pilings and other site conditions, each of which, if found to be inaccurate, could affect the market value provided.

Hypothetical Conditions:

A hypothetical condition is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Access to the subject was eliminated when the airport was expanded. We have assumed that the parcel has access. The market value indication would be impacted if this hypothetical condition was not applied.

As part of the expansion the site was contaminated by arsenic. This appraisal assumes that the property is not contaminated and the market value indication would be impacted if this hypothetical condition was not applied.

Scope of Appraisal

This appraisal involved the systematic market research and analyses necessary to reach a reliable estimate of market value for a small parcel of vacant land located at North side of Taylor Road, 685 +/- Feet east of Federal Hwy.. The market value of the Fee Simple Interest was estimated subject to the Standards of Professional Appraisal Practices of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice in effect as of March 7, 2018, the effective date of the appraisal.

Research regarding the subject of this appraisal was gathered from numerous sources including, but not limited to the following:

- Public Records of Broward, Florida
- The Clerk of Court's Office of Broward
- Property Appraiser's Office of Broward
- The Planning and Zoning Departments of Broward County, Florida
- FEMA
- The Federal Aviation Administration
- The Uniform Appraisal Standards for Federal Land Acquisition

The search for comparable market data was accomplished primarily through Costar, Loopnet, Multiple Listing Service, and County Public Records.

Our primary emphasis in the data research process was centered on similar parcels of land surrounding FLL.

We inspected the subject property on March 7, 2018. This included an inspection of the site and the local neighborhood.

In estimating the market value of the subject several independent analyses were completed. Using this information, the Sales Comparison Approach to value was developed and explained in detail. The quality and quantity of the information was then weighed and reconciled into a final value estimate.

The parcel has an irregular shape which measures approximately 650 feet along Taylor Road (SE 10th Street) by a maximum depth of 450 feet and contains a total of 6.8667 Acres.

History

The subject is owned by Shaw Farms & Land (50%) and Dania Place, LLC (50%). No transfers have occurred over the past five years.

Tax Assessment

Following is the Broward County Tax Assessment for 2017.

Real Estate Assessment and Taxes					
Tax ID	Land Improvements	Other	Total	Taxes	
5042 2710 0010	\$2,244,430	\$0	\$0	\$2,244,430	\$570

Assessed values are determined by the Broward County Property Appraiser and are based upon 100% of their estimated market value. According to the Property Appraiser's Office, there are no delinquent taxes due for these folios. The property is subject to an agricultural exemption in the amount of \$2,223,820.

Market Value Definition

Market value is 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, 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:

- (A) buyer and seller are typically motivated;
- (B) both parties are well informed or well advised, and each acting in what he considers his own best interests;
- (C) a reasonable time is allowed for exposure in the open market;
- (D) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (E) The price represents the normal consideration for the property sold unaffected by special financing or concessions granted by anyone associated with the sale^a

NOTE: *The above economic definition has been agreed upon by the federal financial institutions in the United States of America. This definition is shown in 2006 USPAP under Advisory Opinion 22 (AO-22) on page 192.*

Statement of Competency

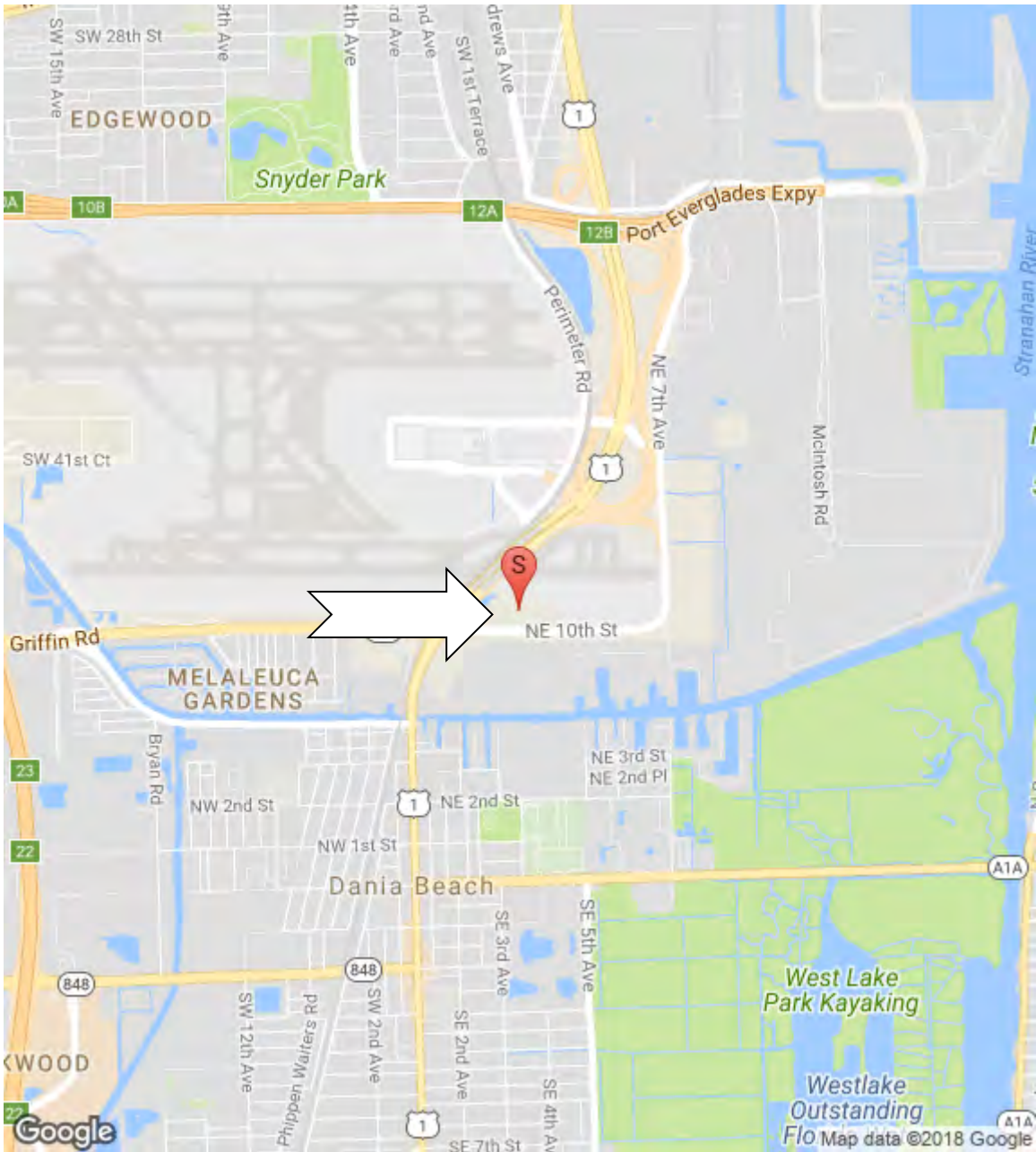
In accordance with the competency provision of USPAP, prior to accepting an assignment or entering into an agreement to perform an assignment, the appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently.

- In the appraiser's opinion, we are competent to perform this appraisal based on the fact that the appraisers have full knowledge in appraisal experience in similar type properties as the subject.
- All necessary and appropriate steps have been taken in order to complete the assignment competently.
- There is no lack of knowledge or experience that would prohibit this assignment to be completed in a professional competent manner where an unbiased or misleading opinion of value would be rendered.
- We have experience appraising aeronautical properties, including properties within and outside FLL.

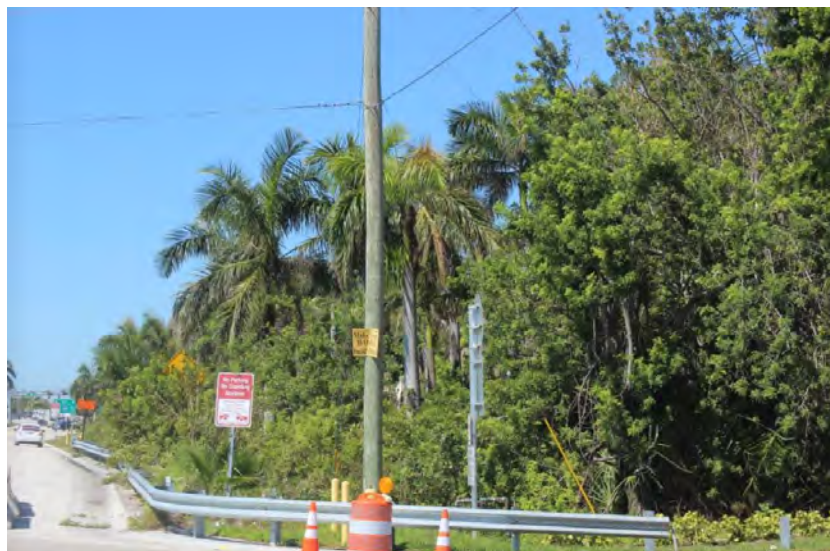
^a*The Appraisal of Real Estate, 14th Ed.*, (Chicago: The Appraisal Institute, 2013)

SUBJECT PROPERTY MAPS, PHOTOGRAPHS & DESCRIPTION

Subject Maps



Subject Photographs





Aerial Photograph



Neighborhood Description

Neighborhood

A neighborhood is defined by *The Appraisal of Real Estate, Fourteenth Edition*, as “a group of complementary land uses.” These uses may take on a variety of forms, but when combined, they function as a unit. Residential neighborhoods usually contain a unit mix of detached, single-family homes, villas, town homes, condominiums, and apartments, as well as the amenities, services, commercial, and retail businesses necessary to support the neighborhood.

The subject is located just south of the Fort Lauderdale/Hollywood International Airport. It is east of Federal Highway on the north side of Taylor Road, which is just south of the northbound entrance to FLL from Federal Highway. Most properties along Taylor Road are vacant, although a number of marine oriented properties are located south of Taylor Road along the Dania Cutoff Canal.

Fort Lauderdale International Airport

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is the 21st busiest airport in North America in terms of passenger traffic, remaining steady at 29.1 million in 2016. The number of operations is estimated at over 325 departures and 325 arrivals per day and flights now provide access to the Bahamas, Cuba, the Caribbean, Mexico, Latin America and Europe. Direct nonstop flights to London will begin later this year. As of 2014 FLL was the 45nd busiest airport in North America in terms of cargo volume where 77,967 metric tons moved through its facilities.

FLL supports a total of 12,500 badged employees and is said to create, directly or indirectly, 139,920 jobs. An estimated 80,000 people per day travel through the airport on an estimated 640 commercial and 100 private flights per day.

The airport is in the midst of a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects are planned and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport’s high growth is due in large part to its growth among low cost providers and cruise passengers. The new \$200 million Concourse A of Terminal One is nearing completion and scheduled to open June 30.

Airport	Orlando, FL (MCO)	Miami, FL (MIA)	Ft. Lauderdale, FL (FLL)	Tampa, FL (TPA)	Palm Beach, FL (PBI)
Airport General Information					
1. Passenger Count	37 million	34 million	21 million	17 million	6 million
2. Square Feet (a)	4.2 million	6.5 million	1.6 million	2.0 million	0.6 million
3. Primary Airport Type	Mixed	HUB	Destination	Destination	Destination
4. % International	15%	40%	14%	2%	1%
5. # of Terminals	2 terminals (1 building + 4 concourses)	3 terminals (1 horseshoe shaped building)	4 terminals	1 terminal (+ 4 concourses)	1 terminal (+ 3 concourses)

It is important to note that Fort Lauderdale is the only city on the east coast with rail, deep water port and international air passenger and cargo service located within one mile of one another. In terms of rail service, CSX and FEC are the largest carriers in the state, handling, among other

things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami.

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A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

FLL has been attempting to expand for several years. This expansion has been controversial, as it involves taking a number of residences south of the airport in Dania Beach. Construction has recently completed on the extension of the south runway (9R-27L) to the east by about 3,644 for a total length of 8920 and widening it by 50 feet for a total width of 150 feet. It also involves the elevation of runway 9R-27L to a minimum of 37.5 feet mean sea level and construction of a bridge to provide clearance over the Florida East Coast (FEC) Railroad and U.S. 1, necessitating the appraisal of the subject easement.

In 1992, Broward County initiated an update of the airport's 1987 Master Plan. The results of the process indicated that there is a lack of a back-up runway in the event that the primary commercial aircraft runway (9L-27R) is closed for rehabilitation, maintenance or due to an incident. The Master Planning process also revealed that a long-term deficiency is a lack of airfield capacity to meet projected demand with acceptable delays. Airport officials project that there will be 32-36 million passengers by 2020.

The constraints included annual noise contour modeling based on prior year and current noise monitoring data conducted by the County. Operations on the extended south runway shall be prohibited between 10 p.m. and 7 a.m. until the County modifies the operations of the south runway based upon airport requirements.

If at any time, the required projected five-year noise exposure map reflects that a portion of any residential properties, which are located within the City, will be exposed to day-night average sound levels greater than or equal to 65 decibels because of the proposed extension, then the County will amend the Noise Compatibility Program to include a noise mitigation program.

Port Everglades

Originally known as Lake Mabel, Port Everglades was officially established as a deep water harbor in 1927 and has since grown to become one of South Florida's strongest economic engines with annual operating revenues of more than \$66 million and total waterborne commerce exceeding 23 million tons in liquid, bulk and containerized cargoes.

More than 5,300 ships call at Port Everglades in a year forming the basis of a diverse maritime operation that includes a thriving cruise industry and a reputation as the "world's best cruise port," a growing containerized cargo business that establishes Port Everglades among the nation's top seaports, a major petroleum storage and distribution hub, South Florida's primary bulk cargo depot and a favorite U.S. Navy liberty port.

The seaport is renowned for its commitment to ongoing capital improvements, environmental protection and convenient maritime operations with unbeatable connections through the adjacent Fort Lauderdale/Hollywood International Airport and the direct links with all of Florida's highway system via I-595.

Its name somewhat misleading, Port Everglades is not a part of the wetland ecosystem known as the Florida Everglades. The seaport is, in fact, located on the southeastern coast of the Florida peninsula within the three cities of Fort Lauderdale, Hollywood and Dania Beach, as well as unincorporated Broward County. It is approximately 23 miles north of Miami, 48 miles south of West Palm Beach and 312 miles south of Jacksonville.

The South Florida industrial market is being heavily influenced by the impending expansion of the Panama Canal expected to be completed in 2014. We spoke to several top brokers, including Harry Tangalakis and Mike Silver, both of CBRE.

Miami-Dade County should feel the strongest effects, and major infrastructure upgrades are underway to make way for a new, larger ship, known as post-panamax, which can be 160 feet wide and up to 1300 feet long, as opposed to the pre-panamax ships, which were up to 106 feet wide and 960 feet long. Miami-Dade County is using federal stimulus money to build a tunnel which will connect the airport to interstate highways avoiding existing overcapacity highways. This one billion dollar project has been completed.

In addition, the Governor recently announced that the state would help with funding to dredge the Miami River in order to accommodate larger ships which require 50 feet of draft as opposed to the previous 42 foot level. The Army Corps of engineers is fast tracking the project, entertaining bids currently.

It is believed that the smaller ships will move north to Port Everglades and Port of Palm Beach, and some smaller air shippers receiving shipments from MIA may truck cargo north to the Opa Locka Airport, which is now somewhat underutilized, but with good access to major highways. In Broward County, a new intermodal project was recently announced. Currently cargo from Port Everglades is driven east to Andrews Avenue and the FEC railroad tracks. Once the intermodal project is complete cargo will be loaded on site and shipped on rail directly from the port.

The implication for real estate is that this increase in shipping activity will create demand for new distribution space, primarily in Miami-Dade County, but also in both Broward and Palm Beach, most likely 6-9 months from now, which would result in construction completion in time to meet this new demand.

Outside of this major event, the market is described as being two tiered, with locations suitable to national companies performing well, but with small bay warehousing and older, functionally obsolescent buildings with low clearance, not performing nearly as well. The smaller warehouse properties rely upon tenants most heavily affected by the recession and neither small multi-bay buildings nor the obsolescent single user buildings are positioned to take advantage of the new demand for distribution space and recovery in this sector of the market will recover, albeit at a slower pace.

Port Everglades' jurisdiction encompasses a total of 2,190 acres which includes 1,742 acres of upland and 448 acres of submerged land. Upland acreage falls within the following municipalities:

1,242 acres or 71.3% of Port Everglades is located within the City of Hollywood.

232 acres or 13.3% is located within the City of Fort Lauderdale.

234 acres or 13.4% is located within the City of Dania.

34 acres or 2% is located within unincorporated Broward County.

(Source: www.porteverglades.org)

Surrounding Development

Within the airport, several cargo operations are located along the northern perimeter and Interstate 95, and several large office buildings and Fixed Base Operations can be found in the western and southwestern quadrant. Most properties in the areas outside the airport are industrial, per zoning, especially north and west of the airport. Industrial land further west has experienced strong pace of development, in part due to the proximity to and influence of Marina Mile and the significant marine industry found in Broward County. Properties east of the airport and outside Port Everglades consist of secondary rental car facilities and park-and-ride lots. A portion of this area was used as part of the airport expansion. The extensive activity occurring at Port Everglades and FLL discussed previously, should result in an increase in demand for land with good access to both facilities. The map on the following page depicts the subject's location and its proximity to major highways, FLL, and Port Everglades as well as the projects either underway or recently completed.

Fort Lauderdale-Hollywood International Airport's Major Capital Projects



Drawing of the new Terminal 4



Drawing of the new South Runway

- South Runway Expansion: Expand and elevate the South Runway to 8,000 feet long and 150 feet wide with associated taxiways and infrastructure
- Terminal 4 Redevelopment and Expansion: Build a 14 gate Concourse G
- Terminal 1 Concourse A: Build a five gate Concourse A
- Terminal Renovation Program
- In-Line Baggage System
- Noise Mitigation Program
- In-Progress Projects

Capital Improvement Project	Approximate Costs (Millions)	Estimated Completion
South Runway Expansion	\$791	Complete West 2015
Terminal 4 Redevelopment and Expansion	\$450	East 2017 Totally Complete 2018
Terminal 1 Concourse A	\$150	Early 2017
Terminal Renovation Program	\$300	Early 2017 for Terminals 1, 2, and 3
In-Line Baggage System	\$100	Terminal 1 Complete Terminal 2 Complete Terminal 3 2016 Terminal 4 TBD
Noise Mitigation Program	\$175	Ongoing
In-Progress Projects	\$334	Ongoing
Total	\$2.3 billion	

Funding Sources

1. Passenger Facility Charges
2. Federal and State Grants

**Taken from FLL Construction Website*

Industrial Market Overview

The Broward County industrial market ended the fourth quarter 2017 with a vacancy rate of 3.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 384,842 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 299,382 square feet. Rental rates ended the fourth quarter at \$9.88, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 226,885 square feet, with 1,465,271 square feet still under construction at the end of the quarter.

Absorption

- Net absorption for the overall Broward County Industrial market was positive 384,842 square feet in the fourth quarter 2017. That compares to positive 55,301 square feet in the third quarter 2017, positive 381,886 square feet in the second quarter 2017, and positive 410,666 square feet in the first quarter 2017.
- The Flex building market recorded net absorption of positive 11,571 square feet in the fourth quarter 2017 compared to positive 534 square feet in the third quarter 2017, positive 124,890 in the second quarter 2017, and negative 102,309 in the first quarter 2017.
- The Warehouse building market recorded net absorption of positive 373,271 square feet in the fourth quarter 2017 compared to positive 54,767 square feet in the third quarter 2017, positive 256,996 in the second quarter 2017, and positive 512,975 in the first quarter 2017.

Vacancy

- The Industrial vacancy rate in the Broward County market area decreased to 3.5% at the end of the fourth quarter 2017.
- The vacancy rate was 3.7% at the end of the third quarter 2017, 3.6% at the end of the second quarter 2017, and 3.8% at the end of the first quarter 2017.
- Flex projects reported a vacancy rate of 4.9% at the end of the fourth quarter 2017, 4.5% at the end of the third quarter 2017, 4.5% at the end of the second quarter 2017, and 5.2% at the end of the first quarter 2017.
- Warehouse projects reported a vacancy rate of 3.3% at the end of the fourth quarter 2017, 3.5% at the end of third quarter 2017, 3.4% at the end of the second quarter 2017, and 3.6% at the end of the first quarter 2017.

Rental Rates

- The average quoted asking rental rate for available Industrial space was \$9.88 per square foot per year at the end of the fourth quarter 2017 in the Broward County market area.
- The average quoted rate within the Flex sector was \$13.70 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$9.20. At the end of the third quarter 2017, Flex rates were \$13.22 per square foot, and Warehouse rates were \$9.22.

Inventory and Construction

- Total industrial inventory in the Broward County market area amounted to 128,656,525 square feet in 6,247 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 19,602,214 square feet in 1,052 projects. The Warehouse sector consisted of 109,054,311 square feet in 5,195 buildings. Within the Industrial market there were 562 owner-occupied buildings accounting for 18,133,064 square feet of Industrial space.
- During the fourth quarter 2017, three building totaling 226,885 square feet were completed in the Broward County market area. This compares to one buildings totaling 166,370 square feet that were completed in the third quarter 2017, three buildings totaling 82,270 square feet completed in the second quarter 2017, and 70,964 square feet in one building completed in the first quarter 2017.
- There were 1,465,271 square feet of Industrial space under construction at the end of the fourth quarter 2017.

NEIGHBORHOOD & REGIONAL DESCRIPTIONS & ANALYSIS

- The largest projects underway at the end of fourth quarter 2017 were South Florida Distribution Center- Building, a 224,572 square foot building with no space pre-leased, and Coral Spring commerce center III, a 215,486-square-foot facility that is not pre-leased.

Sales Activity

- Tallying industrial building sales of 15,000 square feet or larger, Broward County industrial sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 industrial transactions closed with a total volume of \$180,109,585. The 13 buildings totaled 1,405,593 square feet and the average price per square foot equated to \$128.14 per square foot.
- Caps rates have been higher in 2017, averaging 8.15%, compared to the first nine months of last year when they averaged 7.38%.
- One of the largest transactions that have occurred within the last four quarters in the Broward County market is the sale of Bridge point I-95 in Fort Lauderdale. This 306,465-square-foot industrial building sold for \$54,825,000, or \$178.89 per square foot. The property sold on 9/27/2017.

Retail Market Overview

The Broward County retail market did not experience much change in market conditions in the fourth quarter 2017. The vacancy rate went from 3.4% in the previous quarter to 3.3% in the current quarter. Net absorption was positive 238,658 square feet, and vacant sublease space decreased by (11,208) square feet. Quoted rental rates increased from third quarter 2017 levels, ending at \$21.09 per square foot per year. A total of 19 retail buildings with 206,611 square feet of retail space were delivered to the market in the quarter, with 716,545 square feet still under construction at the end of the quarter.

Absorption

- Retail net absorption was moderate in Broward County fourth quarter 2017, with positive 238,658 square feet absorbed in the quarter.
- In third quarter 2017, net absorption was positive 173,068 square feet, while in second quarter 2017, absorption came in at positive 199,881 square feet.
- In first quarter 2017, positive 709,378 square feet was absorbed in the market.

Vacancy

- Broward County's retail vacancy rate decreased in the fourth quarter 2017, ending the quarter at 3.3%.
- Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 3.7% in the first quarter 2017, to 3.6% at the end of the second quarter 2017, 3.4% at the end of the third quarter 2017, to 3.3% in the current quarter.
- The amount of vacant sublease space in the Broward County market has trended down over the past four quarters. At the end of the first quarter 2017, there were 124,176 square feet of vacant sublease space. Currently, there are 36,886 square feet vacant in the market.

Rental Rates

- Average quoted asking rental rates in the Broward County retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at \$21.09 per square foot per year. That compares to \$20.43 per square foot in the third quarter 2017. This represents a 3.2% increase in rental rates in the current quarter, and a 2.28% increase from four quarters ago.

Inventory and Construction

- During the fourth quarter 2017, nineteen buildings totaling 206,611 square feet were completed in the Broward County retail market.
- Over the past four quarters, a total of 657,206 square feet of retail space has been built in Broward County.
- In addition to the current quarter, six buildings with 109,386 square feet were completed in third quarter 2017, nine buildings totaling 91,763 square feet completed in second quarter 2017, and 249,446 square feet in 17 buildings completed in first quarter 2017.
- There were 716,545 square feet of retail space under construction at the end of the fourth quarter 2017.
- Some of the notable 2017 deliveries include: Impact strong kickboxing and fitness center, an 80,027 square-foot-facility that delivered in 2017 and is now 100% occupied.
- Total retail inventory in the Broward County market area amounted to 106,840,778 square feet in 7,363 buildings and 1152 centers as of the end of the fourth quarter 2017.

Shopping Centers

- The Shopping Center market in Broward County currently consists of 1126 projects with 49,269,885 square feet of retail space in 2,049 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.
- After absorbing 97,035 square feet and delivering 49,500 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 4.6% at the end of the third quarter 2017 to 4.5% this quarter.
- Over the past four quarters, the Shopping Center vacancy rate has gone from 5.4% at the end of the first quarter 2017, to 4.8% at the end of the second quarter 2017, to 4.6% at the end of the third quarter 2017, and finally to 4.5% at the end of the current quarter.
- Rental rates ended the fourth quarter 2017 at \$21.10 per square foot, up from the \$20.52 they were at the end of the third quarter 2017.
- Rental rates have trended up over the past year, going from \$20.20 per square foot a year ago to their current levels. Net absorption in the Shopping Center sector has totaled 891,698 square feet over the past four quarters.
- In addition to the positive 97,035 square feet absorbed this quarter, positive 81,074 square feet was absorbed in the third quarter 2017, positive 329,856 square feet was absorbed in the second quarter 2017, and positive 383,733 square feet was absorbed in the first quarter 2017.

Sales Activity

- Tallying retail building sales of 15,000 square feet or larger, Broward County retail sales figures fell during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 retail transactions closed with a total volume of \$116,115,000. The 13 buildings totaled 699,945 square feet and the average price per square foot equated to \$165.89 per square foot. That compares to 15 transactions totaling \$249,809,395 in the second quarter 2017. The total square footage in the second quarter was 726,534 square feet for an average price per square foot of \$343.84.
- Total retail center sales activity in 2017 was up compared to 2016.
- In the first nine months of 2017, the market saw 37 retail sales transactions with a total volume of \$589,974,395.

Office Market

The Broward County Office market ended the fourth quarter 2017 with a vacancy rate of 8.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 135,806 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 231,600 square feet. Rental rates ended the first quarter at \$26.95, a decrease over the previous quarter.

Absorption

- Net absorption for the overall Broward County office market was positive 135,806 square feet in the fourth quarter 2017. That compares to positive 393,257 square feet in third quarter 2017, positive 300,635 square feet in the second quarter 2017, and positive 604,341 square feet in the first quarter 2017.
- Tenants moving out of large blocks of space in 2017 include: Kaplan, Inc. moving out of 96,948 square feet at Kaplan University; Kaplan Inc. moving out of 96,948 square feet at Kaplan University; and Kaplan University moving out of 87,236 square feet at Plantation Corporate Center I.
- Net absorption for Broward County's central business district was positive 80,355 square feet in the fourth quarter 2017. That compares to positive 88,171 square feet in the third quarter 2017, negative (25,458) in the second quarter 2017, and negative (53,278) in the first quarter 2017.
- Net absorption for the suburban markets was positive 55,451 square feet in the fourth quarter 2017. That compares to positive 305,086 square feet in third quarter 2017, positive 326,093 in the second quarter 2017, and positive 657,619 in the first quarter 2017.

Vacancy

- The overall vacancy rate in Broward County's central business district at the end of the fourth quarter 2017 decreased to 8.5%. The vacancy rate was 9.4% at the end of the third quarter 2017, 10.4% at the end of the second quarter 2017, and 10.1% at the end of the first quarter 2017.
- The office vacancy rate in the Broward County market area decreased to 8.2% at the end of the fourth quarter 2017. The vacancy rate was 8.3% at the end of the third quarter 2017, 8.9% at the end of the second quarter 2017, and 9.1% at the end of the first quarter 2017.
- The vacancy rate in the suburban markets increased to 8.2% in the fourth quarter 2017. The vacancy rate was 8.1% at the end of the third quarter 2017, 8.6% at the end of the second quarter 2017, and 9.0% at the end of the first quarter 2017.

Rental Rates

- The average quoted asking rental rate for available office space, all classes, was \$26.95 per square foot per year at the end of the fourth quarter 2017 in the Broward County market area. This represented a 0.3% decrease in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$27.02 per square foot.
- The average quoted asking rental rate in Broward County's CBD was \$36.51 at the end of the fourth quarter 2017, and \$25.34 in the suburban markets. In the third quarter 2017, quoted rates were \$39.06 in the CBD and \$25.11 in the suburbs.

➤

Sales Activity

- Tallying office building sales of 15,000 square feet or larger, Broward County office sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 12 office transactions closed with a total volume of \$114,383,367. The 12 buildings totaled 597,89 square feet and the average price per square foot equated to \$191.31 per square foot. That compares to 10 transactions totaling \$57,075,500 in the second quarter 2017. The total square footage in the second quarter was 491,391 square feet for an average price per square foot of \$116.15.
- Cap rates have been level in 2017, averaging 6.55% compared to the same period in 2016 when they averaged 6.56%.

Site Description

Location

The subject is located North side of Taylor Road, 685 +/- Feet east of Federal Hwy., in unincorporated Broward County, Florida, 33004.

Legal Description

The subject is a portion of a parcel with the following legal description:

Abbreviated Legal Description	D.D.K. PLAT 131-19 B PARCEL A LESS PT DESC'D IN PARCEL 1405 OF CA 90-38108
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Land Area

The subject site measures approximately 650 feet along Taylor Road by a maximum depth of 450 feet and contains 299,113 square feet or 6.8667 Acres.

Topography/Drainage/Environment

The site is low and has a great deal of muck. There are also wetlands on the site which require mitigation which has an estimated cost of \$325,000. Finally, the site is contaminated with arsenic. At the request of the client we have applied the hypothetical condition that the site is environmentally clean. The muck issue is expensive to address but this issue can be addressed by building on pilings. According to David Charland, an engineer with Worldwide Engineering, the cost of pilings assuming a footprint of 30,800 square feet amounts to \$670,000 or \$22.00 per square foot of the footprint area.

Access

The subject has no automobile access from Taylor Road but had access prior to the airport expansion. As a result we have assumed that the site has access. An airport access road runs along the western and northern boundaries of the property.

No easements were noted that would affect the marketability of the property. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75.

Utilities and Services

All necessary utilities and public services are available in adequate capacity to support development on the subject site.

Land Use and Zoning Requirements

The property is currently zoned IRO, Industrial-Research-Office and has a land use designation of Employment Center - High by Broward County.

The purpose of the IRO zoning category states;

“The district is designed for office, light industrial and research uses which are conducted within a completely enclosed building and have limited impact outside of the building the district is also designed to permit limited commercial uses as a special exception use, subject to zoning code.”

Permitted uses include research, light industrial, data processing, office, retail as accessory to office or industrial building, warehouse and storage facility up to 50% of site area,

The purpose of the EC-High land use category states;

“Lands designated Employment Center are intended to encourage non-residential development, compatible with residential and other less intensive land uses, and which would support the tourist-oriented segment of the economy as well as high technology and service-based activities.”

Easements and Encroachments

To the best of our knowledge no other easements or encroachments exist other than those noted, although zoning calls for height restriction and avigation easements are believed to be in place. The height restrictions limit but do not eliminate the possibility of development.

Conclusion of Site Analysis

The subject is a parcel significant in size with excellent proximity to FLL. Land use and zoning call for a variety of possible uses and the plat calls for hotel development. A zoning change would be required for hotel development. It is unclear at this time whether there exists a reasonable probability that this zoning change would be granted.

HIGHEST AND BEST USE ANALYSIS

According to the Dictionary of Real Estate, published by the Appraisal Institute, the highest and best use may be defined as:

“The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

Highest and Best Use “As Vacant”

Legally Permissible

The property is currently zoned IRO , Industrial/Research/Office, by Broward County. As mentioned, this zoning category does not permit development of a hotel, but a hotel may be approved as a special exception. It is unclear whether there is a reasonable probability of rezoning.

The subject is subject to height restrictions in accordance with 14 CFR Part 77, relating to heights of structures in and around airports. The proximity to the airport and location below a flight path calls for a maximum building height of 62 feet.

The height restrictions within the airport are based on a formula which calls for an increasing slope, creating a cone effect. From a practical standpoint, the restrictions range from 10 feet nearest the runway to as much at 160 feet furthest from the runway, although most properties in the vicinity of the airport have a 62 foot maximum height per FAA regulations. This provides a high degree of flexibility a limits the effect of the restriction. We spoke to representatives from FEC Railway, Flagler Development and Stiles Development and all were of the opinion that the height restrictions would affect the possible development but would not prevent it as an appropriate design, such as a design calling for surface parking nearest the runway or a building with a stepped design , such as the hotel depicted below, locate adjacent to FLL.



Physically Possible

Size, Configuration, and Topography

The subject site consists of an irregularly shaped non-airside parcel of land adjacent to FLL containing 6.8667 acres of land.

Accessibility

The subject has no automobile access due to the recent airport expansion, but this appraisal is based on the hypothetical condition that access is available from Taylor Road / N.E. 10th Street, which runs along the southern border of the eastern portion of FLL.

No easements were noted that would affect the marketability of the property. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75.

Economically Feasible/Maximally Productive

As mentioned, the subject's location adjacent to FLL is the overriding influence and its proximity to Interstate 595, Port Everglades and downtown Fort Lauderdale are all positive factors. The fact that it is not airside would indicate a secondary or supportive hospitality or industrial distribution use.

Conclusion of Highest and Best Use "As Vacant"

We are of the opinion that the highest and best use of the subject as if vacant is to develop with a commercial or industrial use which would take advantage of the subject's proximity to FLL. These uses could include office, flex office or distribution space. The subject is platted as a hotel site, but this use will require a zoning change. From a valuation standpoint, however, prices paid for the comparables which were planned for hotel development do not vary significantly from prices paid for parcels developed as distribution warehouse. The site is subject to height restrictions but these restrictions do not rule out development, especially for industrial uses, whether distribution warehouse, self-storage, or flex office development. Challenges to the site in the form of muck and fill requirements require development to be conducted using pilings. This cost has been estimated at \$22 per square foot of footprint area. The total was estimated at \$670,000 for a building with a 30,000 footprint but this indicates coverage of only 10% whereas typical coverage for an industrial use would be closer to 40%, indicating a total cost of approximately \$2,680,000. In the absence of the pilings issue it appears that the highest and best use would be self-storage or distribution warehouse. However, building these property types on pilings appears to be cost prohibitive. A multi-story building limits the cost of pilings, but the height restriction limits the number of stories possible. Nevertheless, the height should be maximized with an office building, or, if possible an economy hotel, in order to minimize the cost of pilings.

VALUATION AND CONCLUSIONS

The Valuation Process/Methodology

There are three approaches in the estimation of market value: the Cost, Income and Sales Comparison Approaches to Value.

Market value via the **Cost Approach** consists of the sum of the land value and the cost new of the improvements less accrued depreciation. The Cost Approach is based on the premise that buyer would pay no more for a property than it would cost to build a similar property.

The **Income Approach** is based on the premise that an investor would pay no more for the subject property than he would for another investment with similar income and expenses. The value of an investment is based upon the quality and quantity of the anticipated income stream. Since this value is equal to the present worth of anticipated future benefits in the form of dollar income or amenities, this approach estimates the present value of the net income that the property is capable of producing. This amount is capitalized at a rate, which reflects risk to the investor and the amount of income necessary to support debt service.

The **Sales Comparison Approach** involves the process of comparing sales of similar properties and adjusting for differences in time, location and physical characteristics. This approach is based upon the assumption that a purchaser will not pay more for a property than it would cost to buy a comparable property.

Cost Approach

Methodology

The Cost Approach is based on the proposition that a knowledgeable purchaser would not pay more for a property than the cost of producing a substitute property with an equal amount of utility. The Cost Approach generally provides an accurate indication of value when the property being appraised involves relatively new building improvements, specialty improvements, which represent the highest and best use of the property.

In the Cost Approach, the depreciated value of the improvements is added to the land value. The depreciated value of the improvements is estimated by using the cost of reproducing or replacing the improvements new, less the total amount of accrued depreciation contributed by all forms of depreciation and obsolescence.

The cost approach was not applied due to the fact that the subject is a vacant site.

Sales Comparison Approach

Methodology

The Sales Comparison Approach estimates the value of a property by comparing it with similar, recently sold properties in the surrounding or competing area. Inherent in this approach is the *Principle of Substitution*, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

By analyzing sales that qualify as arm's length transactions between willing and knowledgeable buyers and seller, we can identify market value and price trends. The sold properties must be comparable to the subject in physical, location and economic characteristics. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings throughout the competitive area;
2. Select and analyze properties that are similar to the subject, giving consideration to the date of sale, any changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or location factors;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sales price to a common unit of comparison such as price per square foot of building area, price per unit and gross income multiplier;
5. Make appropriate adjustments to the prices of the comparable properties; and
6. Interpret the adjusted sales data and draw a logical value conclusion.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

We have researched seven comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

VALUATION AND CONCLUSION

Comp	Address	Date	Zoning	Price per Land SF	Land SF	Comments
Subject	City	Price		Price per Acre	Acres	
	North side of Taylor Road, 685 +/- Unincorporated	11/15/2017	IRO-EC			
1	4160 Ravenswood Rd Dania	8/18/2017 \$2,106,400	IROM	\$24.67 \$1,074,694	85386 1.96	This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. The property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse building in fair condition. The warehouse area is open and the land-to-building is 5.15:1.
2	2201 W Broward Blvd Fort Lauderdale	7/5/2017 \$10,400,000	B-1	\$20.48 \$892,217	507751 11.66	The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10 minutes from FLL.
3	3001 SW 26th Ter Dania Beach	6/28/2017 \$1,300,000	GTWY-MU	\$18.09 \$787,879	71874 1.65	The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.
4	2300 Griffin Rd Dania Beach	10/24/2017 \$7,500,000	C-1 (Commercial)	\$17.97 \$782,881	417305 9.58	This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.
5	2638 Polk St Hollywood	5/23/2017 \$1,050,000	RAC-TC-1	\$27.06 \$1,178,784	38801 0.89	This 0.89 acres of land was sold for \$1,050,000. The land was recently rezoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.
6	1900 NE 7th Ave Dania Beach	6/30/2017 \$3,640,000	C-1	\$19.25 \$838,711	189050 4.34	On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site. The buyer will build a distribution warehouse building with delivery anticipated for May, 2019.
7	3200 SW 29th Ave Fort Lauderdale	2/7/2017 \$7,443,400	IROM	\$22.51 \$980,686	330620 7.59	7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.

Land Sale Comparables Data & Photographs

Land Comparable 1



Transaction

ID	2518	Date	8/18/2017
Address	4160 Ravenswood Rd	Price	\$2,106,400
City	Dania	Price Per Land SF	\$24.67
State	FL	Financing	Cash
Tax ID	50-42-28-01-0100	Property Rights	Fee Simple
Grantor	Kelly Dorothy M	Days on Market	Not listed
Grantee	Village Rent & Ride Llc	Verification Source	Seller
Legal Description	NA		

Site

Acres	2.0	Distance	1.87
Land SF	85,386	Zoning	IROM

Comments

This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. T5.15:1.he property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse building in fair condition. The warehouse area is open and the land-to-building is 5.15:1.

Land Comparable 2



Transaction

ID	2520	Date	7/5/2017
Address	2201 W Broward Blvd	Price	\$10,400,000
City	Fort Lauderdale	Price Per Land SF	\$20.48
State	FL	Financing	NA
Tax ID	50-42-05-50-0010	Property Rights	Fee Simple
Grantor	Riverbend Broward, LP	Days on Market	NA
Grantee	Bridge Riverbend, LLC	Verification Source	Buyer
Legal Description	A PORTION OF PARCEL		

Site

Acres	11.7	Distance	4.66
Land SF	507,751	Zoning	B-1

Comments

The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10 minutes from FLL.

Land Comparable 3



Transaction

ID	2522	Date	6/28/2017
Address	3001 SW 26th Ter	Price	\$1,300,000
City	Dania Beach	Price Per Land SF	\$18.09
State	FL	Financing	\$800,000
Tax ID	50-42-20-48-0010	Property Rights	NA
Grantor	Alex Nichols	Days on Market	1225
Grantee	Dania Resorts LLC	Verification Source	Seller
Legal Description	PARCEL A, RUNWAY		

Site

Acres	1.7	Distance	2.74
Land SF	71,874	Zoning	IROM-AA

Comments

The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.

Land Comparable 4



Transaction

ID	2521	Date	10/24/2017
Address	2300 Griffin Rd	Price	\$7,500,000
City	Dania Beach	Price Per Land SF	\$17.97
State	FL	Financing	Cash
Tax ID	50-42-29-53-0010	Property Rights	Fee Simple
Grantor	Griffin Pointe Partners Lllp	Days on Market	NA
Grantee	Q-Med Corp	Verification Source	Buyer
Legal Description	Parcel A Griffin Pointe		

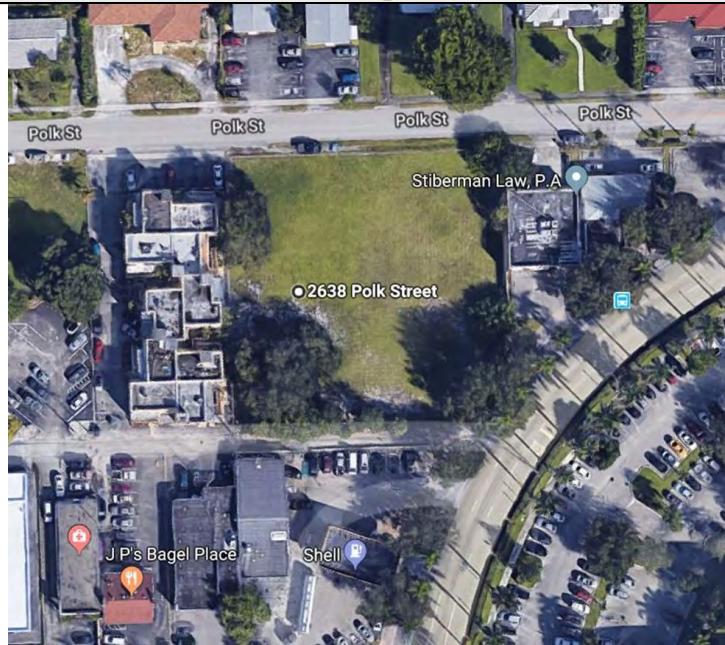
Site

Acres	9.6	Distance	2.00
Land SF	417,305	Zoning	C-1 (Commercial)

Comments

This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.

Land Comparable 5



Transaction

ID	2524	Date	5/23/2017
Address	2638 Polk St	Price	\$1,050,000
City	Hollywood	Price Per Land SF	\$27.06
State	FL	Financing	Cash
Tax ID	41-42-16-02-3450	Property Rights	Fee Simple
Grantor	2638 Polk Street, LLC	Days on Market	363
Grantee	Hollywood Downtown	Verification Source	Press Release
Legal Description	Lots 18-19 Hollywood		

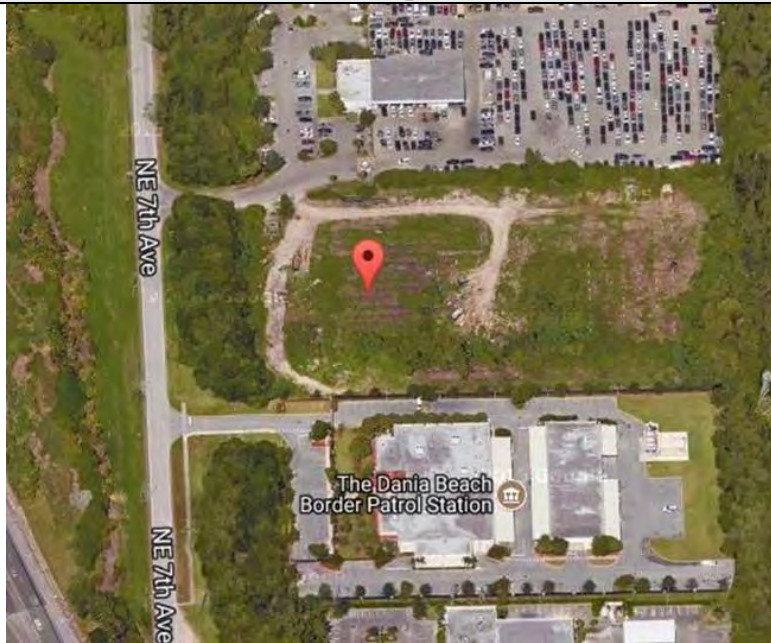
Site

Acres	0.9	Distance	3.84
Land SF	38,801	Zoning	RAC-TC-1

Comments

This 0.89 acres of land was sold for \$1,050,000. The land was recently re-zoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.

Land Comparable 6



Transaction

ID	2425	Date	6/30/2017
Address	1900 NE 7th Ave	Price	\$3,640,000
City	Dania Beach	Price Per Land SF	\$19.25
State	FL	Financing	Cash
Tax ID	50-42-26-09-0020	Property Rights	Fee Simple
Grantor	Port 5 Ltd	Days on Market	1179
Grantee	Gpt Dania Beach Owner	Verification Source	Broker
Legal Description	NISA PLAT 147-14 B		

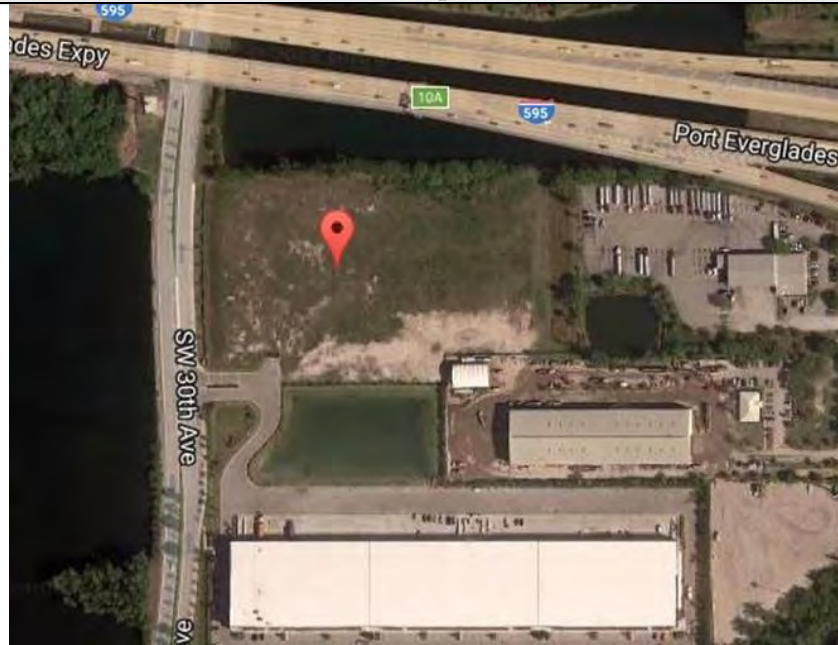
Site

Acres	4.3	Distance	0.77
Land SF	189,050	Zoning	IRO

Comments

On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site. The buyer will build a distribution warehouse building with delivery anticipated for May, 2019.

Land Comparable 7



Transaction

ID	2532	Date	2/7/2017
Address	3200 SW 29th Ave	Price	\$7,443,400
City	Fort Lauderdale	Price Per Land SF	\$22.51
State	FL	Financing	Cash
Tax ID	50-42-20-50-0012	Property Rights	Fee Simple
Grantor	Pantropic Power Inc	Days on Market	Not Marketed
Grantee	Msg I-595, LLC	Verification Source	Public Record/Costar
Legal Description	NA		

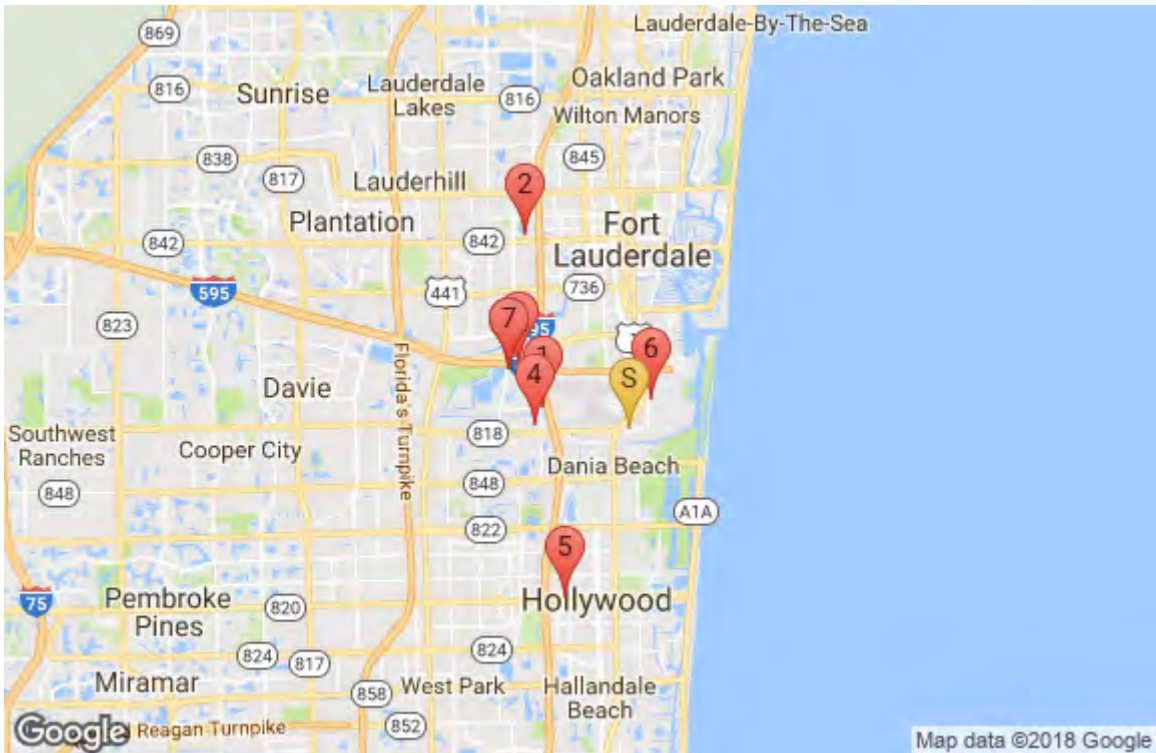
Site

Acres	7.6	Distance	2.85
Land SF	330,620	Zoning	IROM

Comments

7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.

Land Sales Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Sales Analysis Grid

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7
Address	North side of Taylor Road, 685 +/- Feet east of Federal Hwy.	4160 Ravenswood Rd	2201 W Broward Blvd	3001 SW 26th Ter	2300 Griffin Rd	2638 Polk St	1900 NE 7th Ave	3200 SW 29th Ave
City	Unincorporated	Dania	Fort Lauderdale	Dania Beach	Dania Beach	Hollywood	Dania Beach	Fort Lauderdale
State	FL	FL	FL	FL	FL	FL	FL	FL
Date	3/7/2018	8/18/2017	7/5/2017	6/28/2017	10/24/2017	5/23/2017	6/30/2017	2/7/2017
Price		\$2,106,400	\$10,400,000	\$1,300,000	\$7,500,000	\$1,050,000	\$3,640,000	\$7,443,400
Land SF	299,113	85,386	507,751	71,874	417,305	38,801	189,050	330,620
Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51
Transaction Adjustments								
Property Rights	Fee Simple	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Financing	Conventional	0 0.0%	0 0.0%	800000 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Conditions of Sale	Cash	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Adjusted Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51
Market Trends Through	3/7/2018 8.0%	4.3%	5.3%	5.5%	2.9%	6.3%	5.4%	8.6%
Adjusted Land SF Unit Price		\$25.74	\$21.57	\$19.07	\$18.49	\$28.76	\$20.30	\$24.46
Location	Good	Inferior	Similar	Inferior	Inferior	Similr	Similar	Similar
% Adjustment		10%	0%	10%	10%	0%	0%	0%
\$ Adjustment		\$2.57	\$0.00	\$1.91	\$1.85	\$0.00	\$0.00	\$0.00
Acres	6.87	1.96	11.66	1.65	9.58	0.89	4.34	7.59
% Adjustment		0%	0%	0%	0%	-5%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	-\$1.44	\$0.00	\$0.00
Topography	Heavy Tree Cover/Muck	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shape	Rectangular	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Improvements	None	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning	IRO	IROM	B-1	IROM-AA	C-1 (Commercial)	RAC-TC-1	IRO	IROM
% Adjustment		0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Land SF Unit Price		\$28.31	\$21.57	\$20.98	\$20.34	\$27.32	\$20.30	\$24.46
Net Adjustments		10.0%	0.0%	10.0%	10.0%	-5.0%	0.0%	0.0%
Gross Adjustments		10.0%	0.0%	10.0%	10.0%	5.0%	0.0%	0.0%

Sales Comparison Approach Conclusion – Land Valuation

Each comparable is a vacant parcel zoned for commercial or industrial use. Each is an arm's length sale and none were REO/short sales.

Sale one is a parcel of land located at 4160 Ravenswood Rd in Dania. This parcel is zoned IROM and consists of 85,386 square feet or 1.87 acres. This comparable sold on August 18, 2017 from Kelly Dorothy M to Village Rent & Ride Llc for a price of \$2,106,400 or \$24.67 per square foot. The property was sold to one of several tenants in place and the improvements in place were in fair condition.

Sale two is a parcel of land located at 2201 W Broward Blvd in Fort Lauderdale. This parcel is zoned B-1 and consists of 507,751 square feet or 11.7 acres. This comparable sold on July 5, 2017 from Riverbend Broward, LP to Bridge Riverbend, LLC for a price of \$10,400,000 or \$20.48 per square foot. Currently this parcel is being developed as a distribution warehouse project.

Sale three is a parcel of land located at 3001 SW 26th Ter in Dania Beach. This parcel is zoned IROM-AA and consists of 71,874 square feet or 1.7 acres. This comparable sold on June 28, 2017 from Alex Nichols to Dania Resorts LLC for a price of \$1,300,000 or \$18.09 per square foot. This parcel will be developed as a hotel.

Sale four is a parcel of land located at 2300 Griffin Rd in Dania Beach. This parcel is zoned C-1 (Commercial) and consists of 417,305 square feet or 9.6 acres. This comparable sold on October 24, 2017 from Griffin Pointe Partners Llp to Q-Med Corp for a price of \$7,500,000 or \$17.97 per square foot. A build-to-suit industrial building will be developed on the site.

Sale five is a parcel of land located at 2638 Polk St in Hollywood. This parcel is zoned RAC-TC-1 and consists of 38,801 square feet or 0.9 acres. This comparable sold on May 23, 2017 from 2638 Polk Street, LLC to Hollywood Downtown Hotel, LLC for a price of \$1,050,000 or \$27.06 per square foot. This parcel will be developed with a 119 room hotel.

Sale six is a parcel of land located at 1900 NE 7th Ave in Dania Beach. This parcel is zoned IRO and consists of 189,050 square feet or 4.3 acres. This comparable sold on June 30, 2017 from Port 5 Ltd to Gpt Dania Beach Owner Llc for a price of \$3,640,000 or \$19.25 per square foot. The parcel was advertised as a self-storage site but the buyer will build an industrial distribution building of 80,000 square feet, anticipated to be delivered May, 2019.

Sale seven is a parcel of land located at 3200 SW 29th Ave in Fort Lauderdale. This parcel is zoned IROM and consists of 330,620 square feet or 7.6 acres. This comparable sold on February 7, 2017 from Pantropic Power Inc to Msg I-595, LLC for a price of \$7,443,400 or \$22.51 per square foot.

Comparable Land Sale Adjustments

As mentioned, each of the comparable sales is an arm's length sale having occurred since early 2017 of a commercial parcel of land located within the vicinity of FLL. No adjustment is made for motivation or financing terms.

Market Conditions

An adjustment for market conditions of 8% annually is included to address the improving market conditions.

Location

Each sale has a good office, retail or mixed use location, but sale one is located on a secondary street, as is sale three. These three sales are adjusted downward. Sale four is also some distance from FLL but is located east of I-95 in a desirable area of Hollywood. These factors offset and no adjustment was applied.

Size

Size adjustments are often applied based upon the economic theory of economies of scale. In certain cases this is appropriate, but there are many cases in where this adjustment would be incorrect. For example, a site so small that utility is limited will not necessarily sell for more per square foot than a larger site with greater utility. In South Florida the concept of scarcity comes into play, in that the area is reaching buildout with very few parcels significant in size remaining available for development. In this case each parcel is large enough for a significantly sized development but sale 5 is smaller than one acre and is adjusted downward whereas sales two and four are significantly larger and are adjusted upward for this factor.

Topography

None of the sales had topographic issues or challenges. The subject will require wetland mitigation but this cost is subtracted from the market value estimate.

Shape

The subject has a generally rectangular shape as does each of the sales.

Utilities

Each sale has access to utilities and no adjustment is applied.

Zoning

Each sale is zoned for industrial, commercial or mixed use development and no adjustments are needed.

Conclusion

The adjusted values of the comparable properties range from \$20.30 to \$28.31; the average is \$23.32. Adjustments were made for location All of the value indications have been considered and we have at a final reconciled per square foot value of \$25.00.

As Is Market Value	
Indicated Value per square foot:	\$25.00
Subject Size:	299,113
Indicated Value:	\$7,477,836
Rounded:	\$7,475,000

The cost of building on pilings for a 30,000 footprint was estimated at \$22 per square foot or \$670,000 total. From this estimate the cost of wetlands mitigation of \$325,000 and the estimated cost of pilings were subtracted in order to indicate market value of **\$6,480,000**.

Income Capitalization Approach

Methodology

The Income Capitalization Approach is a method of converting the anticipated economic benefits of owning property into a value estimate through capitalization. The Principle of Anticipation underlying this approach is that prudent investors recognize a relationship between income and the assets value. Through the completion of this approach, appraisers measure the present value of the future benefits of property ownership.

In order to value the anticipated economic benefits of a particular property, the following is completed.

1. Determine potential gross income from occupied and vacant space;
2. Deduct a vacancy and collection loss to derive effective gross income;
3. Deduct expenses of operation to derive net operating income and/or cash flow before debt service;
4. Analyze the duration and pattern of the income stream;
5. Select the appropriate capitalization method or methods;
6. Complete the computations to derive an indicated value by the Income Approach; and
7. If direct capitalization and a discounted cash flow are used, analyze the indicated values and conclude at a final value.

The two most common methods of converting net income into value are direct capitalization and discounted cash flow analysis. In direct capitalization, net operating income is divided by an overall rate extracted directly from market sales to indicate a value. In the discounted cash flow method, anticipated future net income streams and a reversionary value are discounted to a net present value based upon a discount rate which reflects the appropriate level of risk.

The subject is a parcel of vacant land which has been valued using comparable sales of similar parcels of land. No Income Approach was developed.

Certification

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported.

The appraisal was made and the appraisal report prepared in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions.

The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the Uniform Appraisal Standards for Federal Land Acquisitions.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

This appraisal is not based upon a requested minimum valuation, a specific valuation or the approval of a loan.

The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

No one provided significant real property appraisal assistance to the persons signing this certification.

CERTIFICATION

As of the date of this report, I, Ann Marie McCarthy have completed the continuing education program of the Appraisal Institute.

Ann Marie McCarthy has inspected the subject property. As a result of our investigation into those matters which affect market value, and by virtue of our experience and training, we have formed the opinion that the annual market value of the subject as of March 7, 2018 is **\$6,480,000**.

AMH Appraisal Consultants, Inc.



Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser No. RZ1971

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

General Assumptions

1. The legal description used in this report is assumed to be correct.
2. No survey of the property has been made by the consultant and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matters of legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the analysis, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the consultant.
5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is analyzed as though under responsible ownership and competent management.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in this report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate provided.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines and that there is no encroachment or trespass unless noted.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

11. We are not expert in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction, or otherwise present on the property. We assume no responsibility for the studies or analyses, which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The value estimate is based on the assumption that the subject property is not so affected.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

Limiting Conditions

1. The consultant will not be required to give testimony or appear in court because of having made this analysis, with reference to the property in question, unless arrangements have been previously made therefore.
2. Possession of the report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the consultant, and in any event only with proper written qualifications and only in its entirety.
3. The distribution of the total valuation in this report between land and improvements, if any, applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
4. No environmental impact studies were either requested or made in conjunction with this analysis, and the consultant hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
5. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the consultant. Nor shall the consultant, firm or professional organization of which the consultant is a member be identified without written consent of the consultant.
6. Neither our name nor report may be used in connection with any financing plan, which would be classified as a public offering under state or federal securities laws.
7. Acceptance of and/or use of this report constitutes acceptance of the foregoing General Assumptions and General Limiting Conditions.

ADDENDA

**Appraiser Qualifications
Consultant Report – David Charland
Regional Analysis**

CURRICULUM VITAE OF ANN MARIE MCCARTHY, MAI CCIM

BUSINESS ADDRESS

AMH Appraisal Consultants, Inc.
43 S Powerline Road
Suite 395
Pompano Beach, FL 33069
Telephone: (954) 978.2445 Fax: (954) 978.2076
Website www.amhappraisal.com

EDUCATION

North Central College, Naperville, IL - Bachelor of Arts, Marketing, 1987

Appraisal-related courses:

The Appraisal Institute:

Course 110 - Appraisal Principles, September 1993
Course 210 - Appraisal Procedures, March 1994
Course 1A-2 - Capitalization Part B, March 1992
Course 2-1 Case Studies, November 1992
Course 510 - Report Writing, October 1993
The Appraiser's Complete Review, July 1994
Course 700 – Appraising for Litigation I
Course 710 – Appraising for Litigation II

The American Institute of Real Estate Appraisers:

Course IA-1 Capitalization, September 1989
Course SPP Standards of Professional Practice, December 1989

Commercial Investment Real Estate Association:

CI 101 Financial Analysis for Commercial Real Estate
CI 201 Market Analysis for Commercial Real Estate
CI 301 Decision Analysis for Commercial Real Estate

PROFESSIONAL AFFILIATIONS

Member, Appraisal Institute, Certificate #10,760
Certified Commercial Investment Member (CCIM) #8349
Commercial Real Estate Women (CREW), Fort Lauderdale/Palm Beach
1996 Hospitality Director
1997 Hospitality Director
1998 Recording Secretary and National Delegate
2001 President Elect and Conference Chair
2002 President
2003-2004 National Delegate
2005 Founder, Past Presidents' Council
2006 Sponsorship, Chicago
2009 Chair - Programs Committee
Commercial and Industrial Real Estate Brokers Association (CIREBA)

NAIOP

Society of Commercial Realtors

Appraisal Institute

2000 -2003 Chair, Public Relations Committee
2003-2007 Member, National Membership Diversity Committee
2008, Chair, National Diversity Committee
2009 President – South Florida Chapter
2010-Current - Region X Representative, Appraisal Institute Government Relations Committee

EXPERIENCE

11/94 to Present President

AMH Appraisal Consultants, Inc.

11/92 to 11/94

Pardue, Heid, Church, Smith & Waller, of So. Fla., Inc.

Ft. Lauderdale, Florida

1/88 to 10/92

Appraisal Services, Inc.

Pompano Beach, Florida

PUBLICATIONS

“Aristotle, Appraisal Writing, and the Art of Persuasion”, The Appraisal Journal, July, 1997

Awarded Honorable Mention, Armstrong/Kahn Award presented April, 1998.

2003 - Co-authored “Accounting for Change: GASB, FASB and Mark to Market”, published in Valuation Insights and Perspective magazine.

LICENSES

State of Florida Certified General Appraiser #0001971

State of Florida Broker/Salesperson License #1495848

BROWARD COUNTY VALUE ADJUSTMENT BOARD

1996 Appraiser Special Master

1997 Appraiser Special Master

1998 Appraiser Special Master

1999 Appraiser Special Master

2000 Appraiser Special Master

2001 Appraiser Special Master

DADE COUNTY VALUE ADJUSTMENT BOARD

1997 Appraiser Special Master

FLORIDA DEPARTMENT OF TRANSPORTATION

Approved, Minority Business Enterprise

State of Florida Minority

EXPERT WITNESS QUALIFICATION

Palm Beach County Circuit Court

Broward County Circuit Court

Miami-Dade County Circuit Court

Collier County Circuit Court

Federal District Court Miami

Federal Bankruptcy Court Miami-Dade

Federal Bankruptcy Court Broward County

AWARDS

Recognized by Florida Real Estate Journal as one of the Top Women in Florida Commercial Real Estate for 2004.

Ann Marie McCarthy, MAI, CCIM has completed appraisals of all property types, including industrial warehouse, condominium, and distribution properties, shopping centers and lifestyle centers, apartment complexes, office buildings, subdivisions, residential condominium projects, restaurants, marinas, boatyards, funeral homes, timeshare properties, single family rental home portfolios and automobile dealerships. Specialization includes aviation and port property appraisals. Appraisals were completed for financing, condemnation, non-condemnation litigation, financial reporting and asset management purposes.

TRC Worldwide Engineering, Inc
1230 N. University Drive
Plantation, FL 33322
Phone: (954) 484.7777
www.trcww.com
CA No. 27322



February 21, 2018

Barry S. Balmuth, P.A.
Florida Bar Board Certified Specialist in
Civil Trial Law and Business Litigation Law, MBA
The Oaks Center
2505 Burns Road
Palm Beach Gardens, Florida 33410

RE: Foundation Premium using Concrete Augercast Pile

Dear Barry:

Using pilings is not an unusual method of supporting a building in South Florida. A seven-story hotel building with a footprint of 440 feet x 70 feet plus the pool deck as illustrated on the site plan prepared by Leigh Robinson Kerr & Associates, Inc. could be supported on the Shaw property north of NE 10th Street using pilings. While I do not believe it to be an extraordinary cost, I estimate that the additional cost for supporting the building using pilings over and above the cost of constructing the building without using pilings would be \$22 per square foot or approximately \$670,000.

Very truly yours,
TRC Worldwide Engineering, Inc.

A handwritten signature in blue ink, appearing to read 'David O. Chariand', written over a horizontal line.

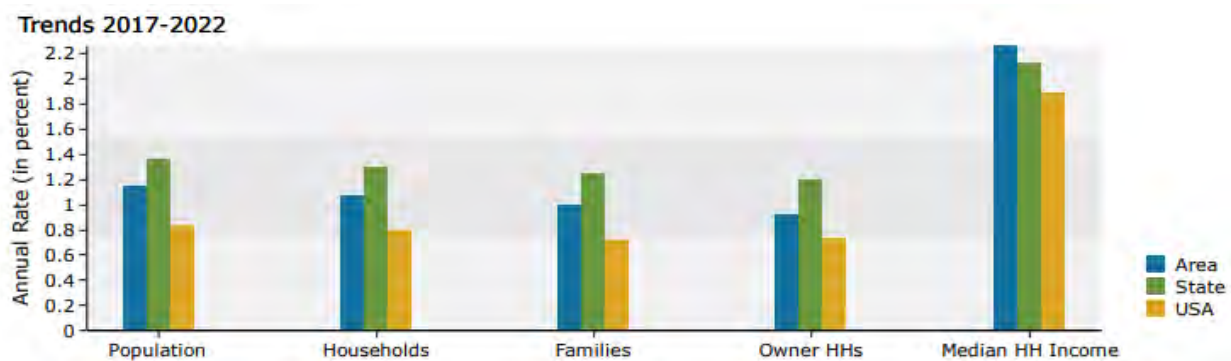
David O. Chariand, P.E., S.I.
Regional Director

Regional Analysis

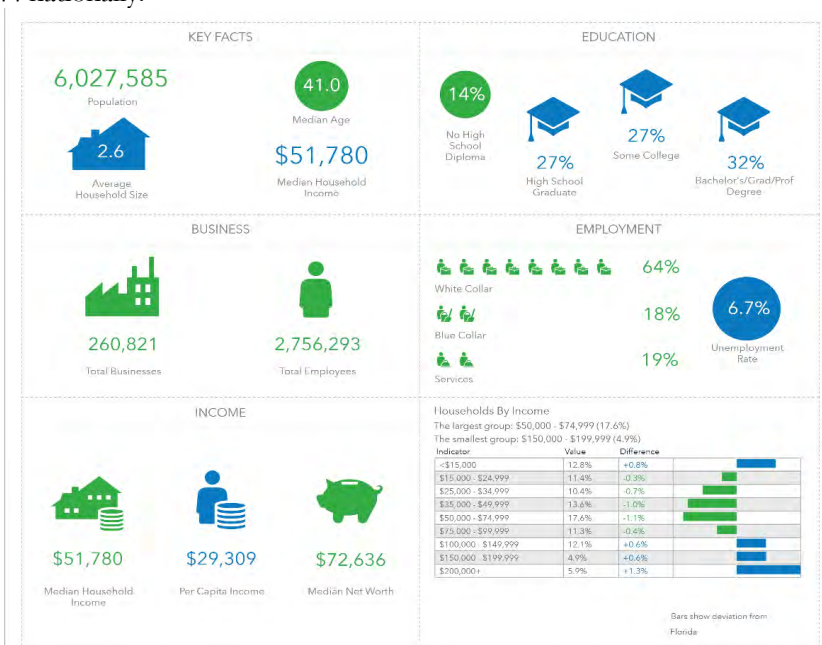
The subject is located in Broward County, which is located within the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area. The MSA is on the Atlantic coast of South Florida and encompasses Miami-Dade, Broward, and Palm Beach Counties, the three most populous counties in Florida. The region covers a geographic area of 6,137 square miles, with 1,011 miles of coast. Mild climate, high quality of life, potential for market growth, good transportation systems, strategic location, talented labor pool, burgeoning population base and ease of access are among the area's many positive attributes.

Population

Florida is now the third most populous state in the nation, having grown to 20.6 million residents.. The MSA's 6.01 million residents account for roughly 30% of the state's population and make it the eighth largest metropolitan area in the country. According to *Esri*, the population in the region is projected to grow at an annual rate of 1.14% over the next five years.



The number of households in the region has also been increasing since 2010 at a rate of 1.06% annually. The growth trend is expected to continue at a rate of 1.07% per year through 2022. The average household size is currently 2.64, while the median age in the region is 41.0. Current median household income is \$51,780 in the MSA, compared to \$56,124 for all U.S. households. Median home value in the region is currently \$242,806, compared to \$207,344 nationally.



Employment

The South Florida economy is largely driven by the service, retail, and finance/insurance/real estate trades which employ approximately 73.2% of the region's workforce. However, the MSA is diversifying itself away from a reliance on tourism, retirement and population growth, to a region more focused on business and commerce.

Although a large percentage of the employed people in the MSA still work in the service sector (52.7%), the influx of large corporations has increased the need for employees in the healthcare, financial services, telecommunications and computer fields. The region is currently home to six Fortune 500 companies: World Fuel Services, AutoNation, NextEra Energy, Inc., Office Depot, Lennar, and Ryder Systems. The MSA's largest employers are summarized in the following table.

Largest Employers		
Employer	# So. Fla. Employees	Total Employees
Publix Super Markets	39,098	187,500
Baptist Health South Florida	16,003	16,003
University of Miami	15,091	15,091
Tenet Healthcare Corp.	12,500	12,500
Jackson Health System	12,100	12,100
Source: South Florida Business Journal		

According to the Bureau of Labor and Statistics, the MSA's non-seasonally adjusted unemployment rate as of November 2017 was 4.1%, down from its high of 11.3% in August 2010. This is slightly higher than Florida's unemployment rate of 3.8% and the same as the national rate of 4.1%.

Transportation

A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Miami-Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

Air

The region is served by three full-service international airports: Palm Beach International, Fort Lauderdale/Hollywood International, and Miami International.

Palm Beach International Airport (PBIA) is conveniently located 2.5 miles west of downtown West Palm Beach and 3.5 miles west of Palm Beach. The airport is adjacent to Interstate 95 and located 20 miles north of Boca Raton and 15 miles south of Jupiter. There are 18 commercial and commuter airlines currently operating out of PBIA handling nearly 6.5 million passengers and 26,000 tons of cargo annually.

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is Florida's third busiest airport, and with improvements that are currently underway, is slated to be one of the most efficient in the nation. FLL was the fastest growing large hub airport for year to date and 12 months ending November 2017. The airport has seen total traffic increase 46 out of the last 47 months (as of December 2017) and is currently the 19th busiest U.S. airport. The airport recently completed a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects have been completed and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport's high growth is due in large part to its growth among low cost providers. The airport handles over 32 million passengers and is also a major hub for cargo traffic.

Miami International Airport (MIA) boasts the third highest number of international passengers in the United States and is currently first in international freight among U.S. airports. An estimated 44.1 million passengers used the airport in 2017 via 103 carriers serving 166 destinations. Miami International Airport operates more cargo flights to Latin America each day than all other United States Airports combined which underscores Miami-Dade County's role as the gateway to Latin America. MIA and the General Aviation Airports' annual economic impact is \$33.7 billion. MIA and related aviation industries contribute 282,724 jobs directly and indirectly to the local economy.

Rail

CSX and FEC are the largest carriers in the state, handling, among other things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers. A division of Florida East Coast Industries, Brightline is the only privately owned, operated, and maintained passenger rail system in the United States. Brightline currently provides express service between Fort Lauderdale and West Palm Beach, with access to Miami slated to begin soon and eventual connectivity to Orlando planned.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami. A multitude of destinations are available from Amtrak's three Fort Lauderdale stations. Tri-Rail Commuter Rail, with its four double-decker passenger cars accommodating a total of 700-seated passengers, services Dade, Broward and Palm Beach counties for convenient commuter travel between West Palm Beach and Miami. All Tri-Rail stations are served by a dedicated Tri-Rail shuttle system, interconnecting county transit buses or other transit systems.

Ports

The Port of Palm Beach is the fourth busiest container port of Florida's 14 deepwater ports and is the 18th busiest container port in the United States. In addition to intermodal capacity, the port is a major modal point for the shipment of bulk sugar (domestic usages), molasses, cement, utility fuels, water, produce, and breakbulk items. Unlike most ports in the United States, the Port of Palm Beach is an export port, with approximately 80% of its cargo being exported, with the subsequent improvement in the balance of trade. The majority of the exported cargo goes toward supporting the island nations of the Caribbean. The Port of Palm Beach supplies 60% of everything consumed in the Bahamas and is the essential lifeline to the rest of the Caribbean. All of the exported raw sugar that is produced in the Glades area, almost 900,000 tons, is shipped through the Port of Palm Beach. Additionally, The Grand Celebration cruise ship is based at the port. The Bahamas Paradise Cruise Line plans to launch a second ship from the port, the Grand Classica, which will also offer two-night trips to Grand Bahama. The port projects that it will receive from \$54.3 to \$62.9 million in net income from the two ships over the next 10 years.

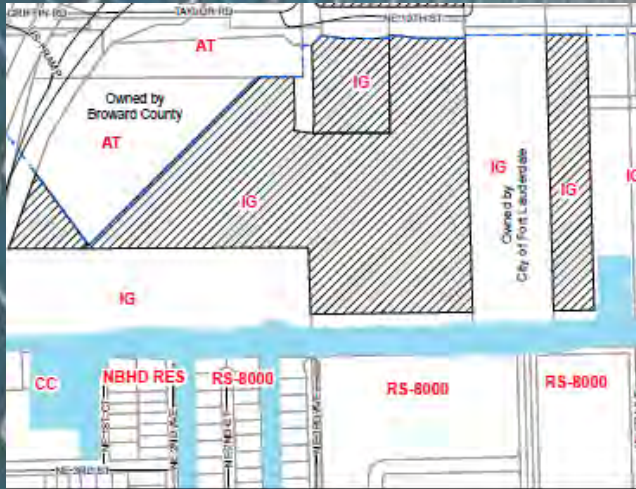
Broward County's Port Everglades is one of the nation's leading container and cruise ports. According to the port's website, "Port Everglades is one of the top three cruise ports in the world. It is a leading container port in Florida and among the most active cargo ports in the United States. And, Port Everglades is South Florida's main seaport for receiving petroleum products including, gasoline and jet fuel. A foreign-trade zone and available office space inside the Port's secure area make Port Everglades a highly desirable business center for world trade... The total value of economic activity at Port Everglades is more than \$28 billion. Additionally, 224,054 Florida jobs are impacted by the Port, including 13,322 people who work for companies that provide direct services to Port Everglades." The Port Everglades Navigation Improvements Project, approved in late 2016, is moving forward. The federal government is funding almost \$200 million of the channel project's \$389.2 million cost, with the Port and State of Florida underwriting the rest. Construction of the channel project is estimated to be completed in mid-2021.

Miami is recognized as the "Cruise Capital of the World" and "Cargo Gateway of the Americas". PortMiami is the busiest passenger terminal in the world handling more than 5.1 million passengers in 2016. Royal Caribbean, Carnival Cruise Lines, Norwegian Cruise Lines, Oceania Cruises, Regent Seven Seas, and Celebrity Cruise Lines are headquartered in Miami-Dade County and dock their fleets at the port. The Port of Miami ranks as the 12th largest container port in United States, and is the second largest in the state of Florida, following only Port Everglades. The port handled approximately 8.9 million tons of cargo last year. PortMiami recently completed a series of capital improvements totaling around \$1 billion which included the completion of projects such as a new tunnel that provides direct access between the terminals and I-395 and I-95, modernization of on dock rail, and new cranes that can handle the larger Post-Panamax ships, which can now sail into the Port because of the recently completed 50-foot dredging alongside the main terminal.

APPRAISAL REPORT OF

**Vacant Land (Rita Shaw Plat)
South of Taylor Road, east of Federal Hwy.
Dania Beach, FL 33004**

**AS OF
March 4, 2018**



PREPARED FOR:

**Broward County
115 South Andrews Avenue
Fort Lauderdale, FL 33301**

PREPARED BY:

**ANN MARIE MCCARTHY, MAI CCIM
AMH APPRAISAL CONSULTANTS, INC.
43 S Powerline Road, Suite 395
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**Telephone 954.978.2445
Facsimile 954.978.2076**

AMH APPRAISAL CONSULTANTS, INC.
“Committed to Quality and Integrity”

March 14, 2018

Broward County
115 South Andrews Avenue
Fort Lauderdale, FL 33301

Re: Appraisal of Vacant Land (Rita Shaw Plat)
Vacant Land south of Fort Lauderdale/Hollywood International Airport
S.E. Corner of Taylor Road and N.E. 10th Street
Dania Beach, Broward County, FL 33004
AMH File 4585 C

Ladies and Gentlemen:

We are pleased to submit this appraisal of the above-referenced property. The subject of this appraisal is a parcel of vacant land south of Fort Lauderdale/ Hollywood International Airport at the S.E. Corner of Taylor Road and N.E. 10th Street, Dania Beach, Broward County, FL. The site consists of three platted parcels, each zoned IG, Industrial General, with land use of RAC, Regional Activity Center. Two parcels have FPL easements. The breakdown of parcels is as follows;

Parcel A	1.25 Acres
Parcel B	18.19 Acres
Parcel B FPL Easement	4.36 Acres
Parcel C	3.66 Acres
Parcel C FPL Easement	.878 Acres

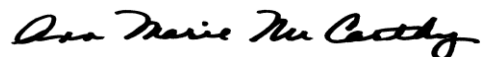
The purpose of this appraisal was to estimate the “as is” market value of the subject as of March 4, 2018. An inspection was made and all research, analysis, and reporting was performed by Ann Marie McCarthy, MAI, CCIM. This appraisal is not based upon a requested minimum valuation or a specific valuation. No one other than the undersigned contributed to this report.

This appraisal was prepared in conformance with all regulations issued by the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute as well as the Uniform Appraisal Standards for Federal Land Acquisition. The assignment is the result of the development of the sales comparison approach.

As a result of our analysis, we have formed the opinion that the market value of the subject property, subject to the assumptions, limiting conditions, restrictions, certifications, and definitions, as disclosed within the attached report as of March 4, 2018, was:

Parcel A	\$3,265,000
Parcel B	\$22,850,000
Parcel C	<u>\$4,215,000.</u>
Subtotal	\$30,330,000
Less Wetland Mitigation	<u>\$205,000</u>
Total	\$30,125,000

Respectfully submitted,
AMH Appraisal Consultants, Inc.



Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser #RZ 1971

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Appraiser Qualifications
Regional Analysis

INTRODUCTION**Summary of Salient Facts****Subject Data:**

Property Location:	South of Taylor Road, east of Federal Hwy. Dania Beach, FL 33315
Property Type:	Agriculturally Improved Vacant Land
Ownership:	Shaw Farms & Land Company of Florida, LLC Dania Farms, LTD.
Land Area:	1.25 Acres
Zoning:	IG

Report Specifics:

Applied Approaches:	Sales Comparison Approach
Appraiser:	Ann Marie McCarthy, MAI, CCIM State-Certified General Appraiser #RZ 1971
Intended Use:	This appraisal is intended to provide Broward County with a reliable estimate of market rent for internal purposes.
Client & Intended User:	Broward County
Interest Appraised:	Fee Simple Market Value, "As Is"
Date of Value As-Is:	March 4, 2018
Date of Inspection:	March 4, 2018
Appraisal Report Date:	March 14, 2018

Market Value Estimate:

Parcel A	\$3,265,000	
Parcel B	\$22,850,000	
Parcel C	\$4,215,000	
Combined Market Value (Net of \$205,000 Wetlands Mitigation)		\$30,125,000

Extraordinary Assumptions and Hypothetical Conditions*Extraordinary Assumptions:*

An extraordinary assumption is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Information relied upon regarding land area were provided by the client and are assumed to be accurate. We have relied on expert opinions regarding the cost of mitigation, which was estimated at \$225,000 for all Shaw lands south of Taylor Road, with \$205,000 allocated to the subject. If this estimate proves to be inaccurate the market value estimate provided could be impacted.

Hypothetical Conditions:

A hypothetical condition is defined by the USPAP (2018 Edition, The Appraisal Foundation, page 3) as “that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Scope of Appraisal

This appraisal involved the systematic market research and analyses necessary to reach a reliable estimate of market value for three platted parcels of vacant land located at South of Taylor Road, east of Federal Hwy.. The market value of the Fee Simple Interest was estimated subject to the Standards of Professional Appraisal Practices of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice in effect as of March 4, 2018, the effective date of the appraisal.

Research regarding the subject of this appraisal was gathered from numerous sources including, but not limited to the following:

- Public Records of Broward, Florida
- The Clerk of Court's Office of Broward
- Property Appraiser's Office of Broward
- The Planning and Zoning Departments of Broward County, Florida
- FEMA
- The Federal Aviation Administration
- The Uniform Appraisal Standards for Federal Land Acquisition

The search for comparable market data was accomplished primarily through Costar, Loopnet, Multiple Listing Service, and County Public Records.

Our primary emphasis in the data research process was centered on similar parcels of land surrounding FLL.

We inspected the subject property on March 4, 2018. This included an inspection of the site and the local neighborhood.

In estimating the market value of the subject several independent analyses were completed. Using this information, the Sales Comparison Approach to value was developed and explained in detail. The quality and quantity of the information was then weighed and reconciled into a final value estimate.

History

The subject is owned by Shaw Farms & Land, LLC and Dania Farms, Ltd. No transfers have occurred over the past five years.

Tax Assessment

Following is the Broward County Tax Assessment for 2017.

Real Estate Assessment and Taxes					
Tax ID	Land Improvements	Other	Total	Taxes	
5042 27 11 0010	\$435,600	\$0	\$0	\$435,600	\$6,755
5042 27 11 0020	\$7,801,600	\$0	\$0	\$0	\$6,669
5042 27 11 0030	\$1,483,220	\$0	\$0	\$0	\$1,242

Assessed values are determined by the Broward County Property Appraiser and are based upon 100% of their estimated market value. According to the Property Appraiser's Office, there are no delinquent taxes due for these folios. The property is subject to agricultural exemptions in the amount of \$120,920 for Parcel A, \$7,729,960 for Parcel B, and \$1,469,600 for Parcel C.

Market Value Definition

Market value is 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, 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:

- (A) buyer and seller are typically motivated;
- (B) both parties are well informed or well advised, and each acting in what he considers his own best interests;
- (C) a reasonable time is allowed for exposure in the open market;
- (D) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (E) The price represents the normal consideration for the property sold unaffected by special financing or concessions granted by anyone associated with the sale^a

NOTE: *The above economic definition has been agreed upon by the federal financial institutions in the United States of America. This definition is shown in 2006 USPAP under Advisory Opinion 22 (AO-22) on page 192.*

Statement of Competency

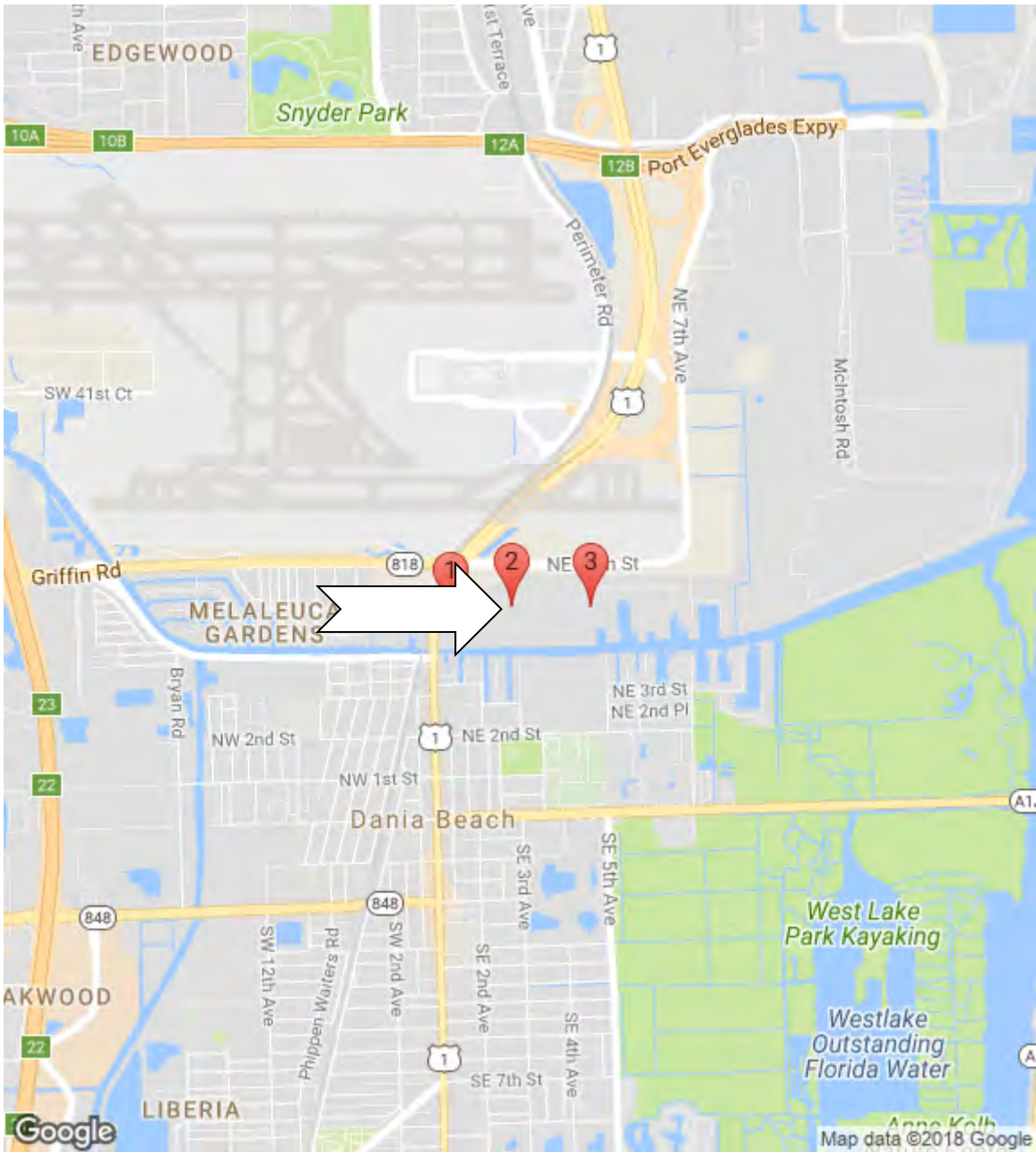
In accordance with the competency provision of USPAP, prior to accepting an assignment or entering into an agreement to perform an assignment, the appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently.

- In the appraiser's opinion, we are competent to perform this appraisal based on the fact that the appraisers have full knowledge in appraisal experience in similar type properties as the subject.
- All necessary and appropriate steps have been taken in order to complete the assignment competently.
- There is no lack of knowledge or experience that would prohibit this assignment to be completed in a professional competent manner where an unbiased or misleading opinion of value would be rendered.
- We have experience appraising aeronautical properties, including properties within and outside FLL.

^a*The Appraisal of Real Estate, 14th Ed.*, (Chicago: The Appraisal Institute, 2013)

SUBJECT PROPERTY MAPS, PHOTOGRAPHS & DESCRIPTION

Subject Maps



Subject Photographs













Aerial Photographs



Parcel A



Parcel B



Parcel C

Neighborhood Description

Neighborhood

A neighborhood is defined by *The Appraisal of Real Estate, Fourteenth Edition*, as “a group of complementary land uses.” These uses may take on a variety of forms, but when combined, they function as a unit. Residential neighborhoods usually contain a unit mix of detached, single-family homes, villas, town homes, condominiums, and apartments, as well as the amenities, services, commercial, and retail businesses necessary to support the neighborhood.

The subject is located just south of the Fort Lauderdale/Hollywood International Airport. It is east of Federal Highway on the south side of Taylor Road, which is just south of the northbound entrance to FLL from Federal Highway. Most properties along Taylor Road are vacant, although a number of marine oriented properties are located south of Taylor Road along the Dania Cutoff Canal.

Fort Lauderdale International Airport

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is the 21st busiest airport in North America in terms of passenger traffic, remaining steady at 29.1 million in 2016. The number of operations is estimated at over 325 departures and 325 arrivals per day and flights now provide access to the Bahamas, Cuba, the Caribbean, Mexico, Latin America and Europe. Direct nonstop flights to London will begin later this year. As of 2014 FLL was the 45nd busiest airport in North America in terms of cargo volume where 77,967 metric tons moved through its facilities.

FLL supports a total of 12,500 badged employees and is said to create, directly or indirectly, 139,920 jobs. An estimated 80,000 people per day travel through the airport on an estimated 640 commercial and 100 private flights per day.

The airport is in the midst of a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects are planned and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport’s high growth is due in large part to its growth among low cost providers and cruise passengers. The new \$200 million Concourse A of Terminal One is nearing completion and scheduled to open June 30.

Airport	Orlando, FL (MCO)	Miami, FL (MIA)	Ft. Lauderdale, FL (FLL)	Tampa, FL (TPA)	Palm Beach, FL (PBI)
Airport General Information					
1. Passenger Count	37 million	34 million	21 million	17 million	6 million
2. Square Feet (a)	4.2 million	6.5 million	1.6 million	2.0 million	0.6 million
3. Primary Airport Type	Mixed	HUB	Destination	Destination	Destination
4. % International	15%	40%	14%	2%	1%
5. # of Terminals	2 terminals (1 building + 4 concourses)	3 terminals (1 horseshoe shaped building)	4 terminals	1 terminal (+ 4 concourses)	1 terminal (+ 3 concourses)

It is important to note that Fort Lauderdale is the only city on the east coast with rail, deep water port and international air passenger and cargo service located within one mile of one another. In terms of rail service, CSX and FEC are the largest carriers in the state, handling, among other things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami.

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A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

FLL has been attempting to expand for several years. This expansion has been controversial, as it involves taking a number of residences south of the airport in Dania Beach. Construction has recently completed on the extension of the south runway (9R-27L) to the east by about 3,644 for a total length of 8920 and widening it by 50 feet for a total width of 150 feet. It also involves the elevation of runway 9R-27L to a minimum of 37.5 feet mean sea level and construction of a bridge to provide clearance over the Florida East Coast (FEC) Railroad and U.S. 1, necessitating the appraisal of the subject easement.

In 1992, Broward County initiated an update of the airport's 1987 Master Plan. The results of the process indicated that there is a lack of a back-up runway in the event that the primary commercial aircraft runway (9L-27R) is closed for rehabilitation, maintenance or due to an incident. The Master Planning process also revealed that a long-term deficiency is a lack of airfield capacity to meet projected demand with acceptable delays. Airport officials project that there will be 32-36 million passengers by 2020.

The constraints included annual noise contour modeling based on prior year and current noise monitoring data conducted by the County. Operations on the extended south runway shall be prohibited between 10 p.m. and 7 a.m. until the County modifies the operations of the south runway based upon airport requirements.

If at any time, the required projected five-year noise exposure map reflects that a portion of any residential properties, which are located within the City, will be exposed to day-night average sound levels greater than or equal to 65 decibels because of the proposed extension, then the County will amend the Noise Compatibility Program to include a noise mitigation program.

Port Everglades

Originally known as Lake Mabel, Port Everglades was officially established as a deepwater harbor in 1927 and has since grown to become one of South Florida's strongest economic engines with annual operating revenues of more than \$66 million and total waterborne commerce exceeding 23 million tons in liquid, bulk and containerized cargoes.

More than 5,300 ships call at Port Everglades in a year forming the basis of a diverse maritime operation that includes a thriving cruise industry and a reputation as the "world's best cruise port," a growing containerized cargo business that establishes Port Everglades among the nation's top seaports, a major petroleum storage and distribution hub, South Florida's primary bulk cargo depot and a favorite U.S. Navy liberty port.

The seaport is renowned for its commitment to ongoing capital improvements, environmental protection and convenient maritime operations with unbeatable connections through the adjacent Fort Lauderdale/Hollywood International Airport and the direct links with all of Florida's highway system via I-595.

Its name somewhat misleading, Port Everglades is not a part of the wetland ecosystem known as the Florida Everglades. The seaport is, in fact, located on the southeastern coast of the Florida peninsula within the three cities of Fort Lauderdale, Hollywood and Dania Beach, as well as unincorporated Broward County. It is approximately 23 miles north of Miami, 48 miles south of West Palm Beach and 312 miles south of Jacksonville.

The South Florida industrial market is being heavily influenced by the impending expansion of the Panama Canal expected to be completed in 2014. We spoke to several top brokers, including Harry Tangalakis and Mike Silver, both of CBRE.

Miami-Dade County should feel the strongest effects, and major infrastructure upgrades are underway to make way for a new, larger ship, known as post-panamax, which can be 160 feet wide and up to 1300 feet long, as opposed to the pre-panamax ships, which were up to 106 feet wide and 960 feet long. Miami-Dade County is using federal stimulus money to build a tunnel which will connect the airport to interstate highways avoiding existing overcapacity highways. This one billion dollar project is under construction.

In addition, the Governor recently announced that the state would help with funding to dredge the Miami River in order to accommodate larger ships which require 50 feet of draft as opposed to the previous 42 foot level. The Army Corps of engineers is fast tracking the project, entertaining bids currently.

It Is believed that the smaller ships will move north to Port Everglades and Port of Palm Beach, and some smaller air shippers receiving shipments from MIA may truck cargo north to the Opa Locka Airport, which is now somewhat underutilized, but with good access to major highways.

In Broward County, a new intermodal project was recently announced. Currently cargo from Port Everglades is driven east to Andrews Avenue and the FEC railroad tracks. Once the intermodal project is complete cargo will be loaded on site and shipped on rail directly from the port.

The implication for real estate is that this increase in shipping activity will create demand for new distribution space, primarily in Miami-Dade County, but also in both Broward and Palm Beach, most likely 6-9 months from now, which would result in construction completion in time to meet this new demand.

Outside of this major event, the market is described as being two tiered, with locations suitable to national companies performing well, but with small bay warehousing and older, functionally obsolescent buildings with low clearance, not performing nearly as well. The smaller warehouse properties rely upon tenants most heavily affected by the recession and neither small multi-bay buildings nor the obsolescent single user buildings are positioned to take advantage of the new demand for distribution space and recovery in this sector of the market will recover, albeit at a slower pace.

Port Everglades' jurisdiction encompasses a total of 2,190 acres which includes 1,742 acres of upland and 448 acres of submerged land. Upland acreage falls within the following municipalities:

1,242 acres or 71.3% of Port Everglades is located within the City of Hollywood.
232 acres or 13.3% is located within the City of Fort Lauderdale.
234 acres or 13.4% is located within the City of Dania.
34 acres or 2% is located within unincorporated Broward County.
(Source:www.porteverglades.org)

Surrounding Development

Within the airport, several cargo operations are located along the northern perimeter and Interstate 95, and several large office buildings and Fixed Base Operations can be found in the western and southwestern quadrant. Most properties in the areas outside the airport are industrial, per zoning, especially north and west of the airport. Industrial land further west has experienced strong pace of development, in part due to the proximity to and influence of Marina Mile and the significant marine industry found in Broward County. Properties east of the airport and outside Port Everglades consist of secondary rental car facilities and park-and-ride lots. A good portion of this area will be used as part of the airport expansion. The extensive activity occurring at Port Everglades and FLL discussed previously, should result in an increase in demand for land with good access to both facilities. The map on the following page depicts the subject's location and its proximity to major highways, FLL, and Port Everglades as well as the projects either underway or recently completed.

Industrial Market Overview

The Broward County industrial market ended the fourth quarter 2017 with a vacancy rate of 3.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 384,842 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 299,382 square feet. Rental rates ended the fourth quarter at \$9.88, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 226,885 square feet, with 1,465,271 square feet still under construction at the end of the quarter.

Absorption

- Net absorption for the overall Broward County Industrial market was positive 384,842 square feet in the fourth quarter 2017. That compares to positive 55,301 square feet in the third quarter 2017, positive 381,886 square feet in the second quarter 2017, and positive 410,666 square feet in the first quarter 2017.
- The Flex building market recorded net absorption of positive 11,571 square feet in the fourth quarter 2017 compared to positive 534 square feet in the third quarter 2017, positive 124,890 in the second quarter 2017, and negative 102,309 in the first quarter 2017.
- The Warehouse building market recorded net absorption of positive 373,271 square feet in the fourth quarter 2017 compared to positive 54,767 square feet in the third quarter 2017, positive 256,996 in the second quarter 2017, and positive 512,975 in the first quarter 2017.

Vacancy

- The Industrial vacancy rate in the Broward County market area decreased to 3.5% at the end of the fourth quarter 2017.
- The vacancy rate was 3.7% at the end of the third quarter 2017, 3.6% at the end of the second quarter 2017, and 3.8% at the end of the first quarter 2017.
- Flex projects reported a vacancy rate of 4.9% at the end of the fourth quarter 2017, 4.5% at the end of the third quarter 2017, 4.5% at the end of the second quarter 2017, and 5.2% at the end of the first quarter 2017.
- Warehouse projects reported a vacancy rate of 3.3% at the end of the fourth quarter 2017, 3.5% at the end of third quarter 2017, 3.4% at the end of the second quarter 2017, and 3.6% at the end of the first quarter 2017.

Rental Rates

- The average quoted asking rental rate for available Industrial space was \$9.88 per square foot per year at the end of the fourth quarter 2017 in the Broward County market area.
- The average quoted rate within the Flex sector was \$13.70 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$9.20. At the end of the third quarter 2017, Flex rates were \$13.22 per square foot, and Warehouse rates were \$9.22.

Inventory and Construction

- Total industrial inventory in the Broward County market area amounted to 128,656,525 square feet in 6,247 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 19,602,214 square feet in 1,052 projects. The Warehouse sector consisted of 109,054,311 square feet in 5,195 buildings. Within the Industrial market there were 562 owner-occupied buildings accounting for 18,133,064 square feet of Industrial space.
- During the fourth quarter 2017, three buildings totaling 226,885 square feet were completed in the Broward County market area. This compares to one buildings totaling 166,370 square feet that were completed in the third quarter 2017, three buildings totaling 82,270 square feet completed in the second quarter 2017, and 70,964 square feet in one building completed in the first quarter 2017.
- There were 1,465,271 square feet of Industrial space under construction at the end of the fourth quarter 2017.
- The largest projects underway at the end of fourth quarter 2017 were South Florida Distribution Center- Building, a 224,572 square foot building with no space pre-leased, and Coral Spring commerce center III, a 215,486-square-foot facility that is not pre-leased.

Sales Activity

- Tallying industrial building sales of 15,000 square feet or larger, Broward County industrial sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 industrial transactions closed with a total volume of \$180,109,585. The 13 buildings totaled 1,405,593 square feet and the average price per square foot equated to \$128.14 per square foot.
- Caps rates have been higher in 2017, averaging 8.15%, compared to the first nine months of last year when they averaged 7.38%.
- One of the largest transactions that have occurred within the last four quarters in the Broward County market is the sale of Bridge point I-95 in Fort Lauderdale. This 306,465-square-foot industrial building sold for \$54,825,000, or \$178.89 per square foot. The property sold on 9/27/2017.

Retail Market Overview

The Broward County retail market did not experience much change in market conditions in the fourth quarter 2017. The vacancy rate went from 3.4% in the previous quarter to 3.3% in the current quarter. Net absorption was positive 238,658 square feet, and vacant sublease space decreased by (11,208) square feet. Quoted rental rates increased from third quarter 2017 levels, ending at \$21.09 per square foot per year. A total of 19 retail buildings with 206,611 square feet of retail space were delivered to the market in the quarter, with 716,545 square feet still under construction at the end of the quarter.

Absorption

- Retail net absorption was moderate in Broward County fourth quarter 2017, with positive 238,658 square feet absorbed in the quarter.
- In third quarter 2017, net absorption was positive 173,068 square feet, while in second quarter 2017, absorption came in at positive 199,881 square feet.
- In first quarter 2017, positive 709,378 square feet was absorbed in the market.

Vacancy

- Broward County's retail vacancy rate decreased in the fourth quarter 2017, ending the quarter at 3.3%.
- Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 3.7% in the first quarter 2017, to 3.6% at the end of the second quarter 2017, 3.4% at the end of the third quarter 2017, to 3.3% in the current quarter.
- The amount of vacant sublease space in the Broward County market has trended down over the past four quarters. At the end of the first quarter 2017, there were 124,176 square feet of vacant sublease space. Currently, there are 36,886 square feet vacant in the market.

Rental Rates

- Average quoted asking rental rates in the Broward County retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at \$21.09 per square foot per year. That compares to \$20.43 per square foot in the third quarter 2017. This represents a 3.2% increase in rental rates in the current quarter, and a 2.28% increase from four quarters ago.

Inventory and Construction

- During the fourth quarter 2017, nineteen buildings totaling 206,611 square feet were completed in the Broward County retail market.
- Over the past four quarters, a total of 657,206 square feet of retail space has been built in Broward County.
- In addition to the current quarter, six buildings with 109,386 square feet were completed in third quarter 2017, nine buildings totaling 91,763 square feet completed in second quarter 2017, and 249,446 square feet in 17 buildings completed in first quarter 2017.
- There were 716,545 square feet of retail space under construction at the end of the fourth quarter 2017.
- Some of the notable 2017 deliveries include: Impact strong kickboxing and fitness center, an 80,027 square-foot-facility that delivered in 2017 and is now 100% occupied.
- Total retail inventory in the Broward County market area amounted to 106,840,778 square feet in 7,363 buildings and 1152 centers as of the end of the fourth quarter 2017.

Shopping Centers

- The Shopping Center market in Broward County currently consists of 1126 projects with 49,269,885 square feet of retail space in 2,049 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.
- After absorbing 97,035 square feet and delivering 49,500 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 4.6% at the end of the third quarter 2017 to 4.5% this quarter.
- Over the past four quarters, the Shopping Center vacancy rate has gone from 5.4% at the end of the first quarter 2017, to 4.8% at the end of the second quarter 2017, to 4.6% at the end of the third quarter 2017, and finally to 4.5% at the end of the current quarter.
- Rental rates ended the fourth quarter 2017 at \$21.10 per square foot, up from the \$20.52 they were at the end of the third quarter 2017.

- Rental rates have trended up over the past year, going from \$20.20 per square foot a year ago to their current levels. Net absorption in the Shopping Center sector has totaled 891,698 square feet over the past four quarters.
- In addition to the positive 97,035 square feet absorbed this quarter, positive 81,074 square feet was absorbed in the third quarter 2017, positive 329,856 square feet was absorbed in the second quarter 2017, and positive 383,733 square feet was absorbed in the first quarter 2017.

Sales Activity

- Tallying retail building sales of 15,000 square feet or larger, Broward County retail sales figures fell during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.
- In the third quarter, 13 retail transactions closed with a total volume of \$116,115,000. The 13 buildings totaled 699,945 square feet and the average price per square foot equated to \$165.89 per square foot. That compares to 15 transactions totaling \$249,809,395 in the second quarter 2017. The total square footage in the second quarter was 726,534 square feet for an average price per square foot of \$343.84.
- Total retail center sales activity in 2017 was up compared to 2016.
- In the first nine months of 2017, the market saw 37 retail sales transactions with a total volume of \$589,974,395.

Site Description

Location

The subject consists of three tracts of land located South of Taylor Road, east of Federal Hwy., in Dania Beach, Broward County, Florida. Parcels A and B are contiguous whereas Parcel C is not, as Parcels B and C are bisected by a parcel of land owned by the City of Fort Lauderdale.

Legal Description

The subject is a portion of a parcel with the following legal description:

Parcels A, B, and C of THE RITA W. SHAW PLAT, according to the plat thereof as recorded in Plat Book 146, Page 25 of the Public Records of Broward County, Florida; LESS therefrom that portion thereof taken by Broward County, a political subdivision of the State of Florida by Order of Taking as reflected in Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, of the Public Records of Broward County, Florida.

Parcel Identification Nos. 5042-27-11-0010; 5042-27-11-0020; and 5042-27-11-0030

Land Area

Parcels A and B have irregular shapes, with Parcel A being mostly rectangular. Parcel B has a very irregular shape. Parcel B has approximately 665 feet of frontage along the Dania Cutoff Canal. Parcel C is a fairly narrow rectangle, with 165 feet of frontage along the Dania Cutoff canal. Parcels B and C have FPL easements which limit development, although the areas below the power lines can be paved and/or planted, as currently used. Parcel sizes are summarized as follows:

Parcel A	1.25 Acres
Parcel B	18.19 Acres
Parcel B FPL Easement	4.36 Acres
Parcel C	3.66 Acres
Parcel C FPL Easement	.878 Acres

Topography/Drainage/Environment

Each site is level and appears to be slightly below street grade. Drainage appears adequate as no standing water was observed. Each of the parcels is being operated as a tree farm.

Access

Parcel A has automobile access from Federal Highway and Parcels B and C have access from Taylor Road/SE 10th Street. Access from Parcel A to Parcel B is provided by an access road over Broward County owned property.

Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary.

Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75. It should also be noted that the subject is minutes from Port Everglades.

Utilities and Services

All necessary utilities and public services are available in adequate capacity to support development on the subject site.

Land Use and Zoning Requirements

The property is currently zoned IG, Industrial General, by Dania Beach and all three parcels are located with the RAC, Regional Activity Center land use designation, which is very liberal. The plat, however, limits Parcel A to Commercial Use and Parcels B and C to light industrial use.

Easements and Encroachments

No easements were noted that would affect the marketability of the property, with the exception of the previously noted FPL easements. To the best of our knowledge no other easements or encroachments exist other than those noted.

Conclusion of Site Analysis

The subject consists of three parcels of land, all zoned I-G and all located within the RAC land use designation, which permits a wide variety of uses, including

The Rita Shaw plat designates parcel A as commercial and parcels B and C as light industrial.

HIGHEST AND BEST USE ANALYSIS

According to the Dictionary of Real Estate, published by the Appraisal Institute, the highest and best use may be defined as:

“The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

Highest and Best Use “As Vacant”

Legally Permissible

The property is currently zoned IG, Zoning Comments, by Dania Beach Broward County.

Physically Possible

Size, Configuration, and Topography

Parcels A and B have irregular shapes, but are both developable. Parcel C has a fairly narrow shape but this shape does not rule out development. Each is large enough for most commercial or light industrial uses. Parcels B and C have frontage on the Dania Cutoff Canal.

Accessibility

Parcel A has automobile access from Federal Highway and Parcels B and C have access from Taylor Road/SE 10th Street. Access from Parcel A to Parcel B is provided by an access road over Broward County owned property. Parcels B and C have FPL easements, as mentioned, and the subject's proximity to FLL results in height limitations. Broward County has been acquiring air rights easements but it is unclear whether the County owns easements for this property. The height restrictions are in place though, so whether air rights easements are owned or not this factor would not have any further impact on value.

The height restrictions are in place though, so whether air rights easements are owned or not this factor would not have any further impact on value. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75. The subject has automobile access from Taylor Road / N.E. 10th Street, which runs along the southern border of the eastern portion of FLL. Highway access to the airport is very good, with Interstate 95 and Interstate 595 running along the west and north perimeter of the airport, and Federal Highway running along the eastern boundary. Interstate 95 is the major commuter route in the area and runs north to south along the State of Florida. Interstate 595 provides travel to the western regions of Broward County as well as intersecting with the Florida Turnpike and Interstate 75.

Economically Feasible/Maximally Productive

As mentioned, the subject's location adjacent to FLL is the overriding influence and its proximity to Interstate 595, Port Everglades and downtown Fort Lauderdale are all positive factors. The fact that it is not airside would indicate a secondary or supportive hospitality or industrial distribution use.

Conclusion of Highest and Best Use “As Vacant”

We are of the opinion that the highest and best use of the subject as if vacant is to develop with a commercial or industrial use which would take advantage of the subject’s proximity to FLL. These uses could include office, flex office or distribution space. The subject’s plat requires commercial development for Parcel A and Light Industrial use for Parcels B and C. Frontage on Federal Highway makes retail commercial use most likely for Parcel A and Parcel C is located adjacent to marine repair uses, so industrial use would be a natural and consistent use. Parcel B, however, is the largest parcel and the RAC designation makes a variety of uses suitable for this parcel. Each site is subject to height restrictions and Parcels B and C have FPL easements, which are less than ideal and would have to be addressed in any site planning, but these restrictions do not rule out development, especially for industrial uses, whether distribution warehouse, self-storage, or flex office development, as called for by the plat and zoning and land use designations.

VALUATION AND CONCLUSIONS

The Valuation Process/Methodology

There are three approaches in the estimation of market value: the Cost, Income and Sales Comparison Approaches to Value.

Market value via the **Cost Approach** consists of the sum of the land value and the cost new of the improvements less accrued depreciation. The Cost Approach is based on the premise that buyer would pay no more for a property than it would cost to build a similar property.

The **Income Approach** is based on the premise that an investor would pay no more for the subject property than he would for another investment with similar income and expenses. The value of an investment is based upon the quality and quantity of the anticipated income stream. Since this value is equal to the present worth of anticipated future benefits in the form of dollar income or amenities, this approach estimates the present value of the net income that the property is capable of producing. This amount is capitalized at a rate, which reflects risk to the investor and the amount of income necessary to support debt service.

The **Sales Comparison Approach** involves the process of comparing sales of similar properties and adjusting for differences in time, location and physical characteristics. This approach is based upon the assumption that a purchaser will not pay more for a property than it would cost to buy a comparable property.

Cost Approach

Methodology

The Cost Approach is based on the proposition that a knowledgeable purchaser would not pay more for a property than the cost of producing a substitute property with an equal amount of utility. The Cost Approach generally provides an accurate indication of value when the property being appraised involves relatively new building improvements, specialty improvements, which represent the highest and best use of the property.

In the Cost Approach, the depreciated value of the improvements is added to the land value. The depreciated value of the improvements is estimated by using the cost of reproducing or replacing the improvements new, less the total amount of accrued depreciation contributed by all forms of depreciation and obsolescence.

The cost approach was not applied due to the fact that this method is not employed by market participants.

Sales Comparison Approach

Methodology

The Sales Comparison Approach estimates the value of a property by comparing it with similar, recently sold properties in the surrounding or competing area. Inherent in this approach is the *Principle of Substitution*, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

By analyzing sales that qualify as arm's length transactions between willing and knowledgeable buyers and seller, we can identify market value and price trends. The sold properties must be comparable to the subject in physical, location and economic characteristics. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings throughout the competitive area;
2. Select and analyze properties that are similar to the subject, giving consideration to the date of sale, any changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or location factors;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sales price to a common unit of comparison such as price per square foot of building area, price per unit and gross income multiplier;
5. Make appropriate adjustments to the prices of the comparable properties; and
6. Interpret the adjusted sales data and draw a logical value conclusion.

The Sales Comparison approach was used in order to determine the appropriate unit value for the land, which is used to calculate the subject's annual market rental rate.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

We have researched nine comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

VALUATION AND CONCLUSION

Comp	Address	Date		Price per Land SF	Land SF	
Subject	City	Price	Zoning	Price per Acre	Acres	Comments
	South of Taylor Road, east of Dania Beach	3/4/2018	IG			
1	4160 Ravenswood Rd Dania	8/18/2017 \$2,106,400	IROM	\$24.67 \$1,074,694	85386 1.96	This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. The property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse
2	2201 W Broward Blvd Fort Lauderdale	7/5/2017 \$10,400,000	B-1	\$20.48 \$892,217	507751 11.66	The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10
3	3001 SW 26th Ter Dania Beach	6/28/2017 \$1,300,000	IROM-AA	\$18.09 \$787,879	71874 1.65	The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.
4	2300 Griffin Rd Dania Beach	10/24/2017 \$7,500,000	C-1 (Commercial)	\$17.97 \$782,881	417305 9.58	This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.
5	2638 Polk St Hollywood	5/23/2017 \$1,050,000	RAC-TC-1	\$27.06 \$1,178,784	38801 0.89	This 0.89 acres of land was sold for \$1,050,000. The land was recently re-zoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.
6	1900 NE 7th Ave Dania Beach	6/30/2017 \$3,640,000	IRO	\$19.25 \$838,711	189050 4.34	On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site.
7	3200 SW 29th Ave Fort Lauderdale	2/7/2017 \$7,443,400	IROM	\$22.51 \$980,686	330620 7.59	7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.
8	32-44 N Federal Hwy Dania Beach	4/3/2017 \$1,250,000	TOC	\$69.44 \$3,025,000	18000 0.41	This 0.4132 acres of land was sold for \$1,250,000. The land was purchased by a development company who plans to develop a hotel at the site. No timeline for construction has been provided. Patricia Hart of Classic Properties represented the seller while Jonathan Lief of Aventura Real Estate Inc. represented the buyer. Information regarding this transaction has been verified with principles from both sides.
9	350 E State Road 84 Fort Lauderdale	10/20/2016 3,600,000	B-3	\$52.64 \$2,293,000	68389 1.57	Sailorman sold 1.5659 acres of land to Grupo Alco for \$3,600,000 in an all cash deal. The buildings on the site will be vacated and demolished in March 2017. The seller has six months for continued occupancy for the site. The new owner has approvals to construct a 150 to 160 room business class hotel. Construction is slated to commence in the second quarter of 2017.

Land Sale Comparables Data & Photographs
Land Comparable 1



Transaction

ID	2518	Date	8/18/2017
Address	4160 Ravenswood Rd	Price	\$2,106,400
City	Dania	Price Per Land SF	\$24.67
State	FL	Financing	Cash
Tax ID	50-42-28-01-0100	Property Rights	Fee Simple
Grantor	Kelly Dorothy M	Days on Market	NA
Grantee	Village Rent & Ride Llc	Verification Source	NA
Legal Description	NA		

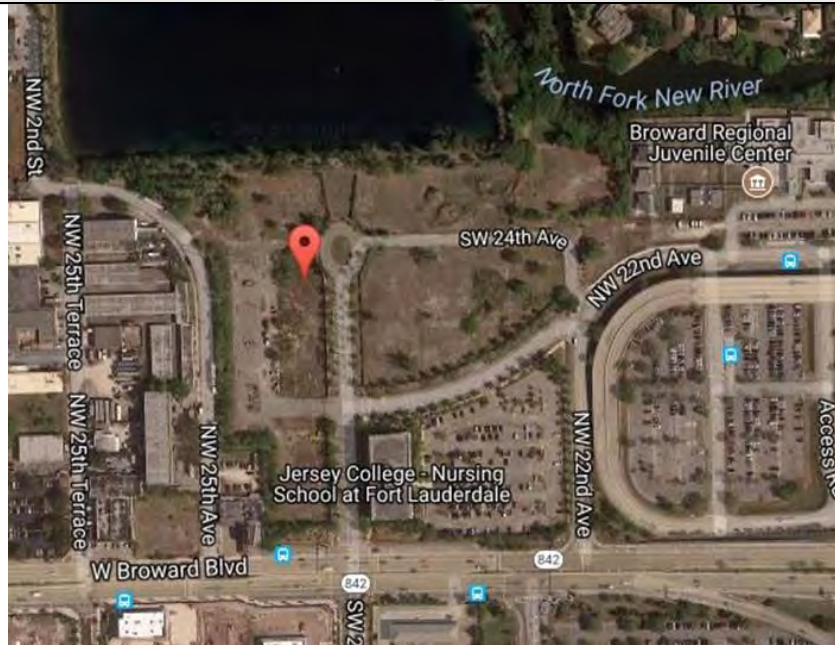
Site

Acres	2.0	Distance	1.68
Land SF	85,386	Zoning	IROM

Comments

This 16,566 square foot industrial building was sold for \$2,106,400 or \$24.67 per square foot of land area. T5.15:1.he property was purchased by the existing tenant. Information regarding this transaction has been verified with principals from both sides. The property is improved with an office/warehouse building in fair condition. The warehouse area is open and the land-to-building is 5.15:1.

Land Comparable 2



Transaction

ID	2520	Date	7/5/2017
Address	2201 W Broward Blvd	Price	\$10,400,000
City	Fort Lauderdale	Price Per Land SF	\$20.48
State	FL	Financing	NA
Tax ID	50-42-05-50-0010	Property Rights	Fee Simple
Grantor	Riverbend Broward, LP	Days on Market	NA
Grantee	Bridge Riverbend, LLC	Verification Source	NA
Legal Description	A PORTION OF PARCEL		

Site

Acres	11.7	Distance	4.73
Land SF	507,751	Zoning	B-1

Comments

The information for this report has been verified with the buyer. On July 5, 2017 Merrimac Ventures sold just under 12 acres located at 2201 West Broward Boulevard in Fort Lauderdale, FL to Bridge Development Partners for \$10.4 million, or approximately \$20.48 per square foot. The buyer is developing a 221,542 square foot industrial distribution park with 32 foot clearance and minimum of 40,000 square feet. The park is advertised as being 16 minutes from Port Everglades and 10 minutes from FLL.

Land Comparable 3



Transaction

ID	2522	Date	6/28/2017
Address	3001 SW 26th Ter	Price	\$1,300,000
City	Dania Beach	Price Per Land SF	\$18.09
State	FL	Financing	\$800,000
Tax ID	50-42-20-48-0010	Property Rights	NA
Grantor	Alex Nichols	Days on Market	1225
Grantee	Dania Resorts LLC	Verification Source	NA
Legal Description	PARCEL A, RUNWAY		

Site

Acres	1.7	Distance	2.64
Land SF	71,874	Zoning	IROM-AA

Comments

The seller verified that the buyer plans to build a new hotel on this site. However, the seller was not privy to the specifics such as the construction timetable, number of rooms, etc. The parcel was zoned for Industrial use at the time of sale. It is marketed as being a five minute drive from FLL.

Land Comparable 4



Transaction

ID	2521	Date	10/24/2017
Address	2300 Griffin Rd	Price	\$7,500,000
City	Dania Beach	Price Per Land SF	\$17.97
State	FL	Financing	Cash
Tax ID	50-42-29-53-0010	Property Rights	Fee Simple
Grantor	Griffin Pointe Partners Lllp	Days on Market	NA
Grantee	Q-Med Corp	Verification Source	NA
Legal Description	Parcel A Griffin Pointe		

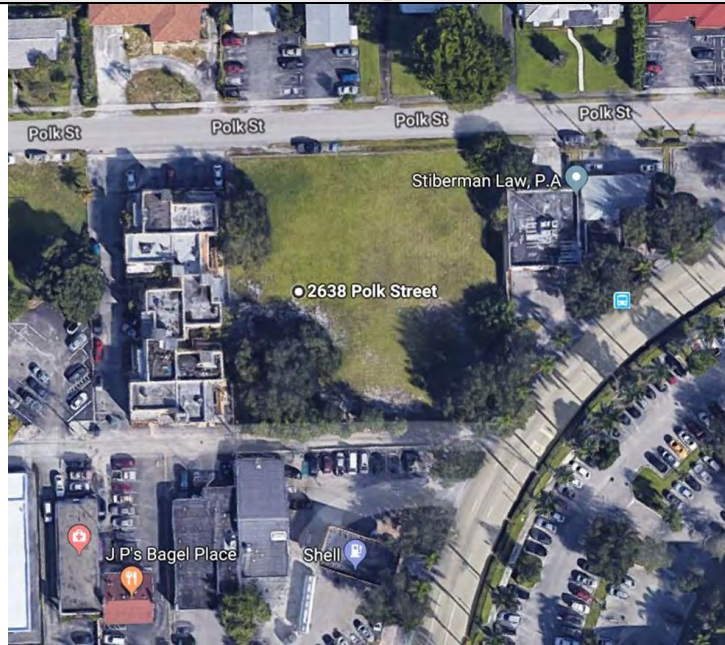
Site

Acres	9.6	Distance	1.75
Land SF	417,305	Zoning	C-1 (Commercial)

Comments

This 9.58 acres of land was sold for \$7,500,000 or \$782,881 per acre. The land will be developed into a build-to-suit industrial building for the buyer however no timeline for construction was provided. Information regarding this transaction has been verified with principals from both sides.

Land Comparable 5



Transaction

ID	2524	Date	5/23/2017
Address	2638 Polk St	Price	\$1,050,000
City	Hollywood	Price Per Land SF	\$27
State	FL	Financing	NA
Tax ID	41-42-16-02-3450	Property Rights	NA
Grantor	2638 Polk Street, LLC	Days on Market	363
Grantee	Hollywood Downtown	Verification Source	NA
Legal Description	Lots 18-19 Hollywood		

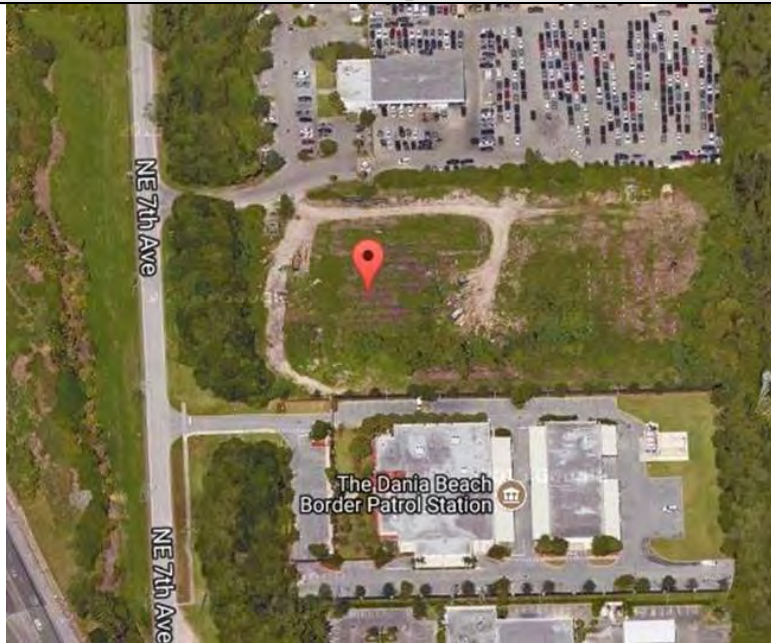
Site

Acres	0.9	Distance	3.54756781
Land SF	38,801	Zoning	RAC-TC-1

Comments

This 0.89 acres of land was sold for \$1,050,000. The land was recently re-zoned to accommodate business class hotels. The buyer plans to build a 119 room hotel and is currently in the process of getting site plan approvals. The buyer also operates a hotel in Dania Beach. Information regarding this transaction has been verified with a principle involved in the deal.

Land Comparable 6



Transaction

ID	2425	Date	6/30/2017
Address	1900 NE 7th Ave	Price	\$3,640,000
City	Dania Beach	Price Per Land SF	\$19
State	FL	Financing	NA
Tax ID	50-42-26-09-0020	Property Rights	NA
Grantor	Port 5 Ltd	Days on Market	1179
Grantee	Gpt Dania Beach Owner	Verification Source	NA
Legal Description	NISA PLAT 147-14 B		

Site

Acres	4.3	Distance	1.104416917
Land SF	189,050	Zoning	IRO

Comments

On June 30, 2017, Port 5 Ltd sold the vacant parcel located 1900 NE 7th Ave. in Dania Beach, FL GPT Dania Beach Owner LLC for \$3,640,000, or \$19.25 per square foot. The subject site totals 4.34 acres of raw land and was marketed as a self-storage site. The buyer will build a distribution warehouse building with delivery anticipated for May, 2019.

Land Comparable 7



Transaction

ID	2532	Date	2/7/2017
Address	3200 SW 29th Ave	Price	\$7,443,400
City	Fort Lauderdale	Price Per Land SF	\$23
State	FL	Financing	NA
Tax ID	50-42-20-50-0012	Property Rights	NA
Grantor	Pantropic Power Inc	Days on Market	NA
Grantee	Msg I-595, LLC	Verification Source	NA
Legal Description	NA		

Site

Acres	7.6	Distance	2.71326981
Land SF	330,620	Zoning	IROM

Comments

7.59 acres located at 3200 SW 29th Ave in Fort Lauderdale, FL were sold for \$7,443,400 or \$22.51 per square foot.

Land Comparable 8



Transaction

ID	2533	Date	4/3/2017
Address	32-44 N Federal Hwy	Price	\$1,250,000
City	Dania Beach	Price Per Land SF	\$69.44
State	FL	Financing	Cash
Tax ID	50-42-34-01-1790	Property Rights	Fee Simple
Grantor	40-44 NFH, LLC	Days on Market	3358
Grantee	Dania Airport Hotels Llc	Verification Source	Broker
Legal Description	Town of Modelo		

Site

Acres	0.4	Distance	0.53
Land SF	18,000	Zoning	TOC

Comments

This 0.4132 acres of land was sold for \$1,250,000. The land was purchased by a development company who plans to develop a hotel at the site. No timeline for construction has been provided. Patricia Hart of Classic Properties represented the seller while Jonathan Lief of Aventura Real Estate Inc. represented the buyer. Information regarding this transaction has been verified with principles from both sides.

Land Comparable 9



Transaction

ID	2535	Date	10/20/2016
Address	350 E State Road 84	Price	\$3,600,000
City	Fort Lauderdale	Price Per Land SF	\$53
State	FL	Financing	NA
Tax ID	50-42-22-11-0060	Property Rights	NA
Grantor	Diversified Wholesale	Days on Market	1085
Grantee	HLT-FLT State RD 84 LP	Verification Source	NA
Legal Description	Lots 16-21 Blk 2,		

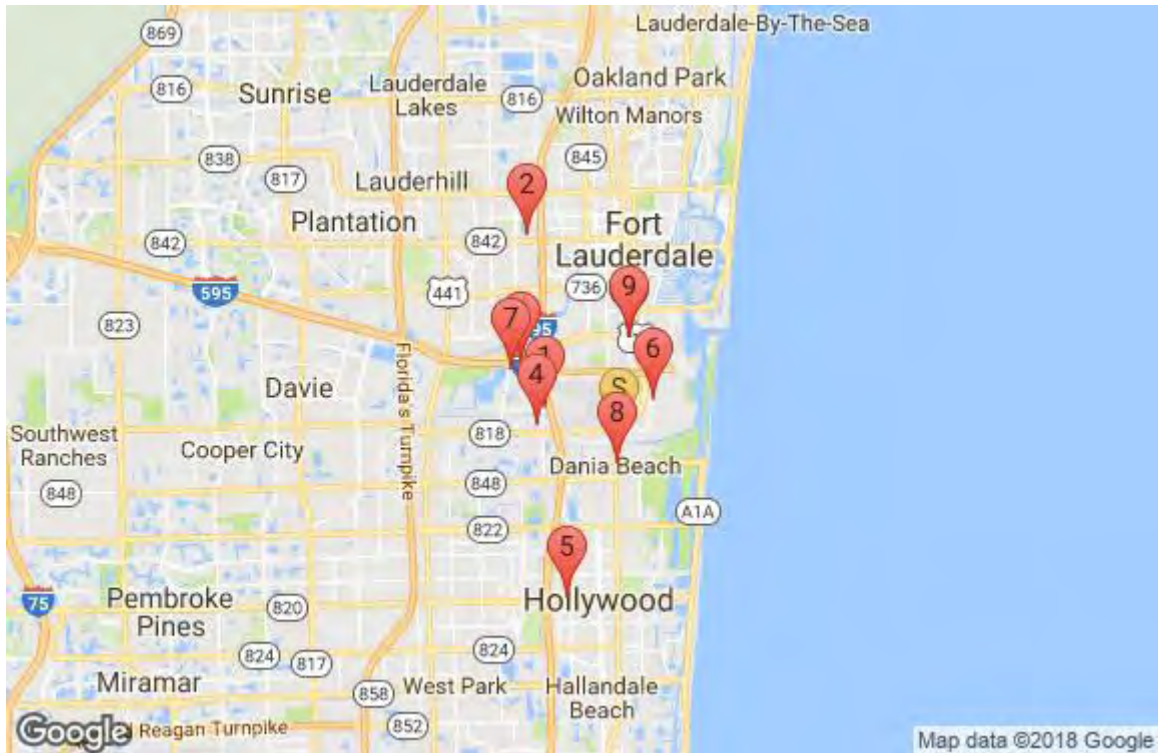
Site

Acres	1.6	Distance	2.186008469
Land SF	68,389	Zoning	B-3

Comments

Sailorman sold 1.5659 acres of land to Grupo Alco for \$3,600,000 in an all cash deal. The buildings on the site will be vacated and demolished in March 2017. The seller has six months for continued occupancy for the site. The new owner has approvals to construct a 150 to 160 room business class hotel. Construction is slated to commence in the second quarter of 2017.

Land Sales Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Sales Analysis Grid

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8	Comp 9
Address	South of Taylor Road, east of Federal Hwy.	4160 Ravenswood Rd	2201 W Broward Blvd	3001 SW 26th Ter	2300 Griffin Rd	2638 Polk St	1900 NE 7th Ave	3200 SW 29th Ave	32-44 N Federal Hwy	350 E State Road 84
City	Dania Beach	Dania	Fort Lauderdale	Dania Beach	Dania Beach	Hollywood	Dania Beach	Fort Lauderdale	Dania Beach	Fort Lauderdale
State	FL	FL	FL	FL	FL	FL	FL	FL	FL	FL
Date	3/4/2018	8/18/2017	7/5/2017	6/28/2017	10/24/2017	5/23/2017	6/30/2017	2/7/2017	4/3/2017	10/20/2016
Price		\$2,106,400	\$10,400,000	\$1,300,000	\$7,500,000	\$1,050,000	\$3,640,000	\$7,443,400	\$1,250,000	\$3,600,000
Land SF		85,386	507,751	71,874	417,305	38,801	189,050	330,620	18,000	68,389
Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51	\$69.44	\$52.64
Transaction Adjustments										
Property Rights	Fee Simple	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Financing	Conventional	0 0.0%	0 0.0%	800000 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Conditions of Sale	Cash	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Adjusted Land SF Unit Price		\$24.67	\$20.48	\$18.09	\$17.97	\$27.06	\$19.25	\$22.51	\$69.44	\$52.64
Market Trends Through	3/4/2018 8.0%	4.3%	5.2%	5.4%	2.8%	6.2%	5.3%	8.6%	7.3%	11.1%
Adjusted Land SF Unit Price		\$25.72	\$21.55	\$19.06	\$18.48	\$28.74	\$20.28	\$24.44	\$74.53	\$58.49
Location	Good	Inferior	Similar	Inferior	Inferior	Similar	Similar	Similar	Superior	Superior
% Adjustment		10%	0%	10%	10%	0%	0%	0%	-10%	-10%
\$ Adjustment		\$2.57	\$0.00	\$1.91	\$1.85	\$0.00	\$0.00	\$0.00	-\$7.45	-\$5.85
Acres		1.96	11.66	1.65	9.58	0.89	4.34	7.59	0.41	1.57
% Adjustment		0%	10%	0%	10%	-10%	0%	0%	-10%	0%
\$ Adjustment		\$0.00	\$2.16	\$0.00	\$1.85	-\$2.87	\$0.00	\$0.00	-\$7.45	\$0.00
Topography	Level	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shape	Irregular	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	All	All	All	All	All	All	All	All	All	All
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning	IG	IROM	B-1	IROM-AA	C-1 (Commercial)	RAC-TC-1	IRO	IROM	TOC	B-3
% Adjustment		0%	0%	0%	0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Land SF Unit Price		\$28.29	\$23.71	\$20.97	\$22.17	\$25.86	\$20.28	\$24.44	\$59.62	\$52.64
Net Adjustments		10.0%	10.0%	10.0%	20.0%	-10.0%	0.0%	0.0%	-20.0%	-10.0%
Gross Adjustments		10.0%	10.0%	10.0%	20.0%	10.0%	0.0%	0.0%	20.0%	10.0%

Sales Comparison Approach Conclusion – Land Valuation

Each comparable is a vacant parcel zoned for commercial, hospitality, or industrial use. Each is an arm's length sale and none were REO/short sales.

Sale one is a parcel of land located at 4160 Ravenswood Rd in Dania. This parcel is zoned and consists of 29,999 square feet or 0.69 acres. This comparable sold on August 18, 2017 from Kelly Dorothy M to Village Rent & Ride Llc for a price of \$2,106,400 or \$24.67 per square foot.

Sale two is a parcel of land located at 2201 W Broward Blvd in Fort Lauderdale. This parcel is zoned B-1 and consists of 507,751 square feet or 11.7 acres. This comparable sold on July 5, 2017 from Riverbend Broward, LP to Bridge Riverbend, LLC for a price of \$10,400,000 or \$20.48 per square foot.

Sale three is a parcel of land located at 3001 SW 26th Ter in Dania Beach. This parcel is zoned IROM-AA and consists of 71,874 square feet or 1.7 acres. This comparable sold on June 28, 2017 from Alex Nichols to Dania Resorts LLC for a price of \$1,300,000 or \$18.09 per square foot.

Sale four is a parcel of land located at 2300 Griffin Rd in Dania Beach. This parcel is zoned C-1 (Commercial) and consists of 417,305 square feet or 9.6 acres. This comparable sold on October 24, 2017 from Griffin Pointe Partners Llp to Q-Med Corp for a price of \$7,500,000 or \$17.97 per square foot.

Sale five is a parcel of land located at 2638 Polk St in Hollywood. This parcel is zoned RAC-TC-1 and consists of 38,801 square feet or 0.9 acres. This comparable sold on May 23, 2017 from 2638 Polk Street, LLC to Hollywood Downtown Hotel, LLC for a price of \$1,050,000 or \$27 per square foot.

Sale six is a parcel of land located at 1900 NE 7th Ave in Dania Beach. This parcel is zoned IRO and consists of 189,050 square feet or 4.3 acres. This comparable sold on June 30, 2017 from Port 5 Ltd to Gpt Dania Beach Owner Llc for a price of \$3,640,000 or \$19 per square foot.

Sale seven is a parcel of land located at 3200 SW 29th Ave in Fort Lauderdale. This parcel is zoned IROM and consists of 330,620 square feet or 7.6 acres. This comparable sold on February 7, 2017 from Pantropic Power Inc to Msg I-595, LLC for a price of \$7,443,400 or \$23 per square foot.

Comparable Land Sale Adjustments

As mentioned, each of the comparable sales is an arm's length sale having occurred since early 2017 of a commercial parcel of land located within the vicinity of FLL. No adjustment is made for motivation or financing terms.

Market Conditions

An adjustment for market conditions of 8% annually is included to address the improving market conditions.

Location

Each sale has a good office, retail or mixed use location, but sale one is located on a secondary street, as is sale three. These three sales are adjusted downward. Sale four is also some distance from FLL but is located east of I-95 in a desirable area of Hollywood. These factors offset and no adjustment was applied.

Size

Size adjustments are often applied based upon the economic theory of economies of scale. In certain cases this is appropriate, but there are many cases in where this adjustment would be incorrect. For example, a site so small that utility is limited will not necessarily sell for more per square foot than a larger site with greater utility. In South Florida the concept of scarcity comes into play, in that the area is reaching buildout with very few parcels significant in size remaining available for development. In this case each parcel is large enough for a significantly sized development but sale 5 is smaller than one acre and is adjusted downward whereas sales two and four are significantly larger and are adjusted upward for this factor.

Topography

None of the sales had topographic issues or challenges. The subject will require wetland mitigation, but this cost is subtracted from the market value estimate.

Shape

The subject has a generally rectangular shape as does each of the sales.

Utilities

Each sale has access to utilities and no adjustment is applied.

Zoning

Each sale is zoned for industrial, commercial or mixed-use development and no adjustments are needed.

Conclusion

The adjusted values of the comparable properties range from \$20.28 to \$59.62; the average is \$30.89. The market value of Parcel A has been estimated based in most part upon sales 8 and 9 which both have frontage on major roadways. The market value of Parcels B and C were based in most part on sales one through seven.

It should be noted that several of the sales were purchased for development of hotels. This use would require a zoning change but the RAC requirements are very liberal and the city has allocated a number of approved residential dwelling units to be located east of Federal Highway. These dwelling units can be converted at a rate of two hotel rooms per dwelling unit.

The portions of Parcels B and C which have FPL easements are estimated at 50% of the estimated market value, due to the somewhat limited utility of these areas. This land can be used for open area/green space and can be paved, but cannot be developed. This limitation extends so far as to prevent construction of structures but not paving and fencing, but less restrictive than submerged land, which cannot be improved upon at all but which may lend some incremental value to the adjacent upland, serving as drainage or retention and permitting more of the upland parcel to be developed, or counting as land area for formulas which determine maximum buildable area per zoning. After speaking with real estate professionals familiar with the purchase and development of wetlands, we have concluded that the value of land encumbered by the FPL easements would be based upon 50% of the value of the adjacent upland.

VALUATION AND CONCLUSION

All of the value indications have been considered and we have at a final reconciled per square foot value as follows:

Parcel A	\$60/SF X 54,438 SF	\$3,266,280	\$3,265,000 Rd.
Parcel B	\$24/SF X 863,126 SF	\$20,715,024	
Parcel B FPL Easement Area	\$12/SF X 177,332	<u>\$2,127,984</u>	
Total		\$22,843,008	\$22,850,000 Rd.
Parcel C	\$24/SF X 153,305	\$3,679,320	
Parcel C FPL Easement Area	\$12/SF X 44,434	<u>\$533,208</u>	
Total		\$4,212,528	<u>\$4,215,000 Rd.</u>
Subtotal			\$30,330,816
Less Wetland Mitigation			<u>\$205,000</u>
Total			\$30,125,000

Income Capitalization Approach

Methodology

The Income Capitalization Approach is a method of converting the anticipated economic benefits of owning property into a value estimate through capitalization. The Principle of Anticipation underlying this approach is that prudent investors recognize a relationship between income and the assets value. Through the completion of this approach, appraisers measure the present value of the future benefits of property ownership.

In order to value the anticipated economic benefits of a particular property, the following is completed.

1. Determine potential gross income from occupied and vacant space;
2. Deduct a vacancy and collection loss to derive effective gross income;
3. Deduct expenses of operation to derive net operating income and/or cash flow before debt service;
4. Analyze the duration and pattern of the income stream;
5. Select the appropriate capitalization method or methods;
6. Complete the computations to derive an indicated value by the Income Approach; and
7. If direct capitalization and a discounted cash flow are used, analyze the indicated values and conclude at a final value.

The two most common methods of converting net income into value are direct capitalization and discounted cash flow analysis. In direct capitalization, net operating income is divided by an overall rate extracted directly from market sales to indicate a value. In the discounted cash flow method, anticipated future net income streams and a reversionary value are discounted to a net present value based upon a discount rate which reflects the appropriate level of risk.

The subject is a currently vacant land which has been valued using comparable sales of similar parcels of land. No Income Approach was developed.

Certification

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported.

The appraisal was made and the appraisal report prepared in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions.

The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the Uniform Appraisal Standards for Federal Land Acquisitions.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

This appraisal is not based upon a requested minimum valuation, a specific valuation or the approval of a loan.

The appraiser has not performed any prior services regarding the subject within the previous three years of the appraisal date.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

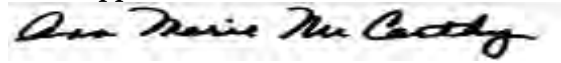
No one provided significant real property appraisal assistance to the persons signing this certification.

CERTIFICATION

As of the date of this report, I, Ann Marie McCarthy have completed the continuing education program of the Appraisal Institute.

Ann Marie McCarthy has inspected the subject property. As a result of our investigation into those matters which affect market value, and by virtue of our experience and training, we have formed the opinion that the market value as of March 4, 2018 is **\$30,125,000**.

AMH Appraisal Consultants, Inc.



Ann Marie McCarthy, MAI, CCIM
State-Certified General Appraiser No. RZ1971

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

General Assumptions

1. The legal description used in this report is assumed to be correct.
2. No survey of the property has been made by the consultant and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.
3. No responsibility is assumed for matters of legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.
4. Information and data furnished by others is usually assumed to be true, correct and reliable. When such information and data appears to be dubious and when it is critical to the analysis, a reasonable effort has been made to verify all such information; however, no responsibility for its accuracy is assumed by the consultant.
5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is analyzed as though under responsible ownership and competent management.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in this report.
9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate provided.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines and that there is no encroachment or trespass unless noted.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

11. We are not expert in determining the presence of absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction, or otherwise present on the property. We assume no responsibility for the studies or analyses, which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The value estimate is based on the assumption that the subject property is not so affected.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

Limiting Conditions

1. The consultant will not be required to give testimony or appear in court because of having made this analysis, with reference to the property in question, unless arrangements have been previously made therefore.
2. Possession of the report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the consultant, and in any event only with proper written qualifications and only in its entirety.
3. The distribution of the total valuation in this report between land and improvements, if any, applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
4. No environmental impact studies were either requested or made in conjunction with this analysis, and the consultant hereby reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
5. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the consultant. Nor shall the consultant, firm or professional organization of which the consultant is a member be identified without written consent of the consultant.
6. Neither our name nor report may be used in connection with any financing plan, which would be classified as a public offering under state or federal securities laws.
7. Acceptance of and/or use of this report constitutes acceptance of the foregoing General Assumptions and General Limiting Conditions.

ADDENDA

**Appraiser Qualifications
Regional Analysis**

CURRICULUM VITAE OF ANN MARIE MCCARTHY, MAI CCIM

BUSINESS ADDRESS

AMH Appraisal Consultants, Inc.
43 S Powerline Road
Suite 395
Pompano Beach, FL 33069
Telephone: (954) 978.2445 Fax: (954) 978.2076
Website www.amhappraisal.com

EDUCATION

North Central College, Naperville, IL - Bachelor of Arts, Marketing, 1987
Appraisal-related courses:

The Appraisal Institute:

Course 110 - Appraisal Principles, September 1993
Course 210 - Appraisal Procedures, March 1994
Course 1A-2 - Capitalization Part B, March 1992
Course 2-1 Case Studies, November 1992
Course 510 - Report Writing, October 1993
The Appraiser's Complete Review, July 1994
Course 700 – Appraising for Litigation I
Course 710 – Appraising for Litigation II

The American Institute of Real Estate Appraisers:

Course IA-1 Capitalization, September 1989
Course SPP Standards of Professional Practice, December 1989

Commercial Investment Real Estate Association:

CI 101 Financial Analysis for Commercial Real Estate
CI 201 Market Analysis for Commercial Real Estate
CI 301 Decision Analysis for Commercial Real Estate

PROFESSIONAL AFFILIATIONS

Member, Appraisal Institute, Certificate #10,760
Certified Commercial Investment Member (CCIM) #8349
Commercial Real Estate Women (CREW), Fort Lauderdale/Palm Beach
1996 Hospitality Director
1997 Hospitality Director
1998 Recording Secretary and National Delegate
2001 President Elect and Conference Chair
2002 President
2003-2004 National Delegate
2005 Founder, Past Presidents' Council
2006 Sponsorship, Chicago
2009 Chair - Programs Committee
Commercial and Industrial Real Estate Brokers Association (CIREBA)
NAIOP
Society of Commercial Realtors
Appraisal Institute
2000 -2003 Chair, Public Relations Committee
2003-2007 Member, National Membership Diversity Committee
2008, Chair, National Diversity Committee
2009 President – South Florida Chapter
2010-Current - Region X Representative, Appraisal Institute Government Relations Committee

EXPERIENCE

11/94 to Present President

AMH Appraisal Consultants, Inc.

11/92 to 11/94

Pardue, Heid, Church, Smith & Waller, of So. Fla., Inc.

Ft. Lauderdale, Florida

1/88 to 10/92

Appraisal Services, Inc.

Pompano Beach, Florida

PUBLICATIONS

“Aristotle, Appraisal Writing, and the Art of Persuasion”, The Appraisal Journal, July, 1997

Awarded Honorable Mention, Armstrong/Kahn Award presented April, 1998.

2003 - Co-authored “Accounting for Change: GASB, FASB and Mark to Market”, published in Valuation Insights and Perspective magazine.

LICENSES

State of Florida Certified General Appraiser #0001971

State of Florida Broker/Salesperson License #1495848

BROWARD COUNTY VALUE ADJUSTMENT BOARD

1996 Appraiser Special Master

1997 Appraiser Special Master

1998 Appraiser Special Master

1999 Appraiser Special Master

2000 Appraiser Special Master

2001 Appraiser Special Master

DADE COUNTY VALUE ADJUSTMENT BOARD

1997 Appraiser Special Master

FLORIDA DEPARTMENT OF TRANSPORTATION

Approved, Minority Business Enterprise

State of Florida Minority

EXPERT WITNESS QUALIFICATION

Palm Beach County Circuit Court

Broward County Circuit Court

Miami-Dade County Circuit Court

Collier County Circuit Court

Federal District Court Miami

Federal Bankruptcy Court Miami-Dade

Federal Bankruptcy Court Broward County

AWARDS

Recognized by Florida Real Estate Journal as one of the Top Women in Florida Commercial Real Estate for 2004.

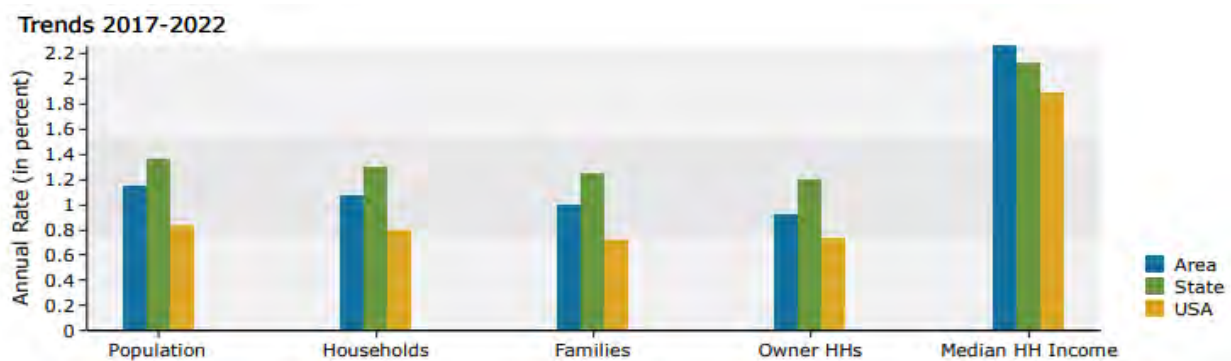
Ann Marie McCarthy, MAI, CCIM has completed appraisals of all property types, including industrial warehouse, condominium, and distribution properties, shopping centers and lifestyle centers, apartment complexes, office buildings, subdivisions, residential condominium projects, restaurants, marinas, boatyards, funeral homes, timeshare properties, single family rental home portfolios and automobile dealerships. Specialization includes aviation and port property appraisals. Appraisals were completed for financing, condemnation, non-condemnation litigation, financial reporting and asset management purposes.

Regional Analysis

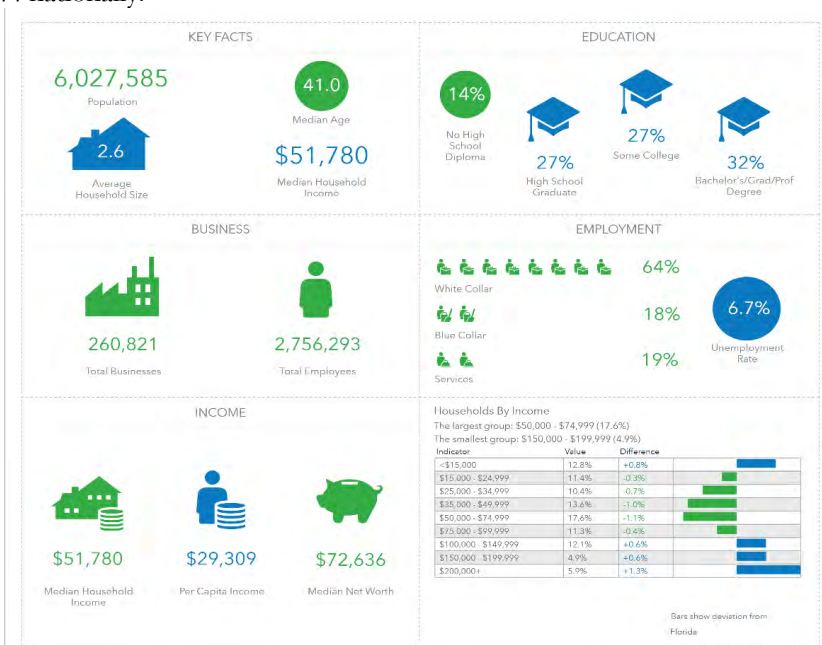
The subject is located in Broward County, which is located within the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area. The MSA is on the Atlantic coast of South Florida and encompasses Miami-Dade, Broward, and Palm Beach Counties, the three most populous counties in Florida. The region covers a geographic area of 6,137 square miles, with 1,011 miles of coast. Mild climate, high quality of life, potential for market growth, good transportation systems, strategic location, talented labor pool, burgeoning population base and ease of access are among the area's many positive attributes.

Population

Florida is now the third most populous state in the nation, having grown to 20.6 million residents.. The MSA's 6.01 million residents account for roughly 30% of the state's population and make it the eighth largest metropolitan area in the country. According to *Esri*, the population in the region is projected to grow at an annual rate of 1.14% over the next five years.



The number of households in the region has also been increasing since 2010 at a rate of 1.06% annually. The growth trend is expected to continue at a rate of 1.07% per year through 2022. The average household size is currently 2.64, while the median age in the region is 41.0. Current median household income is \$51,780 in the MSA, compared to \$56,124 for all U.S. households. Median home value in the region is currently \$242,806, compared to \$207,344 nationally.



Employment

The South Florida economy is largely driven by the service, retail, and finance/insurance/real estate trades which employ approximately 73.2% of the region's workforce. However, the MSA is diversifying itself away from a reliance on tourism, retirement and population growth, to a region more focused on business and commerce.

Although a large percentage of the employed people in the MSA still work in the service sector (52.7%), the influx of large corporations has increased the need for employees in the healthcare, financial services, telecommunications and computer fields. The region is currently home to six Fortune 500 companies: World Fuel Services, AutoNation, NextEra Energy, Inc., Office Depot, Lennar, and Ryder Systems. The MSA's largest employers are summarized in the following table.

Largest Employers		
Employer	# So. Fla. Employees	Total Employees
Publix Super Markets	39,098	187,500
Baptist Health South Florida	16,003	16,003
University of Miami	15,091	15,091
Tenet Healthcare Corp.	12,500	12,500
Jackson Health System	12,100	12,100
Source: South Florida Business Journal		

According to the Bureau of Labor and Statistics, the MSA's non-seasonally adjusted unemployment rate as of November 2017 was 4.1%, down from its high of 11.3% in August 2010. This is slightly higher than Florida's unemployment rate of 3.8% and the same as the national rate of 4.1%.

Transportation

A well-developed and extensive roadway network serves the MSA. The counties major highways consist of Interstate 75, Interstate 95, Interstate 595, US Highway 1, US Highway 441, the Florida Turnpike and the Sawgrass Expressway. These road systems provide quick and convenient access to anywhere in the state. Interstate 95 is the primary north-south highway that connects all major points within Miami-Dade, Broward and Palm Beach Counties and allows access to rest of the U.S. eastern seaboard to the north. The Florida Turnpike is a limited access toll way which provides easy access to central Florida. Originating in Dade County to the south, the turnpike heads north to connect with Interstate 75 in the central portion of the state. The Sawgrass Expressway connects the western portion of Interstate 595 with the Florida Turnpike.

Air

The region is served by three full-service international airports: Palm Beach International, Fort Lauderdale/Hollywood International, and Miami International.

Palm Beach International Airport (PBIA) is conveniently located 2.5 miles west of downtown West Palm Beach and 3.5 miles west of Palm Beach. The airport is adjacent to Interstate 95 and located 20 miles north of Boca Raton and 15 miles south of Jupiter. There are 18 commercial and commuter airlines currently operating out of PBIA handling nearly 6.5 million passengers and 26,000 tons of cargo annually.

Centrally located in Broward County and easily accessible from I-95 and 595, Fort Lauderdale/Hollywood International Airport (FLL) is Florida's third busiest airport, and with improvements that are currently underway, is slated to be one of the most efficient in the nation. FLL was the fastest growing large hub airport for year to date and 12 months ending November 2017. The airport has seen total traffic increase 46 out of the last 47 months (as of December 2017) and is currently the 19th busiest U.S. airport. The airport recently completed a \$475 million improvement project, which includes a consolidated rental car area; a 4,500 space structured parking garage, as well as an expansion of their Federal Inspection Service facilities and numerous utility and airfield taxiway projects. Additional projects have been completed and valued at \$3.4 billion; including a new 20-gate international arrival terminal. The airport's high growth is due in large part to its growth among low cost providers. The airport handles over 32 million passengers and is also a major hub for cargo traffic.

Miami International Airport (MIA) boasts the third highest number of international passengers in the United States and is currently first in international freight among U.S. airports. An estimated 44.1 million passengers used the airport in 2017 via 103 carriers serving 166 destinations. Miami International Airport operates more cargo flights to Latin America each day than all other United States Airports combined which underscores Miami-Dade County's role as the gateway to Latin America. MIA and the General Aviation Airports' annual economic impact is \$33.7 billion. MIA and related aviation industries contribute 282,724 jobs directly and indirectly to the local economy.

Rail

CSX and FEC are the largest carriers in the state, handling, among other things, such commodities as nonmetallic minerals, chemicals and allied products, coal and various commodities moved in containers and trailers. A division of Florida East Coast Industries, Brightline is the only privately owned, operated, and maintained passenger rail system in the United States. Brightline currently provides express service between Fort Lauderdale and West Palm Beach, with access to Miami slated to begin soon and eventual connectivity to Orlando planned.

Florida's Amtrak rail passenger system operates over CSX trackage, with daily intercity passenger services in both directions between the northeastern U.S. and South Florida, as well as the west coast of the U.S. and Miami. A multitude of destinations are available from Amtrak's three Fort Lauderdale stations. Tri-Rail Commuter Rail, with its four double-decker passenger cars accommodating a total of 700-seated passengers, services Dade, Broward and Palm Beach counties for convenient commuter travel between West Palm Beach and Miami. All Tri-Rail stations are served by a dedicated Tri-Rail shuttle system, interconnecting county transit buses or other transit systems.

Ports

The Port of Palm Beach is the fourth busiest container port of Florida's 14 deepwater ports and is the 18th busiest container port in the United States. In addition to intermodal capacity, the port is a major modal point for the shipment of bulk sugar (domestic usages), molasses, cement, utility fuels, water, produce, and breakbulk items. Unlike most ports in the United States, the Port of Palm Beach is an export port, with approximately 80% of its cargo being exported, with the subsequent improvement in the balance of trade. The majority of the exported cargo goes toward supporting the island nations of the Caribbean. The Port of Palm Beach supplies 60% of everything consumed in the Bahamas and is the essential lifeline to the rest of the Caribbean. All of the exported raw sugar that is produced in the Glades area, almost 900,000 tons, is shipped through the Port of Palm Beach. Additionally, The Grand Celebration cruise ship is based at the port. The Bahamas Paradise Cruise Line plans to launch a second ship from the port, the Grand Classica, which will also offer two-night trips to Grand Bahama. The port projects that it will receive from \$54.3 to \$62.9 million in net income from the two ships over the next 10 years.

Broward County's Port Everglades is one of the nation's leading container and cruise ports. According to the port's website, "Port Everglades is one of the top three cruise ports in the world. It is a leading container port in Florida and among the most active cargo ports in the United States. And, Port Everglades is South Florida's main seaport for receiving petroleum products including, gasoline and jet fuel. A foreign-trade zone and available office space inside the Port's secure area make Port Everglades a highly desirable business center for world trade... The total value of economic activity at Port Everglades is more than \$28 billion. Additionally, 224,054 Florida jobs are impacted by the Port, including 13,322 people who work for companies that provide direct services to Port Everglades." The Port Everglades Navigation Improvements Project, approved in late 2016, is moving forward. The federal government is funding almost \$200 million of the channel project's \$389.2 million cost, with the Port and State of Florida underwriting the rest. Construction of the channel project is estimated to be completed in mid-2021.

Miami is recognized as the "Cruise Capital of the World" and "Cargo Gateway of the Americas". PortMiami is the busiest passenger terminal in the world handling more than 5.1 million passengers in 2016. Royal Caribbean, Carnival Cruise Lines, Norwegian Cruise Lines, Oceania Cruises, Regent Seven Seas, and Celebrity Cruise Lines are headquartered in Miami-Dade County and dock their fleets at the port. The Port of Miami ranks as the 12th largest container port in United States, and is the second largest in the state of Florida, following only Port Everglades. The port handled approximately 8.9 million tons of cargo last year. PortMiami recently completed a series of capital improvements totaling around \$1 billion which included the completion of projects such as a new tunnel that provides direct access between the terminals and I-395 and I-95, modernization of on dock rail, and new cranes that can handle the larger Post-Panamax ships, which can now sail into the Port because of the recently completed 50-foot dredging alongside the main terminal.

3

Florida Coastal Appraisal Services

Real Estate Appraisers and Consultants

2101 South Andrews Avenue Suite 101 Fort Lauderdale, FL 33316
954 779-3298

March 14, 2018

Broward County
C/O Mr. Peter J. Oppenheimer, Esq.
Marlow, Adler
4000 Ponce de Leon Blvd.
Coral Gables, FL 33146

D. Craig Keneipp, MNAA
State-Certified General Real Estate Appraiser
State of Florida Licensed Real Estate Broker



RE: Shaw Parcels
Shaw Farms v. Broward County et al

Dear Mr. Oppenheimer:

At the client's request I have prepared a consolidated Appraisal Review of the appraisals provided. The first is by Ms. Patricia Hayes dated February 6, 2018 with a valuation date of July 1, 2012. The second is by Mr. Robert Miller dated February 5, 2018 with a valuation date of July 1, 2012. The purpose of this consolidated Appraisal Review is to provide my opinion of current market value assuming the properties are unencumbered by the inverse condemnation taking/actions.

I have inspected the subject property from aerials and from roadways. I have read all reports provided. I have reviewed the sales data in both appraisers' reports.

Ms. Hayes valued the D.D.K and C.I.D.B. plat sites based on a per room value indicator. For my review analysis/purpose these have been broken down in the following chart as price per square foot of land area.

The following valuation estimates are deduced from Ms. Hayes report for her valuation as of 07/2012:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
Part of D.D.K. Plat	299,113 Sf (6.8667 ac)	\$7.51/sf*	\$2,247,000
Pcl A of C.I.D.B. Plat	127,831 Sf (2.9346 ac)	\$23.50/sf	\$3,000,000
Rita Shaw Plat Pcl C	197,739 Sf (4.5395 ac)	\$15.17/sf**	\$2,960,000
Rita Shaw Plat Pcl B	1,040,458 Sf (23.88 ac)	\$15.70/sf**	\$16,335,000
Rita Shaw Plat Pcl A	54,438 Sf (1.2497 ac)	\$18.00/sf	\$980,000
Total	1,719,579 Sf (39.47 ac)	\$14.84/sf	\$25,522,000

* reduction from \$23.35/sf due to significant development costs and agreed to mitigation.

** Subject to FPL easements.

Mr. Miller valued the D.D.K and C.I.D.B. plat sites based on a per room value and price per square foot indicators. For my review analysis/purpose these have been broken down in the following chart as price per square foot of land area.

The following valuation estimates are deduced from Mr. Miller's report for his valuation as of 07/2012:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
DDK Plat	299,113 Sf (6.8667 ac)	\$24.95/sf*	\$7,460,000
CIDB Plat	127,360 Sf (2.93 ac)	\$25.75/sf*	\$3,280,000
Rita Shaw Plat Pcl C	197,762 Sf (4.54 ac)	\$20.30/sf*	\$4,015,000
Rita Shaw Plat Pcl B	982,278 Sf (22.55 ac)	\$20.30/sf*	\$19,940,000
Rita Shaw Plat Pcl A	54,450 Sf (1.25 ac)	\$26.00/sf*	\$1,415,700
Total	1,660,963 Sf (38.13 ac)	\$21.74/sf	\$36,110,700

* Subject to mitigation estimates and subject to FPL easements where applicable.

Review Appraiser Current Market Value Opinion Summary

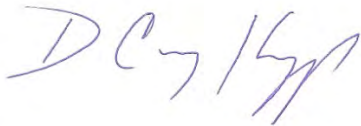
Based on my independent sales research and analysis of the mitigation and development issues, my valuation estimates and opinion of Market Value as of March 14, 2018:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
Part of D.D.K. Plat	299,113 Sf (6.8667 ac)	\$21.55/sf*	\$6,448,400
Pcl A of C.I.D.B. Plat	127,831 Sf (2.9346 ac)	\$29.85/sf*	\$3,815,000
Rita Shaw Plat Pcl C	197,739 Sf (4.5395 ac)	\$27.00/sf*	\$5,342,325
Rita Shaw Plat Pcl B	1,040,458 Sf (23.88 ac)	\$22.70/sf*	\$23,613,700
Rita Shaw Plat Pcl A	54,438 Sf (1.2497 ac)	\$49.80/sf*	\$2,712,425
Total	1,719,579 Sf (39.47 ac)	\$24.38/sf	\$41,931,850

* reduction from development costs and agreed to mitigation as agreed to and/or allocated, subject to FPL easements as encumbered.

I appreciate the opportunity to work with you and the clients/intended users. If you have any questions, please contact me at your convenience. If you have any questions, please advise. Thank you

Sincerely,



D. Craig Keneipp, MNAA
State-Certified General Real Estate Appraiser RZ1491

REVIEW ANALYSIS

APPRAISAL REVIEW: (noun) the act or process of developing an opinion about the quality of another appraiser's work that was performed as part of an appraisal or appraisal review; (adjective) of or pertaining to an opinion about the quality of another appraiser's work that was performed as part of an appraisal or appraisal review assignment. (USPAP 2018 -2019)

Review Appraiser

D. Craig Keneipp, MNAA
State-Certified General Appraiser
Principal in the firm Florida Coastal Appraisal Services
2101 S. Andrews Avenue Suite 101
Ft. Lauderdale, FL 33316

Review Appraiser's Clients Broward County Legal/Commission/Staff.

Intended Users of the Review

Clients as indicated above. It is recognized this report may be provided to governing agencies including Broward County via their consultants, attorneys, Commission, and staff, and may eventually become public information due to the nature of the litigation. This report is not intended for any use other than as stated below. Only the indentified clients are the intended users.

Intended Use of the Reviewer's Opinions

Negotiation for the potential offer to purchase the post-taking remainder of the property as if unencumbered by the taking impacts. I am requested to provide an opinion of current market value. My opinion of value will be an appraisal whether it concurs or does not concur with Mr. Miller's or Ms. Hayes' appraisals in whole or in part.

Purpose of the Assignment

Provide the intended users a basis for negotiating the purchase of the property.

Effective date of this review: March 14, 2018

Extraordinary Assumptions None for the review. See my value opinion.

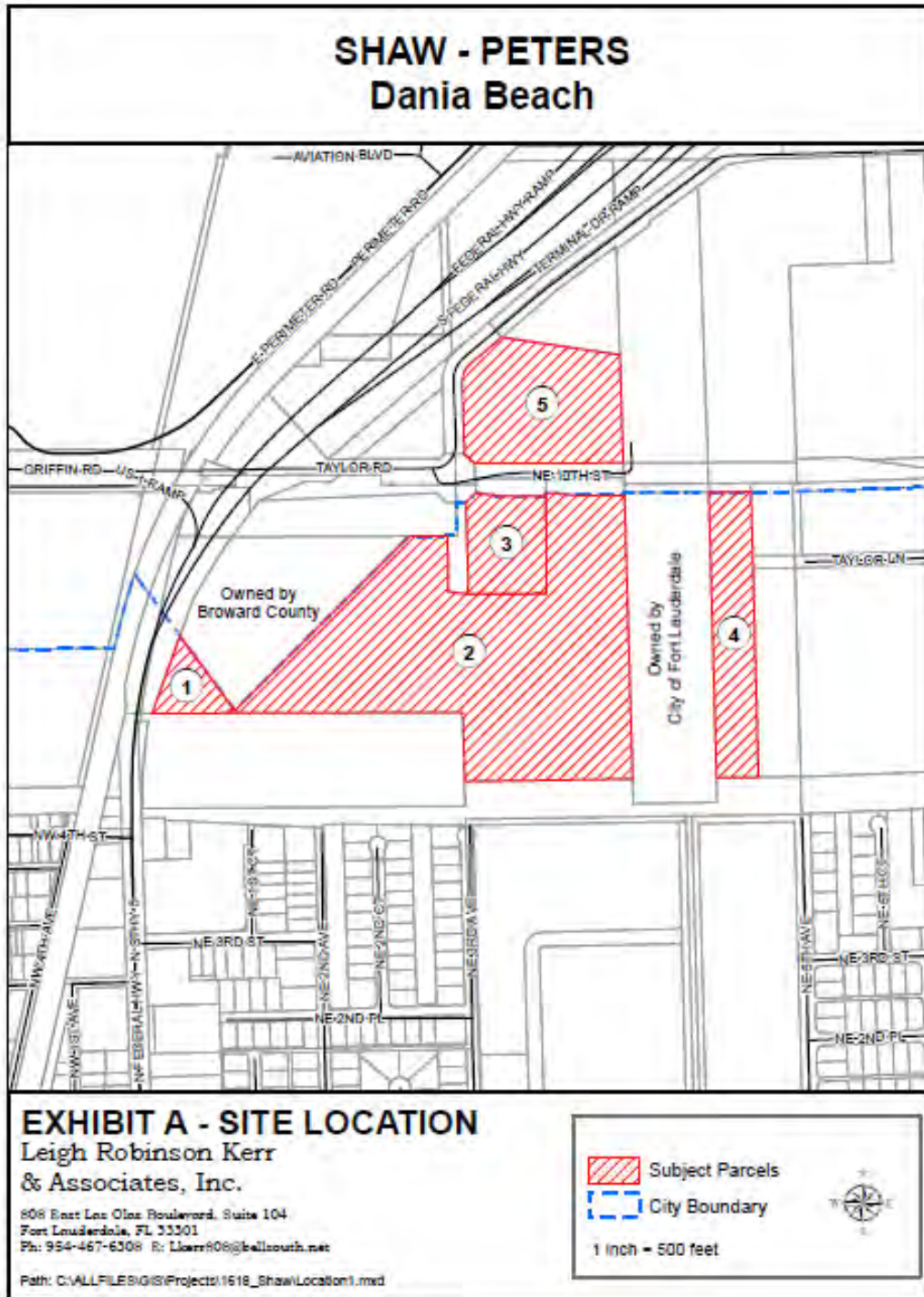
Hypothetical Conditions It is assumed, that although the airport runway project was completed, that the takings did not occur and did not impact the future development of the subject property/ies.

Scope of Work for This Review

The scope of work for this review consists of identifying and inspecting the subject property/ies. I will read the appraisals under review. I will review the sales utilized. I will form my opinion of the adequacy and accuracy of the data, relevancy of the data, verify the appraisal methods and techniques are appropriate, and whether in my opinion the analysis, opinions and conclusions in the appraisal reports are appropriate, reasonable and adequately supported. I will conduct an independent sales search. I will review the mitigation and development reports. I will review the Leigh Kerr data as provided. I will provide my opinion of current market value.

I believe this analysis will provide credible assignment results with required support by relevant evidence and logic. The credibility of review appraisal assignment results is always measured in the context of the intended use which in this case is for a basis of negotiation for the potential purchase of the subject property.

Subject Properties



- 1. Rita Shaw Plat Pcl A
- 2. Rita Shaw Plat Pcl B
- 3. C.I.D.B Plat
- 4. Rita Shaw Plat Pcl C
- 5. D.D.K Plat Pcl A

HAYES APPRAISAL REVIEWED (1 of 1)

Date of Appraisal Reviewed

Report Date: February 6, 2012

Valuation Date: July 1, 2012

Appraisers and Identification of Appraisal

Patricia Hayes, MAI, SRA, ASA, AICP State-Certified General Real Estate Appraiser RZ631

530 NE Third Avenue – Fort Lauderdale, FL 33301

Parcels: A Portion of Parcel A DDK Plat/The CIDB Plat/Rita Shaw Plat Pcl A, B, & C.

Appraisal Type/Format

The appraisals reviewed are each an Appraisal Report

Subject of the Appraisal Reviewed

Fee ownership is 39.47 acres, 1,719,579 SF of land area. Market value of the subject property prior to the taking is estimated by Ms. Hayes utilizing the Sales Comparison Approach.

Property Owner

Shaw Farms & Land Company of Florida, LLC (1/2 interest)

Dania Place, LLC (1/2 interest)

Client Name and Intended User

Peter Oppenheimer, Esq.

Marlow, Adler, Abrams, Newman, & Lewis

Value to be Determined – Market Value, Definition Provided

Property Rights Appraised fee simple (page 7).

Technical Observations

Highest and Best Use (page 17)

Adequately addressed in all reports.

Scope of Appraisal/Work adequately addressed in all reports.

Breakdown of the Subject Parcels of the Appraisals Reviewed

DDK Hotel Site Parcel

Fee ownership of Parcel A of the D.D.K. Plat. 6.8667 acres or 299,113 sf of vacant land. The site was platted and approved for 349 room hotel. Market value of the subject property prior to the taking is estimated by Ms. Hayes utilizing the Sales Comparison Approach. Ms. Hayes utilized hotel and multi-family land sales to conclude at a market price indicator of \$20,000/unit for a limited service hotel. This was reduced based on a Kimley-Horn report and an agreed to mitigation estimate of \$325,000.

$$\begin{array}{r}
 349 \text{ units} \times \$20,000 = \$6,980,000 \\
 \text{LESS Limited Demucking, Filling} \\
 \text{and Wetland Mitigation} \quad \underline{\$4,733,597} \\
 \hline
 \mathbf{\$2,247,000 (R)}
 \end{array}$$

C.I.D.B. Hotel Site Parcel

Fee ownership of Parcel A of the C.I.D.B. Plat. 2.93 acres or 127,831 sf of vacant land. The site was platted and approved for 150 room hotel. Market value of the subject property prior to the taking is estimated by Ms. Hayes utilizing the Sales Comparison Approach. Ms. Hayes utilized hotel and multi-family land sales to conclude at a market price indicator of \$20,000/unit.

$$150 \text{ units} \times \$20,000 = \mathbf{\$3,000,000}$$

Rita Shaw Plat Parcels A, B and C

Ms. Hayes utilized the Sales Comparison Approach. Eight sales were provided ranging from \$10.03/sf to \$21.99. Ms. Hayes reconciled to \$18/sf. Parcels B and C have FPL easements over a portion which were considered 75% encumbered and valued at \$4.50/sf. This is a \$13.50/sf reduction.

Parcel A – 54,438 sf @ \$18.00/sf = **\$980,000**

Parcel B – Total 1,040,458 sf @ \$18/sf = \$18,728,244 less 177,332 sf encumbered by FPL easement (\$13.50/sf = \$2,393,982) = **\$16,335,000 (R)**

Parcel C – Total 197,739 sf @ \$18.00/sf = \$3,559,302 less area encumbered by FPL easement (44,434 sf X \$13.50/sf = \$599,859) = **\$2,960,000 (R)**

The following valuation estimates are deduced from Ms. Hayes report for her valuation as of 07/2012:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
Part of D.D.K. Plat	299,113 Sf (6.8667 ac)	\$7.51/sf*	\$2,247,000
Pcl A of C.I.D.B. Plat	127,831 Sf (2.9346 ac)	\$23.50/sf	\$3,000,000
Rita Shaw Plat Pcl C	197,739 Sf (4.5395 ac)	\$15.17/sf**	\$2,960,000
Rita Shaw Plat Pcl B	1,040,458 Sf (23.88 ac)	\$15.70/sf**	\$16,335,000
Rita Shaw Plat Pcl A	54,438 Sf (1.2497 ac)	\$18.00/sf	\$980,000
Total	1,719,579 Sf (39.47 ac)	\$14.84/sf	\$25,522,000

* reduction from \$23.35/sf due to significant development costs and agreed to mitigation.

** Subject to FPL easements.

Appraisal USPAP Compliance

In my opinion, the appraisal under review is in reasonable compliance with USPAP including Standards 1 and 2.

General Observations

The data in the appraisal under review is reasonably complete and adequate as to market valuation under the appraiser's highest and best use conclusion. The data includes discussion of the sales and of the adjustment process and adjustments applied for the opinion of market value.

Review Conclusion/Opinion

The Patricia Hayes Appraisal Reports under review have adequate completeness, accuracy, data adequacy, data relevance, and data reasonableness. The report is appropriate and not misleading within the context of the requirements of eminent domain taking reports

MILLER APPRAISAL REVIEWED (1 of 3)

Date of Appraisal Reviewed

Report Date: February 5, 2018

Valuation Date: July 1, 2012

Appraisers and Identification of Appraisal

Robert Miller, ASA State-Certified General Real Estate Appraiser RZ1270 (signed)

Parcels: A Portion of Parcel A DDK Plat/The CIDB Plat/Rita Shaw Plat Pcl A, B, & C.

Appraisal Type/Format

The appraisals reviewed are each an Appraisal Report

Subject of the Appraisal Reviewed

Fee ownership is 38.13 acres, 1,660,963 SF of land area. Market value of the subject property prior to the taking is estimated by Mr. Miller utilizing the Sales Comparison Approach.

Property Owner

For D.D.K. Plat Pcl A

Shaw Farms & Land Company of Florida, LLC (2/3 interest)

Dania Place, LLC (1/3 interest)

For C.I.D.B. Plat

Dania Place, LLC

For Rita Shaw Plat Parcels A, B, & C

Shaw Farms & Land Company of Florida, LLC

Client Names and Intended Users Assumed to be Mr. Barry Balmuth and property owners. Stated as “their legal and financial representatives and eventually Broward County (Commission) and their representatives.” (page 2) “And the court system” (page 13)

Value to be Determined – Market Value, Definition Provided (USPAP definition)

Property Rights Appraised Fee simple interest

Appraisal USPAP Compliance

In my opinion, the appraisal under review is in reasonable compliance with USPAP including Standards 1 and 2.

General Observations

The data in the appraisal under review is reasonably complete and adequate as to market valuation under the appraiser’s highest and best use conclusion. The data includes discussion of the sales and of the adjustment process and adjustments applied for the opinion of market value.

Technical Observations

Highest and Best Use Adequately addressed in all reports.

Scope of Appraisal “Services” Work adequately addressed in all reports.

Breakdown of the Subject Parcels of the Appraisals Reviewed

DDK Hotel Site Parcel

Fee ownership of Parcel A of the D.D.K. Plat. 6.8667 acres or 299,113 sf of vacant land. The site was platted and approved for 349 room hotel. Market value of the subject property prior to the taking is estimated by Mr. Miller utilizing 12 sales in the Sales Comparison Approach. Mr. Miller utilized hotel and commercial land sales to conclude at a market price indicator of \$22,000/hotel unit and \$24/sf. \$185,000 in tree value was added. A mitigation estimate of \$325,000 was deducted.

\$24.00/sf X 299,113 =	\$7,178,712
349 units X \$22,000 =	\$7,6780,000
Reconciled to	\$7,600,000
Plus Tree Value:	\$ 185,000
LESS Mitigation	<u>\$ (325,000)</u>
	\$ 7,460,000

C.I.D.B. Hotel Site Parcel

Fee ownership of Parcel A of the C.I.D.B. Plat. 2.93 acres or 127,831 sf of vacant land. The site was platted and approved for 150 room hotel. Market value of the subject property prior to the taking is estimated by Mr. Miller utilizing 12 sales in the Sales Comparison Approach. Mr. Miller utilized hotel and vacant commercial land sales to conclude at a market price indicator of \$22,000/hotel unit and \$24/sf. A mitigation estimate of \$20,000 was deducted.

\$24.00/sf X 127,630* =	\$3,063,120
150 units X \$22,000 =	\$3,300,000
Reconciled to	\$3,300,000
LESS Mitigation	<u>\$ (20,000)</u>
	\$3,280,000

**should be 127,360 sf*

Rita Shaw Plat Parcels A, B and C

Mr. Miller utilized the Sales Comparison Approach. The same sales utilized in the D.D.K and C.I.B.D. parcels were provided ranging from \$12.05/sf to \$102.68/sf. over 2/2010 to 9/2013. Mr. Miller reconciled to a range of \$22 - \$26/sf. Parcel A, due to size and location is valued at \$26/sf. Parcels B and C, are valued at \$22/sf. Parcels B and C have FPL easements over a portion which were considered 40% encumbered and valued at 60% of fee or, \$13.20/sf. This is a \$8.80/sf reduction.

Parcel A – 54,4508 sf @ \$26.00/sf = **\$1,415,700 (R)**

Parcel B – Total 982,278 sf @ \$22.00/sf = \$21,610,116 less area encumbered by FPL easement (189,921 sf X \$8.80/sf = \$1,671,304) = **\$ 19,940,000 (R)**

Parcel C – Total 197,762 sf @ \$22.00/sf = \$4,350,764 less area encumbered by FPL easement (38,245 sf X \$8.80/sf = \$336,556) = **\$4,015,000 (R)**

The following valuation estimates are deduced from Mr. Miller's report for his valuation as of 07/2012:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
DDK Plat	299,113 Sf (6.8667 ac)	\$24.95/sf	\$7,460,000
CIDB Plat	127,360 Sf (2.93 ac)	\$25.75/sf	\$3,280,000
Rita Shaw Plat Pcl C	197,762 Sf (4.54 ac)	\$20.30/sf	\$4,015,000
Rita Shaw Plat Pcl B	982,278 Sf (22.55 ac)	\$20.30/sf	\$19,940,000
Rita Shaw Plat Pcl A	54,450 Sf (1.25 ac)	\$26.00/sf	\$1,415,700
Total	1,660,963 Sf (38.13 ac)	\$21.74/sf	\$36,110,700

Review Conclusion/Opinion

The Robert Miller Appraisal Reports under review have adequate completeness, accuracy, data adequacy, data relevance, and data reasonableness. The report is appropriate and not misleading within the context of the requirements of eminent domain taking reports

Review Appraiser's Opinion of Value

Extraordinary Assumption

- I have found the appraisals under review to be credible; and the data, support for the data, and conclusions are considered credible for the purpose of forming an opinion of value. Therefore, except as discussed, the credible data, analysis, and opinions are considered part of my appraisal review and relied upon to form my opinion of the subject's market value as of the current date.

- My use of those items from the work under review that I concluded are credible and in compliance with the applicable development standard is based on an extraordinary assumption. This is because, unless I actually replicate the steps necessary to develop those items, I am assuming the integrity of that work without personal verification. If those assumptions were found to be false, my appraisal-related opinions and conclusions would be affected. As such, this situation constitutes an extraordinary assumption.

Reviewer Alternate Value Conclusion

I have concluded a different opinion of market value from the appraisals under review. This is mostly due to the timing of the report dates of value. More current sales and listings reflect trending higher prices in my opinion. My research of published real estate data sources (Costar Advisory Report 4Q Retail and Industrial) support this.

Other than the different dates of valuation, a significant cause for the difference between the appraisals under review and my opinion of value is in the adjustment to the D.D.K site for demucking and fill. This will be addressed. The following pages summarizes my opinion of value as of the current March 14, 2018 date.

Sales Comparison Approach

I have reviewed vacant land sales in the general subject market area. The subject market area has a fairly tight range of indicated values. Relative to the size, frontage, and location of the subject properties, the following sales provide an insight to willing buyers/sellers of the current market value of the properties.

Two trend listings of current multi-family sites are included in support of the rebounded market since the 2008-2012 era. Published data indicates significant commercial market rental increases (25-50%), and significant vacancy decreases for the subject property's retail/industrial type potential developments, since 2012. The airport influence is considered a benefit for the subject property types.

Broward County Hotel Land Site Trend Sales

Sale	DATE OR/PG/CIN	LOCATION/FOLIO	SALE PRICE	LAND SIZE	Price/SF (rounded)	ZONING	COMMENTS
HA	March 2016 113577145	Reese Road/I-595 Davie 50-41-23-12-0011	\$4,450,000	4.05 ac. (176,472 sf)	\$25.21	IM – 3 AT	Proposed Hotel Site, Extended Stay style. Inferior location
HB	Nov 2016 114004285	350 SR 84 Fort Lauderdale 50422211-0060,90,100	\$3,600,000	1.56 ac. (68,211 sf)	\$52.77/sf	B-3 Fort Laud	Proposed Hotel site. "Sailorman" prior location. Superior location

Small Commercial/Retail Sales

Sale	DATE OR/PG/CIN	LOCATION/FOLIO	SALE PRICE	LAND SIZE	Price/SF (rounded)	ZONING	COMMENTS
SA	August 25, 2015 113209092	2900 W. Broward Blvd Fort Lauderdale 50-42-08-01-0080	\$1,600,000	1.14 ac. (49,774 sf)	\$32.15/sf	B-1 Fort Laud.	Vacant corner site. To be a 7-11
SB	March 31, 2016 113608326	Oakland Park Blvd Oakland Park 49-42-22-00-0350	\$1,800,000	.57 ac. (25,039 sf)	\$71.90/sf	B-1 Oakland Park	Vacant corner service station site. To be a 7-11

Vacant Airport Influenced Land Sales

Sale	DATE OR/PG/CIN	LOCATION/FOLIO	SALE PRICE	LAND SIZE	Price/SF (rounded)	ZONING	COMMENTS
A	Sept. 18, 2015 113239832	951 Eller Drive Dania Beach 50-42-23-26-0020	\$820,000	.76 ac. (33,137 sf)	\$24.75/sf	PEDD	Perimeter Port Everglades site for yard use.
B	Jan. 6, 2017	2500 SW 39 St. Dania Beach 50-42-29-40-0045	\$1,900,000	2.35 ac. (102,528 sf)	\$18.55/sf	IM – 3 AT	Dry corner lot. To be advanced manufacturing facility.
C	Feb. 7, 2017 114221255	3200 SW 30 th Ave Dania Beach 50-42-20-50-0012	\$7,443,400	7.59 ac. (330,801 sf)	\$22.50/sf	IROM-AA Dania Beach	South of SR 84 in Port 95 area. 110,000 sf office/wh
D	May 18, 2017 114395053	2830 SW 23 rd Terr. Dania Beach 50-42-20-03-0150	\$485,000	.76 ac. (18,435 sf)	\$26.30	IROM-AA Dania Beach	Small storage interior lot west of Ravenswood Rd.
E	June 2017 114485754	1900 NE 7 th Ave. Dania Beach 50-42-26-09-0020	\$3,640,000	4.33 ac. (188,854 sf)	\$20.85/sf	IRO Dania Beach	Port Everglades vacant land REIT bought.
F	Oct. 24, 2017 114683941	2281 Griffin Rd Dania Beach 50-42-29-53-0010	\$7,500,000	9.39 ac. (409,049 sf)	\$18.35/sf	C-3 Dania Beach	Airport Corporate park. W. of I-95

Supplemental Trend Market Data – Multi-Family Activity in Dania Beach

L-1	Listing/Contract	601 E. Dania Beach Boulevard Dania Beach 50-42-35-00-0252	\$7,800,000	4.38 ac. (156,816 sf)	\$49.75 sf (listing price) (\$21,666/ door)	Gateway MU	Considered land sale/listing. Plat approved. FAA letter for 14 stories/360 MFamily units.
L-2	Listing	801 E. Dania Beach Boulevard Dania Beach 50-42-35-00-0252	\$8,750,000 (Prior Sale \$5,250,600 in 02/2014)	4.00 ac. (174,583 sf)	\$50.10 sf (listing price) (Sold for \$30/sf in 2014)	Gateway MU	Weiner's MH park. Considered land listing for Multi-family. Plat in review.

Breakdown of the Subject Parcels Valuation Estimate as of March 14, 2018

There are minor variances in land sizes utilized by both appraisers. I will be utilizing Ms. Hayes' (county surveyed) land sizes. The \$225,000 mitigation estimate for Rita Shaw Plat Parcels A, B & C will be prorated at \$.174/sf. (\$225,000 / 1,292,635 sf = .174)

DDK Hotel Site Parcel

Fee ownership of Parcel A of the D.D.K. Plat. 6.8667 acres or 299,113 sf of vacant land. The site was platted and approved for 349 room hotel. In my opinion the site market value is higher than the 2012 sales data. The location east of the airport is considered superior to the majority of the sales locations. Relative to the hotel and commercial land sales provided, I conclude at a market price indicator of \$30/sf. I am not an expert on the issue of demucking and contamination. Obviously this is a contested point. Ms. Hayes deducted about \$4,400,000. Mr. Miller contends that piling expense of \$670,000 resolves the issue. A willing buyer would emphasize the Kimley Horn data, whereas a willing seller would emphasize alternate development and pilings. For the purpose of this report, I will assume negotiations strengths of both positions. \$2,200,000 for demucking/fill over the site area indicates a negative adjustment of about \$7.35/sf. The mitigation estimate is \$325,000. In my opinion the \$185,000 estimated tree value as referenced in Mr. Miller's report would not contribute to current market value.

\$30.00/sf X 299,113 =	\$8,973,390
LESS Limited Demucking, Filling:	\$2,200,000
LESS Mitigation	<u>\$ 325,000</u>
	\$6,448,400 (R)

C.I.D.B. Hotel Site Parcel

Fee ownership of Parcel A of the C.I.D.B. Plat. 2.93 acres or 127,831 sf of vacant land. The site was platted and approved for 150 room hotel. In my opinion the site market value is higher than the 2012 sales data. Relative to the hotel and commercial land sales provided, I conclude at a market price indicator of \$30/sf. Mitigation of \$20,000 will be deducted.

$$\$30.00/sf \times 127,831 = \$3,834,930 - \$20,000 = \mathbf{\$3,815,000 (R)}$$

Rita Shaw Plat Parcel A

The 1.25 acre site is a prime commercial location. In my opinion the site market value is higher than the 2012 sales data. The location just south of the airport is considered superior to the majority of the sales locations. This is one of the last, if not the closest retail locations to the entrance of the airport. Relative to the commercial land sales provided, I conclude at a market price indicator of \$50/sf. Less mitigation estimate of \$.174/sf X 54,438 sf = \$9,476.

$$54,438 \text{ sf} \times \$50/sf = \$2,721,900 - \$9,476 = \mathbf{\$2,712,425}$$

Rita Shaw Plat Parcels B and C

In my opinion the site market value is higher than the 2012 sales data. The location just south of the airport is considered superior to the majority of the sales locations. Relative to the commercial land sales provided, I conclude at a market price indicator of \$25/sf. Parcels B and C have FPL easements over a portion which were considered 75% encumbered by Ms. Hayes and 40% encumbered by Mr. Miller. I will utilize 50%. This is a \$12.50/sf reduction of the encumbered areas. Parcel B will be less mitigation estimate allocation of \$.174/sf X 1,040,458 sf = \$181,105. Parcel C will be less mitigation estimate allocation of \$.174/sf X 197,739 sf = \$34,405.

Parcel B – Total 1,040,458 sf @ \$25/sf = \$26,011,450 less area encumbered 50% by FPL easement (177,332 sf X \$12.50/sf = \$2,216,650) = \$23,794,800 - \$181,105 = **\$23,613,700 (R)**

Parcel C – Total 197,739 sf @ \$30.00/sf = \$5,932,170 less area encumbered 50% by FPL easement (44,434 sf X \$12.50/sf = \$555,425) = \$5,376,745 – \$34,419 = **\$5,342,325 (R)**

The following valuation estimates as of 03/13/2018:

Site	Size	Net Price/ Sq. Ft.	Market Value Opinion
Part of D.D.K. Plat	299,113 Sf (6.8667 ac)	\$21.55/sf*	\$6,448,400
Pcl A of C.I.D.B. Plat	127,831 Sf (2.9346 ac)	\$29.85/sf*	\$3,815,000
Rita Shaw Plat Pcl C	197,739 Sf (4.5395 ac)	\$27.00/sf*	\$5,342,325
Rita Shaw Plat Pcl B	1,040,458 Sf (23.88 ac)	\$22.70/sf*	\$23,613,700
Rita Shaw Plat Pcl A	54,438 Sf (1.2497 ac)	\$49.80/sf*	\$2,712,425
Total	1,719,579 Sf (39.47 ac)	\$24.38/sf	\$41,931,850

* reduction from development costs and agreed to mitigation as agreed to and/or allocated, subject to FPL easements as encumbered.

APPRAISAL REVIEW CERTIFICATION

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

The statements of facts contained in this report are true and correct.

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.

I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.

I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.

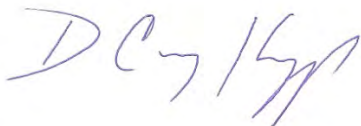
My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.

My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.

I have made a personal partial exterior inspection of the subject property of the work under review.

No one provided significant appraisal or appraisal review, assistance to the person signing this certification.

Date of Value: March 14, 2018



D. Craig Keneipp, MNAA
STATE-CERTIFIED GENERAL APPRAISER 0001491

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal review report is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal.

Marketable title, but not responsibility as to legal matters is assumed.

It is assumed the legal description as given, is correct.

The property has been appraised free and clear of any or all liens or encumbrances unless otherwise stated.

All engineering is assumed correct. Any plot plan and/or illustrative material in this report or addendum are included only to assist the reader in visualizing the property.

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 arranging for engineering studies that may be required to discover them.

Possession of this report, or a copy thereof, does not carry with it the right of publication.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser.

Qualifications of
D. Craig Keneipp, MNAA
FLORIDA COASTAL APPRAISAL SERVICES
2101 South Andrews Avenue, Suite 101
Fort Lauderdale, Florida 33316
954-779-3298 dckeneipp@aol.com

Education

Bachelor of Science, Business Administration, Marketing. Univ. of Central Fla. Orlando, FL
Associate of Arts, Manatee Jr. College, Bradenton, FL
Hialeah-Miami Lakes Sr. High School

Licenses/Certification

State-Certified General Real Estate Appraiser RZ1491, since 1992.
Florida Licensed Real Estate Broker, since 1987.

Professional Memberships

Member National Association of Appraisers (MNAA)
Florida Board of Realtors
Association of Eminent Domain Professionals

Work Experience

President and founder of FLORIDA CONDEMNATION SERVICES, INC. DBA Florida Coastal Appraisal Services. Professional appraiser/consultant in the valuation of real property 1985 to present. Senior Real Estate Negotiator for Kaiser Engineers, under contract with the Florida Department of Transportation for Right-of-Way Acquisition 1984 to 1985. Right-of-Way Specialist (acquisition/relocation agent) for the FDOT, District IV Fort Lauderdale, FL. 1982 to 1984.

Expert Witness

Court qualified as an expert witness in the area of real estate appraisal. Eminent domain, Private litigation, Tax appeals.

Prequalified Governmental Fee Appraiser Lists (Current and/or Previous)

Federal Department of Environmental Protection, Division of State Lands Fee Appraiser
Florida Department of Transportation Real Property Fee Appraiser/Consultant
Broward County Approved Fee Appraiser
Broward County School Board Approved Fee Appraiser

Mandatory Appraisal Courses Completed

USPAP - Uniform Standards of Professional Appraisal Practice
American Society of Appraisers Ethics Exam, A.S.A.
1A-1 Real Estate Appraisal Principles, A.I.R.E.A.
1A-2 Basic Valuation, A.I.R.E.A.
1BB - Capitalization Theory and Tech.B, A.I.R.E.A.
1BA - Capitalization Theory and Tech. A. A.I.R.E.A.
SPP - Standards and Professional Practice, A.I.R.E.A.

Sample of Additional Courses/Continuing Education (30 hours every 2 years)

National USPAP Updates / Real Estate Finance / Litigation Valuation / Business Valuation I&II / Appraising under Eminent Domain / Industrial Valuation /Business Relocation / Appraising High-Value Residential Properties / Appraising for the Secondary Market/ Florida Laws and Regulations / Scope of Work

Partial Client List (current and historical)

Government Agencies

Florida Dept. Of Transportation
North Broward Hospital District
Broward County School Board

Municipalities

Broward County
City of Boynton Beach
City of Coconut Creek
City of Lauderhill
City of Margate
City of Sunrise
City of Tamarac

Financial Institutions

North Trust Bank
Ocean Bank

Law Firms/Attorneys

Forman, Hanratty, Thomas
Broad and Cassel
Conrad & Scherer
John Lukacs
Brigham Moore PA
Weiss, Serota
Barry Balmuth
Adams Weaver
Eakin & Eakin
Hall and Rosenberg
Nadine Charsley
Greg Durden
Daniels, Kashtan
Tew, Cardenas
Ellen Neil
H. Collins Forman, Jr.
Hicks & Schreiber
Ali & Jobson
Francisco J. Pines
Moore, Bowman & Rix
Andy Brigham
White & Case
Gunster, Yoakley
Dale Bruschi
Tom Bolf

Partial List of Property Types Appraised

Vacant Land - Agricultural/Residential/Commercial

Improved Residential - Single Family. Multi-family. Condominiums/Co-ops. Mobile Homes.

Improved Commercial - Banks. Restaurants/Bars. Office bldgs-single/multistory. Retail/strip centers. Service stations. Hotels/motels. Private Schools/Day Care. Churches/Temples. Auto/boat/motorcycle dealerships. Plant Nursery. Rock Pits. Radio station. Cemetery. Auction Gallery. Golf Courses. Funeral Home. Governmental. Assisted Living Facilities.

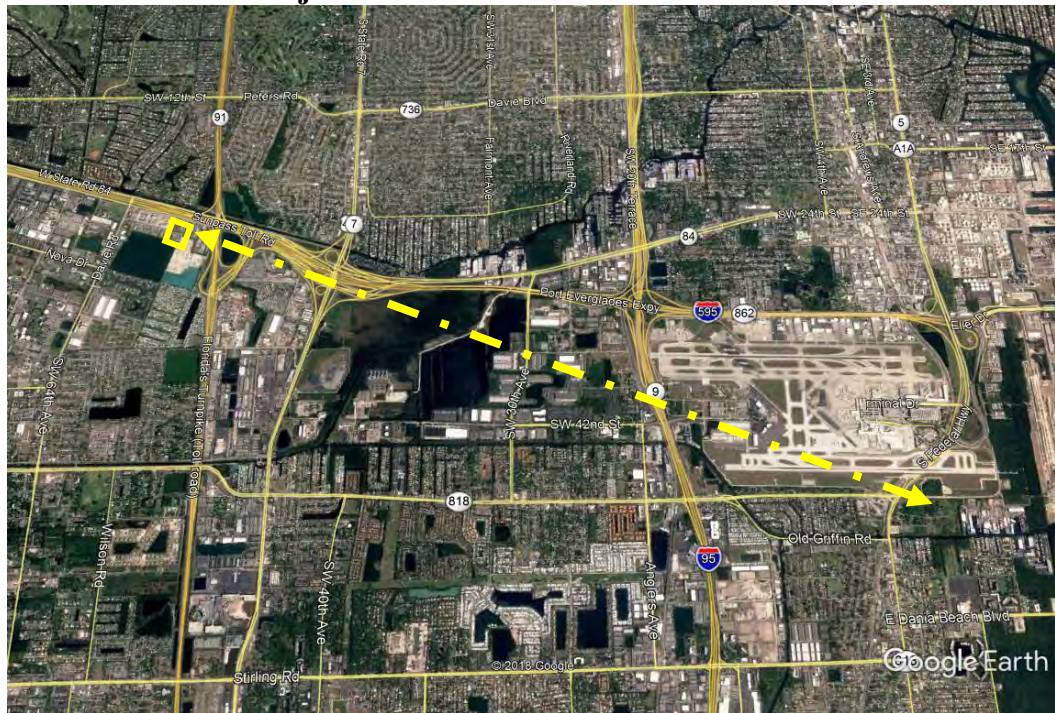
Florida Counties Appraised In

Alachua, Broward, Brevard, Miami-Dade, Citrus, Collier, Hendry, Hillsborough, Indian River, Lee, Orange Marion, Martin, Polk, Palm Beach, Santa Rosa, St. Lucie, Sarasota, Seminole, Suwannee, Washington.

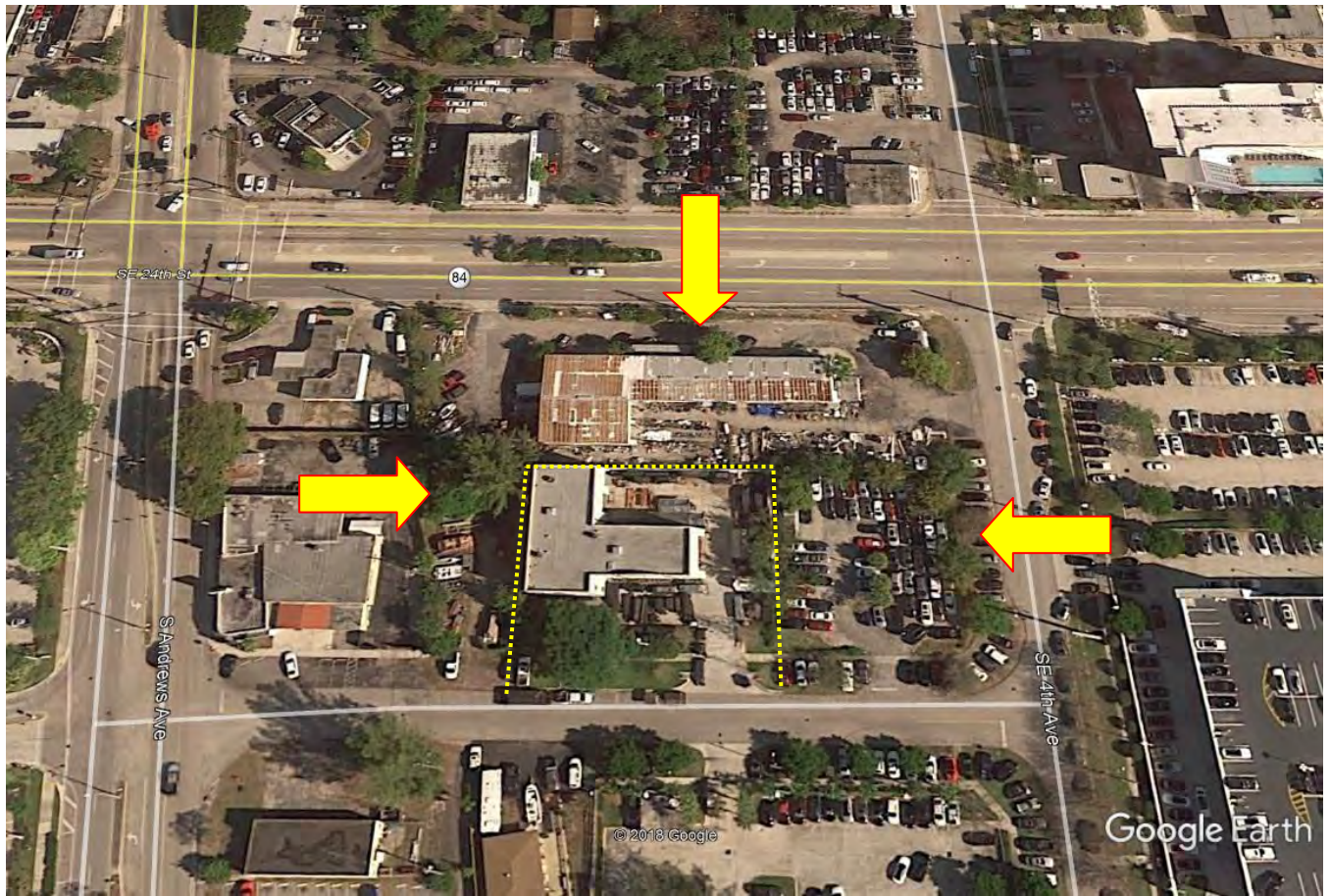
FCAS Reviewer Sale HA Reese Road Hotel Site Location Aerial



Subject and Reese Raod Hotel Sale Aerial



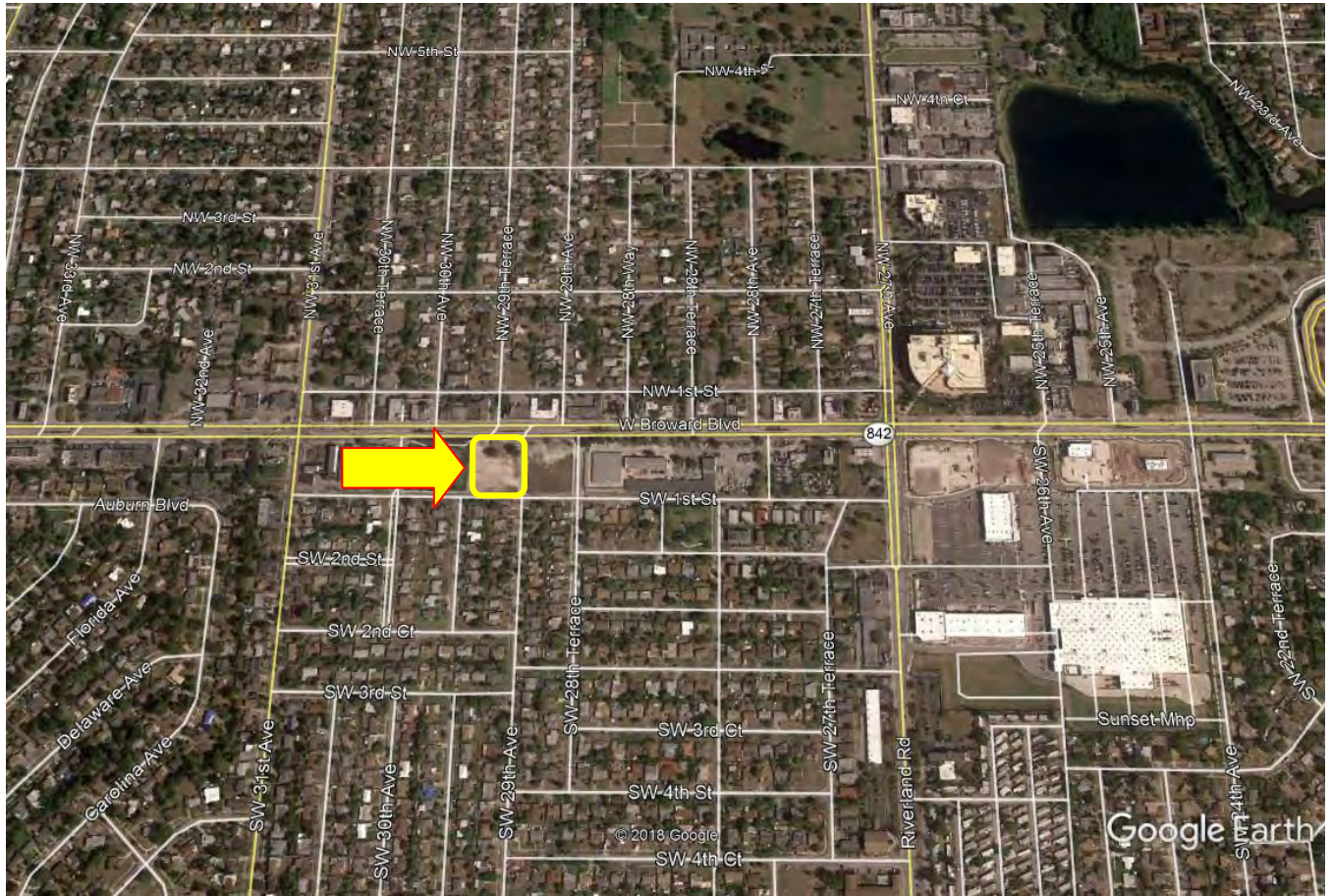
FCAS Reviewer Sale HB 350 SR 84 "Sailorman" Hotel Site Location Aerial



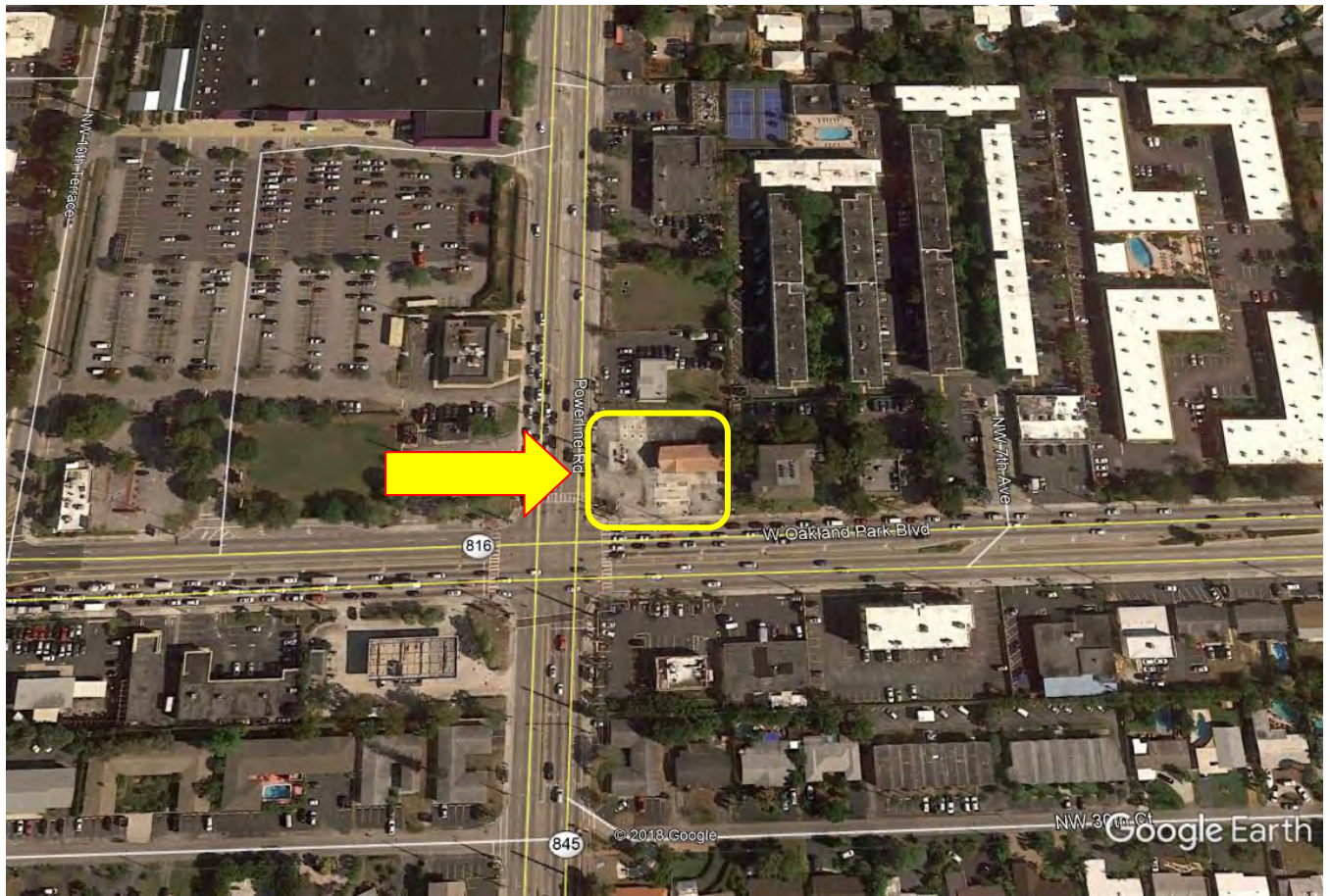
Subject and Sale Location Aerial



FCAS Reviewer Sale SA 7-11 Site on W. Broward Blvd. Location Aerial



FCAS Reviewer Sale SA 7-11 site on Oakland Park Blvd at Powerline Rd. Location Aerial



FCAS Reviewer Sale A Location Aerial



Subject and Sale E Location



FCAS Reviewer Sale B Location Aerial



Subject and Sale B Location Aerial



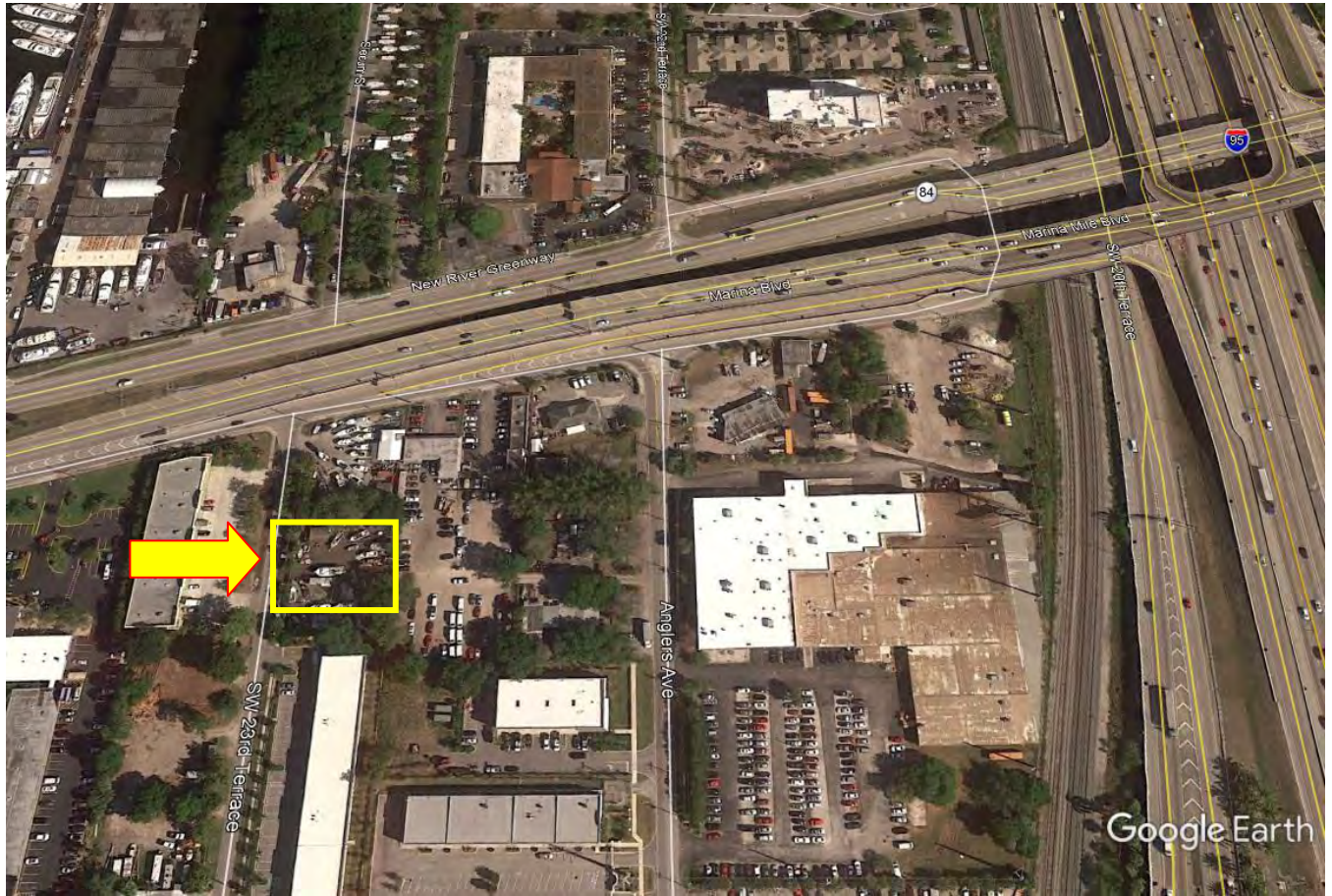
FCAS Reviewer Sale C Location Aerial



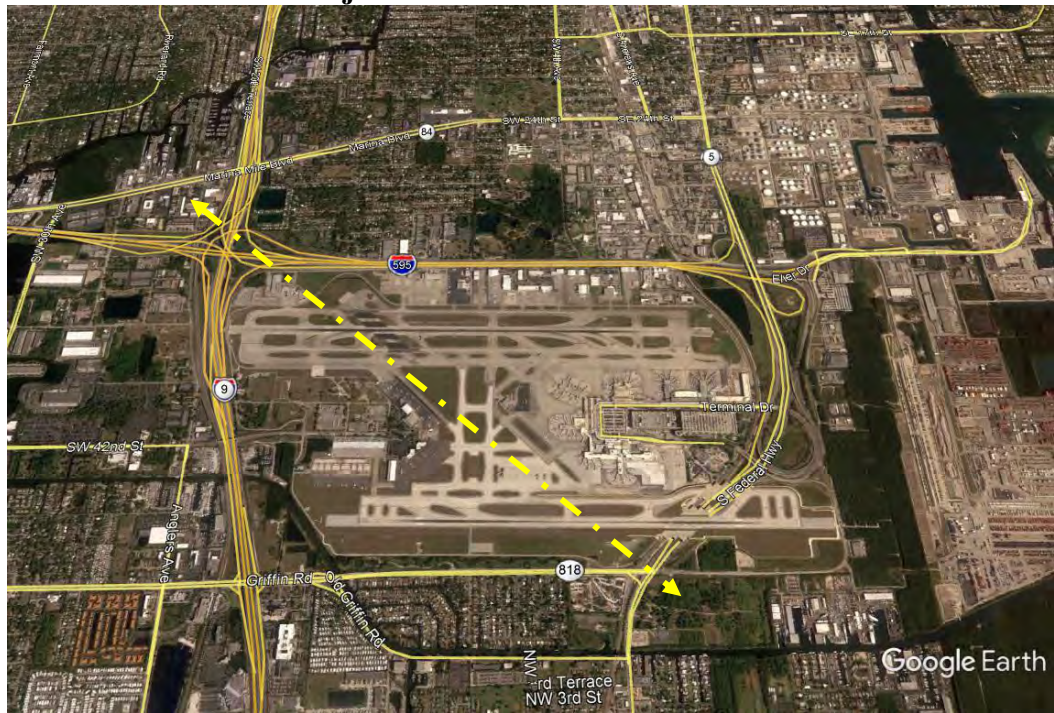
Subject and Sale C Location Aerial



FCAS Reviewer Sale D Location Aerial



Subject and Sale D Location Aerial



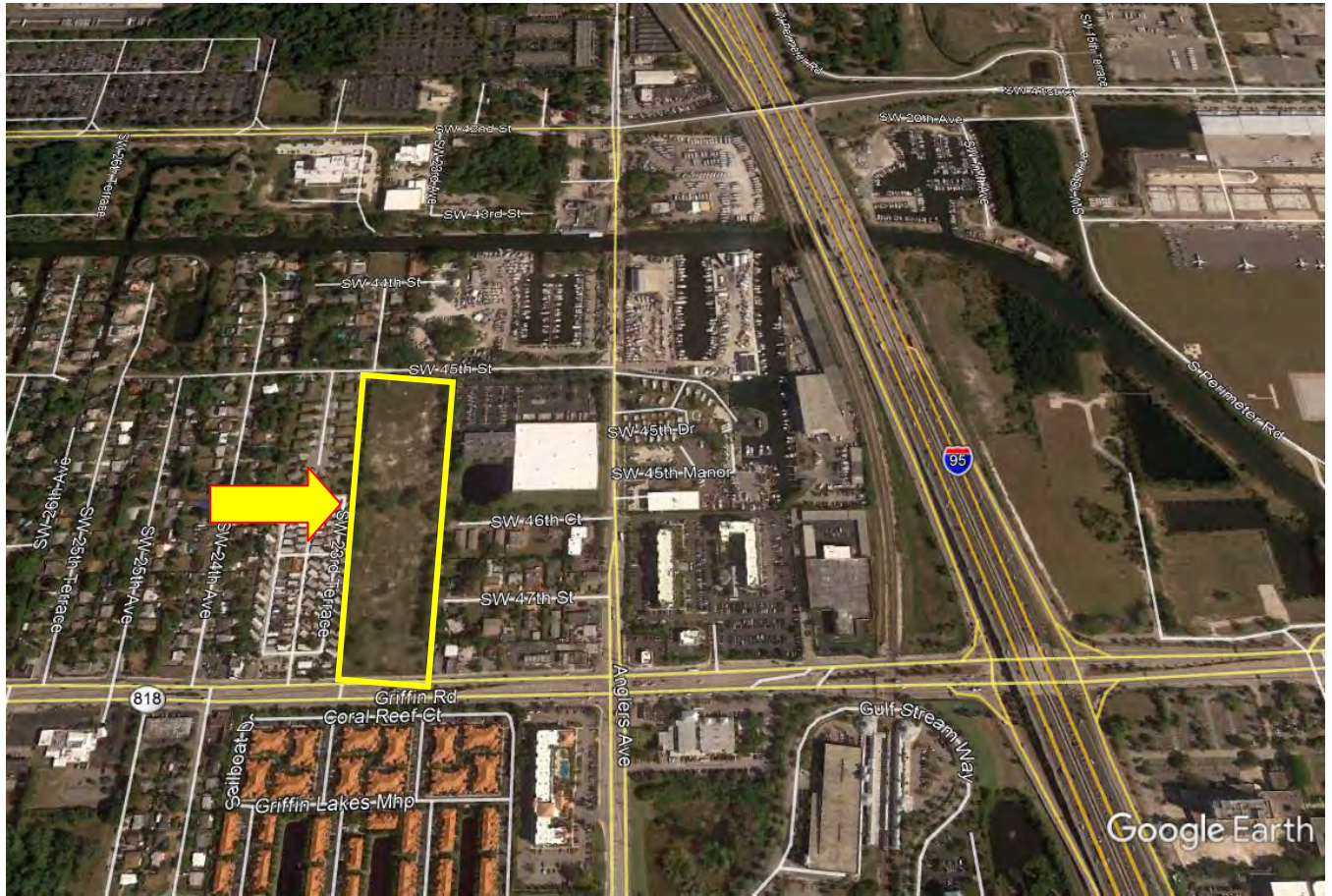
FCAS Reviewer Sale E Location Aerial



Subject and Sale E Location



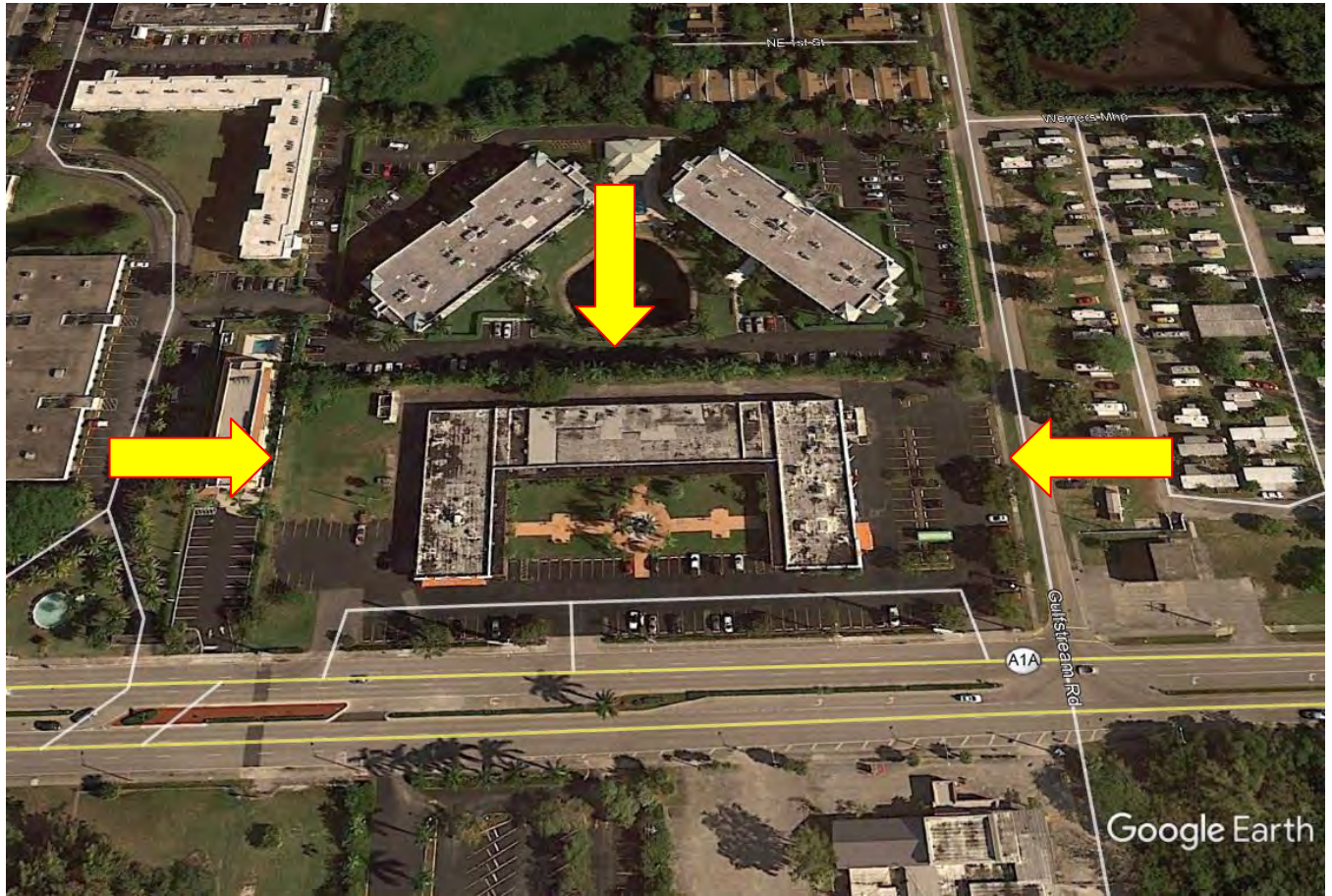
FCAS Reviewer Sale F Location Aerial



Subject and Sale F Location Aerial



Multi-Family Listing L-1 Aerial 601 E. Dania Beach Boulevard



Listing L-1 and Subject Location Aerial



Multi-Family Listing L-2 Aerial 801 E. Dania Beach Boulevard “Weiner’s MHP”



Listing L-2 and Subject Location Aerial



4

SUMMARY APPRAISAL REPORT

**OF
FEE SIMPLE MARKET VALUE**

ON THE

VACANT LAND (C.I.D.B. PLAT)



**OWNED BY:
DANIA PLACE, LLC AND
SHAW FARMS & LAND COMPANY OF FLORIDA, LLC**

LOCATED AT

**S.E. CORNER OF TAYLOR ROAD AND N.E. 10th STREET
UNINCORPORATED BROWARD COUNTY, FLORIDA 33004**

AS OF

MARCH 1, 2018

PREPARED FOR

**BARRY S. BALMUTH, P.A.
THE OAKS CENTER
2505 BURNS ROAD
PALM BEACH GARDENS, FLORIDA 33410**

March 7, 2018

Mr. Barry S. Balmuth, Esquire
Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, Florida 33410

**RE: Market Value estimate for vacant, agriculturally improved land (C.I.D.B. Plat) located at the S.E. corner of Taylor Road and N.E. 10th Street, Unincorporated Broward County, Florida 33004
Owner: Dania Place, LLC and Shaw Farms Company of Florida, LLC**

Dear Mr. Balmuth:

Pursuant to the request of your clients, we have completed an appraisal of the above-captioned parcel. The purpose of the appraisal is to form an opinion of the market value of the subject parcel as of March 1, 2018. The property is an agriculturally improved parcel of land located at the SE corner of Taylor Road and N.E. 10th Street in the City of Dania Beach, Broward County, Florida 33004. The property contains 127,630± square feet or 2.93± acres of land area.

The highest and best use of the subject is for future commercial development and the site has an approved plat allowing for a 150-room hotel development. The purpose of this appraisal is to form an opinion of the market value of the fee simple interest of the subject parcel. The function of the report is for your internal use in conjunction with ongoing litigation with Broward County. The date of value for this assignment is March 1, 2018. The intended users of this report are your client and their legal and financial representatives and eventually Broward County and their representatives.

Market value is defined as "the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

Mr. Balmuth
March 7, 2018
Page 2

The attached report contains our analysis of the factual market data, which forms the basis for our conclusions. We have made a special assumption that the zoning change required to construct the platted hotel development would be granted. Based on our review, the probability of this zoning change is good. We have personally inspected the property that is the subject of this report. **Further it has been stipulated by both parties to this litigation that the cost of wetlands mitigation for the CIDB and Rita W Shaw Plats was \$225,000 and we have allocated \$20,000 to the CIDB plat based on the percentage of land between the two plats.** Based upon the conclusions and assumptions contained in the attached Appraisal Report, in my opinion, the market value of the whole property as of March 1, 2018 is:

**FIVE MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS
\$5,230,000**

Per the court ruling in this case by the Honorable Jeffrey R. Levenson on September 1, 2017, the court ruled that a temporary flowage easement acquisition occurred on August 21, 2012. A copy of the ruling is included in the addendum. **We have made a Special Assumption that the property is not encumbered with this flowage easement as of the date of value.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert D. Miller". The signature is stylized and written in cursive.

Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

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ADDENDUM

- Sub-Consultant Report
- Subject Photographs
- Most Recent Deed of Subject Property
- Court Ruling
- Qualifications of Appraiser

CERTIFICATION

The undersigned does hereby certify that except as otherwise noted in this appraisal report:

1. To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
2. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analysis, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and I (we) have no personal interest or bias with respect to the parties involved.
4. Our compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
5. Our analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
6. Robert D. Miller has met or exceeded the minimum prescribed educational requirements for Re-certification as an Accredited Senior Appraiser (ASA) or the American Society of Appraisers.
7. Robert D. Miller did make an exterior inspection of the property that is the subject of this report. The most recent inspection was on March 1, 2018.
8. MaryAnne Schneider and Barry Lazarus provided significant professional assistance to the person signing this report. Members of my staff provided research information, but the final analysis and value conclusions were of the undersigned only.
9. That my opinion of the market value of the property being appraised as of **March 1, 2018, is \$2,950,000** and the appraiser has not completed any appraisal assignments on this property in the previous three years with exception of report prepared for this litigation in February of 2018 with a value date of August 21, 2012.



Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

ASSUMPTIONS AND LIMITING CONDITIONS

The legal description furnished to the appraiser is assumed to be correct.

All existing liens and encumbrances have been considered, however, the property is appraised as though free and clear, under responsible ownership and competent management.

The information identified in this report as being furnished to the appraiser by others is believed to be reliable; however, the appraiser assumes no responsibility for its accuracy.

The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

It is assumed that all required licenses, certificates of occupancy, consents, or 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 value estimate contained in this report is based.

It is assumed that the utilization of the land and any improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

The distribution, if any, of the total valuation in this report between land and any improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Possession of this report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualifications and only in its entirety.

Disclosure of the contents of this appraisal is governed by the ByLaws and Regulations of the American Society of Appraisers.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

The appraiser herein by reason of the appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

Neither all, nor part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have not direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

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 is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate 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 client is urged to retain an expert in this field, if desired.

The property was approved by the County during the platting process to allow for a 150-room hotel development. The current zoning does not allow that use and a zoning change would be required. Mr. Leigh Kerr, Land Planner discussed the probability of that change with the City of Dania Beach and it is his opinion that the zoning change would be allowed for that use. We concur with the probability of rezoning on this parcel. Hotel development at the entrance to an airport is typical in most cities in the United States.

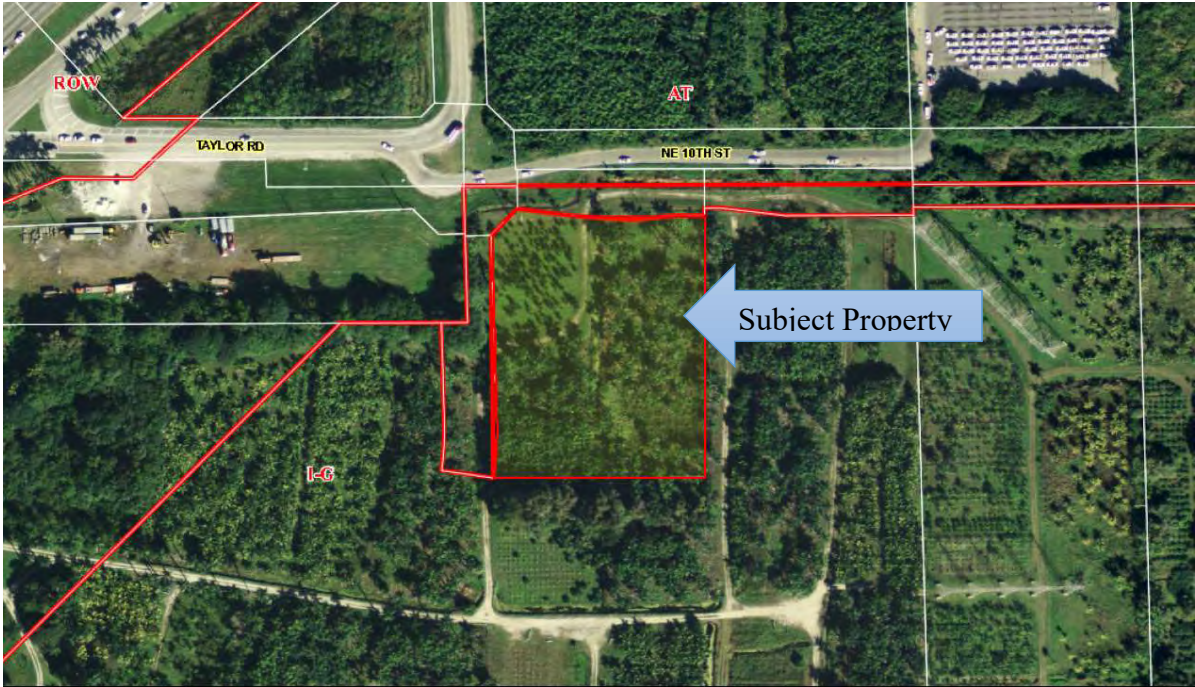
We have made a Special Assumption that the property is not encumbered with a flowage easement as directed in the court ruling (see addendum). We have valued the property in fee simple without any consideration for this encumbrance.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY LOCATION:	SE corner of Taylor Road and N.E. 10 th Street, Dania Beach, Broward County, Florida 33004
OWNER'S NAME:	Dania Place, LLC and Shaw Farms & Land Company of Florida, LLC
OWNER'S ADDRESS:	110 Lake Winnemissett Drive, Deland, Florida 32724
DATES OF INSPECTION:	December of 2016 to March 7, 2018
SIZE OF SUBJECT PROPERTY:	127,630± square feet or 2.93± acres
PRESENT USE:	Vacant land
HIGHEST AND BEST USE:	Future hotel development
IMPROVEMENTS:	None
ZONING/LAND USE:	The property is zoned IG, Industrial General by the City of Dania Beach
COST APPROACH TO VALUE:	N/A
SALES COMPARISON APPROACH TO VALUE:	\$5,230,000
INCOME APPROACH TO VALUE:	N/A
RECONCILIATION:	\$5,230,000
DATE OF VALUATION:	March 1, 2018

AERIAL OF SUBJECT PROPERTY

Property I.D.#: 5042-34-51-0010



AERIAL MAP OF NEIGHBORHOOD



LEGAL DESCRIPTION:

The property is described as:

Parcel "A" of C.I. D. B. Plat, according to the Plat thereof, as recorded in Plat Book 140, Page 28, of the Public Records of Broward County, Florida. The subject site has a total area of 2.93 acres or 127,630 square feet more or less.

PROPERTY INSPECTION:

Date(s) inspected: December 23, 2016 thru March 1, 2018

TYPE OF PROPERTY:

The subject property is a vacant parcel of land utilized as a tree farm and landscaping operation.

HISTORY OF PROPERTY:

There have been no transfers of ownership of the property in last five years. According to the Broward County Property Appraiser, the most recent transfer of title or ownership for the subject property occurred on September 30, 2009, and does not appear to be an arm's-length transaction. There were no other previous sales within the last 5 years. A copy of the deed for the most recent transfer is included in the addendum.

PROPERTY INTEREST APPRAISED:

For the whole property, the property rights appraised are fee simple title ownership considering any restrictions of use. We are aware of the restrictions imposed on the property based on its location to the airport and specifically the aerial easements and height restrictions that exist in the subject area and on the subject property. We have made a special assumption and have not considered the court mandated flowage easement on the site as of a current valuation date.

PURPOSE OF THE APPRAISAL:

The purpose of the appraisal is to form an opinion of the market value of the subject property as of March 1, 2018 based on the highest and best use.

FUNCTION OF THE APPRAISAL

The function of the report is for your internal use in conjunction with the litigation and negotiations with Broward County. The intended users of this report are Mr. Balmuth, our clients and potentially the Broward County Commission, their representatives and the court system.

COMPETENCY PROVISION

The appraiser has completed numerous vacant land appraisals for properties in his 35 years as a real estate appraiser in South Florida and has completed numerous assignments in and around Ft. Lauderdale/Hollywood International Airport and Port Everglades. As a result of the appraiser's experience, the competency provision of USPAP has been met.

MARKETING PERIOD

Based upon discussions with various brokers and review of the marketing period for similar lands we have estimated a marketing period of nine to twelve months to be required. With the added approval process from the FAA and airport, a slightly longer market period would be considered applicable. This could extend the process about 6 additional months. The estimated marketing period is based upon our review of marketing periods for vacant land in the subject market area.

EFFECTIVE DATE (DATE OF VALUE):

The date of value is March 1, 2018. The date of this report is March 7, 2018.

SCOPE OF SERVICES

We have compiled all the necessary data to formulate an opinion of value. We have presented the applicable data in this Summary Appraisal Report format. Any additional supporting data can be found in our working file. In preparing our report, we have reviewed and relied upon the following data.

1. Review and considered the sales history of the subject property and neighborhood
2. Sales and Listings of similar type properties throughout the subject neighborhood and Broward County over the past five years.
3. Review of public records for all pertinent sales data. Data retrieved from IRIS, LoopNet, Co-Star, MLS and the Property Appraiser's office.
4. Review of Broward County and neighborhood trends.
5. Inspection of neighborhood and analysis of land use patterns and trends.
6. We conducted an exterior inspection of subject property and comparable sales and listings.
7. Reviewed and considered reports prepared by other consultants utilized in this appraisal report including Maurice Gruber, Leigh Kerr Robinson & Associates, Joseph A. Roles & Associates, Inc., David Charland, Structural Engineer, CRB Geological & Environmental Services, Inc., A & L Southern Agricultural Laboratories, LLC Dee Phillip R. Jimrusti & Associates, Inc. etc. See the addendum for applicable reports.
8. Reviewed and considered the Plat, zoning and land use trends and approvals.

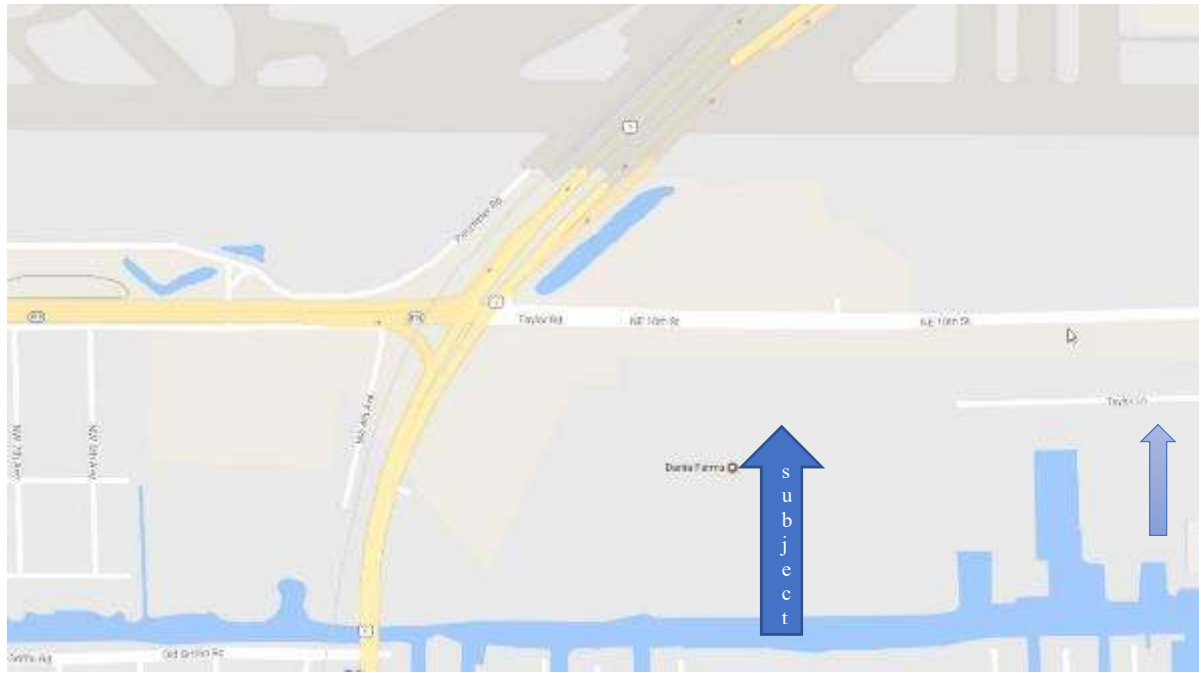
DEFINITION OF MARKET VALUE:

Market value is defined in the 2016 Edition of the Uniform Standards of Professional Appraisal Practice as follows:

The most probable price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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 each acting in what they consider their own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto, and
5. The price represents the normal consideration for property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

NEIGHBORHOOD MAP



NEIGHBORHOOD DATA

The subject property is in unincorporated Broward County, Florida, just south of Fort Lauderdale-Hollywood International Airport. Fort Lauderdale-Hollywood International Airport is bounded by Fort Lauderdale, Hollywood, and Dania Beach, three miles south of downtown Fort Lauderdale and 21 miles north of Miami

US Highway 1 (US 1) is just west of the subject and Interstate 95, a major north/south limited access highway is situated approximately one and a half miles to the west with I-595 connecting the western suburbs and access to I-95, Florida Turnpike and I-75 with the Port and Airport. Port Everglades is located to the northeast of the subject and is one of South Florida's strongest economic engines generating more than \$15 billion in revenue each year.

Commercial activities are located predominantly along U.S. Highway 1, State Road 84 to the south of the airport and further west along Griffin Road on the southwest side of the airport. Industrial uses are located in close proximity to the north, south and west of the Fort Lauderdale/Hollywood International Airport.

There is a limited supply of commercial properties on the market and this has accelerated the increase in market values. The long-term outlook for Florida Hospitality investment is good. Steady economic momentum together with elevated business and consumer confidence bode well for tourism in 2017 and beyond. Economic trends also point to another year of growth in 2018, generating higher room revenue and more occupied rooms. The airport has long term plans to include an on-site hotel with two new hotels being constructed on Federal Highway in downtown Ft. Lauderdale. Further, the demand for hotel rooms near the airport increased after the County purchased the Hilton Hotel at the corner of Griffin Road and I-95, just southwest of the airport. That hotel was purchased to allow the expansion of the airport with a new southerly runway. This runway precipitated the closure of Taylor Road and the elimination of our access to an improved roadway. Port Everglades recently announced plans to expand the convention center and develop an 800-room hotel complex near the 17th Street Causeway entrance to Port Everglades.

DESCRIPTION OF THE PROPERTY

Location:

SE corner of Taylor Road and N.E. 10th Street, Unincorporated Broward County, Florida 33004.

Land Area:

127,630± square feet or 2.93± acres

Shape/Dimensions:

The subject site consists of a basically rectangular shaped parcel with approximately 283' feet of frontage on the south side of NE 10th Street.

Ingress/Egress:

Ingress and egress to the property is from a driveway on the south side of NE 10th Street.

Topography:

The topography of the site is below grade with the surrounding roadway and slopes to the canal. The site had no flooding problems prior to the county action and has been used for landscaping use for over 40 years. The site is low and will require some fill prior to development. This will be discussed later in the valuation section of this report. The property owners reported to us that the property did not flood prior to the county development as part of the airport expansion and runway extension. The development of NE 10th Street did not allow for the normal drainage and created a ponding effect on the subject property. We have made a special assumption with regard to the flowage easement that was identified in the court ruling with an establishment date of August 21, 2012. We have not considered that easement in our analysis.

Utilities on Site:

The following utilities are available where indicated:

<input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Water
<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Sewer

DESCRIPTION OF THE PROPERTY (continued)

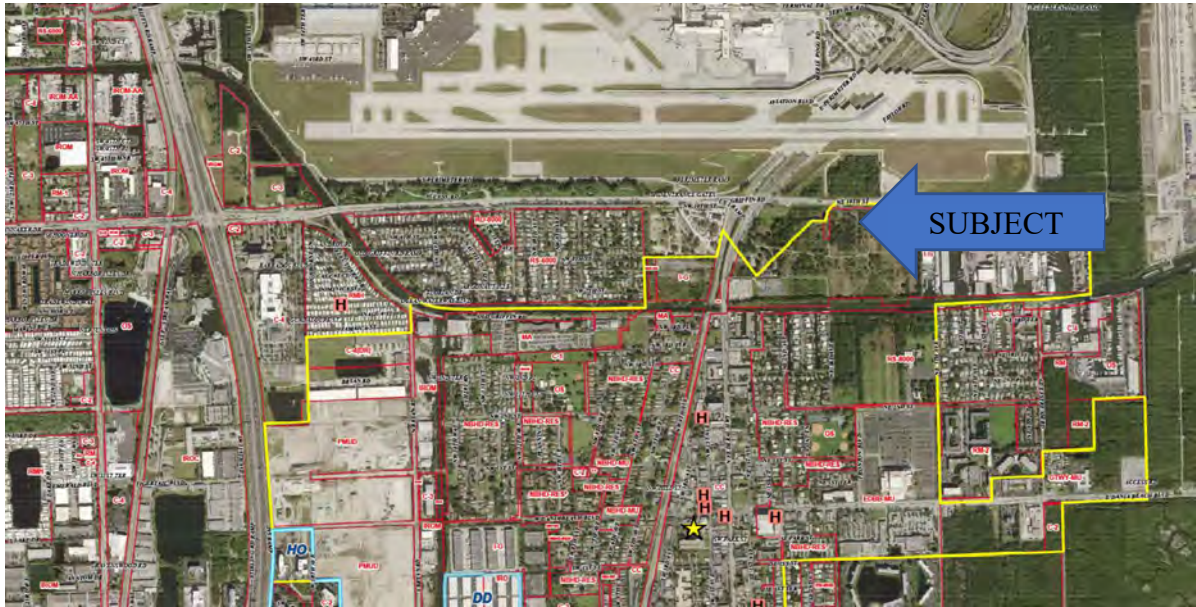
Easements/Encroachments

Restrictions, covenants, limitations and easement of record were considered typical for this type of property. We are aware of the FAA and airport restrictions on development of the site including avigation easements and height restrictions. As a result of this litigation, the site is being appraised as of a current date and without a permanent flowage easement.

Description of the Improvements

The subject property is vacant land and has some landscaping materials on the site.

SUBJECT ZONING MAP DANIA BEACH ZONING MAP



LEGEND		
	CITY HALL	
	HISTORICAL SITES	
	CRA BOUNDARY	
	PROPERTY LINES	
	CITY LIMIT	
OVERLAY DISTRICTS		
	DD, DESIGN DISTRICT	
	HO, HOTEL DISTRICT	
ZONING DISTRICTS		
	C-1: NGHBRHD OFFICE & BANKING	
	C-2: COMMUNITY BUSINESS	
	C-3: GENERAL BUSINESS	
	C-4(DR): COMMERCIAL(DEED RESTR)	
	C-4: GENERAL COMMERCIAL	
	CC: CITY CENTER	
	CF: COMMUNITY FACILITY	
	CON-2: CONSERVATION	
	E-1: S.F. - ESTATE	
	EDBB-MU: EAST DANIA BCH BLVD MIXED USE	
	GTWY-MU: TRANSIT	
	I-G: INDUSTRIAL	
	IRO: INDUSTRIAL-RESRCH-OFFICE	
	IROC: INDSTRIL-RESRCH-OFFICE-COMRCL	
	IROM-AA: INDSTRIL-RESRCH-OFFICE-MRNE-AA	
	IROM: INDUSTRIAL-RESRCH-OFFICE-MARINE	
	MA-1: MARINA MILE ASSOCIATION	
	MA: MARINE	
	NBHD-MU: NEIGHBORHOOD MIXED USE	
	NBHD-RES* M-F - Prev RM & 1-2-3 ZONE	
	NBHD-RES: RESIDENTIAL	
	OS: OPEN SPACE	
	PEDD: PORT EVERGLADES DEV DIST	
	PMUD: PLANNED MU DEVELOPMENT	
	PRD-1: PLANNED RES DEV	
	RD-8000: RESIDENTIAL	
	RM-1: MULTI FAMILY 16DU/AC	
	RM-2: MULTI FAMILY 25DU/AC	
	RM-3: RESIDENTIAL	
	RM MULTI FAMILY 10DU/AC	
	RMH: MOBILE HOME	
	RMD: RESIDENTIAL MULTI-FAM OFFICE	
	RO: RESIDENTIAL OFFICE	
	RS-12000: SINGLE FAMILY 12000	
	RS-6000: SINGLE FAMILY 6000	
	RS-8000: SINGLE FAMILY 8000	
	SFED-MU: SOUTH FEDERAL MIXED USE	

ZONING/LAND USE:

The property is zoned IG Industrial General by the City of Dania Beach. The property has a plat approval from Broward County for hotel development with a 150 room hotel property. This use would require a zoning change and Mr. Leigh Kerr has reviewed this with the city and it is reasonably probable that a zoning change would be allowed to approve the plat approval for a 150 room hotel.

The subject property has an avigation easement which, in certain areas, restricts the building height by the FAA. Buildings or structures and flagpoles, airplane beacons, broadcasting towers and antenna for radio and television, chimneys, stacks, and roof structures, used only for ornamental or mechanical purposes within the Airport Transportation District shall be constructed to a height permitted by the Federal Aviation Regulations, 14 CFR Part 77, and consistent with Florida Statutes relating to airports.

A zoning change and/or other approvals would be necessary in order to develop a hotel on the site. In addition, any development of the property will have to meet criteria set out in new FAA guidelines, Florida Statutes Title XXV – Aviation Chapter 333 zoning and Broward County’s Aviation Department.

REAL ESTATE ASSESSMENT DATA

REAL ESTATE TAXES

FOLIO NUMBER:	50-42-34-51-0010
ASSESSED VALUE (2017)	
Land	\$957,230/ \$948,440 Agricultural Savings
Building	<u>\$ 0</u>
Total	\$957,230
JUST MARKET VALUE	\$ 8,790-Based on Agricultural Exemption
Real Estate Taxes	\$802.87 (2017)

HIGHEST AND BEST USE

The estimate of the highest and best use of the land as legally permitted, if vacant, requires extensive market analysis especially in terms of the indicated market conditions of supply and demand. The value of the land is based upon the level of utility that is in demand and that will produce amenities or net income to the user. Therefore, the use which creates the greatest land value and which is considered compatible in terms of the restrictions imposed by the physical, legal, economic, and financial factors is inherent in this analysis. The following analysis is intended to demonstrate and support our estimate of the highest and best use of the subject site.

Physically Possible

The subject site is slightly irregular in shape and contains 127,630± square feet or 2.93± acres. The site is physically able to be developed with commercial, residential or industrial uses and could accommodate the plat approved 150-unit hotel on-site.

Legally Permissible

The property is zoned “IG,” Industrial General Office District, by the City of Dania Beach. The surrounding uses and related facilities are designed primarily to serve the needs of airport and port related services.

A 150-room hotel is allowed by Plat and zoning change would be required but was considered reasonably probable. In addition, any development of the property will have to meet criteria set out in new FAA guidelines, Florida Statutes Title XXV – Aviation Chapter 333 zoning and Broward County’s Aviation Department. Based on our review, a 150-room hotel development would be considered legally permissible along with other permitted uses in the IG or related zoning district.

Financially Feasible

The success of most developments is based on the financial feasibility of the potential use. Financial Feasibility considers what uses, if any, are the most probable and profitable use of the land. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IG zoning which is physically possible. New development along Griffin Road, US-1, and SR-84 primarily consists of commercial and mixed use with the commercial development supporting additional residential development. The demand for hotels near the airport has remained strong with the increasing passenger load at both the airport and Port Everglades. Further, the expansion of the airport required the acquisition and demolition of an airport located hotel known as the Hilton Hotel (388 rooms) at Griffin Road and I-95. The demand and feasibility is further indicated in the long range plans of the Broward County Aviation Department to provide for a hotel development on the airport grounds. In addition, an 800-room convention center hotel is proposed for development near the Greater Fort Lauderdale/ Broward County Convention Center which is located at the

HIGHEST AND BEST USE (CONTINUED)

entrance to Port Everglades. Therefore, a hotel use appears to be the most financially feasible use of the whole property. The success of most developments is based on the financial feasibility of the potential use. Financial Feasibility considers what uses, if any, are the most probable and profitable use of the land. In addition, we discussed the Mr. Maurice Gruber and his research supported our decision that a hotel would be financially feasible at this location. In addition, there are five hotels of similar size to the subject property are planned or under construction within one mile of the airport to the south on Federal Highway in Dania Beach. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IG or related zoning. Based on the plat approval by Broward County for a 150 room hotel, it is our opinion that this use would be allowed and is the financially feasible use of the site.

Maximally Productive

The most maximally productive use of the site should produce the highest price or return required by the market for that use. After determining those uses, which are physically, possible, legally permissible and financially feasible, it is our opinion that the most maximally productive use of the land, as vacant, is for development of the site with the plat approved 150-room hotel development.

AS IMPROVED-

The subject is vacant land agriculturally utilized and therefore, the highest and best use as improved is not applicable.

Conclusion

Based on the location, size, zoning/land use and surrounding land uses and its current use, it is our opinion, that the subject lands would have a highest and best use for development with a 150-unit hotel development maximizing the pin location at the entrance to the Fort Lauderdale/Hollywood International Airport as well as the location and proximity to Port Everglades.

APPROACHES TO VALUE OMITTED-AS NOT APPLICABLE

() MARKET (XX) COST (XX) INCOME

The Market or Sales Comparison Approach to Value is considered most applicable in this assignment in the valuation of the subject land. Based on our estimate of the highest and best use of the land as vacant, we have reviewed land sales which were purchased for future hotel development. As the subject property is vacant land, development of the Market Approach was considered the most applicable method of valuing the property. The Income and Cost Approaches were not considered applicable in the valuation of the subject property.

SALES COMPARISON APPROACH-VACANT LAND

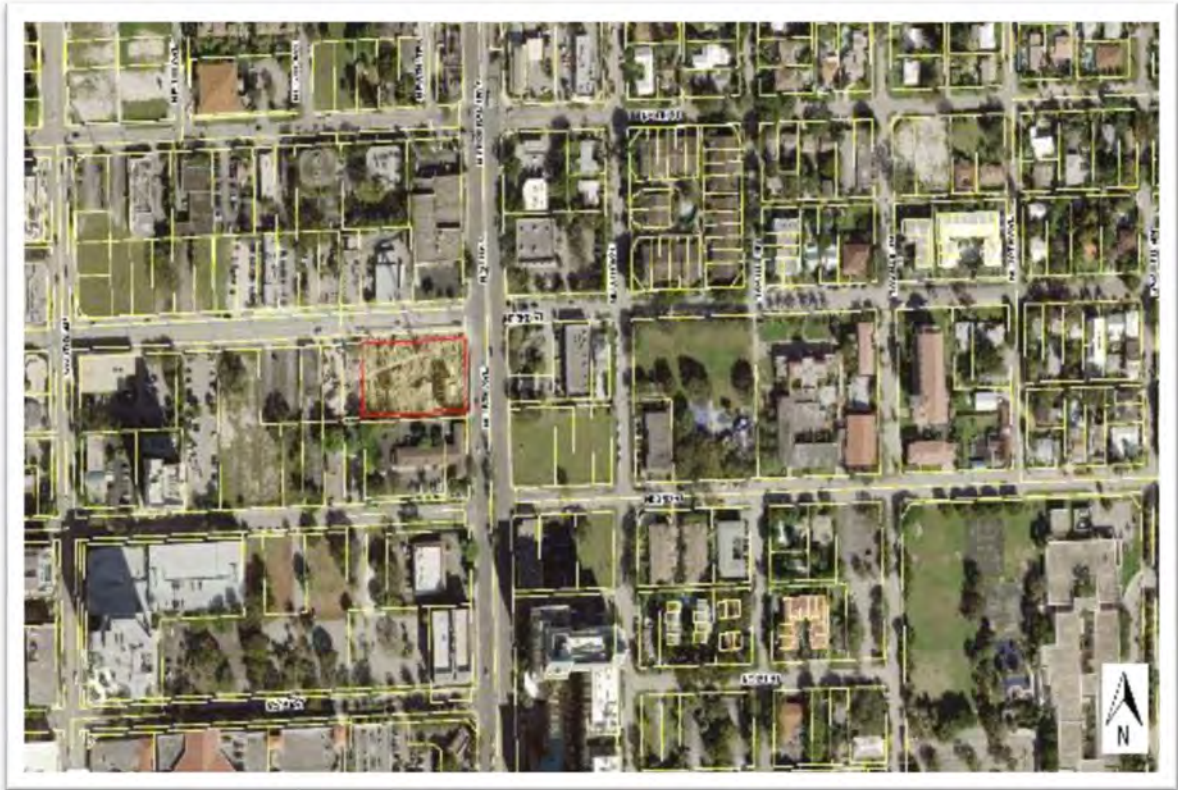
The land value is estimated by the Sales Comparison Approach. This approach is often referred to as the Direct Comparison Approach because the comparison procedure is its basic technique.

The Sales Comparison Approach requires careful selection of sale properties to ensure that they are relatively similar to the subject. No two properties are exactly alike. Therefore, a comparison between the subject and the sales must be considered in arriving at an indication of value for the subject. The market value conclusion is based on the highest and best use of the land, as if vacant, for future commercial development with a 150-room hotel development.

The following sales are deemed physically and economically comparable to the subject. An analysis sheet for each sale is included in the report.

The normal items of comparison are discussed following the presentation of the sales data.

COMPARABLE VACANT LAND SALE NUMBER 1 - DATA SHEET



RECORDING DATA:

County: Broward County
Instrument No.: 113112218
Folio number: 5042-10-10 0060

LOCATION OF SALE:

299 N Federal Highway, Fort Lauderdale,
Florida

GRANTOR:

Fedeq DV002, LLC

GRANTEE:

299 N. Federal Master, LLC

LEGAL DESCRIPTION:

Lots 14 through 24, inclusive of Block "A", of Fort Lauderdale Land and Development Company's Subdivision of Lots 1 and 2, Block 1 of the Town of Fort Lauderdale, Less the east 13 feet of Lot 14 and the North 15 feet of all lots, according to the map or plat thereof, as recorded in Plat Book 1, Page 56 of the Public Records of Dade County, Florida, said lands situate in Broward County, Florida.

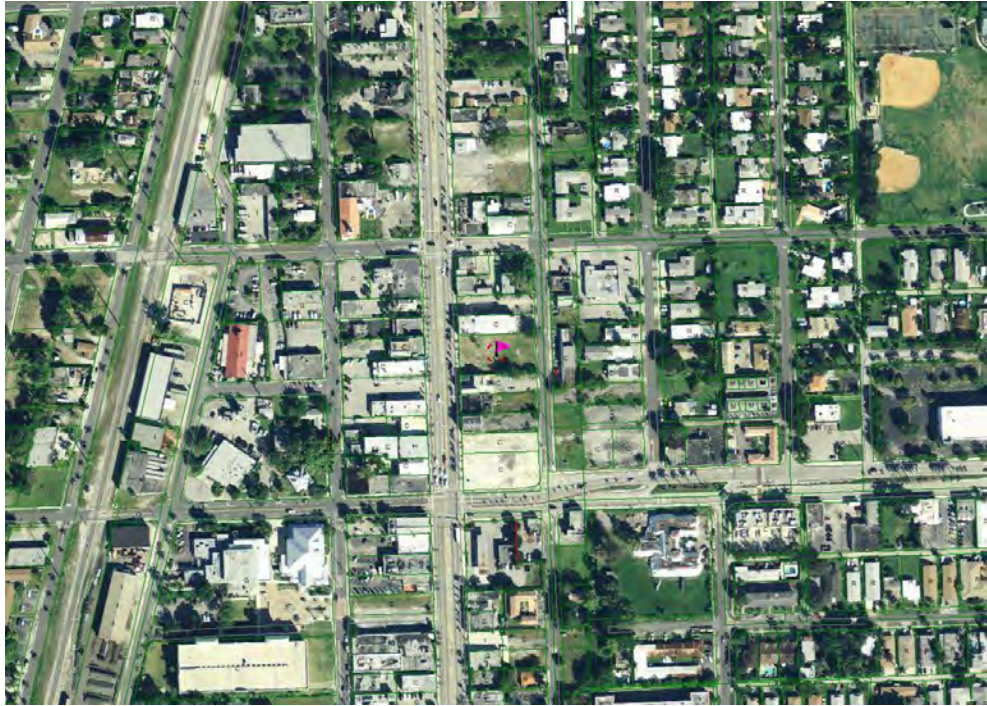
DATE OF SALE:

July 14, 2015

COMPARABLE VACANT LAND SALE NUMBER 1 (CONTINUED)

SIZE:	33,540 square feet
CONSIDERATION:	\$12,000,000
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$357.78 per square foot of total land area
PRICE PER UNIT:	\$37,151.70 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	RACC-CC, City of Fort Lauderdale
PRESENT USE:	Vacant, was improved with a Funeral Home at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is located on the SW corner of N. Federal Highway and NE 3rd Street in Fort Lauderdale, Florida. The site was purchased for \$12,000,000 in July 2015 and is being improved with a 24-story hotel called The Tribute/Element. It will have 323 residential units and 10,897 square feet of retail.

COMPARABLE VACANT LAND SALE NUMBER 2 - DATA SHEET



RECORDING DATA:

County: Broward County
Instrument No.: 114844771 and
114304889
Folio number: 50-42-34-01-1790,
50-42-34-12-0120, -
0130 and 0140

LOCATION OF SALE:

44 North Federal Highway, Dania Beach,
Florida

GRANTOR:

David George and Arlene Rose Weiner and
40-44 NFH, LLC

GRANTEE:

Dania Airport Hotels, LLC

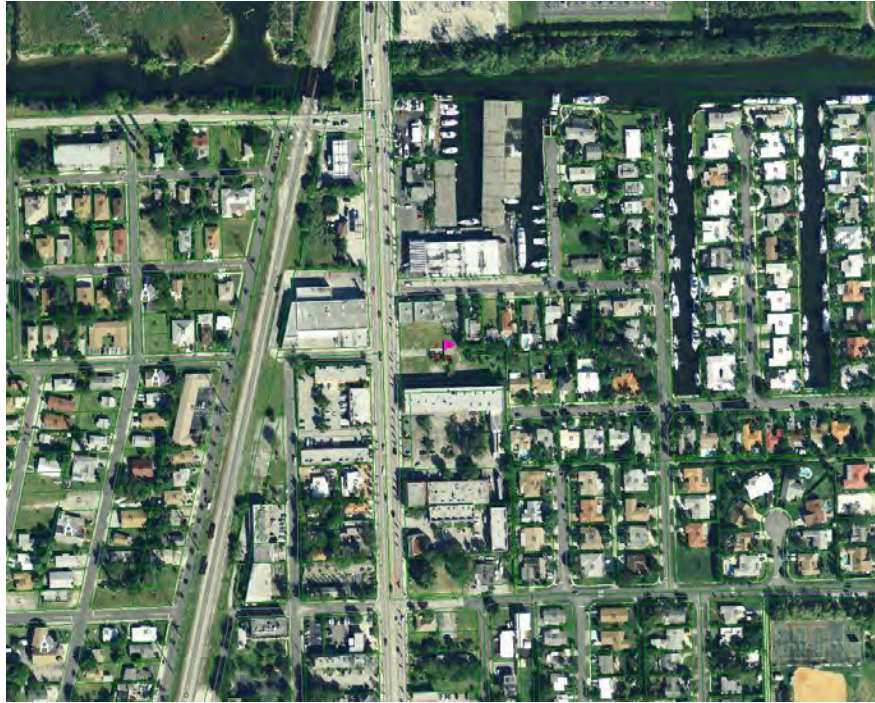
LEGAL DESCRIPTION:

Lots 1-3 of Block 5, Beachway
Subdivision, according to the Plat thereof,
as recorded in Plat Book 8, Page 33, of the
Public Records of Broward County, Florida
and all of Lots 9,10 and 11, less right of way
and all of lot 12 in Block 12 of Town of
Modelo (now Town of Dania) according to
the plat thereof as recorded in Plat Book 18
Page 49 of the Public Records of Miami-
Dade County and land now situate lying and
being in Broward County, Florida.

COMPARABLE VACANT LAND SALE NUMBER 2 (CONTINUED)

DATE OF SALE:	April 3, 2017 and May 19, 2017
SIZE:	39,247 square feet
CONSIDERATION:	\$1,850,000 (\$1,250,000 + \$600,000)
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$47.14 per square foot of total land area
PRICE PER UNIT:	\$16,087 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	CC City Center by the City of Dania Beach
PRESENT USE:	Currently being proposed for development with 115 room Hilton TRU hotel.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and utility easements of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	Property was an assemblage of two parcels acquired within one month of each other for the proposed hotel use. Portions were improved and the improvements have been razed. Property development required variances.

COMPARABLE VACANT LAND SALE NUMBER 3 - DATA SHEET



RECORDING DATA: County: Broward County
Instrument No.: 1113778794
Folio number: 5042-34-07-0070

LOCATION OF SALE: 302 North Federal Highway, Dania Beach,
Florida

GRANTOR: Dania Development Group, LLC

GRANTEE: Miranjali, LLC

LEGAL DESCRIPTION: Lengthy legal, see deed, portion of
Poinciana Park according to the Plat
Thereof as recorded in Plat Book 5, Page 17
of the Public Records of Broward County,
Florida,

DATE OF SALE: June 24, 2016

SIZE: 52,095 square feet

CONSIDERATION: \$2,350,000

COMPARABLE VACANT LAND SALE NUMBER 3 (CONTINUED)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$45.11 per square foot of total land area
PRICE PER UNIT:	\$22,381 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	CC City Center by the City of Dania Beach
PRESENT USE:	Being improved with 105 room Comfort Suites Hotel. Improved with buildings that have been razed.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	Purchased for development of 105-unit Comfort Suites hotel. Improvements on site did not contribute value and were razed for this development.

COMPARABLE VACANT LAND SALE NUMBER 4 - DATA SHEET

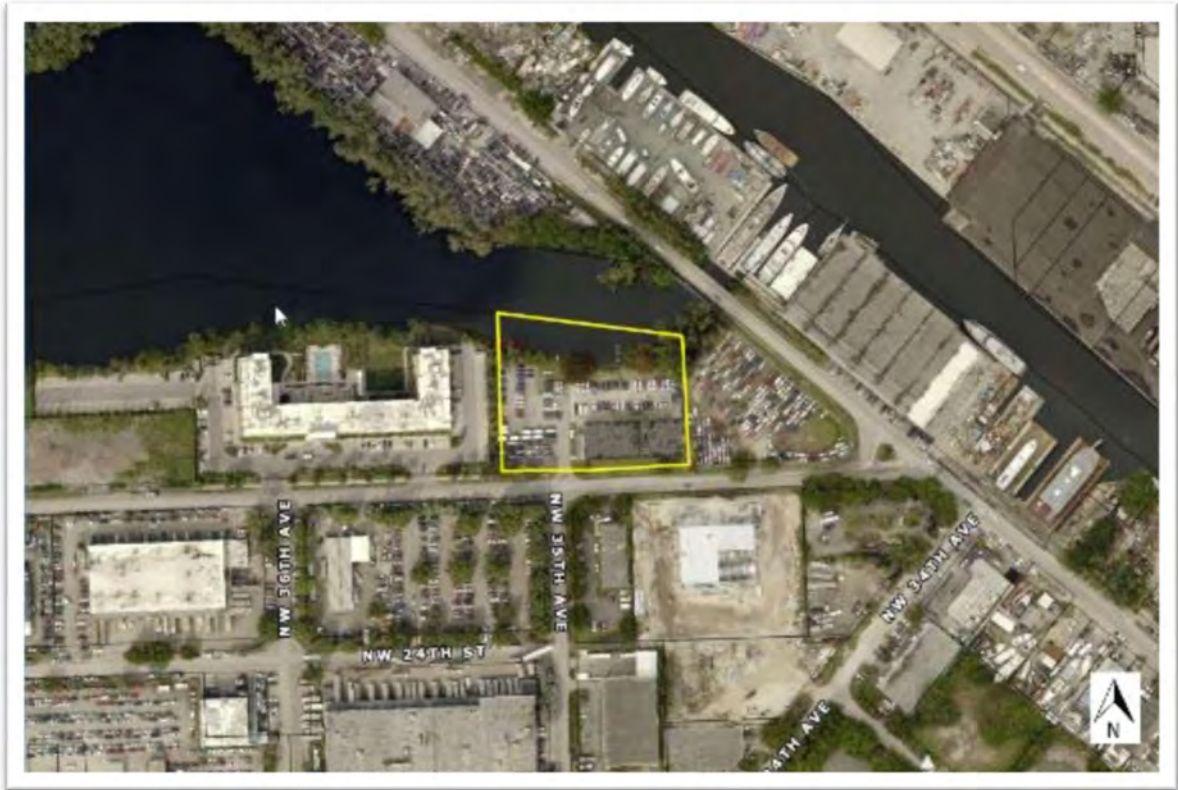


RECORDING DATA:	County:	Miami-Dade County
	OR Book & Page:	29862 / 3997
	Folio number:	30-3128-029-0010
LOCATION OF SALE:	3401 NW 25th Street, Miami, Florida	
GRANTOR:	Vicose Land Investment, Inc.	
GRANTEE:	Miami River Point Hotel, LLC	
LEGAL DESCRIPTION:	Tract "A", Jones Subdivision according to the Plat Thereof recorded in Plat Book 113, Page 75, of the Public Records of Miami-Dade County, Florida,	
DATE OF SALE:	November 18, 2015	
SIZE:	47,175.92 square feet	
CONSIDERATION:	\$2,987,000	

COMPARABLE VACANT LAND SALE NUMBER 4 (CONTINUED)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$63.32 per square foot of total land area
PRICE PER UNIT:	\$19,271 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	6117 Urban Center - Edge
PRESENT USE:	Being improved with a 155 -room Radisson RED hotel. The site was vacant at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	None
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is being improved with a Radisson RED, a hotel-Airbnb hybrid targeting millennials. The \$24 million project is projected to open in 2018, with a 155-room hotel, and is conveniently located near the Miami International Airport

COMPARABLE VACANT LAND SALE NUMBER 5 - DATA SHEET



RECORDING DATA:

County: Miami-Dade County
OR Book & Page: 29663-4067
Folio number: 30-3128-009-1300

LOCATION OF SALE:

3499 NW 25th Street, Miami, Florida

GRANTOR:

Grove Bluff, LLC

GRANTEE:

EDG Hospitality Miami Airport LLC

LEGAL DESCRIPTION:

Abridged: Streamland Gardens Amd PL PB 17-27 Lots 1 & 2 Blk 12 & E75 ft of Tr 11 & all Tr 23 of Rev PL of Grapeland Hgts 3rd Sec PB 31-53 & Port of Sec 28 53 41 & Port of 35 Ave Lyg N of 25 St Closed by Reso r-997-79 Desc as Beg SE Cor of lot 2 Blk 12 th N 225ft Nwly 330ft m/l S270.46ft E325ft to POB. Lot Size 80,512 Sq Ft OR 20520-4815 0702 1

DATE OF SALE:

June 18, 2015

COMPARABLE VACANT LAND SALE NUMBER 5 (CONTINUED)

SIZE:	80,513 square feet
CONSIDERATION:	\$3,809,400
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$47.31 per square foot of total land area
PRICE PER UNIT:	\$20,049 per room
TYPE OF INSTRUMENT:	Special Warranty Deed
ZONING:	6117 Urban Center - Edge
PRESENT USE:	Being improved with a 190-room Even hotel. The site was vacant at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is being improved with an Even hotel, a \$23.8 million-dollar project that overlooks a lagoon and will have 190-rooms and 145 parking spaces. The site is on a 1.85-acre lot and is conveniently located near the Miami International Airport

COMPARABLE VACANT LAND SALE NUMBER 6 - DATA SHEET



RECORDING DATA:

County: Palm Beach County
OR Book & Page: 28157 / 00001
Folio number: 06-43-47-07-12-001-0010

LOCATION OF SALE:

4955 Technology Way, Boca Raton, Florida

GRANTOR:

BV Land, LLC

GRANTEE:

GEO Corrections Holdings, Inc.

LEGAL DESCRIPTION:

North Unit of BOCA VILLAGE CORPORATE CENTER II, A CONDOMINIUM according to the Declaration of Condominium thereof, recorded in Official Records Book 21986, Page 0013, as amended by First Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 22323, Page 1674, as amended by Second Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 24137, Page 1381, as

COMPARABLE VACANT LAND SALE NUMBER 6 (CONTINUED)

amended by Third Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 24814, Page 1205, all of the Public Records of Palm Beach County, Florida, together with its undivided share in the common elements.

DATE OF SALE: March 11, 2016

SIZE: 189,922 square feet

CONSIDERATION: \$9,900,000

FINANCING: Cash to Seller

SALE PRICE PER SQ FT: \$52.13 per square foot of total land area

PRICE PER UNIT: \$79,200 per room

TYPE OF INSTRUMENT: Special Warranty Deed

ZONING: Light Industrial Research Park (LIRP)

PRESENT USE: Being improved with a 125-room Hyatt House hotel. The site was vacant at time of sale.

CONDITIONS OF SALE: Arm's-length transaction

ENCUMBRANCES: Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.

VARIOUS ON-SITE UTILITIES: All utilities available to the site

COMMENTS: The site is being improved with an Hyatt House hotel, a \$25 million-dollar project that will include 2,000 square feet of meeting space, a pool, Jacuzzis in some rooms, a social area for children, and a full-service bar serving light foods and a sweets shop.

COMPARABLE SALES MAP



COMPARABLE SALES CHART

SALE #	DATE OF SALE	SALE PRICE	LOCATION	LAND SIZE (SF)	PRICE/ SF	PRICE/ROOM
1	7/4/2015	\$12,000,000	299 N. Federal Highway Fort Lauderdale	33,540	\$357.78	\$37,152
2	4/3/2017 5/12/2017	\$1,850,000	44 N Federal Highway Dania Beach	39,247	\$47.14	\$16,087
3	6/20/2016	\$2,350,000	302 N Federal Highway Dania Beach	52,095	\$45.11	\$22,381
4	11/18/2015	\$2,987,000	3401 NW 25th Street Miami	47,176	\$63.32	\$19,271
5	6/18/2015	\$3,809,400	3499 NW 25th Street Miami	80,513	\$47.31	\$20,050
6	3/9/2016	\$9,900,000	4955 Technology Way Boca Raton	189,922	\$52.13	\$79,200
		SUBJECT	Taylor Rd / NE 10th St.	127,630		

SALES COMPARISON APPROACH

We have reviewed land sales, located in locations throughout Broward, Miami-Dade and Palm Beach County in the 2015-2018-time frame. Our review focused on the purchase and sales of properties for hotel development in consideration of the highest and best use for the subject property. The following is a review of the 6 comparable sales considered most applicable in this analysis.

Market Data Analysis

Overall, the sale properties range in size from 33,540 square feet to 189,922 square feet of land area and the land sales indicated a range from a low of \$45.11 per square foot of land area to \$357.78 per square foot of land area with the sales having a unit sale price range from a low of \$16,087 to a high of \$79,200 per room.

Conditions of Sale:

All the comparable sales utilized in direct comparison were arm's length transactions. Thus, no adjustment for conditions of sale is indicated.

Property Rights Conveyed:

The property rights appraised for the subject are fee simple subject to the existing easements. The property rights conveyed for the sales utilized in direct comparison are fee simple. Thus, no adjustment for property rights is indicated, although the height limitations were considered in our valuation of the subject property.

Financing:

Vacant land of this type is generally acquired for cash or construction loans with institutional financing. Often times, the financing is obtained in the form of an acquisition and development loan. However, it is not uncommon for the seller to provide short term financing. However, all the sales presented for direct comparison were acquired for cash or with market-based financing. Therefore, no adjustment for financing is indicated.

Market Conditions:

We have analyzed numerous sales in the subject area, in the time period from 2015 to 2018. The comparable sales graphically illustrated above occurred between June of 2015 through May of 2017. The date of value in this assignment is March 1, 2018 and thus all of the sales occurred within 33 months of the date of value. No definitive market value adjustments were derived from our review of the market data. Consideration for the date of sale will be considered in our final analysis.

Market Conditions; Continued)

Location:

Locational characteristics deemed significant for vacant land include access, surrounding demographics, surrounding properties, supply of competitive land, etc. The subject property has a “pin” location at the entrance to the Ft. Lauderdale/Hollywood International Airport and Port Everglades. This has been a coveted spot for hotel development and was the location of the Howard Johnson for years prior to the airport and road expansion in the late 1970’s and early 1980’s. Sale 1 is located in downtown Ft. Lauderdale in close proximity to the subject property and this was considered a similar location. Sales 2 and 3 are located just south of the airport in Dania Beach along Federal Highway and although inferior locations, these support the demand for hotels in close proximity to the airport. In fact, there are five hotels in construction or planned in a one mile stretch of Federal Highway south of the airport. Sales 4 and 5 are located near the Miami International Airport and Sale 6 is located in the Boca Raton area. The subject is considered to have a superior location in consideration of the proximity to the airport. The various locations were considered in our overall review of the sales data.

Size:

The subject property contains 127,630 square feet in size and is larger than all of the properties with the exception of Sale 6, which is the largest sale. This sale had the largest unit sale price per room. Sales 1 to 4 were similar in size to each other ranging from a low of 33,540 square feet to 52,095 square feet of land area. These smaller sites had an overall unit sale price range from a low of \$16,087 to \$37,152 per room. Sale 5 was just under two acres and was similar in unit sale price as three of the smaller sales. It appears that the land size has minimal impact on the unit sale price as the development potential, which includes the zoning and density issues also play into the development. Sale 1 is to be developed with 323 units and is on the smallest size site. Overall, the review of the sales did not reflect any market-based adjustment for the size differentials.

Zoning:

The properties have commercial zoning classifications with all of the sites purchased and being developed with hotels. The zoning of each property was considered in our analysis and although some special exceptions would be required, the cost of that would be minimal and thus no adjustment for zoning was considered applicable.

CONCLUSION OF LAND VALUE – SALES COMPARISON APPROACH TO VALUE

The sales took place from June of 2015 to May of 2017. The properties sold from \$1,850,000 to \$12,000,000 and ranged in size from 33,540 square feet of land area to 189,922 square feet of land area. The sales indicate a unit price range of \$45.11 per square foot of land area to \$357.78 and \$16,087 to \$79,200 per room with a tighter range from \$16,027 to \$37,152 per room.

Based on our review of the sales data, the location, the size, zoning/land use, and the overall marketability of the subject property, we have formed an opinion of the market value of the subject to have a value conclusion of \$35,000 per hotel room. A review of other airports throughout the United States shows the demand for airport based or close hotel developments. Therefore, it is our opinion that the market value of the subject property based on our review of the Market Approach to Value is as follows:

$$\mathbf{150\ Hotel\ Rooms\ x\ \$35,000\ per\ Room\ =\ \$5,250,000}$$

The valuation of the property was based on normal development costs. It has been stipulated that the wetland mitigation costs will be \$225,000 for the C.I.D.B. and Rita Shaw Plats. A proration of these costs leads us to deduct \$20,000 from the value of the C.I.D.B. Plat. These costs will be deducted from the market value conclusion. Although the site is in need of fill, the review of the sales noted several sites that had the extra expense of razing older buildings and thus we considered that those sites also had higher development costs.

After considering the review of the unit sale price per hotel room and in consideration of the plat approval for a total of 150 hotel rooms, it is our opinion that a market value of \$5,250,000 would be applicable. From that market value estimate, we deducted the stipulated and allocated mitigation costs of \$20,000 to arrive at a market value of \$5,230,000.

RECONCILIATION

Cost Approach	N/A
Sales Comparison Approach	\$5,230,000
Income Approach	N/A

We have considered the Sales Comparison, Cost, and Income Approaches to value in this assignment.

Based upon the quantity and quality of the market data, i.e., the comparable sales, it is our opinion that the Sales Comparison Approach to Value is the most reliable indicator of the subject's land value. The highest and best use of the subject is for development with a 150-room hotel development. Therefore, for this appraisal, we have developed the Sales Comparison Approach to Value to determine the land value for the subject whole properties and utilized the unit sale price per room in an estimation of the market value of this parcel. The valuation indicated a market value of \$5,250,000.

From the market value estimate, a deduction for the stipulated mitigation costs on this plat were made in the amount of \$20,000. This indicates a market value for the whole property at \$5,230,000.

Based upon review of the market data and our analysis, it is our opinion that the market value of the site as of March 1, 2018, is:

**FIVE MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS
(5,230,000)**

ADDENDUM

PHOTOGRAPHS OF SUBJECT



View on NE 10th Street looking westerly with subject on the left



View of frontage on NE 10th Street looking easterly



View of NE 10th Street frontage

Most Recent Deed for Subject

CFN # 108947120, OR BK 46631 Page 1896, Page 1 of 3, Recorded 10/29/2009 at 03:17 PM, Broward County Commission, Doc. D \$0.70 Deputy Clerk 2090

Prepared by and after recording return to:

Daniel D. McCawley, Esq.
Greenberg Traurig, P.A.
401 East Las Olas Boulevard
Suite 2000
Fort Lauderdale, Florida 33301

Property Appraiser's parcel identification no(s): 5042-34-51-0010, 5042-27-10-0010

SPECIAL WARRANTY DEED

September THIS SPECIAL WARRANTY DEED, made and entered into as of the ^{3rd} day of ~~June~~, 2009, between GAYLE SHAW PETERS, a married woman, whose address is 956 Rio Mar Drive, Vero Beach, Florida 32963, hereinafter referred to as "Grantor", and DANIA PLACE, LLC, a Florida limited liability company, whose address is 956 Rio Mar Drive, Vero Beach, Florida 32963, hereinafter referred to as the "Grantee".

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all right, title and interest which Grantor has in and to that certain parcel of land lying and being in the County of Broward, State of Florida, as more particularly described in the Exhibit "A" annexed hereto and by this reference made a part hereof.

TOGETHER WITH all the right, title and interest of Grantor, if any, in and to the improvements, tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining and together with all rights and easements of record.

SUBJECT TO Taxes for 2009 and all subsequent years; covenants, restrictions and easements of record, this reference shall not serve to reimpose the same; applicable zoning regulations; ordinances, restrictions, prohibitions and other requirements imposed by

Note to Examiner: The conveyance evidenced by this deed represents a transfer of unencumbered real property from the Grantor to the Grantee as an additional contribution to the capital of Grantee by the Grantor. Grantee is owned 100% by Grantor. No additional interest in the Grantee has been issued to the Grantor in connection with this additional contribution of capital. Accordingly, this deed is subject only to nominal state of Florida documentary stamp taxes. See Crescent Miami Center LLC v. Florida Department of Revenue, 903 So.2d 913 (Fla. 2005).

SPECIAL WARRANTY DEED — Page 1

PTL 107,287,933v1 009910 010200

EXHIBIT A
TO WARRANTY DEED
LEGAL DESCRIPTION

An undivided 1/3 interest in and to the following:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida;

Less and Except Parcel No. 1405 in that certain Order of Taking recorded in Official Records Book 18474, Page 825 and Official Records Book 19693, Page 907, of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE 1/4) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the South line of the said Southeast One-Quarter (SE 1/4) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" west along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

And

Parcel "A" of C.I.D.B. PLAT, according to the Plat thereof, as recorded in Plat Book 140, Page 28, of the public records of Broward County, Florida.

MITIGATION COSTS STIPULATED AT \$225,000 ON SOUTH SIDE OF NE 10TH
STREET PROPERTIES- ALLOCATED TO \$20,000 FOR CIDB PLAT



Phillip R. Jimrusti & Associates, Inc.
Ecological Engineers
Environmental Consultants

4085 S.W. Honey Terrace • Palm City, Florida 34990
Phone: 954-370-8870 • Fax: 772-781-3790

February 9, 2017

John Shaw
c/o Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, FL 33410

Re: Shaw Property

Mr. Shaw

An *Environmental Assessment* was conducted on this approximately 6.87-acre tract of land located north of N.E. 10th Street, east of U.S. Highway 1, Section 27, Township 50 South, Range 42 East, Broward County, Town of Dania Beach, Florida. The site was visited on December 27, 2016 and again on January 27, 2017.

The site was investigated to identify the following wetland characteristics; those areas that are inundated or saturated by surface water or ground water at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soils. Soils present in wetlands generally classified as hydric or alluvial, or possess characteristics that are associated with reducing soil conditions. The prevalent vegetation in wetlands consisting of facultative or obligate hydrophytic macrophytes is typically adapted to areas having soil conditions described above.

The site is bordered on the east and west by storm water retention ponds, on the north by Fort Lauderdale International Airport, and on the south by a paved road. The immediate area surrounding the property, with the exception of isolated vacant areas, has been developed for transportation, industrial or agricultural purposes.

February 9, 2017

The Broward County Property Appraisers website contains annual aerial photographs of the property dating from 1998 through 2016. Two significant alterations to the property are evident in the aerials from 2003 and 2013. In 2003, NE 10th Street was extended through the southern portion of the property and in 2013, a portion of the northern part of the property was cleared to accommodate for the expansion of the airport runway. By 2015, the construction of the runway expansion appears to be complete.

During our investigation, we found that the property currently contains approximately 2.99 acres of wetlands. This delineation is based on the presence of wetland hydrology and wetland vegetation. It is our opinion that development of the surrounding properties have resulted changes to the drainage patterns, causing rainfall runoff from the roadway and adjacent properties to flow onto this property, where it collects and produces wetland-like conditions that are becoming more prominent over time. We have seen this phenomenon occur on numerous undeveloped properties throughout South Florida. Wetland conditions may not have been present in the past, but as the adjacent and surrounding properties are developed and the surrounding ground elevations are increased, rainfall runoff drains onto the lower grade, undeveloped property. The water then accumulates, more substantially on this property due to the predominantly clay-type soils present, which have a generally lower permeability, hereby preventing the water from draining down through the soils. Instead, the water sits and eventually leads to a decrease in upland vegetation due to a higher water table and an influx of hydrophytic wetland vegetation.

Broward County Environmental Protection and Growth Management Department (BCEPGMD), South Florida Water Management District (SFWMD), and United States Army Corps of Engineers (USACOE) must confirm wetland jurisdictional determinations made in this report prior to development of this property. The agency determinations may differ from those described depending on the opinion of the agency reviewer and current site conditions at the time of review. Based on the current site conditions, it is most likely that the agencies will claim the approximately 2.99 acre area as wetlands and will require mitigation in order to develop this portion of the property. The remainder of the property not claimed as wetlands will be able to be developed with no required mitigation.

Mitigation would be required if the wetlands were to be filled in the development of the property. The exact amount of mitigation will depend on the quantity and value of the existing wetlands as determined by the regulatory agencies. The following reflects the approximate cost of wetland mitigation based on the analysis given in this report:

Shaw Property
Page 3

February 9, 2017

Cost To Impact 2.99 Acres Of Wetlands and Mitigate Off-Site:

2.29 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = **\$320,600**

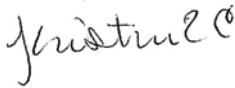
Cost To Impact 1.50 Acres Of Wetlands and Mitigate On-Site and Off-Site:

1.49 Ac. Mitigation Area On-Site x \$50,000 per acre = \$74,500 x 5 years = \$372,500
0.04 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = \$5,600
\$378,100

It may be possible that the existing wetlands has increased in ecological value because of continued impoundment of storm water, however it would be impossible to quantify the increase precisely.

Please keep in mind that these mitigation cost calculations are only estimates and are subject to change based on the governing agencies' wetland determinations and wetland quality scores.

Sincerely,



FDC Phillip R. Jimrusti,
President

COURT RULING

Walters v. Sheffield, 78 So. 539, 541 (Fla. 1918); Griffing Bros. Co. v. Winfield, 43 So. 687 (Fla. 1907) ("Growing fruit trees are considered as part of the land"). "A sale [or lease] of standing timber is a contract concerning an interest in land, within the meaning of the Statute of Frauds" and, therefore, must be in writing. Wilton Land & Timber Co. v. Long, 185 So. 839, 840 (Fla. 1939).

For these reasons, the Court determines that Plaintiffs have standing to make a claim for the taking of the trees on the D.D.K.

Conclusion

County has substantially taken all beneficial use of the D.D.K. from Plaintiffs due to the elimination of access to the D.D.K. and flooding, which brings silt-laden water with arsenic onto the D.D.K. See Schick v. Fla. Dep't of Agric., 504 So. 2d 1318 (Fla. 1st DCA 1987) (pollution of wells constituted a taking). In addition to eliminating the use of the D.D.K., such occurrences have eliminated the value and use of the trees growing on the D.D.K. See Bogorff, 35 So. 3d at 84 (destruction of trees is a constitutional taking); Dep't of Agric. & Consumer Services v. Poik, 568 So. 2d 35 (Fla. 1990) (taking of healthy commercial trees).

The Court finds that, based on the testimony and evidence, a taking has occurred by virtue of the significant increase in drainage from County's property onto the D.D.K. and, from there, to the rest of the Shaw Property. The flow of water is more than momentary and has had a substantial effect on the character of the Plaintiffs' property. Considering the property owners' investment backed expectations, which is that their property be used for agricultural farming with the expectation of future development, this Court concludes that County has taken a flowage easement over all of the Shaw Property.

Accordingly, it is hereby,

ORDERED AND ADJUDGED that, as of July 1, 2012, BROWARD COUNTY had taken a permanent flowage easement over those portions of the property subject to the D.D.K. Plat, the Rita W. Shaw Plat, and the C.I.D.B. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

Together with

Parcels "A," "B" and "C," of THE RITA W. SHAW PLAT, according to the Plat thereof, recorded in Plat Book 146, Page 25, of the Public Records of Broward County, Florida, being a portion of Sections 27 and 34, Township 50 South, Range 42 East; LESS therefrom that portion thereof taken by Broward County, a political subdivision of the State of Florida by Stipulated Corrected Order of

Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida identified thereon as Parcel 1415.

And

Parcel "A" of C.I.D.B. Plat, according to the Plat thereof, as recorded in Plat Book 140, Page 28 of the Public Record so Broward County, Florida being a portion of the NE ¼-NE ¼ of Section 34; SE ¼-SE ¼ of Section 27, Township 50 South, Range 42 East.

IT IS FURTHER ORDERED AND ADJUDGED that, as of August 21, 2012, by virtue of substantially diminishing all access during the construction of NE 10th Street, flooding it, and the addition of contamination to it, BROWARD COUNTY had taken all practical use, as well as value, from that portion of the property subject to the D.D.K. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed


Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

IT IS FURTHER ORDERED AND ADJUDGED that, as of October 1, 2012, more than ninety (90) days after the D.D.K. became flooded, the time frame at which John Coan testified the trees became unmarketable, BROWARD COUNTY had taken the following trees on the D.D.K.:

<u>TREE TYPE</u>	<u>OVERALL HEIGHT (FEET)</u>	<u>COUNT</u>
Royal Palm	16	33
	22	364
	25	50
	30 plus	8
Mexican Fan Palm	6	9
	8	1
	12	1
	15	1
	28 quad	1
Canary Island Date Palm	4	3
	6	3
	10	5
Pygmy Date Palm	8-10	100
Senegal Date Palm	17	1
	25	2

IT IS FURTHER ORDERED AND ADJUDGED that the valuation of the taken property and easement shall be determined by a jury trial under the provisions of Chapter 73 and 74 of the Florida Statutes upon proper notice.

DONE AND ORDERED in chambers in Ft. Lauderdale, Broward County, Florida on this 15th day of September, 2017.


JEFFREY R. LEVENSON
Circuit Court Judge

Jeffrey R. Levenson

SEP 11 2017

True Copy

QUALIFICATIONS OF APPRAISER

ROBERT D. MILLER, ASA

EDUCATION:

Appraisal Institute Courses
SSP Standards of Professional Practice
I-A Fundamentals of Real Estate Appraisal
I-B Capitalization Theory and Techniques
8 Appraising a Single-Family Residence
Case Studies in Real Estate Valuation
Report Writing
Business Valuation Seminar
Litigation Valuation
Other Appraisal Courses
Mass Appraisal of Residential Properties
Florida State Law and USPAP
Factory Built Housing
Automated Valuation Models

PROFESSIONAL AFFILIATION:

Senior Member of American Society of Appraisers-
South Florida Chapter No. 82 – Accredited Senior Appraiser (ASA)
Real Property Urban

LICENSED:

Certified General Real Estate Appraiser #RZ1270- State of Florida

EXPERIENCE:

1995-Present Owner Appraisal Firm-Sub-consultant
1993-1995 Vice President-The Urban Group, Inc.
1978-1993 Real Property Analysts, Inc., Fort Lauderdale,
Florida, Executive Vice President
1987 Involved in United States Senate Study
Right-of-Way
Acquisition Procedures

QUALIFIED AS EXPERT WITNESS FOR:

Condemnation proceeding in Lake, Kankakee, Cook and DuPage
Counties, Illinois and Broward, Dade, Monroe, Palm Beach and
Duval Counties, Florida. Testified in Bankruptcy Court in Florida
and Texas and Federal Court in Miami, Florida

HAS COMPLETED:

Appraisal Assignments	Counseling
Commercial, vacant and improved	Acquisition projects
Condemnation projects	Income tax analysis
Industrial, vacant and improved	Investment analysis
Multi-family residential,	Tax assessments
Mobile Home Parks	ROW Cost Analysis
Office, vacant and improved	Special assessments
Special purpose properties	Review Services

VARIOUS CLIENTS OVER THE PAST TEN YEARS

GOVERNMENT

BROWARD COUNTY SCHOOL BOARD
CHARLOTTE COUNTY
CITY OF CORAL SPRINGS
CITY OF DELRAY BEACH
CITY OF FORT LAUDERDALE
CITY OF FORT MYERS
CITY OF HALLANDALE BEACH
CITY OF HOLLYWOOD
CITY OF LAUDERDALE LAKES
CITY OF OAKLAND PARK
CITY OF KEY WEST
CITY OF MIAMI SPRINGS
CITY OF POMPANO BEACH
CITY OF RIVIERA BEACH
CITY OF SUNRISE
CITY OF TAMARAC
FEDERAL AVIATION ADMINISTRATION
FLORIDA DEPARTMENT OF TRANSPORTATION
LEE COUNTY
PALM BEACH COUNTY
PALM BEACH COUNTY SCHOOL BOARD
SMALL BUSINESS ADMINISTRATION
SOUTH FLORIDA WATER MANAGEMENT
TOWN OF DAVIE
US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

PRIVATE

ALTMAN DEVELOPMENT CORPORATION
BELLSOUTH MOBILITY
CLEAR CHANNEL OUTDOOR
CLEVELAND CLINIC
LENNAR HOMES
THE TAUBMAN COMPANY
SBA TOWERS INC.
UNITED HOMES
WAL-MART CORPORATION

ATTORNEY

AKERMAN-SENTERFITT
ARNSTEIN & LEHR
BECKER & POLIAKOFF
COKER AND FEINER
BRIAN PATCHEN PA
HOLLAND & KNIGHT
RUDEN MCCLOSKEY
TEW CARDENAS
GOREN CHEROF DOODY & EZROL PA
WEISS-SEROTA-HELFFMAN

**SUMMARY APPRAISAL REPORT
OF
VACANT LAND (DDK PLAT)**



**OWNED BY:
SHAW FARMS & LAND COMPANY OF FLORIDA, LLC ($\frac{2}{3}$
INTEREST)
AND
DANIA PLACE, LLC ($\frac{1}{3}$ INTEREST)**

LOCATED AT

**N.E. CORNER OF TAYLOR ROAD AND N.E. 10th STREET
DANIA BEACH, BROWARD COUNTY, FLORIDA 33004**

AS OF

MARCH 1, 2018

PREPARED FOR

**BARRY S. BALMUTH, P.A.
THE OAKS CENTER
2505 BURNS ROAD
PALM BEACH GARDENS, FLORIDA 33410**

March 7, 2018

Mr. Barry S. Balmuth, Esquire
Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, Florida 33410

**RE: Vacant, agriculturally improved land located at the N.E. corner of Taylor Road and N.E. 10th Street, Dania Beach, Broward County, Florida 33004
Owner: Shaw Farms & Land Company of Florida, LLC (2/3 interest) and Dania Place, LLC (1/3 interest)**

Dear Mr. Balmuth:

Pursuant to the request of your clients, we have completed an appraisal of the above-captioned parcel. The purpose of the appraisal is to form an opinion of the market value of the subject parcel as of a current date, March 1, 2018. The property is an agriculturally improved parcel of land located at the NE corner of Taylor Road and N.E. 10th Street in Unincorporated Broward County, Florida 33004. The property contains 299,113± square feet or 6.8667± acres of land area.

The highest and best use of the subject is for future commercial development and the site has a plat approved for 349 room hotel development. The purpose of this appraisal is to form an opinion of the market value of the fee simple interest of the subject parcel. The function of the report is for your internal use in conjunction with ongoing litigation with Broward County. The date of value is March 1, 2018. The intended users of this report are your client and their legal and financial representatives and eventually Broward County and their representatives. This report is being considered as part of the settlement and negotiations between the parties.

Market value is defined as "the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

Mr. Balmuth
March 7, 2018
Page 2

The attached report contains our analysis of the factual market data, which forms the basis for our conclusions. Your attention is directed to the Certificate of Valuation and the Assumptions and Limiting Conditions and special assumptions, which form an integral part of the attached report.

We have personally inspected the property that is the subject of this report. Based upon the conclusions and assumptions contained in the attached Appraisal Report, in my opinion, the market value of the whole property as of March 1, 2018 is:

**TWELVE MILLION TWO HUNDRED FIFTEEN THOUSAND DOLLARS
(\$12,215,000)**

In addition to the market value of the land, the court ruling required the addition of the value of the trees that were located on the property at the time of the taking. The cost of these trees was estimated by A & L Southern Agricultural Laboratories, LLC at \$183,031.69, which we have rounded to \$185,000.

Further it has been stipulated by both parties to this litigation that the cost of the wetlands mitigation for the DDK plat would be \$325,000. As a result, the market value of the whole property as of March 1, 2018 would be

**TWELVE MILLION SEVENTY-FIVE THOUSAND DOLLARS
(\$12,075,000)**

If any additional information is required, please advise.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert D. Miller". The signature is stylized and cursive.

Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

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ADDENDUM

- Sub-Consultant Report
- Subject Photographs
- Court Ruling-Taylor Road Taking
- Most Recent Deed of Subject Property
- Qualifications of Appraiser

CERTIFICATION

The undersigned does hereby certify that except as otherwise noted in this appraisal report:

1. To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
2. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analysis, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and I (we) have no personal interest or bias with respect to the parties involved.
4. Our compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
5. Our analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
6. Robert D. Miller has met or exceeded the minimum prescribed educational requirements for Re-certification as an Accredited Senior Appraiser (ASA) or the American Society of Appraisers.
7. Robert D. Miller did make an exterior inspection of the property that is the subject of this report. The most recent inspection was on March 1, 2018.
8. MaryAnne Schneider and Barry Lazarus provided significant professional assistance to the person signing this report. Members of my staff provided research information, but the final analysis and value conclusions were of the undersigned only.
9. That my opinion of the market value of the real property being appraised as of **March 1, 2018, is \$12,075,000**. The appraiser did complete two other appraisal reports as part of this litigation within the past three years with a valuation date of September 20, 2016 and July 1 and August 21, 2012.



Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

ASSUMPTIONS AND LIMITING CONDITIONS

The legal description furnished to the appraiser is assumed to be correct.

All existing liens and encumbrances have been considered, however, the property is appraised as though free and clear, under responsible ownership and competent management.

The information identified in this report as being furnished to the appraiser by others is believed to be reliable; however, the appraiser assumes no responsibility for its accuracy.

The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

It is assumed that all required licenses, certificates of occupancy, consents, or 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 value estimate contained in this report is based.

It is assumed that the utilization of the land and any improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

The distribution, if any, of the total valuation in this report between land and any improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Possession of this report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualifications and only in its entirety.

Disclosure of the contents of this appraisal is governed by the ByLaws and Regulations of the American Society of Appraisers.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

The appraiser herein by reason of the appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

Neither all, nor part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have not direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

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 is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate 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 client has hired an expert to review this condition and his opinion was that the muck and related arsenic need not be removed as part of the development process.

In addition, we have made a special assumption that the property has access and is not being flooded by the county or subject to a flowage easement. The site had access on Taylor Road and NE 10th Street prior to the airport expansion project and the county has now eliminated access to the subject property as well as caused flooding to the property that resulted in the placement of a flowage easement on the property per the court ruling as of August 21, 2012.

We assumed based upon a reasonable probability that a special exception allowing the platted use would be granted.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY LOCATION:	NE corner of Taylor Road and N.E. 10th Street, Dania Beach, Broward County, Florida
OWNER'S NAME:	Shaw Farms & Land Company of Florida, LLC (2/3 interest) and Dania Place, LLC (1/3 interest)
OWNER'S ADDRESS:	110 Lake Winnemissett Drive Deland, FL 32724
DATES OF INSPECTION:	December of 2016 to March 1, 2018
SIZE OF SUBJECT PROPERTY:	299,113± square feet or 6.8667± acres
PRESENT USE:	Currently improved with a palm tree farm. The site is no longer accessible and the flooding on the property have made the palm trees a liability to the site as they have been damaged and are no longer available for sale.
HIGHEST AND BEST USE:	Future hotel development.
IMPROVEMENTS:	None
ZONING/LAND USE:	The property is zoned IRO by the City of Dania Beach. The plat allows for hotel development and that is allowed in this zoning district as a Special Exception. The land use plan is a Regional Activity Center in the City of Dania Beach.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS (Continued)

COST APPROACH TO VALUE:	N/A
SALES COMPARISON APPROACH TO VALUE:	\$12,075,000
INCOME APPROACH TO VALUE:	N/A
RECONCILIATION:	\$12,075,000
DATE OF VALUATION:	March 1, 2018

AERIAL OF SUBJECT PROPERTY



AERIAL MAP OF NEIGHBORHOOD



HISTORY OF PROPERTY:

There have been no transfers of ownership of the property in last five years. According to the Broward County Property Appraiser, the most recent transfer of title or ownership for the subject property occurred on September 30, 2009, and does not appear to be an arm's-length transaction. There were no other previous sales within the last 5 years. A copy of the deed for the most recent transfer is included in the addendum.

PROPERTY INTEREST APPRAISED:

For the whole property, the property rights appraised are fee simple title ownership considering any restrictions of use. We are aware of the restrictions imposed on the property based on its location to the airport and specifically the aerial easements and height restrictions that exist in the subject area and on the subject property.

PURPOSE OF THE APPRAISAL:

The purpose of the appraisal is to form an opinion of the market value of the subject property as of a specific date of March 1, 2018 based on the highest and best use and in consideration of the special assumption and in consideration of the court ruling associated with this litigation.

FUNCTION OF THE APPRAISAL

The function of the report is for your internal use in conjunction with the litigation and negotiations with Broward County. The intended users of this report are Mr. Balmuth, our clients and potentially the Broward County Commission, their representatives and the court system.

COMPETENCY PROVISION

The appraiser has completed numerous vacant land appraisals for properties in his 35 years as a real estate appraiser in South Florida and has completed numerous assignments in and around Ft. Lauderdale/Hollywood International Airport and Port Everglades. As a result of the appraiser's experience, the competency provision of USPAP has been met.

MARKETING PERIOD

Based upon discussions with various brokers and review of the marketing period for similar lands we have estimated a marketing period of nine to twelve months to be required. With the added approval process from the FAA and airport, a slightly longer market period would be considered applicable. This could extend the process about 6 additional months. The estimated marketing period is based upon our review of marketing periods for vacant land in the subject market area.

EFFECTIVE DATE (DATE OF VALUE):

The date of value is March 1, 2018 or the latest date of our inspection. The property was inspected in the period of December of 2016 thru March 1, 2018. The date of this report is March 7, 2018.

SCOPE OF SERVICES

We have compiled all the necessary data to formulate an opinion of value. We have presented the applicable data in this Summary Appraisal Report format. Any additional supporting data can be found in our working file. In preparing our report, we have reviewed and relied upon the following data.

1. Review and considered the sales history of the subject property and neighborhood
2. Sales and Listings of similar type properties throughout the subject neighborhood and Broward County over the past five years.
3. Review of public records for all pertinent sales data. Data retrieved from IRIS, LoopNet, Co-Star, MLS and the Property Appraiser's office.
4. Review of Broward County and neighborhood trends.
5. Inspection of neighborhood and analysis of land use patterns and trends.
6. We conducted an exterior inspection of subject property and comparable sales and listings.
7. Reviewed and considered reports prepared by other consultants utilized in this appraisal report including Maurice Gruber, Leigh Kerr Robinson & Associates, Joseph A. Roles & Associates, Inc., David Charland, Structural Engineer, CRB Geological & Environmental Services, Inc., A & L Southern Agricultural Laboratories, LLC. Phillip R. Jimrusti & Associates, Inc. etc. See the addendum for applicable reports from the various consultants.
8. Reviewed and considered the Plat, zoning and land use trends and approvals.

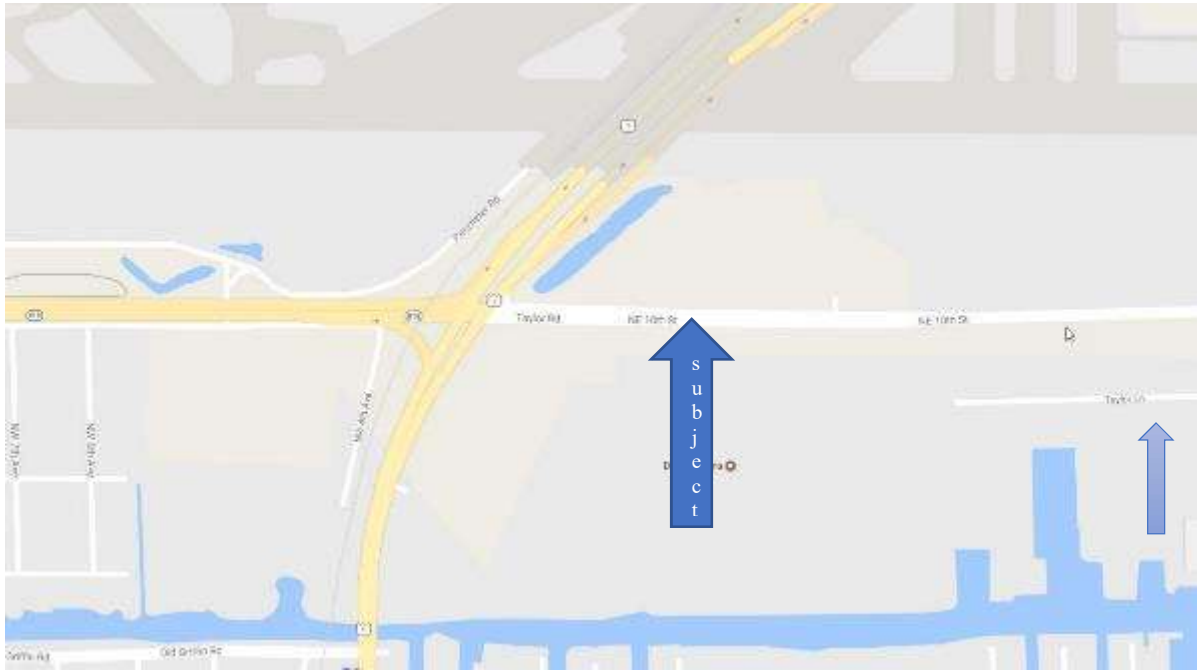
DEFINITION OF MARKET VALUE:

Market value is defined in the 2016 Edition of the Uniform Standards of Professional Appraisal Practice as follows:

The most probable price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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 each acting in what they consider their own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto, and
5. The price represents the normal consideration for property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

1. NEIGHBORHOOD MAP



NEIGHBORHOOD DATA

The subject property is in unincorporated Broward County, Florida, just south of Fort Lauderdale-Hollywood International Airport. Fort Lauderdale-Hollywood International Airport is bounded by Fort Lauderdale, Hollywood, and Dania Beach, three miles south of downtown Fort Lauderdale and 21 miles north of Miami

US Highway 1 (US 1) is just west of the subject and Interstate 95, a major north/south limited access highway is situated approximately one and a half miles to the west with I-595 connecting the western suburbs and access to I-95, Florida Turnpike and I-75 with the Port and Airport. Port Everglades is located to the northeast of the subject and is one of South Florida's strongest economic engines generating more than \$15 billion in revenue each year.

Commercial activities are located predominantly along U.S. Highway 1, State Road 84 to the south of the airport and further west along Griffin Road on the southwest side of the airport. Industrial uses are located in close proximity to the north, south and west of the Fort Lauderdale/Hollywood International Airport.

There is a limited supply of commercial properties on the market and this has accelerated the increase in market values. The long-term outlook for Florida Hospitality investment is good. Steady economic momentum together with elevated business and consumer confidence bode well for tourism in 2017 and beyond. Economic trends also point to another year of growth in 2018, generating higher room revenue and more occupied rooms. The airport has long term plans to include an on-site hotel with two new hotels being constructed on Federal Highway in downtown Ft. Lauderdale. Further, the demand for hotel rooms near the airport increased after the County purchased the Hilton Hotel at the corner of Griffin Road and I-95, just southwest of the airport. That hotel was purchased to allow the expansion of the airport with a new southerly runway. This runway precipitated the closure of Taylor Road and the elimination of our access to an improved roadway. Port Everglades recently announced plans to expand the convention center and develop an 800 room hotel complex near the 17th Street Causeway entrance to Port Everglades.

AERIAL VIEWS OF THE SUBJECT PROPERTY



Broward County Property Appraiser



Google Earth View

DESCRIPTION OF THE PROPERTY

Location:

NE corner of Taylor Road and N.E. 10th Street, Dania Beach, Broward County, Florida 33004.

Land Area:

299,113± square feet or 6.8667± acres

Shape/Dimensions:

The subject site consists of an irregular shaped parcel with approximately 605' feet of frontage on NE 10th Street. There are no building improvements, and the property is being used as a Royal Palm tree nursery, which is considered an interim use.

Ingress/Egress:

Legal access to the property is located at the southeast and northwest corners of the plat. There is an eighty-foot wide access opening at these locations. The county has eliminated the access to the property at both locations. We have made a special assumption and hypothetical condition that legal access was available to the property.

Topography:

The topography of the site is below grade with the surrounding roadway and properties. Drainage appears poor; however, a pipe/culvert was observed at the south edge for drainage. Based upon visual inspection of the site and our review of various reports by other experts indicates that the site will require some site development work prior to any development of the site. Review of the site with Mr. David Charland, a structural engineer, indicated that the cost of development with pilings would negate the need to remove the muck and thus the development costs would not be excessive in comparison to other development sites in the area. The property owners reported to us that the property did not flood prior to the county development as part of the airport expansion and runway extension. The development of NE 10th Street did not allow for the normal drainage and created a ponding effect on the subject property. This appraisal is based on the Special Assumption and Hypothetical Condition that the property does not have a flooding or water flowage condition.

Utilities on Site:

The following utilities are available where indicated:

<input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Water
<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Sewer

DESCRIPTION OF THE PROPERTY (continued)

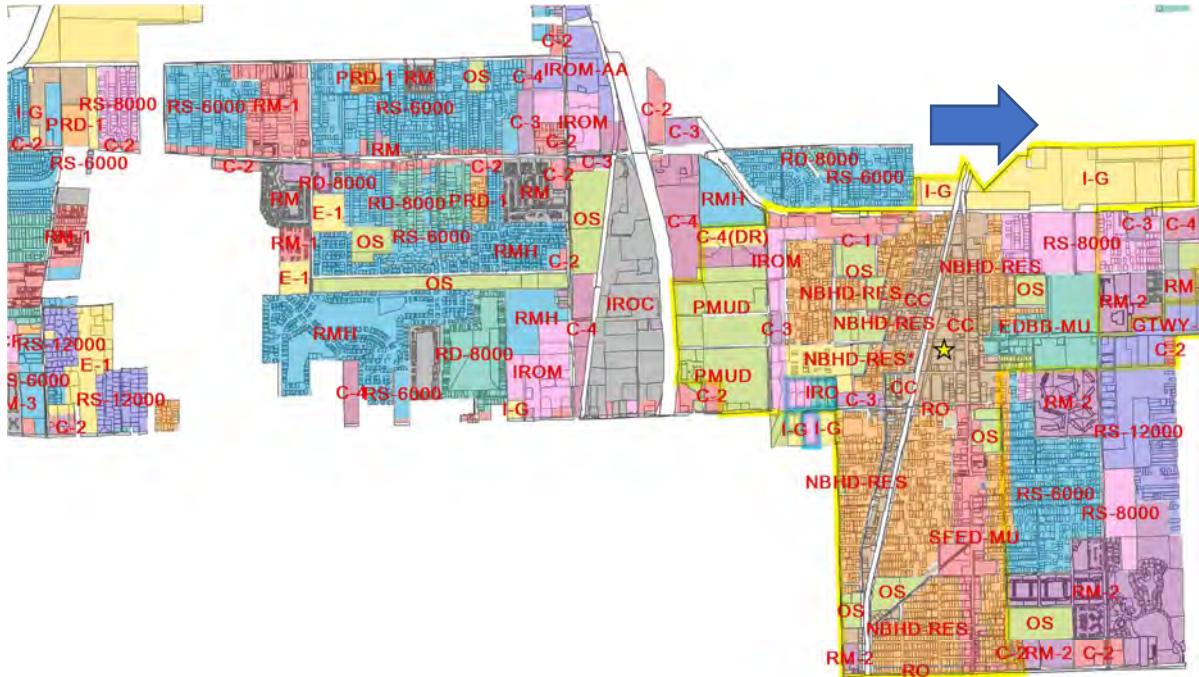
Easements/Encroachments

Restrictions, covenants, limitations and easement of record were considered typical for this type of property. We are aware of the FAA and airport restrictions on development of the site including aviation easements and height restrictions.

Description of the Improvements

The subject site is currently improved with a Royal Palm tree nursery. The trees have been valued by A & L Southern Agricultural Laboratories, LLC with a value of \$183,031.89 say \$185,000. This will be added to the land values.

DANIA ZONING MAP



The zoning was confirmed by Mr. Leigh Kerr as IRO in the City of Dania Beach and this was confirmed by the attorneys for the county.

PROPERTY DESCRIPTION (Continued)

ZONING/LAND USE:

The property is zoned “IRO,” Industrial Research Office District by the City of Dania Beach.

The above-referenced zoning states Hotels are permitted by special exception. The D.D.K. Plat is restricted to a 349-room hotel. In addition, any development of the property will have to meet criteria set out in new FAA guidelines, Florida Statutes Title XXV – Aviation Chapter 333 zoning and Broward County’s Aviation Department. The future land use in the City of Dania Beach is Regional Activity Center.

REAL ESTATE ASSESSMENT DATA

REAL ESTATE TAXES

FOLIO NUMBER:	5042 27 10 0010
ASSESSED VALUE (2017)	
Land	\$2,223,820
Building	<u>\$ 0</u>
Total	\$2,223,820
JUST MARKET VALUE	\$ 20,610-Based on Agricultural Exemption
Real Estate Taxes	\$569.92 (2017)

HIGHEST AND BEST USE - VACANT

The estimate of the highest and best use of the land as legally permitted, if vacant, requires extensive market analysis especially in terms of the indicated market conditions of supply and demand. The value of the land is based upon the level of utility that is in demand and that will produce amenities or net income to the user. Therefore, the use which creates the greatest land value and which is considered compatible in terms of the restrictions imposed by the physical, legal, economic, and financial factors is inherent in this analysis. The following analysis is intended to demonstrate and support our estimate of the highest and best use of the subject site.

Physically Possible

The subject site is slightly irregular in shape and contains 299,113± square feet or 6.8667± acres. The site is physically able to be developed with commercial, residential or industrial uses and could accommodate the plat approved 349-unit hotel on-site.

Legally Permissible

The property is zoned “IRO,” Industrial Research Office District, by the City of Dania Beach. The surrounding uses and related facilities are designed primarily to serve the needs of airport and port related services.

Hotels are permitted by special exception and the D.D.K. Plat is restricted to a 349-room hotel. In addition, any development of the property will have to meet criteria set out in new FAA guidelines, Florida Statutes Title XXV – Aviation Chapter 333 zoning and Broward County’s Aviation Department. Based on our review, a 349 room hotel development is considered legally permissible along with other permitted uses in the IRO zoning district. A special exception will be required in order to develop the property as a hotel the probability of obtaining the special exception is considered good.

Financially Feasible

The success of most developments is based on the financial feasibility of the potential use. Financial Feasibility considers what uses, if any, are the most probable and profitable use of the land. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IRO zoning which is physically possible. New development along Griffin Road, US-1, and SR-84 primarily consists of commercial and mixed use with the commercial development supporting additional residential development. The demand for hotels near the airport has remained strong with the increasing passenger load at both the airport and Port Everglades. Further, the expansion of the airport required the acquisition and demolition of an airport located hotel known as the Hilton Hotel (388 rooms) at Griffin Road and I-95. The demand and feasibility is further indicated in the long range plans of the Broward County Aviation Department to provide for a hotel development on the airport grounds. In addition, an 800-room convention center hotel is proposed for development near the Greater Fort Lauderdale/ Broward County Convention center which is located at the entrance to Port

HIGHEST AND BEST USE (CONTINUED)

Everglades. Therefore, a hotel use appears to be the most financially feasible use of the whole property. The success of most developments is based on the financial feasibility of the potential use. Financial Feasibility considers what uses, if any, are the most probable and profitable use of the land. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IRO zoning. We further discussed the hotel development with Maurice Gruber a marketing consultant and his opinion supported our analysis. Based on the plat approval by Broward County for a 349 room hotel, it is our opinion that this use would be allowed and is the financially feasible use of the site.

Maximally Productive

The most maximally productive use of the site should produce the highest price or return required by the market for that use. After determining those uses, which are physically, possible, legally permissible and financially feasible, it is our opinion that the most maximally productive use of the land, as vacant, is for development of the site with the plat approved 349-room hotel development.

AS IMPROVED

The subject is vacant land and therefore, the highest and best use as improved is not applicable.

Conclusion

Based on the location, size, zoning/land use and surrounding land uses and its current use, it is our opinion, that the subject lands would have a highest and best use for development with a 349-unit hotel development maximizing the pin location at the entrance to the Fort Lauderdale/Hollywood International Airport as well as the location and proximity to Port Everglades.

APPROACHES TO VALUE OMITTED-AS NOT APPLICABLE

MARKET COST INCOME

The Market or Sales Comparison Approach to Value is considered most applicable in this assignment in the valuation of the subject land. Based on our estimate of the highest and best use of the land as vacant, we have reviewed land sales which were purchased for future hotel development. As the subject property is vacant land, development of the Market Approach was considered the most applicable method of valuing the property. The Income and Cost Approaches were not considered applicable in the valuation of the subject property.

SALES COMPARISON APPROACH-VACANT LAND

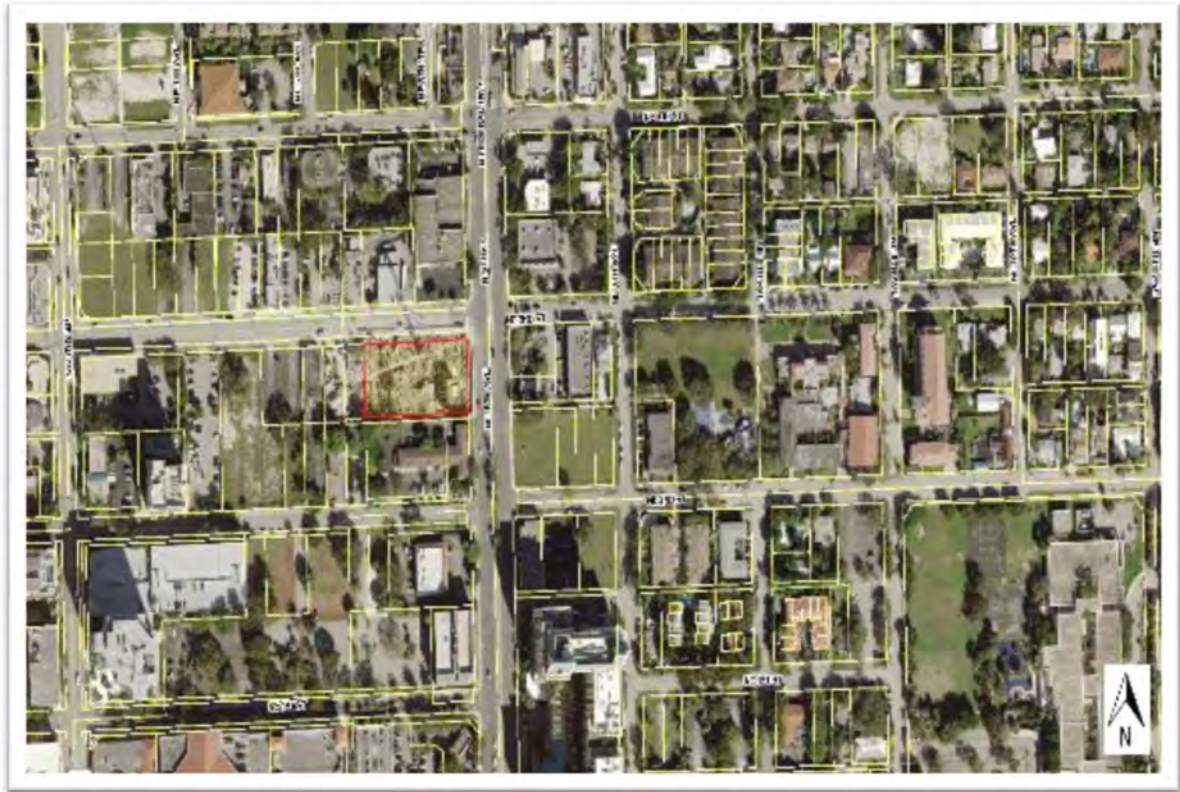
The land value is estimated by the Sales Comparison Approach. This approach is often referred to as the Direct Comparison Approach because the comparison procedure is its basic technique.

The Sales Comparison Approach requires careful selection of sale properties to ensure that they are relatively similar to the subject. No two properties are exactly alike. Therefore, a comparison between the subject and the sales must be considered in arriving at an indication of value for the subject. The market value conclusion is based on the highest and best use of the land, as if vacant, for future commercial development with a 349 room hotel development.

The following sales are deemed physically and economically comparable to the subject. An analysis sheet for each sale is included in the report.

The normal items of comparison are discussed following the presentation of the sales data.

COMPARABLE VACANT LAND SALE NUMBER 1 - DATA SHEET



RECORDING DATA:

County: Broward County
Instrument No.: 113112218
Folio number: 5042-10-10 0060

LOCATION OF SALE:

299 N Federal Highway, Fort Lauderdale,
Florida

GRANTOR:

Fedeq DV002, LLC

GRANTEE:

299 N. Federal Master, LLC

LEGAL DESCRIPTION:

Lots 14 through 24, inclusive of Block "A", of Fort Lauderdale Land and Development Company's Subdivision of Lots 1 and 2, Block 1 of the Town of Fort Lauderdale, Less the east 13 feet of Lot 14 and the North 15 feet of all lots, according to the map or plat thereof, as recorded in Plat Book 1, Page 56 of the Public Records of Dade County, Florida, said lands situate in Broward County, Florida.

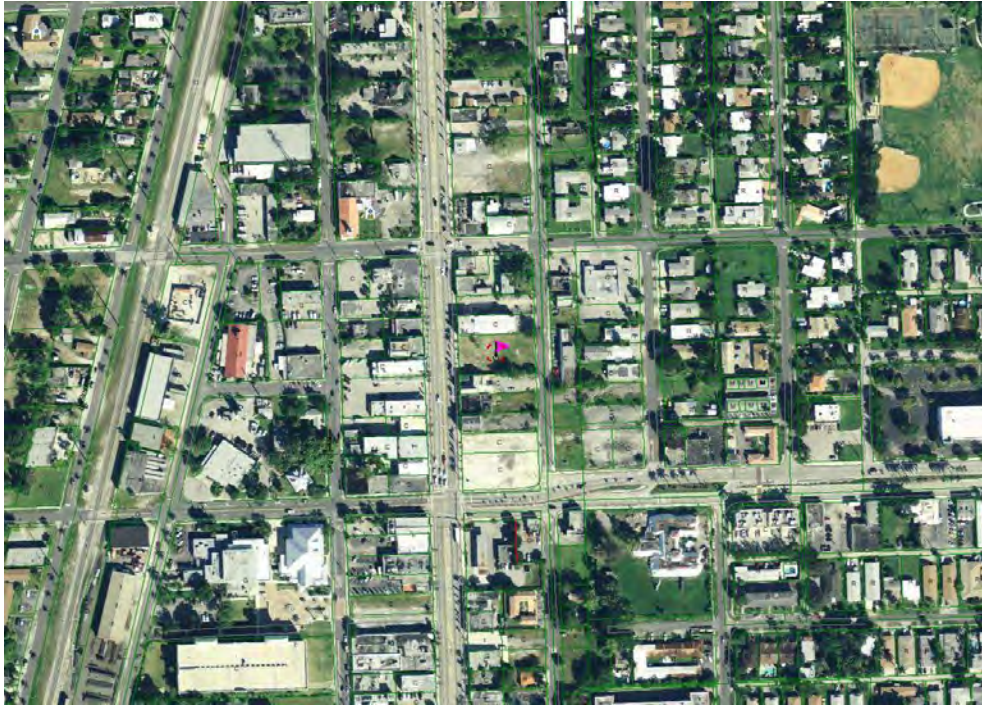
DATE OF SALE:

July 14, 2015

COMPARABLE VACANT LAND SALE NUMBER 1 (CONTINUED)

SIZE:	33,540 square feet
CONSIDERATION:	\$12,000,000
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$357.78 per square foot of total land area
PRICE PER UNIT:	\$37,151.70 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	RACC-CC, City of Fort Lauderdale
PRESENT USE:	Vacant, was improved with a Funeral Home at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is located on the SW corner of N. Federal Highway and NE 3rd Street in Fort Lauderdale, Florida. The site was purchased for \$12,000,000 in July 2015 and is being improved with a 24-story hotel called The Tribute/Element. It will have 323 residential units and 10,897 square feet of retail.

COMPARABLE VACANT LAND SALE NUMBER 2 - DATA SHEET



RECORDING DATA:

County: Broward County
Instrument No.: 114844771 and
114304889
Folio number: 50-42-34-01-1790,
50-42-34-12-0120, -0130
and 0140

LOCATION OF SALE:

44 North Federal Highway, Dania Beach,
Florida

GRANTOR:

David George and Arlene Rose Weiner and 40-
44 NFH, LLC

GRANTEE:

Dania Airport Hotels, LLC

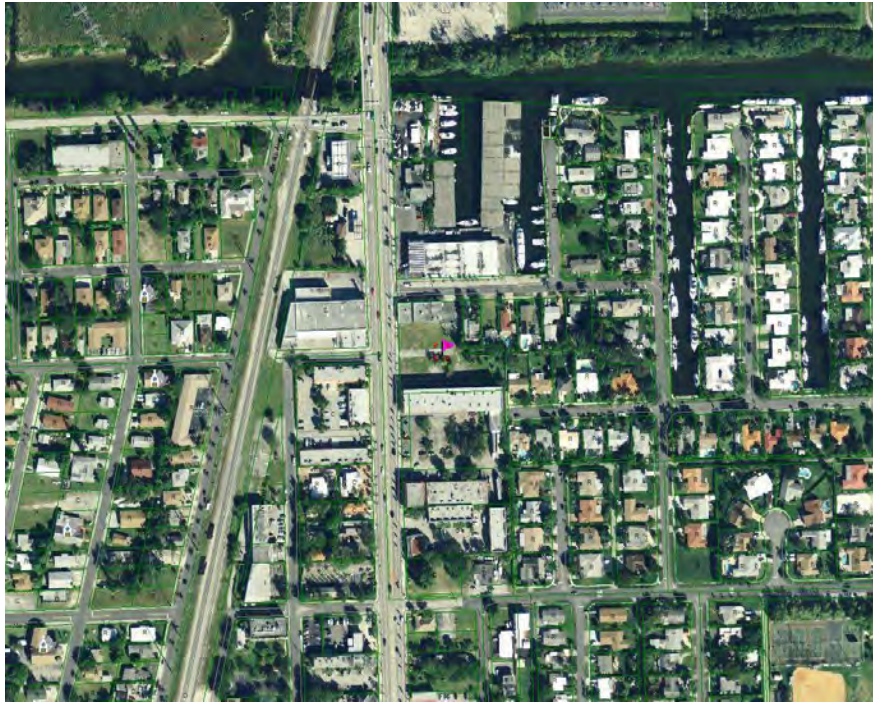
LEGAL DESCRIPTION:

Lots 1-3 of Block 5, Beachway Subdivision,
according to the Plat thereof, as recorded in Plat
Book 8, Page 33, of the Public Records of
Broward County, Florida and all of Lots 9,10
and 11, less right of way and all of lot 12 in
Block 12 of Town of Modelo (now Town of
Dania) according to the plat thereof as recorded
in Plat Book 18 Page 49 of the Public Records
of Miami-Dade County and land now situate
lying and being in Broward County, Florida.

COMPARABLE VACANT LAND SALE NUMBER 2 (CONTINUED)

DATE OF SALE:	April 3, 2017 and May 19, 2017
SIZE:	39,247 square feet
CONSIDERATION:	\$1,850,000 (\$1,250,000 + \$600,000)
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$47.14 per square foot of total land area
PRICE PER UNIT:	\$16,087 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	CC City Center by the City of Dania Beach
PRESENT USE:	Currently being proposed for development with 115 room Hilton TRU hotel.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and utility easements of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	Property was an assemblage of two parcels acquired within one month of each other for the proposed hotel use. Portions were improved and the improvements have been razed. Property development required variances.

COMPARABLE VACANT LAND SALE NUMBER 3 - DATA SHEET

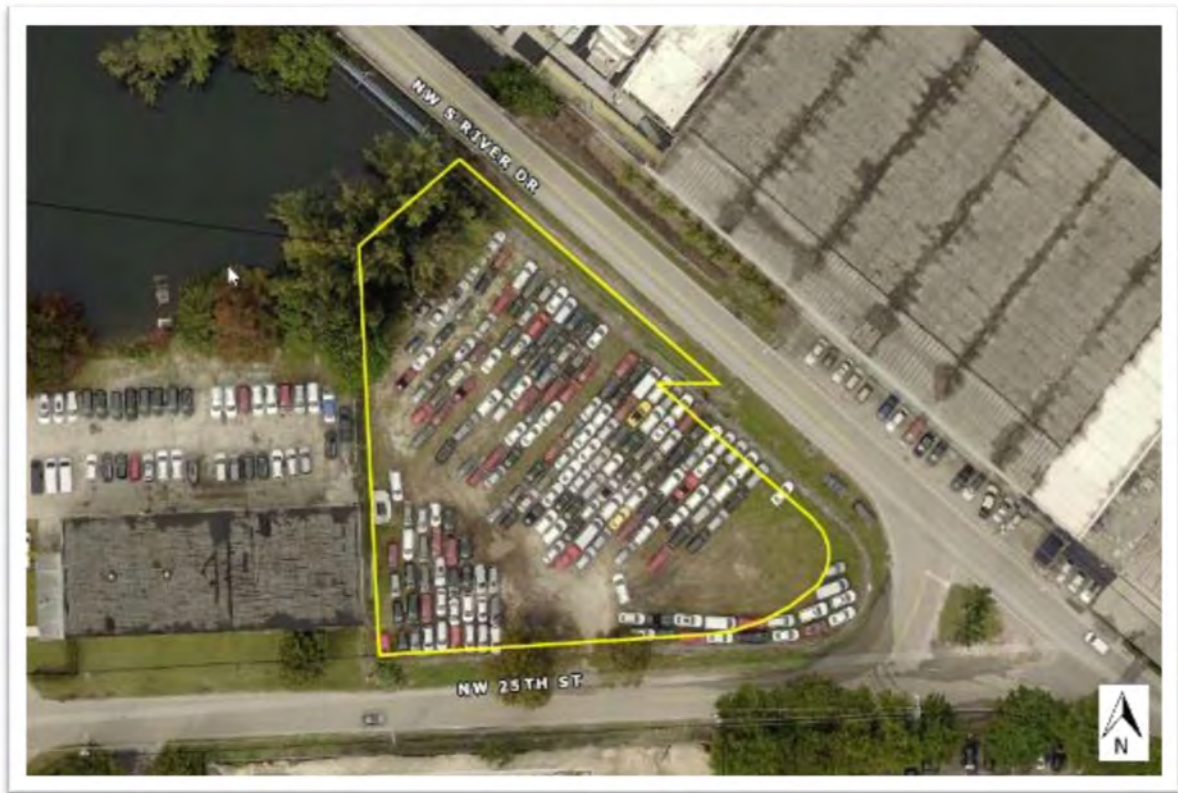


RECORDING DATA:	County:	Broward County
	Instrument No.:	1113778794
	Folio number:	5042-34-07-0070
LOCATION OF SALE:	302 North Federal Highway, Dania Beach, Florida	
GRANTOR:	Dania Development Group, LLC	
GRANTEE:	Miranjali, LLC	
LEGAL DESCRIPTION:	Lengthy legal, see deed, portion of Poinciana Park according to the Plat Thereof as recorded in Plat Book 5, Page 17 of the Public Records of Broward County, Florida,	
DATE OF SALE:	June 24, 2016	
SIZE:	52,095 square feet	
CONSIDERATION:	\$2,350,000	

COMPARABLE VACANT LAND SALE NUMBER 3 (CONTINUED)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$45.11 per square foot of total land area
PRICE PER UNIT:	\$22,381 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	CC City Center by the City of Dania Beach
PRESENT USE:	Being improved with 105 room Comfort Suites Hotel. Improved with buildings that have been razed.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	Purchased for development of 105-unit Comfort Suites hotel. Improvements on site did not contribute value and were razed for this development.

COMPARABLE VACANT LAND SALE NUMBER 4 - DATA SHEET



RECORDING DATA:

County: Miami-Dade County
OR Book & Page: 29862 / 3997
Folio number: 30-3128-029-0010

LOCATION OF SALE:

3401 NW 25th Street, Miami, Florida

GRANTOR:

Vicose Land Investment, Inc.

GRANTEE:

Miami River Point Hotel, LLC

LEGAL DESCRIPTION:

Tract "A", Jones Subdivision according to the Plat Thereof recorded in Plat Book 113, Page 75, of the Public Records of Miami-Dade County, Florida,

DATE OF SALE:

November 18, 2015

SIZE:

47,175.92 square feet

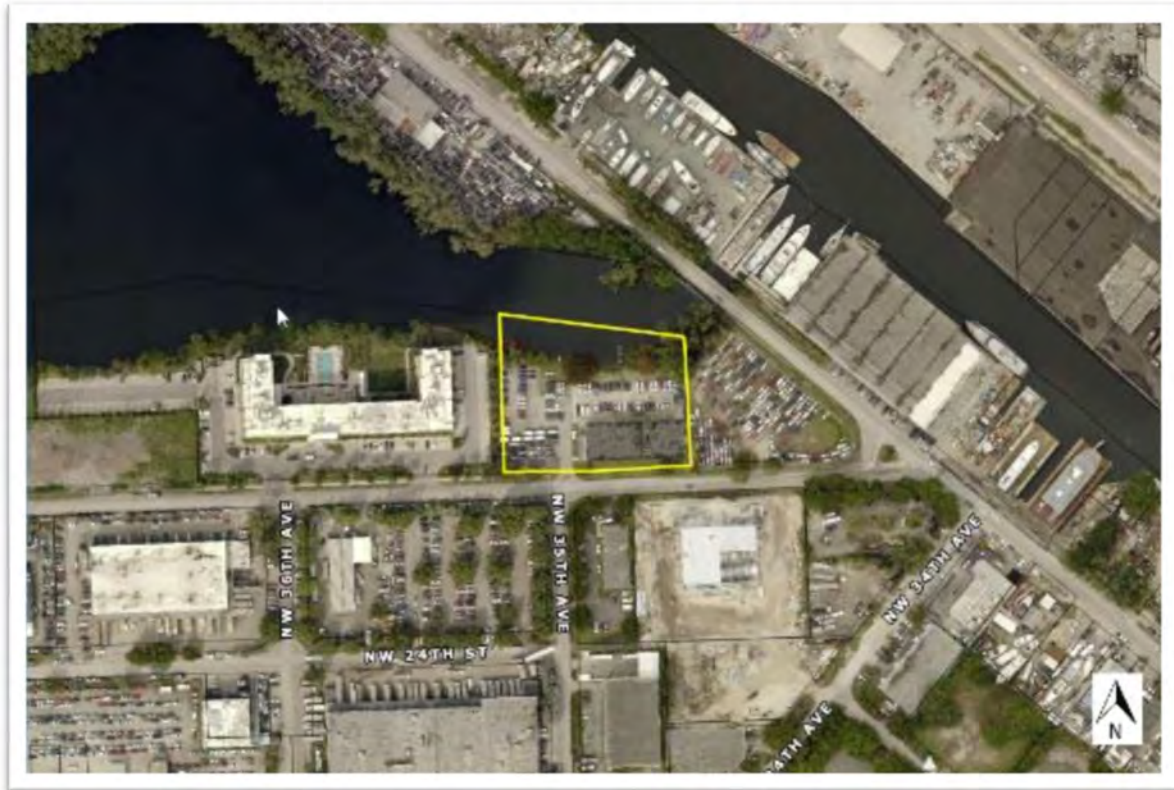
CONSIDERATION:

\$2,987,000

COMPARABLE VACANT LAND SALE NUMBER 4 (CONTINUED)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$63.32 per square foot of total land area
PRICE PER UNIT:	\$19,271 per room
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	6117 Urban Center - Edge
PRESENT USE:	Being improved with a 155 -room Radisson RED hotel. The site was vacant at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	None
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is being improved with a Radisson RED, a hotel-Airbnb hybrid targeting millennials. The \$24 million project is projected to open in 2018, with a 155-room hotel, and is conveniently located near the Miami International Airport

COMPARABLE VACANT LAND SALE NUMBER 5 - DATA SHEET



RECORDING DATA:

County: Miami-Dade County
OR Book & Page: 29663-4067
Folio number: 30-3128-009-1300

LOCATION OF SALE:

3499 NW 25th Street, Miami, Florida

GRANTOR:

Grove Bluff, LLC

GRANTEE:

EDG Hospitality Miami Airport LLC

LEGAL DESCRIPTION:

Abridged: Streamland Gardens Amd PL PB 17-27 Lots 1 & 2 Blk 12 & E75 ft of Tr 11 & all Tr 23 of Rev PL of Grapeland Hgts 3rd Sec PB 31-53 & Port of Sec 28 53 41 & Port of 35 Ave Lyg N of 25 St Closed by Reso r-997-79 Desc as Beg SE Cor of lot 2 Blk 12 th N 225ft Nwly 330ft m/l S270.46ft E325ft to POB. Lot Size 80,512 Sq Ft OR 20520-4815 0702 1

DATE OF SALE:

June 18, 2015

COMPARABLE VACANT LAND SALE NUMBER 5 (CONTINUED)

SIZE:	80,513 square feet
CONSIDERATION:	\$3,809,400
FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$47.31 per square foot of total land area
PRICE PER UNIT:	\$20,049 per room
TYPE OF INSTRUMENT:	Special Warranty Deed
ZONING:	6117 Urban Center - Edge
PRESENT USE:	Being improved with a 190-room Even hotel. The site was vacant at time of sale.
CONDITIONS OF SALE:	Arm's-length transaction
ENCUMBRANCES:	Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.
VARIOUS ON-SITE UTILITIES:	All utilities available to the site
COMMENTS:	The site is being improved with an Even hotel, a \$23.8 million-dollar project that overlooks a lagoon and will have 190-rooms and 145 parking spaces. The site is on a 1.85-acre lot and is conveniently located near the Miami International Airport

COMPARABLE VACANT LAND SALE NUMBER 6 - DATA SHEET



RECORDING DATA:

County: Palm Beach County
OR Book & Page: 28157 / 00001
Folio number: 06-43-47-07-12-001-0010

LOCATION OF SALE:

4955 Technology Way, Boca Raton, Florida

GRANTOR:

BV Land, LLC

GRANTEE:

GEO Corrections Holdings, Inc.

LEGAL DESCRIPTION:

North Unit of BOCA VILLAGE CORPORATE CENTER II, A CONDOMINIUM according to the Declaration of Condominium thereof, recorded in Official Records Book 21986, Page 0013, as amended by First Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 22323, Page 1674, as amended by Second Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 24137, Page 1381, as amended by

COMPARABLE VACANT LAND SALE NUMBER 6 (CONTINUED)

Third Amendment to Declaration of Condominium of Boca Village Corporate Center II, a Condominium, recorded in Official Records Book 24814, Page 1205, all of the Public Records of Palm Beach County, Florida, together with its undivided share in the common elements.

DATE OF SALE: March 11, 2016

SIZE: 189,922 square feet

CONSIDERATION: \$9,900,000

FINANCING: Cash to Seller

SALE PRICE PER SQ FT: \$52.13 per square foot of total land area

PRICE PER UNIT: \$79,200 per room

TYPE OF INSTRUMENT: Special Warranty Deed

ZONING: Light Industrial Research Park (LIRP)

PRESENT USE: Being improved with a 125-room Hyatt House hotel. The site was vacant at time of sale.

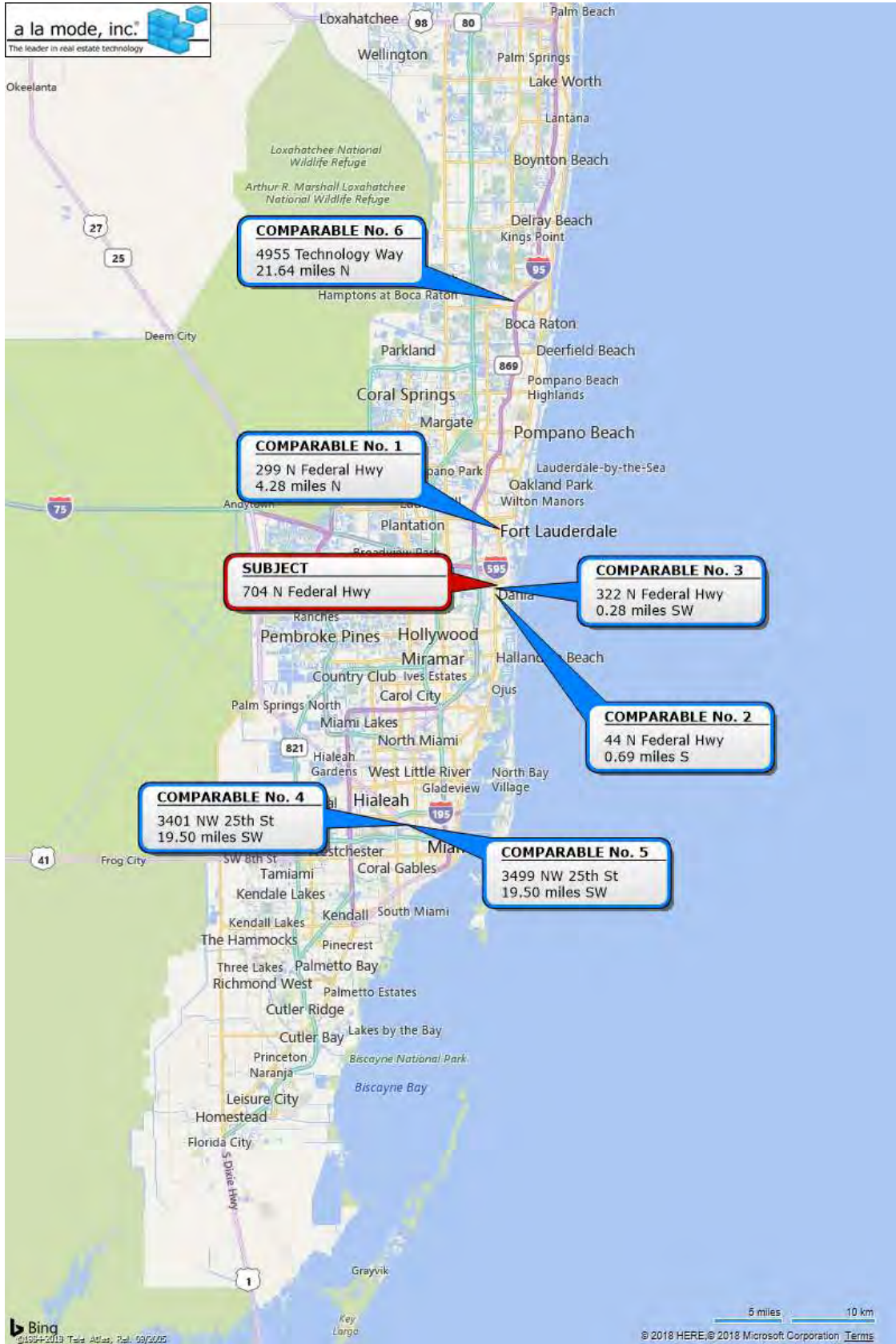
CONDITIONS OF SALE: Arm's-length transaction

ENCUMBRANCES: Restrictions, covenants, limitations and easement of record. No apparent effect on sale price.

VARIOUS ON-SITE UTILITIES: All utilities available to the site

COMMENTS: The site is being improved with an Hyatt House hotel, a \$25 million-dollar project that will include 2,000 square feet of meeting space, a pool, Jacuzzis in some rooms, a social area for children, and a full-service bar serving light foods and a sweets shop.

COMPARABLE SALES MAP



COMPARABLE SALES CHART

SALE #	DATE OF SALE	SALE PRICE	LOCATION	LAND SIZE (SF)	PRICE/SF	PRICE/ROOM
1	7/4/2015	\$12,000,000	299 N. Federal Highway Fort Lauderdale	33,540	\$357.78	\$37,152
2	4/3/2017 5/12/2017	\$1,850,000	44 N Federal Highway Dania Beach	39,247	\$47.14	\$16,087
3	6/20/2016	\$2,350,000	302 N Federal Highway Dania Beach	52,095	\$45.11	\$22,381
4	11/18/2015	\$2,987,000	3401 NW 25th Street Miami	47,176	\$63.32	\$19,271
5	6/18/2015	\$3,809,400	3499 NW 25th Street Miami	80,513	\$47.31	\$20,050
6	3/9/2016	\$9,900,000	4955 Technology Way Boca Raton	189,922	\$52.13	\$79,200
		SUBJECT	Taylor Rd / NE 10th St.	299,113		

SALES COMPARISON APPROACH

We have reviewed land sales, located in locations throughout Broward, Miami-Dade and Palm Beach County in the 2015-2018-time frame. Our review focused on the purchase and sales of properties for hotel development in consideration of the highest and best use for the subject property. The following is a review of the 6 comparable sales considered most applicable in this analysis.

Market Data Analysis

Overall, the sale properties range in size from 33,540 square feet to 189,922 square feet of land area and the land sales indicated a range from a low of \$45.11 per square foot of land area to \$357.78 per square foot of land area with the sales having a unit sale price range from a low of \$16,087 to a high of \$79,200 per room.

Conditions of Sale:

All the comparable sales utilized in direct comparison were arm's length transactions. Thus, no adjustment for conditions of sale is indicated.

Property Rights Conveyed:

The property rights appraised for the subject are fee simple subject to the existing easements. The property rights conveyed for the sales utilized in direct comparison are fee simple. Thus, no adjustment for property rights is indicated, although the height limitations were considered in our valuation of the subject property.

Financing:

Vacant land of this type is generally acquired for cash or construction loans with institutional financing. Often times, the financing is obtained in the form of an acquisition and development loan. However, it is not uncommon for the seller to provide short term financing. However, all the sales presented for direct comparison were acquired for cash or with market-based financing. Therefore, no adjustment for financing is indicated.

Market Conditions:

We have analyzed numerous sales in the subject area, in the time period from 2015 to 2018. The comparable sales graphically illustrated above occurred between June of 2015 through May of 2017. The date of value in this assignment is March 1, 2018 and thus all of the sales occurred within 33 months of the date of value. No definitive market value adjustments were derived from our review of the market data. Consideration for the date of sale will be considered in our final analysis.

Market Conditions; Continued)

Location:

Locational characteristics deemed significant for vacant land include access, surrounding demographics, surrounding properties, supply of competitive land, etc. The subject property has a “pin” location at the entrance to the Ft. Lauderdale/Hollywood International Airport and Port Everglades. This has been a coveted spot for hotel development and was the location of the Howard Johnson for years prior to the airport and road expansion in the late 1970’s and early 1980’s. Sale 1 is located in downtown Ft. Lauderdale in close proximity to the subject property and this was considered a similar location. Sales 2 and 3 are located just south of the airport in Dania Beach along Federal Highway and although inferior locations, these support the demand for hotels in close proximity to the airport. In fact, there are five hotels in construction or planned in a one mile stretch of Federal Highway south of the airport. Sales 4 and 5 are located near the Miami International Airport and Sale 6 is located in the Boca Raton area. The subject is considered to have a superior location in consideration of the proximity to the airport. The various locations were considered in our overall review of the sales data.

Size:

The subject property contains 299,113 square feet in size and is larger than all of the properties with Sale 6 most similar in size. This sale had the largest unit sale price per room. Sales 1 to 4 were similar in size to each other ranging from a low of 33,540 square feet to 52,095 square feet of land area. These smaller sites had an overall unit sale price range from a low of \$16,087 to \$37,152 per room. Sale 5 was just under two acres and was similar in unit sale price as three of the smaller sales. It appears that the land size has minimal impact on the unit sale price as the development potential, which includes the zoning and density issues also play into the development. Sale 1 is to be developed with 323 units and is on the smallest size site. Overall, the review of the sales did not reflect any market-based adjustment for the size differentials.

Zoning:

The properties have commercial zoning classifications with all of the sites purchased and being developed with hotels. The zoning of each property was considered in our analysis and although some special exceptions would be required, the cost of that would be minimal and thus no adjustment for zoning was considered applicable.

CONCLUSION OF LAND VALUE – SALES COMPARISON APPROACH TO VALUE

The sales took place from June of 2015 to May of 2017. The properties sold from \$1,850,000 to \$12,000,000 and ranged in size from 33,540 square feet of land area to 189,922 square feet of land area. The sales indicate a unit price range of \$45.11 per square foot of land area to \$357.78 and \$16,087 to \$79,200 per room with a tighter range from \$16,027 to \$37,152 per room.

Based on our review of the sales data, the location, the size, zoning/land use, and the overall marketability of the subject property, we have formed an opinion of the market value of the subject to have a value conclusion of \$35,000 per hotel room. A review of other airports throughout the United States shows the demand for airport based or close hotel developments. Therefore, it is our opinion that the market value of the subject property based on our review of the Market Approach to Value is as follows:

$$\mathbf{349 \text{ Hotel Rooms} \times \$35,000 \text{ per Room} = \mathbf{\$12,215,000}}$$

The valuation of the property was based on normal development costs. It has been stipulated that the wetland mitigation costs will be \$325,000 for the DDK Plat. These costs will be deducted from the market value conclusion. Not included in this analysis is the value of the landscaping materials located on the site. These items were valued by A & L Southern Agricultural Laboratories, LLC, and they were estimated to be \$183,031.89, say \$185,000. The site was reviewed by Joseph Roles and Associates, Inc. and David Charland, a structural engineer and although the site has muck, it was determined that any development would be most efficiently developed using pilings and this is very typical for development in the subject area.

After considering the review of unit sale price per hotel room and in consideration of the plat approval for a total of 349 hotel rooms, it is our opinion that a market value of \$12,215,000 would be applicable. From that market value estimate, we added \$185,000 for the tree value and deducted the stipulated mitigation costs of \$325,000 to arrive at a market value of \$12,075,000.

RECONCILIATION

Cost Approach	N/A
Sales Comparison Approach	\$12,075,000
Income Approach	N/A

We have considered the Sales Comparison, Cost, and Income Approaches to value in this assignment.

Based upon the quantity and quality of the market data, i.e., the comparable sales, it is our opinion that the Sales Comparison Approach to Value is the most reliable indicator of the subject's land value. The highest and best use of the subject is for development with a 349-room hotel development. Therefore, for this appraisal, we have developed the Sales Comparison Approach to Value to determine the land value for the subject whole properties and utilized the unit sale price per room in an estimation of the market value of this parcel. The valuation indicated a market value of \$12,215,000.

From the market value estimate, a deduction for the stipulated wetland mitigation costs on the DDK plat were made in the amount of \$325,000. Not included in this analysis is the value of the landscaping materials located on the site. These items were valued by A & L Southern Agricultural Laboratories, LLC, and they were estimated to be \$183,031.89, say \$185,000. Considering this value as an added market value for the subject property, as typically these trees would be farmed and sold off prior to any development. This indicates a market value for the whole property at \$12,075,000.

Based upon review of the market data and our analysis, it is our opinion that the market value of the site as of March 1, 2018, is:

TWELVE MILLION SEVENTY-FIVE THOUSAND DOLLARS
(\$12,075,000)

ADDENDUM

MITIGATION COSTS STIPULATED AT \$325,000



Phillip R. Jimrusti & Associates, Inc.
Ecological Engineers
Environmental Consultants

4085 S.W. Honey Terrace • Palm City, Florida 34990
Phone: 954-370-8870 • Fax: 772-781-3790

February 9, 2017

John Shaw
c/o Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, FL 33410

Re: Shaw Property

Mr. Shaw

An *Environmental Assessment* was conducted on this approximately 6.87-acre tract of land located north of N.E. 10th Street, east of U.S. Highway 1, Section 27, Township 50 South, Range 42 East, Broward County, Town of Dania Beach, Florida. The site was visited on December 27, 2016 and again on January 27, 2017.

The site was investigated to identify the following wetland characteristics; those areas that are inundated or saturated by surface water or ground water at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soils. Soils present in wetlands generally classified as hydric or alluvial, or possess characteristics that are associated with reducing soil conditions. The prevalent vegetation in wetlands consisting of facultative or obligate hydrophytic macrophytes is typically adapted to areas having soil conditions described above.

The site is bordered on the east and west by storm water retention ponds, on the north by Fort Lauderdale International Airport, and on the south by a paved road. The immediate area surrounding the property, with the exception of isolated vacant areas, has been developed for transportation, industrial or agricultural purposes.

February 9, 2017

The Broward County Property Appraisers website contains annual aerial photographs of the property dating from 1998 through 2016. Two significant alterations to the property are evident in the aerials from 2003 and 2013. In 2003, NE 10th Street was extended through the southern portion of the property and in 2013, a portion of the northern part of the property was cleared to accommodate for the expansion of the airport runway. By 2015, the construction of the runway expansion appears to be complete.

During our investigation, we found that the property currently contains approximately 2.99 acres of wetlands. This delineation is based on the presence of wetland hydrology and wetland vegetation. It is our opinion that development of the surrounding properties have resulted changes to the drainage patterns, causing rainfall runoff from the roadway and adjacent properties to flow onto this property, where it collects and produces wetland-like conditions that are becoming more prominent over time. We have seen this phenomenon occur on numerous undeveloped properties throughout South Florida. Wetland conditions may not have been present in the past, but as the adjacent and surrounding properties are developed and the surrounding ground elevations are increased, rainfall runoff drains onto the lower grade, undeveloped property. The water then accumulates, more substantially on this property due to the predominantly clay-type soils present, which have a generally lower permeability, hereby preventing the water from draining down through the soils. Instead, the water sits and eventually leads to a decrease in upland vegetation due to a higher water table and an influx of hydrophytic wetland vegetation.

Broward County Environmental Protection and Growth Management Department (BCEPGMD), South Florida Water Management District (SFWMD), and United States Army Corps of Engineers (USACOE) must confirm wetland jurisdictional determinations made in this report prior to development of this property. The agency determinations may differ from those described depending on the opinion of the agency reviewer and current site conditions at the time of review. Based on the current site conditions, it is most likely that the agencies will claim the approximately 2.99 acre area as wetlands and will require mitigation in order to develop this portion of the property. The remainder of the property not claimed as wetlands will be able to be developed with no required mitigation.

Mitigation would be required if the wetlands were to be filled in the development of the property. The exact amount of mitigation will depend on the quantity and value of the existing wetlands as determined by the regulatory agencies. The following reflects the approximate cost of wetland mitigation based on the analysis given in this report:

February 9, 2017

Cost To Impact 2.99 Acres Of Wetlands and Mitigate Off-Site:

2.29 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = **\$320,600**


Cost To Impact 1.50 Acres Of Wetlands and Mitigate On-Site and Off-Site:

1.49 Ac. Mitigation Area On-Site x \$50,000 per acre = \$74,500 x 5 years = \$372,500
0.04 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = \$5,600
\$378,100

It may be possible that the existing wetlands has increased in ecological value because of continued impoundment of storm water, however it would be impossible to quantify the increase precisely.

Please keep in mind that these mitigation cost calculations are only estimates and are subject to change based on the governing agencies' wetland determinations and wetland quality scores.

Sincerely,



for Phillip R. Jimrusti,
President

TREE SURVEY AND VALUATION BY A & L SOUTHERN AGRICULTURAL LABORATORIES, LLC

06/12/2012 22:16 FAX 9549727885

A & L Labs

0002/0002



A & L Southern Agricultural Laboratories, LLC
 1199 West Newport Center Drive – Deerfield Beach, Florida 33442
 (954)571-2103 • FAX (954)571-2104 • email: Lgriff6250@aol.com

COMMON NAME	SCIENTIFIC NAME	OVERALL HEIGHT (FEET)	COUNT	PRICE EACH	TOTAL
Royal Palm	Roystonea Elata	16	33	\$200.00	\$6,600.00
		22	364	275	100,100.00
		25	50	300	15,000
		30 +	8	350	2,800.00
Mexican Fan Palm	Washingtonia Robusta	6	9	90	810
		8	1	120	120
		12	1	180	180
		15	1	225	225
		28 quad	1	1680	1,680
Canary Island Date Palm	Phoenix Canariensis	4	3	200	600
		6	3	300	900
		10	5	500	2,500.00
Pygmy Date Palm	Phoenix Roebellinii	8 - 10	100	150	15,000.00
Senegal Date Palm	Phoenix Reclinata	17	1	7216.01	7,216.01
		25	2	14650.44	<u>29,300.88</u>
					183,031.89

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PHOTOGRAPHS OF SUBJECT



View of southeast corner of the site



View looking westerly on NE 10th Street with subject on the right



View of frontage on NE 10th Street with guardrail blocking access



View of NE 10th Street frontage looking easterly



NE 10th Street frontage



Frontage along NE 10th Street



View of culvert along NE 10th Street frontage



Taylor Road frontage with new runway in the background



Frontage on the east side of Taylor Road



View from terminated Taylor Road looking southerly



View looking northerly of previous access to Taylor Road



View looking northeasterly for subject property

Most Recent Deed for Subject

CFN # 108947120, OR BK 46631 Page 1896, Page 1 of 3, Recorded 10/29/2009 at 03:17 PM, Broward County Commission, Doc. D \$0.70 Deputy Clerk 2090

Prepared by and after recording return to:

Daniel D. McCawley, Esq.
Greenberg Traurig, P.A.
401 East Las Olas Boulevard
Suite 2000
Fort Lauderdale, Florida 33301

Property Appraiser's parcel identification no(s): 5042-34-51-0010, 5042-27-10-0010

SPECIAL WARRANTY DEED

September THIS SPECIAL WARRANTY DEED, made and entered into as of the ^{5th} day of ~~June~~, 2009, between GAYLE SHAW PETERS, a married woman, whose address is 956 Rio Mar Drive, Vero Beach, Florida 32963, hereinafter referred to as "Grantor", and DANIA PLACE, LLC, a Florida limited liability company, whose address is 956 Rio Mar Drive, Vero Beach, Florida 32963, hereinafter referred to as the "Grantee".

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all right, title and interest which Grantor has in and to that certain parcel of land lying and being in the County of Broward, State of Florida, as more particularly described in the Exhibit "A" annexed hereto and by this reference made a part hereof.

TOGETHER WITH all the right, title and interest of Grantor, if any, in and to the improvements, tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining and together with all rights and easements of record.

SUBJECT TO Taxes for 2009 and all subsequent years; covenants, restrictions and easements of record, this reference shall not serve to reimpose the same; applicable zoning regulations; ordinances, restrictions, prohibitions and other requirements imposed by

Note to Examiner: The conveyance evidenced by this deed represents a transfer of unencumbered real property from the Grantor to the Grantee as an additional contribution to the capital of Grantee by the Grantor. Grantee is owned 100% by Grantor. No additional interest in the Grantee has been issued to the Grantor in connection with this additional contribution of capital. Accordingly, this deed is subject only to nominal state of Florida documentary stamp taxes. See Crescent Miami Center LLC v. Florida Department of Revenue, 903 So.2d 913 (Fla. 2005).

SPECIAL WARRANTY DEED - Page 1

PTL 107.387.933v1 009910 010200

EXHIBIT A
TO WARRANTY DEED
LEGAL DESCRIPTION

An undivided 1/3 interest in and to the following:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida;

Less and Except Parcel No. 1405 in that certain Order of Taking recorded in Official Records Book 18474, Page 825 and Official Records Book 19693, Page 907, of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE 1/4) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the South line of the said Southeast One-Quarter (SE 1/4) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" west along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

And

Parcel "A" of C.I.D.B. PLAT, according to the Plat thereof, as recorded in Plat Book 140, Page 28, of the public records of Broward County, Florida.

COURT RULING

Walters v. Sheffield, 78 So. 539, 541 (Fla. 1918); Griffing Bros. Co. v. Winfield, 43 So. 687 (Fla. 1907) ("Growing fruit trees are considered as part of the land"). "A sale [or lease] of standing timber is a contract concerning an interest in land, within the meaning of the Statute of Frauds" and, therefore, must be in writing. Wilton Land & Timber Co. v. Long, 185 So. 839, 840 (Fla. 1939).

For these reasons, the Court determines that Plaintiffs have standing to make a claim for the taking of the trees on the D.D.K.

Conclusion

County has substantially taken all beneficial use of the D.D.K. from Plaintiffs due to the elimination of access to the D.D.K. and flooding, which brings silt-laden water with arsenic onto the D.D.K. See Schick v. Fla. Dep't of Agric., 504 So. 2d 1318 (Fla. 1st DCA 1987) (pollution of wells constituted a taking). In addition to eliminating the use of the D.D.K., such occurrences have eliminated the value and use of the trees growing on the D.D.K. See Bogorff, 35 So. 3d at 84 (destruction of trees is a constitutional taking); Dep't of Agric. & Consumer Services v. Poik, 568 So. 2d 35 (Fla. 1990) (taking of healthy commercial trees).

The Court finds that, based on the testimony and evidence, a taking has occurred by virtue of the significant increase in drainage from County's property onto the D.D.K. and, from there, to the rest of the Shaw Property. The flow of water is more than momentary and has had a substantial effect on the character of the Plaintiffs' property. Considering the property owners' investment backed expectations, which is that their property be used for agricultural farming with the expectation of future development, this Court concludes that County has taken a flowage easement over all of the Shaw Property.

Accordingly, it is hereby,

ORDERED AND ADJUDGED that, as of July 1, 2012, BROWARD COUNTY had taken a permanent flowage easement over those portions of the property subject to the D.D.K. Plat, the Rita W. Shaw Plat, and the C.I.D.B. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

Together with

Parcels "A," "B" and "C," of THE RITA W. SHAW PLAT, according to the Plat thereof, recorded in Plat Book 146, Page 25, of the Public Records of Broward County, Florida, being a portion of Sections 27 and 34, Township 50 South, Range 42 East; LESS therefrom that portion thereof taken by Broward County, a political subdivision of the State of Florida by Stipulated Corrected Order of

Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida identified thereon as Parcel 1415.

And

Parcel "A" of C.I.D.B. Plat, according to the Plat thereof, as recorded in Plat Book 140, Page 28 of the Public Record so Broward County, Florida being a portion of the NE ¼-NE ¼ of Section 34; SE ¼-SE ¼ of Section 27, Township 50 South, Range 42 East.

IT IS FURTHER ORDERED AND ADJUDGED that, as of August 21, 2012, by virtue of substantially diminishing all access during the construction of NE 10th Street, flooding it, and the addition of contamination to it, BROWARD COUNTY had taken all practical use, as well as value, from that portion of the property subject to the D.D.K. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed


Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

IT IS FURTHER ORDERED AND ADJUDGED that, as of October 1, 2012, more than ninety (90) days after the D.D.K. became flooded, the time frame at which John Coan testified the trees became unmarketable, BROWARD COUNTY had taken the following trees on the D.D.K.:

<u>TREE TYPE</u>	<u>OVERALL HEIGHT (FEET)</u>	<u>COUNT</u>
Royal Palm	16	33
	22	364
	25	50
	30 plus	8
Mexican Fan Palm	6	9
	8	1
	12	1
	15	1
	28 quad	1
Canary Island Date Palm	4	3
	6	3
	10	5
Pygmy Date Palm	8-10	100
Senegal Date Palm	17	1
	25	2

IT IS FURTHER ORDERED AND ADJUDGED that the valuation of the taken property and easement shall be determined by a jury trial under the provisions of Chapter 73 and 74 of the Florida Statutes upon proper notice.

DONE AND ORDERED in chambers in Ft. Lauderdale, Broward County, Florida on this 15th day of September, 2017.



JEFFREY R. LEVENSON
Circuit Court Judge

Jeffrey R. Levenson

SEP 11 2017

True Copy

QUALIFICATIONS OF APPRAISER

ROBERT D. MILLER, ASA

EDUCATION:

Appraisal Institute Courses
SSP Standards of Professional Practice
I-A Fundamentals of Real Estate Appraisal
I-B Capitalization Theory and Techniques
8 Appraising a Single-Family Residence
Case Studies in Real Estate Valuation
Report Writing
Business Valuation Seminar
Litigation Valuation
Other Appraisal Courses
Mass Appraisal of Residential Properties
Florida State Law and USPAP
Factory Built Housing
Automated Valuation Models

PROFESSIONAL AFFILIATION:

Senior Member of American Society of Appraisers-
South Florida Chapter No. 82 – Accredited Senior Appraiser (ASA)
Real Property Urban

LICENSED:

Certified General Real Estate Appraiser #RZ1270- State of Florida

EXPERIENCE:

1995-Present Owner Appraisal Firm-Sub-consultant
1993-1995 Vice President-The Urban Group, Inc.
1978-1993 Real Property Analysts, Inc., Fort Lauderdale,
Florida, Executive Vice President
1987 Involved in United States Senate Study
Right-of-Way
Acquisition Procedures

QUALIFIED AS EXPERT WITNESS FOR:

Condemnation proceeding in Lake, Kankakee, Cook and DuPage
Counties, Illinois and Broward, Dade, Monroe, Palm Beach and
Duval Counties, Florida. Testified in Bankruptcy Court in Florida
and Texas and Federal Court in Miami, Florida

HAS COMPLETED:

Appraisal Assignments	Counseling
Commercial, vacant and improved	Acquisition projects
Condemnation projects	Income tax analysis
Industrial, vacant and improved	Investment analysis
Multi-family residential,	Tax assessments
Mobile Home Parks	ROW Cost Analysis
Office, vacant and improved	Special assessments
Special purpose properties	Review Services

VARIOUS CLIENTS OVER THE PAST TEN YEARS

GOVERNMENT

BROWARD COUNTY SCHOOL BOARD
CHARLOTTE COUNTY
CITY OF CORAL SPRINGS
CITY OF DELRAY BEACH
CITY OF FORT LAUDERDALE
CITY OF FORT MYERS
CITY OF HALLANDALE BEACH
CITY OF HOLLYWOOD
CITY OF LAUDERDALE LAKES
CITY OF OAKLAND PARK
CITY OF KEY WEST
CITY OF MIAMI SPRINGS
CITY OF POMPANO BEACH
CITY OF RIVIERA BEACH
CITY OF SUNRISE
CITY OF TAMARAC
FEDERAL AVIATION ADMINISTRATION
FLORIDA DEPARTMENT OF TRANSPORTATION
LEE COUNTY
PALM BEACH COUNTY
PALM BEACH COUNTY SCHOOL BOARD
SMALL BUSINESS ADMINISTRATION
SOUTH FLORIDA WATER MANAGEMENT
TOWN OF DAVIE
US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

PRIVATE

ALTMAN DEVELOPMENT CORPORATION
BELLSOUTH MOBILITY
CLEAR CHANNEL OUTDOOR
CLEVELAND CLINIC
LENNAR HOMES
THE TAUBMAN COMPANY
SBA TOWERS INC.
UNITED HOMES
WAL-MART CORPORATION

ATTORNEY

AKERMAN-SENTERFITT
ARNSTEIN & LEHR
BECKER & POLIAKOFF
COKER AND FEINER
BRIAN PATCHEN PA
HOLLAND & KNIGHT
RUDEN MCCLOSKEY
TEW CARDENAS
GOREN CHEROF DOODY & EZROL PA
WEISS-SEROTA-HELFMAN

SUMMARY APPRAISAL REPORT

OF

VACANT LAND (THE RITA W. SHAW PLAT)



**OWNED BY: SHAW FARMS & LAND COMPANY OF FLORIDA,
LLC AND DANIA FARMS, LTD**

LOCATED AT

**SOUTHEAST QUADRANT OF US 1 AND N.E. 10th STREET
DANIA BEACH, BROWARD COUNTY, FLORIDA 33004**

AS OF

MARCH 1, 2018

PREPARED FOR

**BARRY S. BALMUTH, P.A.
THE OAKS CENTER
2505 BURNS ROAD
PALM BEACH GARDENS, FLORIDA 33410**

March 7, 2018

Mr. Barry S. Balmuth, Esquire
Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, Florida 33410

**RE: Vacant, agriculturally improved land located in the Southeast quadrant of US1 and N.E. 10th St. Dania Beach, Broward County, Florida 33004
Owner: Shaw Farms & Land Company of Florida, LLC and Dania Farms, Ltd.**

Dear Mr. Balmuth:

Pursuant to the request of your clients, we have completed an appraisal of the above-captioned parcel. The purpose of the appraisal is to form an opinion of the market value of the subject parcel as of March 1, 2018. The property is an agriculturally improved parcel of land located along NE 10th Street with parcel A having frontage and access on the east side of Federal Highway (US 1). In Dania Beach, Florida. That portion of the property contains 54,450± square feet or 1.25± acres of land area with 22.55 acres of land on Parcel B and 4.55 acres of land on Parcel C.

The highest and best use of the subject is for future commercial development on Parcel A and light industrial or commercial uses on the balance of the site. The purpose of this appraisal is to form an opinion of the market value of the fee simple interest of the subject parcels. The function of the report is for your internal use in conjunction with ongoing litigation with Broward County. The date of value is March 1, 2018. The intended users of this report are your client and their legal and financial representatives and eventually Broward County and their representatives.

Market value is defined as "the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

Mr. Balmuth
March 7, 2018
Page 2

The attached report contains our analysis of the factual market data, which forms the basis for our conclusions. Your attention is directed to the Certificate of Valuation and the Assumptions and Limiting Conditions and special assumptions, which form an integral part of the attached report.

Further it has been stipulated by both parties to this litigation that the cost of the wetland mitigation for the CIDB and Rita W Shaw Plats was \$225,000 and we have allocated \$205,000 to the Rita W Shaw plat based on the percentage of land between the two plats. This was deducted from the total valuation of the Rita W. Shaw Plat parcels.

We have personally inspected the property that is the subject of this report. Based upon the conclusions and assumptions contained in the attached Appraisal Report, in my opinion, the market value of the whole property as of March 1, 2018 or a market value as follows for each of the three parcels:

**PARCEL A RITA W SHAW PLAT
ONE MILLION NINE HUNDRED SIX THOUSAND DOLLARS
\$1,906,000**

**PARCEL B RITA W SHAW PLAT
TWENTY-NINE MILLION TWO THOUSAND DOLLARS
\$29,002,000**

**PARCEL C RITA W SHAW PLAT
FIVE MILLION EIGHT HUNDRED FORTY THOUSAND DOLLARS
\$5,840,000**

**TOTAL MARKET VALUE FOR ALL OF RITA W SHAW PLAT
THIRTY-SIX MILLION FIVE HUNDRED FORTY-THREE THOUSAND
DOLLARS
\$36,543,000**

Mr. Balmuth
March 7, 2018
Page 3

Per the court ruling in this case by the Honorable Jeffrey R. Levenson on September 1, 2017, the court ruled that a temporary flowage easement acquisition occurred on August 21, 2012. A copy of the ruling is included in the addendum. **We have made a Special Assumption that the property is not encumbered with this flowage easement as of the date of value.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert D. Miller". The signature is written in a cursive, flowing style with a large initial "R" and "M".

Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

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ADDENDUM

- Sub-Consultant Report
- FPL Easement
- Order of Taking Ruling by Judge Levenson
- Subject Photographs
- Most Recent Deed of Subject Property
- Qualifications of Appraiser

CERTIFICATION

The undersigned does hereby certify that except as otherwise noted in this appraisal report:

1. To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
2. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analysis, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and I (we) have no personal interest or bias with respect to the parties involved.
4. Our compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
5. Our analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
6. Robert D. Miller has met or exceeded the minimum prescribed educational requirements for Re-certification as an Accredited Senior Appraiser (ASA) or the American Society of Appraisers.
7. Robert D. Miller did make an exterior inspection of the property that is the subject of this report. The most recent inspection was on March 1, 2018.
8. MaryAnne Schneider and Barry Lazarus provided significant professional assistance to the person signing this report. Members of my staff provided research information, but the final analysis and value conclusions were of the undersigned only.
9. That my opinion of the market value of the real property being appraised as of **March 1, 2018, is \$36,543,000** and the appraiser has not completed any appraisal assignments on this property in the previous three years with the exception of report prepared for this litigation in February of 2018 with a value date of August 21, 2012.



Robert D. Miller, ASA
State Certified General R.E. Appraiser No. RZ1270

ASSUMPTIONS AND LIMITING CONDITIONS

The legal description furnished to the appraiser is assumed to be correct.

All existing liens and encumbrances have been considered, however, the property is appraised as though free and clear, under responsible ownership and competent management.

The information identified in this report as being furnished to the appraiser by others is believed to be reliable; however, the appraiser assumes no responsibility for its accuracy.

The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

It is assumed that all required licenses, certificates of occupancy, consents, or 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 value estimate contained in this report is based.

It is assumed that the utilization of the land and any improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

The distribution, if any, of the total valuation in this report between land and any improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Possession of this report, or copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualifications and only in its entirety.

Disclosure of the contents of this appraisal is governed by the ByLaws and Regulations of the American Society of Appraisers.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

The appraiser herein by reason of the appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

Neither all, nor part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have not direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

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 is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate 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 client is urged to retain an expert in this field, if desired.

We have made a Special Assumption that the property is not encumbered with a flowage easement as directed in the court ruling (see addendum). We have valued the property in fee simple without any consideration for this encumbrance.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

PROPERTY LOCATION:	Southeast quadrant of N.E. 10th Street, and U.S. 1 in Dania Beach, Broward County, Florida.
OWNER'S NAME:	Shaw Farms & Land Company of Florida, LLC and Dania Farms, Ltd.
OWNER'S ADDRESS:	773 Middle River Drive Fort Lauderdale, Florida 33304
DATES OF INSPECTION:	December of 2016 to March 1, 2018
SIZE OF SUBJECT PROPERTY:	54,450 +/- square feet or 1.25 acres – Parcel A 982,278 +/- square feet or 22.55 acres – Parcel B 197,762 +/- square feet or 4.54 acres – Parcel C
PRESENT USE:	Currently improved with a palm tree farm and landscaping operation.
HIGHEST AND BEST USE:	Future development.
IMPROVEMENTS:	Landscape materials and office
ZONING/LAND USE:	The property is zoned IG, Industrial General by the City of Dania Beach. The property is located in a Regional Activity Center Land Use area and the plat allows for a mixture of uses for commercial to industrial development.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS (Continued)

COST APPROACH TO VALUE: N/A

SALES COMPARISON APPROACH
TO VALUE:

\$ 1,906,000	Parcel A
\$29,002,000	Parcel B
\$ 5,840,000	Parcel C
\$36,748,000	Total

INCOME APPROACH TO VALUE: N/A

RECONCILIATION: \$36,543,000 (\$36,748,000-\$205,000)

DATE OF VALUATION: March 1, 2018

AERIAL MAP OF NEIGHBORHOOD



LEGAL DESCRIPTION:

The property is described as: Parcels "A, B, and C, of the Rita W. Shaw Plat, according to the plat thereof, recorded in Plat Book 146, Page 29 of the Public Records of Broward County, Florida, LESS the previous taking (See deed). The three parcels consist of 28.34 acres of which 5.238 acres are encumbered with an FPL easement.

PROPERTY INSPECTION:

Date(s) inspected: December 23, 2016 thru March 1, 2018

Comments: The property consists of a vacant parcel of land that has been used as a palm tree farm and nursery. The date of taking utilized for this assignment is March 1, 2018.

TYPE OF PROPERTY:

The subject property is a vacant parcel of land that was being utilized as a palm tree farm and nursery operation. This was considered an interim use of the property.

HISTORY OF PROPERTY:

There have been no transfers of ownership of the property in last five years. According to the Broward County Property Appraiser, the most recent transfer of title or ownership for the subject property occurred on April 22, 2008 and does not appear to be an arm's-length transaction but the transfer of a 2/3 interest in the property. There were no other previous sales within the last 5 years. A copy of the deed for the most recent transfer is included in the addendum.

PROPERTY INTEREST APPRAISED:

For the whole property, the property rights appraised are fee simple title ownership considering any restrictions of use. We are aware of the restrictions imposed on the property based on its location to the airport and specifically the FPL Easement, the aerial easements and height restrictions that exist in the subject area and on the subject property. We have made a special assumption and have not considered the court mandated flowage easement on the site as of a current valuation date.

PURPOSE OF THE APPRAISAL:

The purpose of the appraisal is to form an opinion of the market value of the subject property as of a specific date of March 1, 2018 based on the highest and best use and in consideration of the special assumption about the flowage easement. This appraisal report was completed on March 7, 2018. with an March 1, 2018, date of value.

FUNCTION OF THE APPRAISAL

The function of the report is for your internal use in conjunction with the litigation and negotiations with Broward County. The intended users of this report are Mr. Balmuth, our clients and potentially the Broward County Commission, their representatives and the court system.

COMPETENCY PROVISION

The appraiser has completed numerous vacant land appraisals for properties in his 35 years as a real estate appraiser in South Florida and has completed numerous assignments in and around Ft. Lauderdale/Hollywood International Airport and Port Everglades. As a result of the appraiser's experience, the competency provision of USPAP has been met.

MARKETING PERIOD

Based upon discussions with various brokers and review of the marketing period for similar lands we have estimated a marketing period of nine to twelve months to be required. With the added approval process from the FAA and airport, a slightly longer market period would be considered applicable. This could extend the process about 6 additional months. The estimated marketing period is based upon our review of marketing periods for vacant land in the subject market area.

EFFECTIVE DATE (DATE OF VALUE):

The date of value is March 1, 2018. The property was inspected in the period of December of 2016 thru March 1, 2018. The date of this report is March 7, 2018.

SCOPE OF SERVICES

We have compiled all the necessary data to formulate an opinion of value. We have presented the applicable data in this Summary Appraisal Report format. Any additional supporting data can be found in our working file. In preparing our report, we have reviewed and relied upon the following data.

1. Review and considered the sales history of the subject property and neighborhood
2. Sales and Listings of similar type properties throughout the subject neighborhood and Broward County over the past five years.
3. Review of public records for all pertinent sales data. Data retrieved from IRIS, LoopNet, Co-Star, MLS and the Property Appraiser's office.
4. Review of Broward County and neighborhood trends.
5. Inspection of neighborhood and analysis of land use patterns and trends.
6. We conducted an exterior inspection of subject property and comparable sales and listings.
7. Reviewed and considered reports prepared by other consultants utilized in this appraisal report including Maurice Gruber, Leigh Kerr Robinson & Associates, Joseph A. Roles & Associates, Inc., David Charland, Structural Engineer, CRB Geological & Environmental Services, Inc., A & L Southern Agricultural Laboratories, LLC, Phillip R. Jimrusti & Associates, Inc. etc. See the addendum for applicable reports from the various consultants.
8. Reviewed and considered the Plat, zoning and land use trends and approvals

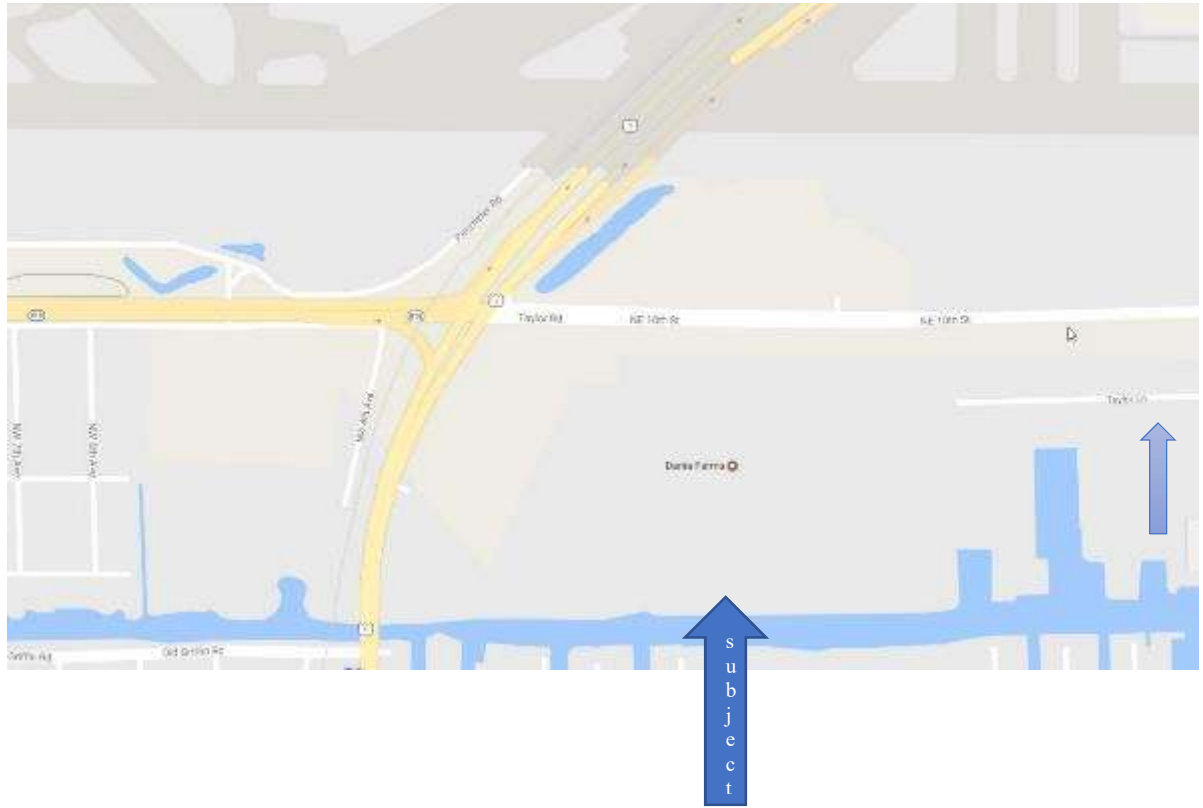
DEFINITION OF MARKET VALUE:

Market value is defined in the 2016 Edition of the Uniform Standards of Professional Appraisal Practice as follows:

The most probable price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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 each acting in what they consider their own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto, and
5. The price represents the normal consideration for property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

NEIGHBORHOOD MAP



NEIGHBORHOOD DATA

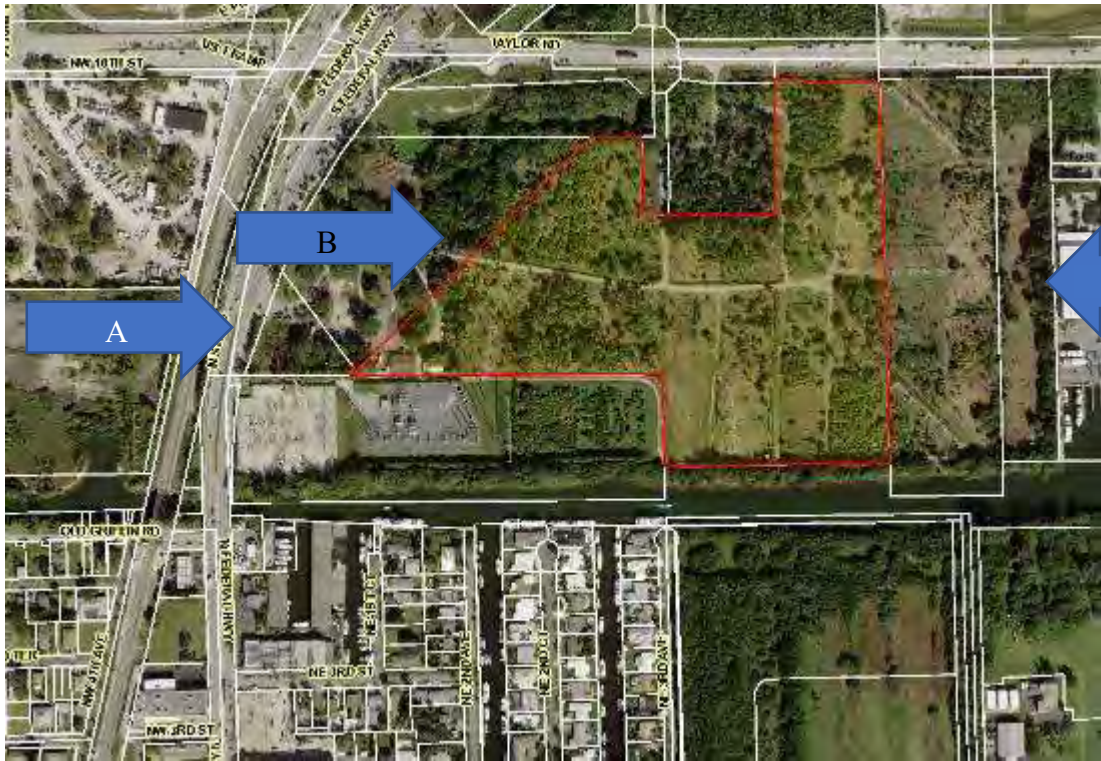
The subject property is in unincorporated Broward County, Florida, just south of Fort Lauderdale-Hollywood International Airport. Fort Lauderdale-Hollywood International Airport is bounded by Fort Lauderdale, Hollywood, and Dania Beach, three miles south of downtown Fort Lauderdale and 21 miles north of Miami

US Highway 1 (US 1) is just west of the subject and Interstate 95, a major north/south limited access highway is situated approximately one and a half miles to the west with I-595 connecting the western suburbs and access to I-95, Florida Turnpike and I-75 with the Port and Airport. Port Everglades is located to the northeast of the subject and is one of South Florida's strongest economic engines generating more than \$15 billion in revenue each year.

Commercial activities are located predominantly along U.S. Highway 1, State Road 84 to the south of the airport and further west along Griffin Road on the southwest side of the airport. Industrial uses are located in close proximity to the north, south and west of the Fort Lauderdale/Hollywood International Airport.

There is a limited supply of commercial properties on the market and this has accelerated the increase in market values. The long-term outlook for Florida Hospitality investment is good. Steady economic momentum together with elevated business and consumer confidence bode well for tourism in 2017 and beyond. Economic trends also point to another year of growth in 2018, generating higher room revenue and more occupied rooms. The airport has long term plans to include an on-site hotel with two new hotels being constructed on Federal Highway in downtown Ft. Lauderdale. Further, the demand for hotel rooms near the airport increased after the County purchased the Hilton Hotel at the corner of Griffin Road and I-95, just southwest of the airport. That hotel was purchased to allow the expansion of the airport with a new southerly runway. This runway precipitated the closure of Taylor Road and the elimination of our access to an improved roadway. Port Everglades recently announced plans to expand the convention center and develop an 800-room hotel complex near the 17th Street Causeway entrance to Port Everglades.

AERIAL VIEWS OF THE SUBJECT PROPERTY



DESCRIPTION OF THE PROPERTY

Location:

Southeast quadrant of N.E. 10th Street and U.S. 1 in Dania Beach, Broward County, Florida.

Land Area:

54,450 +/- square feet or 1.25 acres – Parcel A
982,278 +/- square feet or 22.55 acres – Parcel B
197,762 +/- square feet or 4.54 acres – Parcel C

Shape/Dimensions:

The subject site consists of two irregular shaped parcels (A & B) and a rectangular shaped parcel (Parcel C). The property has frontage on the south side of NE 10th Street (Parcels B & C) and access and frontage along U.S. 1 (Parcel A only). Parcel B has access to US 1 thru an existing driveway easement. Please see the plat for dimensions of each of the sites.

Ingress/Egress:

Access to Parcel A is from US Highway 1, with NE 10th Street the main access point for Parcels B and C. Parcel B is accessible to US Highway 1 through Parcel A and a driveway easement from Federal Highway. Parcels B and C have frontage on the north side of the Dania Cut-Off Canal.

Topography:

The topography of the site is below grade with the surrounding roadway and slopes to the canal. The site had no flooding problems prior to the county action and has been used for landscaping use since the date of taking. The site is low and will require some fill prior to development. This will be discussed later in the valuation section of this report. The property owners reported to us that the property did not flood prior to the county development as part of the airport expansion and runway extension. The development of NE 10th Street did not allow for the normal drainage and created a ponding effect on the subject property.

Utilities on Site:

The following utilities are available where indicated:

<input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Water
<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Sewer

DESCRIPTION OF THE PROPERTY (continued)

Easements/Encroachments

Restrictions, covenants, limitations and easement of record were considered typical for this type of property. We are aware of the FAA and airport restrictions on development of the site including aviation easements and height restrictions. Further Parcel B has a 4.36-acre FPL easement along the frontage of the Dania Cut-Off Canal. Parcel C has a .878-acre FPL easement parcel of land along the NE 10th Street frontage and Parcel C has access on the Dania Cut-Off Canal. We have made a special assumption with regard to the flowage easement that was identified in the court ruling with an establishment date of August 21, 2012. We have not considered that easement in our analysis.

Description of the Improvements

The subject site is vacant land and has been historically utilized for a nursery operation with minimal improvements.

SUBJECT ZONING MAP DANIA BEACH ZONING MAP



LEGEND		
	CITY HALL	
	HISTORICAL SITES	
	CRA BOUNDARY	
	PROPERTY LINES	
	CITY LIMIT	
OVERLAY DISTRICTS		
	DD, DESIGN DISTRICT	
	HO, HOTEL DISTRICT	
ZONING DISTRICTS		
	C-1: NGHBRHD OFFICE & BANKING	
	C-2: COMMUNITY BUSINESS	
	C-3: GENERAL BUSINESS	
	C-4(DR): COMMERCIAL(DEED RESTR)	
	C-4: GENERAL COMMERCIAL	
	CC: CITY CENTER	
	CF: COMMUNITY FACILITY	
	CON-2: CONSERVATION	
	E-1: S.F. - ESTATE	
	EDBB-MU: EAST DANIA BCH BLVD MIXED USE	
	GTWY-MU: TRANSIT	
	I-G: INDUSTRIAL	
	IRO: INDUSTRIAL-RESRCH-OFFICE	
	IROC: INDSTRIL-RESRCH-OFFICE-COMRCL	
	IROM-AA: INDSTRIL-RSRCH-OFFICE-MRNE-AA	
	IROM: INDUSTRIAL-RSRCH-OFFICE-MARINE	
	MA-1: MARINA MILE ASSOCIATION	
	MA: MARINE	
	NBHD-MU: NEIGHBORHOOD MIXED USE	
	NBHD-RES* M-F - Prev RM & 1-2-3 ZONE	
	NBHD-RES: RESIDENTIAL	
	OS: OPEN SPACE	
	PEDD: PORT EVERGLADES DEV DIST	
	PMUD: PLANNED MU DEVELOPMENT	
	PRD-1: PLANNED RES DEV	
	RD-8000: RESIDENTIAL	
	RM-1: MULTI FAMILY 16DUVAC	
	RM-2: MULTI FAMILY 25DUVAC	
	RM-3: RESIDENTIAL	
	RM: MULTI FAMILY 10DUVAC	
	RMH: MOBILE HOME	
	RMD: RESIDENTIAL MULTI-FAM OFFICE	
	RO: RESIDENTIAL OFFICE	
	RS-12000: SINGLE FAMILY 12000	
	RS-6000: SINGLE FAMILY 6000	
	RS-8000: SINGLE FAMILY 8000	
	SFED-MU: SOUTH FEDERAL MIXED USE	

PROPERTY DESCRIPTION (Continued)

ZONING/LAND USE:

The property is zoned IG Industrial General by the City of Dania Beach. The property has plat approval that ranges from Commercial to Industrial and is located within a Regional Activity Center land use in Dania Beach. Mr. Kerr has reviewed the sites with the city and a variety of mixed use projects could be developed on the site. Uses could include marina, mini storage, office, service station, restaurant, etc. Some of these may require a zoning change and Mr. Leigh Kerr has reviewed this with the city and it is reasonably probable that a zoning change would be allowed to accommodate the commercial development of these parcels.

The subject property has an aviation easement which, in certain areas, restricts the building height by the FAA. Buildings or structures and flagpoles, airplane beacons, broadcasting towers and antenna for radio and television, chimneys, stacks, and roof structures, used only for ornamental or mechanical purposes within the Airport Transportation District shall be constructed to a height permitted by the Federal Aviation Regulations, 14 CFR Part 77, and consistent with Florida Statutes relating to airports.

A zoning change and/or changes to the plat notes may be necessary in order to develop portions of the site and these are considered reasonably probable. The use of the FPL easements could include the digging of canals as this is provided for in the easement-see addenda. In addition, any development of the property will have to meet criteria set out in new FAA guidelines, Florida Statutes Title XXV – Aviation Chapter 333 zoning and Broward County’s Aviation Department.

REAL ESTATE ASSESSMENT DATA

REAL ESTATE TAXES

FOLIO NUMBER: 5042 27 11 0010-Parcel A
ASSESSSED VALUE (2017)
Land \$435,600
Building \$ 4,560
Total \$441,160
JUST MARKET VALUE \$319,240-Based on Agricultural Exemption
Real Estate Taxes \$6,755.39 (2017)

REAL ESTATE TAXES

FOLIO NUMBER: 5042 27 11 0020-Parcel B
ASSESSSED VALUE (2017)
Land \$7,801,600
Building \$ 6,530
Total \$7,808,130
JUST MARKET VALUE \$78,170-Based on Agricultural Exemption
Real Estate Taxes \$6,669.31 (2017)

REAL ESTATE TAXES

FOLIO NUMBER: 5042 27 11 0030-Parcel C
ASSESSSED VALUE (2017)
Land \$1,483,220
Building \$
Total 1,469,600
JUST MARKET VALUE \$13,620-Based on Agricultural Exemption
Real Estate Taxes \$1,242.49 (2017)

HIGHEST AND BEST USE - VACANT

The estimate of the highest and best use of the land as legally permitted, if vacant, requires extensive market analysis especially in terms of the indicated market conditions of supply and demand. The value of the land is based upon the level of utility that is in demand and that will produce amenities or net income to the user. Therefore, the use which creates the greatest land value and which is considered compatible in terms of the restrictions imposed by the physical, legal, economic, and financial factors is inherent in this analysis. The following analysis is intended to demonstrate and support our estimate of the highest and best use of the subject site.

Physically Possible

The three subject parcels are irregular in shape with all of them large enough to be physically able to be developed with commercial, residential or industrial uses,

Legally Permissible

The property is zoned "IG," Industrial General Office District, by the City of Dania Beach. The surrounding uses and related facilities are designed primarily to serve the needs of airport and port related services. The review of the sites with the City of Dania Beach zoning staff indicated that a variety of developments would be allowed from commercial to industrial with potential for marinas, hotel, office, restaurant, etc.

Financially Feasible

The success of most developments is based on the financial feasibility of the potential use. Financial Feasibility considers what uses, if any, are the most probable and profitable use of the land. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IG zoning or a related zoning that maximizes the potential developments allowed under the Regional Activity Center land use. New development along Griffin Road, US-1, and SR-84 primarily consists of commercial and mixed use with the commercial development supporting additional residential development. The demand for hotels near the airport has remained strong with the increasing passenger load at both the airport and Port Everglades. Further, the expansion of the airport required the acquisition and demolition of an airport located hotel known as the Hilton Hotel (388 rooms) at Griffin Road and I-95. The demand and feasibility is further indicated in the long-range plans of the Broward County Aviation Department to provide for a hotel development on the airport grounds. In addition, an 800-room convention center hotel is proposed for development near the Greater Fort Lauderdale/ Broward County Convention Center which is located at the entrance to Port Everglades. Two of the other properties owned by this client in the neighborhood are plat approved for a hotel, so auxiliary uses to hotel would also be a financially feasible use of these properties. The location on the Dania Cut-Off Canal also provides for some water-oriented development. The financially feasible uses of the parcel would include any of the legally permitted uses allowed under the IG or related zoning and all uses allowed in the Regional Activity Center land use element.

HIGHEST AND BEST USE (CONTINUED)

Maximally Productive

The most maximally productive use of the site should produce the highest price or return required by the market for that use. After determining those uses, which are physically, possible, legally permissible and financially feasible, it is our opinion that the most maximally productive use of the land, as vacant, is for a variety of commercial uses that would be allowed in the Regional Activity Center with the pin locations near the airport and port and utilizing the Dania Cut Off Canal location.

AS IMPROVED

The subject is vacant land agriculturally utilized and therefore, the highest and best use as improved is not applicable.

Conclusion

Based on the location, size, zoning/land use and surrounding land uses and its current use, it is our opinion, that the subject lands would have a highest and best use for future commercial development maximizing the pin location at the entrance to the Fort Lauderdale/Hollywood International Airport as well as the location and proximity to Port Everglades and the Dania Cut-Off Canal.

APPROACHES TO VALUE OMITTED-AS NOT APPLICABLE

MARKET COST INCOME

The Market or Sales Comparison Approach to Value is considered most applicable in this assignment in the valuation of the subject land. Based on our estimate of the highest and best use of the land as vacant, we have reviewed land sales which were purchased for future commercial development located in close proximity to the airport or other commercial centers. As the subject property is vacant land, development of the Market Approach was considered the most applicable method of valuing the property. The Income and Cost Approaches were not considered applicable in the valuation of the subject property.

SALES COMPARISON APPROACH-VACANT LAND

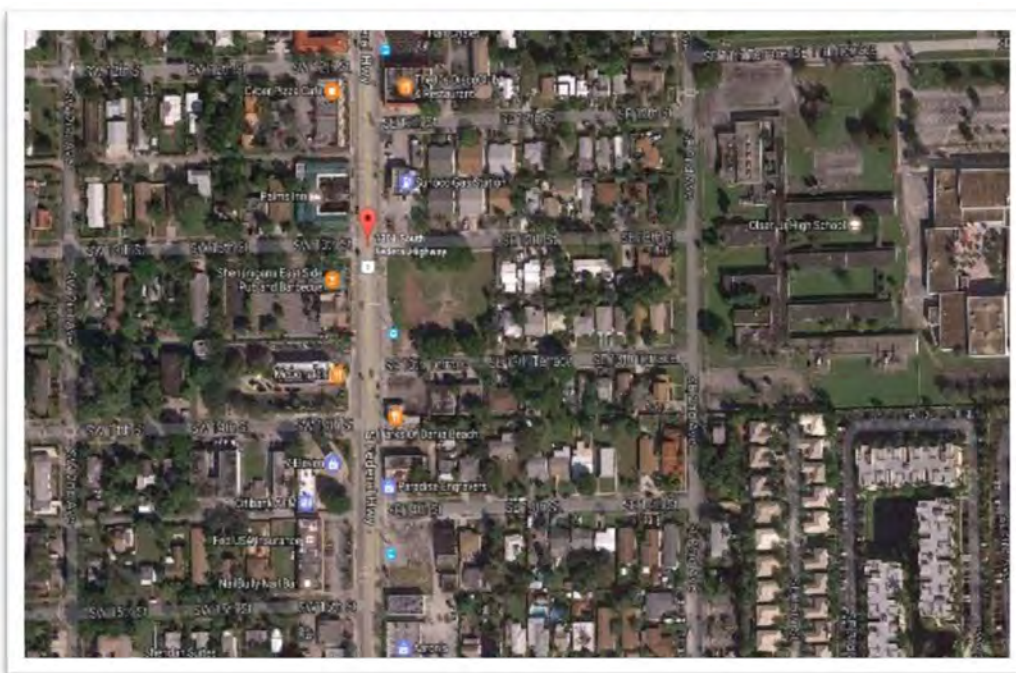
The land value is estimated by the Sales Comparison Approach. This approach is often referred to as the Direct Comparison Approach because the comparison procedure is its basic technique.

The Sales Comparison Approach requires careful selection of sale properties to ensure that they are relatively similar to the subject. No two properties are exactly alike. Therefore, a comparison between the subject and the sales must be considered in arriving at an indication of value for the subject. The market value conclusion is based on the highest and best use of the land, as if vacant, for future commercial development.

The following sales are deemed physically and economically comparable to the subject. An analysis sheet for each sale is included in the report.

The normal items of comparison are discussed following the presentation of the sales data.

COMPARABLE VACANT LAND SALE NUMBER 1



RECORDED: Broward County
Instrument No.: 113183573
Folio number(s):
51-42-03-24-0050

LOCATION: Northeast corner of SE 13th Street and Federal Highway, Dania Beach, Florida

GRANTOR: Dania GSM Corp.

GRANTEE: Dania Square Investment Group

LEGAL DESCRIPTION: Lot 1,2,3,4,5,6,7,8,9, 10, 11, 12 and 13 in Block 3: together with lots 18,19, 20, 21, 22, and 23 in Block 3, Dixie Way, according to the Plat thereof, as recorded in Plat Book 12, Page 4, of the Public Records of Broward County, Florida, less that portion taken by the State of Florida for road widening purposes as per Right-of-Way Map, Section 8610.2510.

DATE OF SALE: August 12, 2015

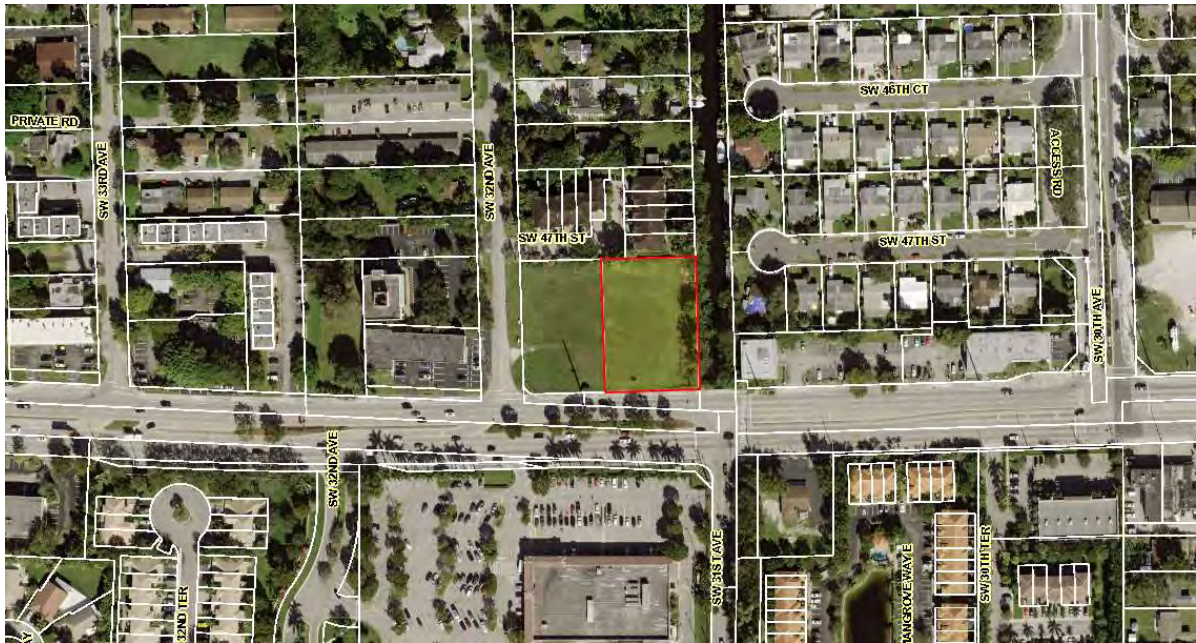
SIZE: 44,113 Square Feet

CONSIDERATION: \$1,275,000

COMPARABLE VACANT LAND SALE NUMBER 1 (Continued)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$28.90 per square foot of land area
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	SFED-MU, South Federal Highway Mixed Use by the City of Dania Beach
PRESENT USE:	Vacant land
COMMENTS:	Mixed use zoned site located south of airport on Federal Highway.

COMPARABLE VACANT LAND SALE NUMBER 2 - DATA SHEET



RECORDED: Broward County
Instrument No.: 114504763
Folio number(s):
50-42-30-01-0160

LOCATIONS: Located on north side of Griffin Road, east of
NW 31st Avenue, Dania Beach, Florida

GRANTOR: Project 3100 Griffin Road, LLC.

GRANTEE: RAD Realty Company

LEGAL DESCRIPTION: Portions of Lots 19,20 and 21, Block 1 Canal
Groves PB 22 Page 31-See deed for lengthy
legal

DATE OF SALE: July 14, 2017

SIZE: 33,969 Square Feet

CONSIDERATION: \$900,000

COMPARABLE VACANT LAND SALE NUMBER 2 (Continued)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$26.49 per square foot of land area
TYPE OF INSTRUMENT:	Special Warranty Deed
ZONING:	C-2 Commercial City of Dania Beach
PRESENT USE:	Vacant Land
COMMENTS:	Commercially zoned vacant land site located adjoining a canal.

COMPARABLE VACANT LAND SALE NUMBER 3



RECORDED:

Broward County
Instrument No.: 114352872
Folio number(s):
50-42-34-04-0010/0030/0040
50-42-34-12-0010/0020/0260/0240/0250
50-42-34-01-1820/1840/1850/1860

LOCATION:

Northeast corner of Dania Beach Boulevard
and Federal Highway, Dania Beach, Florida

GRANTOR:

CTKO Dania Venture, LLC.

GRANTEE:

4 N Federal Dania, LLC

LEGAL DESCRIPTION:

Numerous parcels, lengthy legal, see deed for
full legal description

DATE OF SALE:

April 25, 2017

SIZE:

106,774 Square Feet

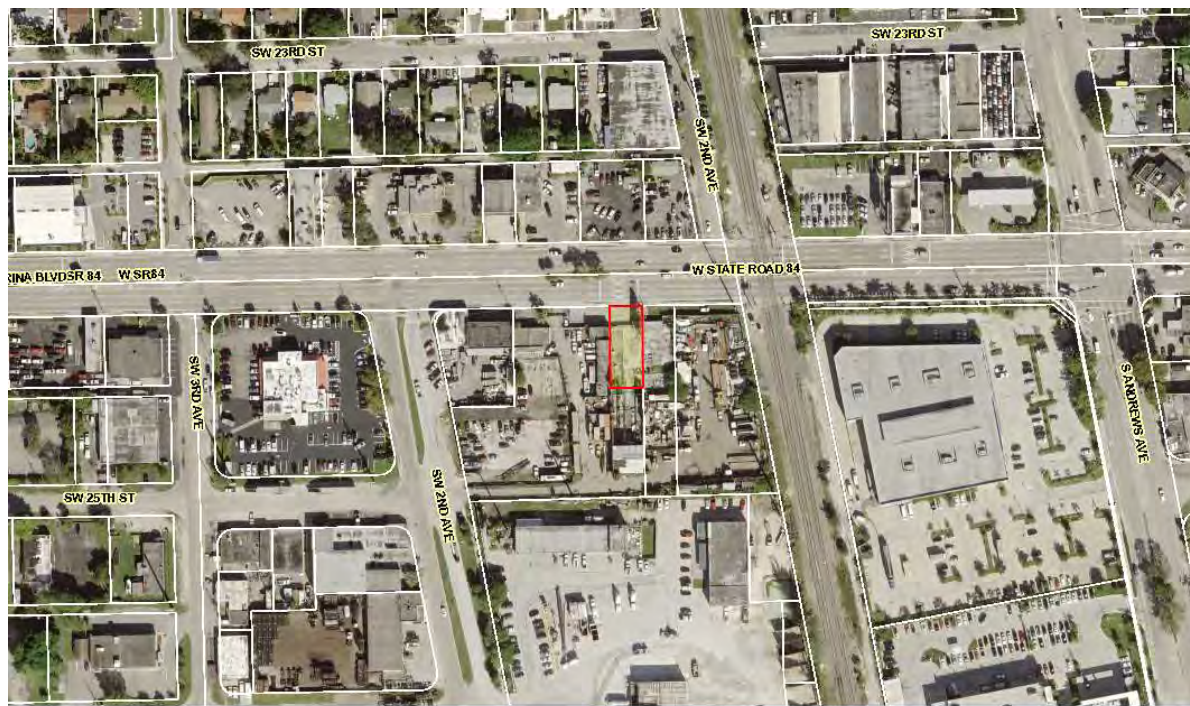
CONSIDERATION:

\$5,000,000

COMPARABLE VACANT LAND SALE NUMBER 3 (Continued)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$46.83 per square foot of land area
TYPE OF INSTRUMENT:	Warranty Deed
ZONING:	CC Coty Center, Dania Beach, Florida
PRESENT USE:	Improved with some older structures that needed to be razed by the purchaser.
COMMENTS:	Property was improved with several older structures and was purchased for development with a mixed use commercial residential development.

COMPARABLE VACANT LAND SALE NUMBER 4



RECORDED:

Broward County
Instrument No.: 114297236
Folio number(s):
50-42-22-08-0090/0093/0100/0110

GRANTOR:

Mary J. Craig, As Trustee, et al

GRANTEE:

Star Motors, LLC

LOCATION:

Located at 100 SW 24th Street (State Road 84), west of FEC Railroad Tracks on south side of State Road 84, Fort Lauderdale

LEGAL DESCRIPTION:

Lots 1 to 7 and east 50 feet of Lot10, Lots 11-19 of Block 113, Boulevard Section of Croissant Park PB 6 Page 30 plus north half of SW 25th Street vacated.

DATE OF SALE:

March 30, 2017

SIZE:

125,676 Square Feet

CONSIDERATION:

\$3,675,000

COMPARABLE VACANT LAND SALE NUMBER 4 (Continued)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$30.31 per square foot of land area
TYPE OF INSTRUMENT:	Special Warranty Deed
ZONING:	B-3, Heavy Commercial/Light Industrial Business and I Industrial by the City of Fort Lauderdale
PRESENT USE:	Improved at time of sale with several industrial and commercial buildings. An outdoor advertising sign also located on site. Purchased for redevelopment and the improvements did not contribute value to the sale price.
COMMENTS:	Property was purchased by AutoNation for development with a car dealership.

COMPARABLE VACANT LAND SALE NUMBER 5

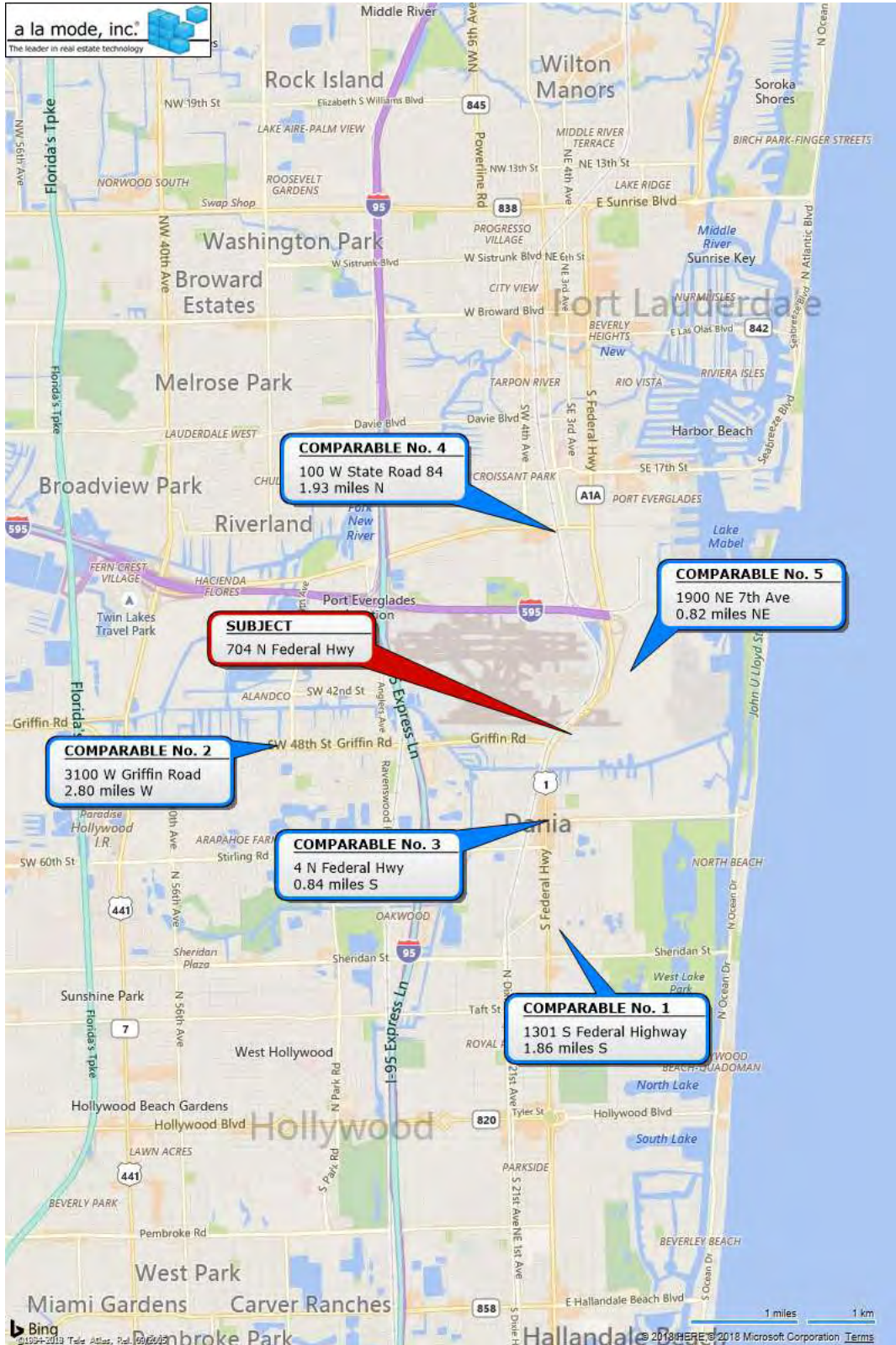


RECORDED:	Broward County Instrument No.: 114485754 Folio number(s): 50-42-26-09-0020
LOCATION:	1900 NE 7 th Avenue, Dania Beach, Florida
GRANTOR:	Port 5 Limited.
GRANTEE:	GPT Dania Beach Owner, LLC
LEGAL DESCRIPTION:	Parcel B of NISA Plat PB 147 Page 14
DATE OF SALE:	June 30, 2017
SIZE:	188,854 Square Feet
CONSIDERATION:	\$3,640,000

COMPARABLE VACANT LAND SALE NUMBER 5 (Continued)

FINANCING:	Cash to Seller
SALE PRICE PER SQ FT:	\$19.27 per square foot of land area
TYPE OF INSTRUMENT:	Special Warranty Deed
ZONING:	IRO Industrial, City of Dania Beach
PRESENT USE:	Vacant land in natural state
COMMENTS:	Property is located on NE 7 th Avenue, north of the subject property with limited Federal Highway exposure.

COMPARABLE SALES MAP



COMPARABLE SALES CHART

SALE #	DATE OF SALE	SALE PRICE	LOCATION	LAND SIZE (SF)	PRICE/ SF
1	8/12/2015	\$1,275,000	1301 S Federal Highway Dania Beach	44,113	\$28.90
2	7/14/2017	\$900,000	3100 West Griffin Road Dania Beach	33,969	\$26.49
3	4/25/2017	\$5,000,000	4 North Federal Highway Dania Beach	106,774	\$46.83
4	3/30/2017	\$3,675,000	100 SW 24 th Street Ft. Lauderdale	125,676	\$30.31
5	6/30/2017	\$3,640,000	1900 NE 7 th Avenue Dania Beach	188,854	\$19.27
		SUBJECT	Taylor Rd / NE 10th St./Federal Highway	54,450 982,278 197,762	

SALES COMPARISON APPROACH

We have reviewed land sales, located in locations throughout Broward near the Ft. Lauderdale Airport and Port Everglades in the 2015 to 2018 time frame. Our review focused on the purchase and sales of properties for commercial development and that included the attached five sales. The following is a review of the 5 comparable sales considered most applicable in this analysis..

Market Data Analysis

Overall, the sale properties range in size from 33,969 square feet to 188,854 square feet of land area and the land sales indicated a range from a low of \$19.27 per square foot of land area to \$46.83 per square foot of land area.

Conditions of Sale:

All the comparable sales utilized in direct comparison were arm's length transactions. Thus, no adjustment for conditions of sale is indicated.

Property Rights Conveyed:

The property rights appraised for the subject are fee simple subject to the existing easements. The property rights conveyed for the sales utilized in direct comparison are fee simple. Thus, no adjustment for property rights is indicated, although the height limitations were considered in our valuation of the subject property.

Financing:

Vacant land of this type is generally acquired for cash or construction loans with institutional financing. Often times, the financing is obtained in the form of an acquisition and development loan. However, it is not uncommon for the seller to provide short term financing. However, all the sales presented for direct comparison were acquired for cash or with market-based financing. Therefore, no adjustment for financing is indicated.

Market Conditions:

We have analyzed numerous sales in the subject area, in the time period from roughly 2015 to 2018. The comparable sales graphically illustrated above occurred between August of 2015 to July of 2017 with four of the sales occurring within twelve months of the date of value. The date of value in this assignment is March 1, 2018. The market conditions appeared to be increasing from 2015 to 2018. No definitive market value adjustments were derived from our review of the market data. Consideration for the date of sale will be considered in our final analysis of Sale 1 with Sales 2 to 5 considered most similar in market conditions. .

Location:

Locational characteristics deemed significant for vacant land include access, surrounding demographics, surrounding properties, supply of competitive land, etc. The subject property has a “pin” location at the entrance to the Ft. Lauderdale/Hollywood International Airport and Port Everglades. Sale 5 is located the closest to the subject property on NE 7th Avenue. This sale was considered inferior overall, as this site does not have the exposure or location similar to the subject property. The subject parcels had various locational aspects with Parcel A on Federal Highway and the other parcels having Dania Cut Off Canal frontages. Sales 1 and 3 are located just south of the airport on Federal Highway in Dania Beach. Sale 4 is located just east of the entrance to Port Everglades and is one of the closest commercial sites north of the airport entrance. Sale 2 is an inferior location on Griffin Road, to the west of the airport. The various locations were considered in our overall review of the sales data. Of the three parcels, Parcel A was considered to have the best location with exposure and access to US 1. Parcels B is accessible via US 1 and NE 10th Street and Parcel C is accessible further east on NE 10th Street. Also, Parcels B and C have frontage on the Dania Cut Off Canal.

Size:

The subject property contains 28.354 acres of land divided into three folio numbers and Parcels A is the smallest site, with Parcel B the largest site at 22.55 acres of land area. The entire property is larger than all of the comparable sales. Parcel A would be marketed separately based on the size and location on US Highway 1. Parcel B would be the largest site with access to both roads and a larger irregular shaped parcel. This Parcel has access to the Dania Cut Off Canal as well. Parcel C could also be marketed separately as a standalone parcel with frontage on the Dania Cut Off Canal. Overall, the review of the sales did not reflect any market-based adjustment for the size differentials, although there were some trends noted and this will be considered in our final analysis. The large size of Parcel B was considered to be inferior to our review of Parcel A.

Zoning:

The properties have commercial zoning classifications with Sale 3 having a mixed-use zoning and has plans for a mixed-use development. The zoning of each property was considered in our analysis and although zoning changes may be required, the cost of that would be minimal and thus no adjustment for zoning was considered applicable with Sale 3 considered to have a superior zoning and will allow residential development, which was not considered as a potential use on the subject properties.

CONCLUSION OF LAND VALUE – SALES COMPARISON APPROACH TO VALUE

The sales took place from August of 2015 to July of 2017February. The properties sold from \$900,000 to \$5,000,000 and ranged in size from 33,969 square feet of land area to 188,854 square feet of land area. The sales indicate a unit price range of \$19.27 per square foot of land area to \$46.83 of land area.

Based on our review of the sales data, the location, the size, zoning/land use, and the overall marketability of the subject property, we have formed an opinion of the market value of the subject parcels would be in the range of \$32.00 to \$35.00 per square foot. Parcel A would have a market value at \$35.00 based on its size and location on US Highway 1, this would be an ideal gas station site as a right-hand gasoline station for all rental car returns. We considered a slight reduction in unit sale price for Parcel B as a result of the large size of this parcel. Parcel C was also given a negative consideration for the location further east from US Highway 1. For parcels B and C, we estimated a market value of \$32.00 per square foot land area. These are the values of the property in fee simple, but as noted earlier, portions of Parcel B and C are encumbered with an FPL transmission line easement. Studies of these types of sales show deductions from 20% to 90% of the value as a result of the easements. In this situation, the property owner has the right to dig canals under the easements and thus have more utility than normal under typical FPL easements (See easements in the addendum). As a result, we have estimated those lands under the easement to have a market value equal to 60% of the fee value. Therefore, the following are the calculations used to arrive at the market value for each of the parcels.

Parcel A		
1.25 Acres x \$35.00/SF =		\$1,905,750 say \$1,906,000
Parcel B		
18.19 Acres x \$32.00/SF =		\$25,355,405
4.36 Acres x \$32.00/SF x 60%=		\$ 3,646,494
Total		\$29,001,899 say \$29,002,000
Parcel C		
3.662 Acres x \$32.00/SF =		\$5,104,535
.878 Acres x \$32.00/SF x 60%=		\$ 734,317
Total		\$5,838,852 say \$ 5,840,000
Total all Three Parcels		\$36,748,000

CONCLUSION OF LAND VALUE – SALES COMPARISON APPROACH TO VALUE

The valuation of the property was based on normal development costs. It has been stipulated that the wetland mitigation costs will be \$225,000 for the C.I.D.B. and Rita Shaw Plat. A proration of these costs leads us to deduct \$205,000 from the value of the Rita W Shaw Plat. These costs will be deducted from the market value conclusion. Although the site is in need of fill, the review of the sales noted several sites that had the extra expense of razing older buildings and thus we considered that those sites also had higher development costs. Therefore, the market value of the site deducting the stipulated mitigation costs would be:

$$\mathbf{\$36,748,000 - \$205,000 = \$36,543,000}$$

RECONCILIATION

Cost Approach	N/A
Sales Comparison Approach	\$36,543,000
Income Approach	N/A

We have considered the Sales Comparison, Cost, and Income Approaches to value in this assignment.

Based upon the quantity and quality of the market data, i.e., the comparable sales, it is our opinion that the Sales Comparison Approach to Value is the most reliable indicator of the subject's land value. The highest and best use of the subject is for future commercial development. Therefore, for this appraisal, we have developed the Sales Comparison Approach to Value to determine the land value for the subject whole properties and utilized the unit sale price per square foot of land area as the unit of comparison. The valuation indicated a total market value of \$36,748,000, which was based on the individual analysis for each of the parcels and took into consideration the FPL easements on two of the parcels.

From the market value estimate, a deduction for the stipulated wetland mitigation costs on the Rita W Shaw plat were made in the amount of \$205,000. This indicates a market value for the whole property at \$36,543,000.

Based upon review of the market data and our analysis, it is our opinion that the market value of the site as of March 1, 2018, is:

**THIRTY-SIX MILLION FIVE HUNDRED FORTY THREE THOUSAND DOLLARS
(\$36,543,000)**

ADDENDUM

MITIGATION COSTS STIPULATED AT \$225,000 ALLOCATED AT \$205,000 FOR
THE RITA W SHAW PLAT



Phillip R. Jimrusti & Associates, Inc.
Ecological Engineers
Environmental Consultants

4085 S.W. Honey Terrace • Palm City, Florida 34990
Phone: 954-370-8870 • Fax: 772-781-3790

February 9, 2017

John Shaw
c/o Barry S. Balmuth, P.A.
The Oaks Center
2505 Burns Road
Palm Beach Gardens, FL 33410

Re: Shaw Property

Mr. Shaw

An *Environmental Assessment* was conducted on this approximately 6.87-acre tract of land located north of N.E. 10th Street, east of U.S. Highway 1, Section 27, Township 50 South, Range 42 East, Broward County, Town of Dania Beach, Florida. The site was visited on December 27, 2016 and again on January 27, 2017.

The site was investigated to identify the following wetland characteristics; those areas that are inundated or saturated by surface water or ground water at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soils. Soils present in wetlands generally classified as hydric or alluvial, or possess characteristics that are associated with reducing soil conditions. The prevalent vegetation in wetlands consisting of facultative or obligate hydrophytic macrophytes is typically adapted to areas having soil conditions described above.

The site is bordered on the east and west by storm water retention ponds, on the north by Fort Lauderdale International Airport, and on the south by a paved road. The immediate area surrounding the property, with the exception of isolated vacant areas, has been developed for transportation, industrial or agricultural purposes.

February 9, 2017

The Broward County Property Appraisers website contains annual aerial photographs of the property dating from 1998 through 2016. Two significant alterations to the property are evident in the aerials from 2003 and 2013. In 2003, NE 10th Street was extended through the southern portion of the property and in 2013, a portion of the northern part of the property was cleared to accommodate for the expansion of the airport runway. By 2015, the construction of the runway expansion appears to be complete.

During our investigation, we found that the property currently contains approximately 2.99 acres of wetlands. This delineation is based on the presence of wetland hydrology and wetland vegetation. It is our opinion that development of the surrounding properties have resulted changes to the drainage patterns, causing rainfall runoff from the roadway and adjacent properties to flow onto this property, where it collects and produces wetland-like conditions that are becoming more prominent over time. We have seen this phenomenon occur on numerous undeveloped properties throughout South Florida. Wetland conditions may not have been present in the past, but as the adjacent and surrounding properties are developed and the surrounding ground elevations are increased, rainfall runoff drains onto the lower grade, undeveloped property. The water then accumulates, more substantially on this property due to the predominantly clay-type soils present, which have a generally lower permeability, hereby preventing the water from draining down through the soils. Instead, the water sits and eventually leads to a decrease in upland vegetation due to a higher water table and an influx of hydrophytic wetland vegetation.

Broward County Environmental Protection and Growth Management Department (BCEPGMD), South Florida Water Management District (SFWMD), and United States Army Corps of Engineers (USACOE) must confirm wetland jurisdictional determinations made in this report prior to development of this property. The agency determinations may differ from those described depending on the opinion of the agency reviewer and current site conditions at the time of review. Based on the current site conditions, it is most likely that the agencies will claim the approximately 2.99 acre area as wetlands and will require mitigation in order to develop this portion of the property. The remainder of the property not claimed as wetlands will be able to be developed with no required mitigation.

Mitigation would be required if the wetlands were to be filled in the development of the property. The exact amount of mitigation will depend on the quantity and value of the existing wetlands as determined by the regulatory agencies. The following reflects the approximate cost of wetland mitigation based on the analysis given in this report:

Shaw Property
Page 3

February 9, 2017

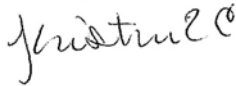
Cost To Impact 2.99 Acres Of Wetlands and Mitigate Off-Site:
2.29 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = **\$320,600**

Cost To Impact 1.50 Acres Of Wetlands and Mitigate On-Site and Off-Site:
1.49 Ac. Mitigation Area On-Site x \$50,000 per acre = \$74,500 x 5 years = \$372,500
0.04 credits in the Loxahatchee Mitigation Bank x \$140,000 per credit = \$5,600
\$378,100

It may be possible that the existing wetlands has increased in ecological value because of continued impoundment of storm water, however it would be impossible to quantify the increase precisely.

Please keep in mind that these mitigation cost calculations are only estimates and are subject to change based on the governing agencies' wetland determinations and wetland quality scores.

Sincerely,



FOR: Phillip R. Jimrusti,
President

|PHOTOGRAPHS OF SUBJECT



View of Parcel A looking easterly from US 1



View looking southerly along US 1 with subject on left



View of frontage on NE 10th Street-Parcel C



View of Parcel C looking southerly from NE 10th Street



NE 10th Street frontage Parcel B

1065 and 528

Grantor may construct at its expense, and at no expense to Grantee, a barrier or barriers at the points where said canal crosses said right-of-way, which will prevent the passage of boats in Grantor's canal having a draft exceeding 20' (feet) in height above mean low water.

After the Grantee has completed the construction of the power lines and structures over that part of the South Chain of the NW 1/4 of the SE 1/4 of Section 14, Township 50 South, Range 42 West, lying east of the east right-of-way line of US Highway 51, the Grantor shall have the right and privilege to enter from time to time on said Grantee's property to plant arabs in cans or otherwise therein, and to maintain the same in proper and clean condition and so as not to interfere with Grantee's facilities constructed therein. In the event Grantee finds it feasible for itself or others to utilize its said property, the rights and privileges of Grantor shall be released as to such property so utilized. This is a personal covenant which runs to the benefit of the Grantor and her heirs and assigns only. The above rights granted to Grantor by Grantee with respect to planting arabs in cans or otherwise shall cease and terminate upon Grantor selling her property adjacent to the said Grantee's property. Such rights shall also cease and terminate upon Grantee selling its said property. However, subject to the provision in the foregoing sentence, Grantor may continue to exercise such right over any right-of-way retained by Grantee in an sale for so long as Grantee owns and maintains said right-of-way. Grantor may continue to maintain her pump and pump house on said right-of-way.

WITNESSED BY OFFICIAL OFFICER STATE
FRANK H. MARKS
CLERK OF DISTRICT COURT

Form 60 6/21 Rev 197

MP 1065 REV 5/79

872986

RIGHT-OF-WAY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS that Miss Margaret Shaw, joined by her husband, C. Clay Shaw

of the County of Duval and State of Florida in consideration of the sum of One Dollar (\$1.00) and other valuable considerations, recitals of which are hereby acknowledged do hereby grant to the Florida Power & Light Company, a corporation organized and existing under the laws of the State of Florida, whose address is P. O. Box 2193, 420 N. W. 4th Avenue, Miami, Florida, and its successors and assigns, its personal service for a right-of-way 20 feet in width to be used for the construction, operation and maintenance of certain electric transmission and distribution lines, including wires, poles, and appurtenant equipment, towers, brackets, cross-arms and telegraph lines and appurtenant equipment, to, over, across and along the following described lands of the County of Duval and State of Florida and more particularly described as follows:

South 200 feet of North 205 feet of West 1/2 of East 1/4 of West 1/2 of Northeast 1/4 of Township 30 South, Range 42 West.



together with the right and privilege to reconstruct, inspect, alter, improve, remove or relocate such lines, towers and other facilities between the lands above described, with all rights and privileges necessary or convenient for the full enjoyment of the easement for the above-described purposes, including the right to cut and keep clear all trees and undergrowth and other obstructions within said right-of-way and all trees of such right-of-way clear of lines and undergrowth and other obstructions with the proper construction, operation and maintenance of said electric transmission and distribution lines, and also including the right to locate and erect over said right-of-way all appurtenant poles and distribution lines, and to use the same for the purpose of exercising the easement.

The granting hereof is intended to be perpetual and shall not be subject to termination by any other persons except as herein provided. No right or privilege is given the above-described right-of-way for construction and operation of other lines or facilities other than those set forth hereon and no structure shall be erected on said right-of-way. Grantor shall not exercise any portion of the right-of-way without written permission of Grantee.

IN WITNESS WHEREOF, the Grantee, has hereunto set her hand and seal this 1st day of August, 1983.

Witnessed and delivered in the presence of

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature

STATE OF FLORIDA AND COUNTY OF DUVAL

The undersigned, a Notary Public in and for the County of Duval and State of Florida, do hereby certify that the foregoing is a true and correct copy of the original as recorded in the records of the County of Duval and State of Florida.

#1065 100530

Grantor reserves the right to operate her nursery in
said right-of-way without any rental therein by her to
Grantee, provided that trees and plants shall not exceed
15 feet in height.

ACCEPTED AS ORIGINAL ACCEPTED COPY
BY CLERK OF DISTRICT COURT
FRANK H. STARKS
CLERK OF DISTRICT COURT

Most Recent Deed for Subject

CFR # 1078540V2, OR BK 45316 Page 114, Page 1 of 1, Recorded 04/28/2008 at 10:10 AM, Broward County Commission, Item B 50.70 Deputy Clerk 1921

4

This instrument prepared by and signed by:
John F. Reynolds, Jr., Esq.
HUTTEL, CONY, P.A.
1700 N. Esplanade, 6th Fl.
Boca Raton, FL 33432

Space Above This Line for Recording Date

QUIT CLAIM DEED

THIS QUIT CLAIM DEED, executed this 27th day of April, A.D. 2008 by DANIA FARMS, LTD., a Florida limited partnership, through its partners, D. Day Stone, Jr. and Jeff L. Stone, whose joint office address is 700 Coral Way, Fort Lauderdale, Florida 33301, first party, to SHAW FARMS & LAND COMPANY OF FLORIDA, LLC, a Florida limited liability company, second party, whose post office address is 700 Coral Way, Fort Lauderdale, Florida 33301.

(Wherever used herein the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations, wherever the context so admits or requires.)

WITNESS, That the said first party, for and in consideration of the sum of Ten and No/100— (10.00)—Dollars, in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby release, release and quit-claim unto the said second party forever, all the rights, title, interest, claim and demand which the said first party heretofore had in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Broward, State of Florida, to-wit:

Description Attached hereto as Exhibit A.

TO HAVE AND TO HOLD the same together with all and singular the appurtenances hereunto in anywise appertaining, unto all the estate, title, interest, claim, equity and claim whatsoever of the said first party, within in law or equity, to the only proper use, benefit and behoof of the said second party forever.

NOTICE TO EXAMINER: The conveyance evidenced by this deed represents a transfer of unencumbered real property from the Grantor to the Grantee as a contribution to the capital of the Grantee. The Grantee is owned by the same individuals with the same percentage interests as the partners of the Grantor. Accordingly, this deed is subject only to original State of Florida documentary stamp taxes. See Chapter 689, Florida Statutes, Florida Department of Revenue 901.50, 901.515 (Fla 2008).

This instrument was prepared from information furnished by the parties. No examination of title was made and no responsibility is assumed for either descriptive conditions.

88-1922790024-104-1

27

EXHIBIT A

An undivided beneficial interest in the following described land:

Parcels A, B, and C of THE RIVER WISDOM PLAT, according to the plat thereof as recorded in Plat Book 160, Page 25 of the Public Records of Broward County, Florida, 1955, therefrom that portion thereof owned by Broward County, a political subdivision of the State of Florida by Order of Taking as declared in Supplimental General Order of Taking, Name Plate, Town, recorded in Official Records Book 18474, Page 425, of the Public Records of Broward County, Florida.

[Local Identification Nos. 5042-27-01-0010; 5042-27-11-0020; and 5042-27-01-0030]

COURT RULING

Walters v. Sheffield, 78 So. 539, 541 (Fla. 1918); Griffing Bros. Co. v. Winfield, 43 So. 687 (Fla. 1907) ("Growing fruit trees are considered as part of the land"). "A sale [or lease] of standing timber is a contract concerning an interest in land, within the meaning of the Statute of Frauds" and, therefore, must be in writing. Wilton Land & Timber Co. v. Long, 185 So. 839, 840 (Fla. 1939).

For these reasons, the Court determines that Plaintiffs have standing to make a claim for the taking of the trees on the D.D.K.

Conclusion

County has substantially taken all beneficial use of the D.D.K. from Plaintiffs due to the elimination of access to the D.D.K. and flooding, which brings silt-laden water with arsenic onto the D.D.K. See Schick v. Fla. Dep't of Agric., 504 So. 2d 1318 (Fla. 1st DCA 1987) (pollution of wells constituted a taking). In addition to eliminating the use of the D.D.K., such occurrences have eliminated the value and use of the trees growing on the D.D.K. See Bogorff, 35 So. 3d at 84 (destruction of trees is a constitutional taking); Dep't of Agric. & Consumer Services v. Poik, 568 So. 2d 35 (Fla. 1990) (taking of healthy commercial trees).

The Court finds that, based on the testimony and evidence, a taking has occurred by virtue of the significant increase in drainage from County's property onto the D.D.K. and, from there, to the rest of the Shaw Property. The flow of water is more than momentary and has had a substantial effect on the character of the Plaintiffs' property. Considering the property owners' investment backed expectations, which is that their property be used for agricultural farming with the expectation of future development, this Court concludes that County has taken a flowage easement over all of the Shaw Property.

Accordingly, it is hereby,

ORDERED AND ADJUDGED that, as of July 1, 2012, BROWARD COUNTY had taken a permanent flowage easement over those portions of the property subject to the D.D.K. Plat, the Rita W. Shaw Plat, and the C.I.D.B. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

Together with

Parcels "A," "B" and "C," of THE RITA W. SHAW PLAT, according to the Plat thereof, recorded in Plat Book 146, Page 25, of the Public Records of Broward County, Florida, being a portion of Sections 27 and 34, Township 50 South, Range 42 East; LESS therefrom that portion thereof taken by Broward County, a political subdivision of the State of Florida by Stipulated Corrected Order of

Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida identified thereon as Parcel 1415.

And

Parcel "A" of C.I.D.B. Plat, according to the Plat thereof, as recorded in Plat Book 140, Page 28 of the Public Record so Broward County, Florida being a portion of the NE ¼-NE ¼ of Section 34; SE ¼-SE ¼ of Section 27, Township 50 South, Range 42 East.

IT IS FURTHER ORDERED AND ADJUDGED that, as of August 21, 2012, by virtue of substantially diminishing all access during the construction of NE 10th Street, flooding it, and the addition of contamination to it, BROWARD COUNTY had taken all practical use, as well as value, from that portion of the property subject to the D.D.K. Plat owned by Plaintiffs to wit:

Parcels "A" and "B" of D.D.K. PLAT, according to the Plat thereof, as recorded in Plat Book 131, Page 19 of the Public Records of Broward County, Florida, being a portion of the SE ¼ of Section 27, Township 50 South, Range 42 East;

Less and Except Parcel No. 1405 in that certain Stipulated Corrected Order of Taking Nunc Pro Tunc recorded in Official Records Book 18474, Page 825, that Order of Taking recorded at Official Records Book 19693, Page 919 and that certain Notice of Filing Legal Descriptions of Property Taken Pursuant to Order of Taking Official Records Book 19693, Page 907, all of the public records of Broward County, Florida, and more fully described as follows:

A parcel of land being a portion of Parcel "A" of D.D.K. Plat, as recorded in Plat Book 131, Page 19, of the public records of Broward County, Florida, in Section 27, Township 50 South, Range 42 East, said parcel also being a portion of the proposed 34:1 Clear Zone for Runway 27 Left, Fort Lauderdale-Hollywood International Airport, said parcel being more particularly described as follows:

Commence at the Southeast corner of the Southeast One-Quarter (SE ¼) of said Section 27; thence on a grid bearing of South 89 degrees 45'20" West along the south line of the said Southeast One-Quarter (SE ¼) a distance of 683.85 feet to the Southerly extension of the East line of said Parcel "A"; thence North 01 degree 57'30" West along the said Southerly extension and the said East line thereof, a distance of 522.69 feet to a point on the South line of said proposed


Clear Zone, said point being the POINT OF BEGINNING; thence continue North 01 degree 57'30" West along said East line, a distance of 441.24 feet, to the North line of said Parcel "A"; thence South 53 degrees 35'42" West along said North line, a distance of 292.06 feet; thence South 49 degrees 35'42" West continuing along said North line, a distance of 301.71 feet to the South line of said proposed Clear Zone; thence South 81 degrees 27'29" East along said South line, a distance of 485.27 feet to the POINT OF BEGINNING.

IT IS FURTHER ORDERED AND ADJUDGED that, as of October 1, 2012, more than ninety (90) days after the D.D.K. became flooded, the time frame at which John Coan testified the trees became unmarketable, BROWARD COUNTY had taken the following trees on the D.D.K.:

<u>TREE TYPE</u>	<u>OVERALL HEIGHT (FEET)</u>	<u>COUNT</u>
Royal Palm	16	33
	22	364
	25	50
	30 plus	8
Mexican Fan Palm	6	9
	8	1
	12	1
	15	1
	28 quad	1
Canary Island Date Palm	4	3
	6	3
	10	5
Pygmy Date Palm	8-10	100
Senegal Date Palm	17	1
	25	2

IT IS FURTHER ORDERED AND ADJUDGED that the valuation of the taken property and easement shall be determined by a jury trial under the provisions of Chapter 73 and 74 of the Florida Statutes upon proper notice.

DONE AND ORDERED in chambers in Ft. Lauderdale, Broward County, Florida on this 15th day of September, 2017.



JEFFREY R. LEVENSON
Circuit Court Judge

Jeffrey R. Levenson

SEP 11 2017

True Copy

QUALIFICATIONS OF APPRAISER

ROBERT D. MILLER, ASA

EDUCATION:

Appraisal Institute Courses
SSP Standards of Professional Practice
I-A Fundamentals of Real Estate Appraisal
I-B Capitalization Theory and Techniques
8 Appraising a Single-Family Residence
Case Studies in Real Estate Valuation
Report Writing
Business Valuation Seminar
Litigation Valuation
Other Appraisal Courses
Mass Appraisal of Residential Properties
Florida State Law and USPAP
Factory Built Housing
Automated Valuation Models

PROFESSIONAL AFFILIATION:

Senior Member of American Society of Appraisers-
South Florida Chapter No. 82 – Accredited Senior Appraiser (ASA)
Real Property Urban

LICENSED:

Certified General Real Estate Appraiser #RZ1270- State of Florida

EXPERIENCE:

1995-Present Owner Appraisal Firm-Sub-consultant
1993-1995 Vice President-The Urban Group, Inc.
1978-1993 Real Property Analysts, Inc., Fort Lauderdale,
Florida, Executive Vice President
1987 Involved in United States Senate Study
Right-of-Way
Acquisition Procedures

QUALIFIED AS EXPERT WITNESS FOR:

Condemnation proceeding in Lake, Kankakee, Cook and DuPage
Counties, Illinois and Broward, Dade, Monroe, Palm Beach and
Duval Counties, Florida. Testified in Bankruptcy Court in Florida
and Texas and Federal Court in Miami, Florida

HAS COMPLETED:

Appraisal Assignments	Counseling
Commercial, vacant and improved	Acquisition projects
Condemnation projects	Income tax analysis
Industrial, vacant and improved	Investment analysis
Multi-family residential,	Tax assessments
Mobile Home Parks	ROW Cost Analysis
Office, vacant and improved	Special assessments
Special purpose properties	Review Services

VARIOUS CLIENTS OVER THE PAST TEN YEARS

GOVERNMENT

BROWARD COUNTY SCHOOL BOARD
CHARLOTTE COUNTY
CITY OF CORAL SPRINGS
CITY OF DELRAY BEACH
CITY OF FORT LAUDERDALE
CITY OF FORT MYERS
CITY OF HALLANDALE BEACH
CITY OF HOLLYWOOD
CITY OF LAUDERDALE LAKES
CITY OF OAKLAND PARK
CITY OF KEY WEST
CITY OF MIAMI SPRINGS
CITY OF POMPANO BEACH
CITY OF RIVIERA BEACH
CITY OF SUNRISE
CITY OF TAMARAC
FEDERAL AVIATION ADMINISTRATION
FLORIDA DEPARTMENT OF TRANSPORTATION
LEE COUNTY
PALM BEACH COUNTY
PALM BEACH COUNTY SCHOOL BOARD
SMALL BUSINESS ADMINISTRATION
SOUTH FLORIDA WATER MANAGEMENT
TOWN OF DAVIE
US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

PRIVATE

ALTMAN DEVELOPMENT CORPORATION
BELLSOUTH MOBILITY
CLEAR CHANNEL OUTDOOR
CLEVELAND CLINIC
LENNAR HOMES
THE TAUBMAN COMPANY
SBA TOWERS INC.
UNITED HOMES
WAL-MART CORPORATION

ATTORNEY

AKERMAN-SENTERFITT
ARNSTEIN & LEHR
BECKER & POLIAKOFF
COKER AND FEINER
BRIAN PATCHEN PA
HOLLAND & KNIGHT
RUDEN MCCLOSKEY
TEW CARDENAS
GOREN CHEROF DOODY & EZROL PA
WEISS-SEROTA-HELFFMAN