

**SLACK  
JOHNSTON  
MAGENHEIMER**  
REAL ESTATE APPRAISERS & CONSULTANTS

**7245 S.W. 87<sup>TH</sup> AVENUE, SUITE 300  
MIAMI, FLORIDA 33173**

**APPRAISAL OF REAL PROPERTY**

**2.99-ACRE PARCEL OF LAND LOCATED AT THE NORTHWEST  
CORNER OF NW 122 STREET AND NW 107 AVENUE,  
MEDLEY, MIAMI-DADE COUNTY, FLORIDA**

**APPRAISAL REPORT  
SJM FILE 20747**

**PREPARED FOR  
MR. JORGE CORZO  
TOWN OF MEDLEY  
7777 NW 72 AVENUE  
MEDLEY, FLORIDA 33166**

**SLACK  
JOHNSTON  
MAGENHEIMER**  
REAL ESTATE APPRAISERS & CONSULTANTS

ANDREW H. MAGENHEIMER, MAI  
CERT. GEN. RZ1073

THEODORE W. SLACK, MAI  
(1902 - 1992)

THEODORE C. SLACK, MAI  
(1931 - 2015)

SUE BARRETT SLACK, MAI  
(RETIRED)

June 6, 2020

Mr. Jorge Corzo  
Town of Medley  
7777 NW 72 Avenue  
Medley, Florida 33166

RE: Appraisal of Real Property – 2.99-acre platted parcel of land located at the northwest corner of NW 122 Street and NW 107 Avenue, Medley, Miami-Dade County, Florida  
SJM File: 20747

Dear Mr. Corzo:

At your request, we have prepared an appraisal of the above referenced real property. The purpose of the appraisal is to estimate the market value of subject property as of May 20, 2020, the date of valuation and visit the property. The client and intended user of this appraisal is the Town of Medley. It is our understanding the intended use of the appraisal is to assist in negotiating the potential sale of the property.

The subject property is a platted parcel of vacant land located at the northwest corner of NW 122 Avenue and NW 107 Avenue in the Town of Medley, Miami-Dade County, Florida. The subject property is irregular in shape and contains 130,226 square feet (2.99 acres). The subject property is filled to approximate street grade and is overgrown with vegetation. The subject property has a land use of Industrial and Office and is zoned M-1 (Industrial District, Light Manufacturing).

The appraisal report states our opinion of market value of the property, subject to various assumptions and limiting conditions contained in this appraisal report. The property visit and analyses that form the basis of our valuation have been performed by the undersigned. The appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.

Mr. Jorge Corzo  
June 6, 2020

Based on our investigation and analysis, we have formed the opinion the market value of the subject property, as of May 20, 2020, was \$3,260,000.

The following report summarizes the results of our investigation. Additional support is retained in the appraisers' file.

Respectfully submitted,

SLACK, JOHNSTON & MAGENHEIMER, INC.

A handwritten signature in black ink, appearing to read "Andrew H. Magenheimer".

Andrew H. Magenheimer, MAI  
CERT. GEN. RZ1073

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## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Appraised:	2.99-acre platted parcel of vacant land located at the northwest corner of NW 122 Street and NW 107 Avenue in the Town of Medley, Miami-Dade County, Florida
Purpose of the Appraisal:	Estimate the market value of the subject property
Property Rights Appraised:	Fee Simple
2019 Assessments and Taxes:	
Folio Number	22-2030-016-0060 & 0061
Total Market Value Assessment	\$1,921,149
Real Estate Taxes	\$0.00 (Exempt)
Census Tract:	014000/1041 (2010)
Flood Insurance:	Zone X and AH
Ownership:	Town of Medley 7777 NW 72 Avenue Medley, FL 33166
Land Area:	130,226 SF; 2.99 Acres
Shape:	Irregular
Utilities:	Available
Frontage/Access:	NW 122 Street, NW 123 Street, Rinker Private Railroad Right of Way
Site Improvements:	None
Land Use:	Industrial and Office
Zoning:	M-1 (Industrial District); Medley
Highest and Best Use:	Future industrial development
Date of Valuation:	May 20, 2020

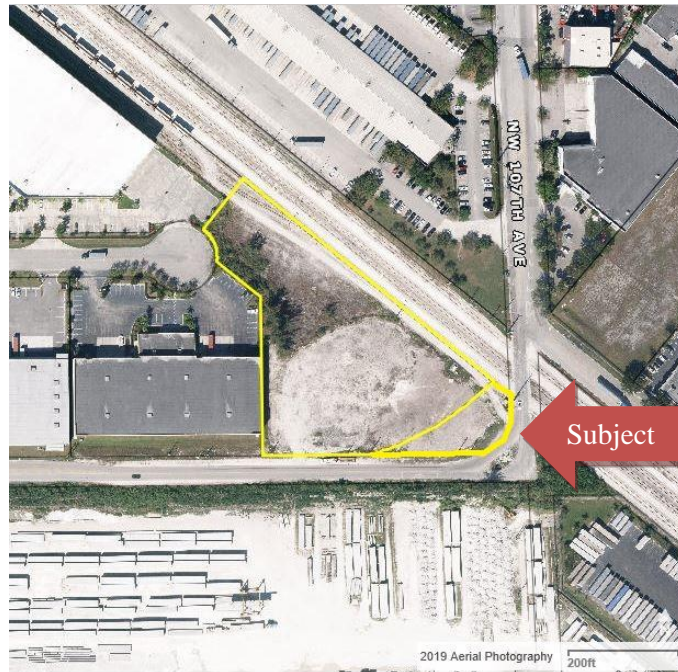
Date of Report:

June 6, 2020

Market Value Estimate:

\$3,260,000

### AERIAL PHOTOGRAPH



*Not to scale – for illustrative purposes*

## 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 are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- we have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- we have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- 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 and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).
- the undersigned has made a visit to the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the person signing this certification.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- we have not performed any services regarding the subject property within the prior three years.
- as of the date of this report, Andrew H. Magenheimer has completed the continuing education program for Designated Members of the Appraisal Institute.

SLACK, JOHNSTON & MAGENHEIMER, INC.



Andrew H. Magenheimer, MAI

CERT. GEN. RZ1073

## ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal is subject to the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. No legal opinion related to a title search was provided and all existing liens and encumbrances, including deed restrictions and developers' agreements, have not been investigated unless otherwise stated. The property is appraised as though free and clear.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others has been gathered from sources deemed to be reliable, however, no warranty is given for its accuracy.
5. All engineering and surveying is assumed to be correct. Any sketches, plats, or drawings included in this report are included to assist the reader in visualizing the property. We have made no survey of the property, and assume no responsibility in connection with such matters.
6. It is assumed that there are no hidden or inapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for unusual soil conditions and no opinion as to these matters is to be inferred or construed from the attached report other than those specifically stated in the report. Unless stated otherwise, the soil conditions of the subject property are assumed to be adequate to support development utilizing conventional construction techniques. We recommend the client obtain an opinion from a competent engineering firm.
7. 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.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. 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.

10. It is assumed that the utilization of the land and 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.
11. Any proposed or partially completed improvements included in this report are assumed to be completed in accordance with approved plans and specifications and in a workmanlike manner.
12. Our estimates of future values were formulated based upon market conditions as of the date of appraisal, considerate of future projections concerning supply and demand. The appraiser has no responsibility for significant events that alter market conditions subsequent to the effective date or dates of appraisal.
13. This study is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal. Publication of this report or any portion thereof without the written consent of the appraiser is not permitted.
14. The appraiser, by reason of this report, 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.
15. 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. The use of this report in any public offering or syndication document is specifically prohibited.
16. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions,

nor for any expertise or engineering knowledge required to discover them. It is recommended that the client retain an expert in this field, if needed.

17. Disclosure of the contents of this report by the appraiser is controlled by the Appraisal Institute of which one or more signatures of this report is a MAI member and by the Florida Department of Professional Regulation, Division of Appraisal State Certification. The analysis and value conclusions, as well as non-public information about the subject property, are confidential matters and cannot be divulged to any persons other than the party for whom the report is prepared.

Exceptions to this confidentiality provision are requests by committees of the Appraisal Institute or the Florida Department of Professional Regulations for peer review, and subpoenas by any court having jurisdiction to request production of the report.

Acceptance or use of this report constitutes acceptance of the preceding conditions.

## **IDENTIFICATION OF THE PROPERTY**

The subject property is a platted parcel of vacant land located at the northwest corner of NW 122 Avenue and NW 107 Avenue in the Town of Medley, Miami-Dade County, Florida. The subject property is irregular in shape and contains 130,226 square feet (2.99 acres). The subject property is filled to approximate street grade and is overgrown with vegetation. The subject property has a land use of Industrial and Office and is zoned M-1 (Industrial District, Light Manufacturing).

## **LEGAL DESCRIPTION**

Lot 4, Block 2 of Panamercian North Business Park subdivision according to the plat thereof as recorded in Plat Boot 162, Page 51 of the Public Records of Miami-Dade County, Florida.

## **OWNERSHIP AND HISTORY OF THE PROPERTY**

According to the Miami-Dade County tax rolls, the subject property is owned by the Town of Medley (Medley), 7777 NW 72 Avenue, Medley, FL 33166. Ownership of the subject property appears to have been acquired by Medley in two transactions. In March 2007, Medley acquired that portion of the subject property represented by MDCPA folio ending in 0061 from Pan American Business Park Limited (ORB/PG 25586/3995) for an indicated consideration of \$1,548,800 (\$13.00/SF). Subsequently, in December 2008, Medley acquired that portion of the subject property represented by MDCPA folio ending in 0060 from Pan American Business Park Limited (ORB/PG 26701/1134) for nominal consideration. The sales are too old to be relevant to this analysis. There have been no known transfers of ownership of the subject property in the past five years and to the best of our knowledge, the property is not listed for sale or encumbered by any leases. It is our understanding Medley considers the parcel surplus property and is considering selling the property on the open market.

## **PURPOSE, INTENDED USE AND DATE OF THE APPRAISAL**

The purpose of the appraisal is to develop and report and opinion of the market value of the subject property as of May 20, 2020, the date of valuation. It is our understanding the intended use of the appraisal is to assist in negotiating the potential sale of the subject property. The client and intended user of this appraisal is the Town of Medley. There is no other intended use or users. The date of the report is June 6, 2020.

## **SCOPE OF THE APPRAISAL**

The scope of this appraisal report is defined by the purpose, which is to estimate the current market value of the subject property as of a current date of value. The assignment began with a visit to the subject property and surrounding neighborhood, which was made on May 20, 2020. The client provided the legal description.

Subsequent to our site visit, research was conducted in support of an estimation of the highest and best use, as of the date of valuation. The highest and best use analysis considers all physically possible, legally permissible and economically feasible uses to which the property can be put as vacant and improved. As will be discussed, the highest and best use of the subject property is for the development of an optimum size industrial building within the constraints of zoning and market demand.

After concluding the highest and best use, the valuation methods were considered. The appraisal process can include three basic approaches to value. These are the income, sales comparison, and cost approaches. The application of these approaches is determined by the type of property being appraised, as well as the scope of the valuation assignment. As the subject property represents vacant land, the sales comparison was considered the most appropriate valuation method.

Our search concentrated on land sales of similar sites located in the subject's market area for purposes of comparison to the subject property. The sales and information included in this report is considered of good quality and representative of the best available market data. Analysis of the selected sales included a visual inspection, reviewing the deed and confirming sale details with one or more of the parties to the transaction, or their representatives.

The final step in our analysis is a reconciliation of the appraisal methods used. The quantity and quality of the data used, and the reliability of their value indications, are the basis for the final conclusion of value.

## DEFINITION OF VALUE AND INTEREST APPRAISED

The Uniform Standards of Professional Appraisal Practice (USPAP 2020-21) defines **Market Value** as “a type of value, stated as an opinion, that presumes the transfer of a property (i.e. a right of ownership or a bundle of rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.”

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Federal Register 77472, Volume 75, No. 237, December 10, 2010)

Other pertinent definitions from the Dictionary of Real Estate Appraisal, Sixth Edition, as published by the Appraisal Institute, are as follows:

**Fee Simple Estate** is the “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

**Exposure Time** is “the estimated length of time to property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”

**Marketing Time** is “an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal.”

## **EXPOSURE AND MARKETING TIME**

Exposure and marketing times are the typical periods of time necessary to expose and actively market the subject property on the open market to achieve a sale at a price consistent with the market value estimate and on terms consistent with the definition of market value recited herein. The length of time is a function of several factors including price, terms, investment quality and exposure to a given market. Exposure time is the hypothetical period immediately preceding the effective date of the appraisal and market time is the period immediately after the effective date of the appraisal.

A review of current market activity for industrial land located in the subject neighborhood, as well as conversations with brokers active within this market, was performed in order to estimate an exposure time for the subject property. Most brokers indicated that exposure/marketing times are typically less than one year, if the property is priced realistically. We have further estimated a marketing time of up to 12 months.

## NEIGHBORHOOD ANALYSIS

The subject property is located in northwestern Miami-Dade County, Florida, within the municipal boundaries of the Town of Medley. The property is more specifically located at the northwest corner of NW 122 Street and NW 107 Avenue. This location is approximately 9 to 10 miles northwest of the Central Business District of Miami and approximately 3 miles northwest of the Miami International Airport. The Town of Medley was incorporated in 1949 and encompasses approximately 8 square miles. Medley is primarily an industrial community with approximately 1,100 residents and 1,800 businesses.

The boundaries of the subject neighborhood are basically delineated as the Palmetto Expressway to the east, the Homestead Extension of the Florida Turnpike to the west, Okeechobee Road (US Hwy. 27) on the north and NW 74 Street on the south.

The subject property is within close proximity to transportation corridors (Florida Turnpike, Okeechobee Road, Interstate 75 and the Palmetto Expressway). Okeechobee Road, NW South River Drive, the Miami Canal and the F.E.C. Railroad track bisect the neighborhood from the northwest to the southeast. The Palmetto Expressway is a limited-access expressway and is the major north/south corridor in the central part of Miami-Dade County. Local arterial access from the Palmetto Expressway to the subject property is via an interchange at the NW 74 Street Connector, which is just south of the subject property. NW South River Drive is the primary road south of Okeechobee Road and this two-lane road intersects with the Palmetto Expressway.

The Palmetto Expressway also interchanges with Interstate 75 to the north of the subject neighborhood at NW 138 Street. Interstate 75, which is a limited access expressway, extends the length of neighboring, western Broward County from northern Miami-Dade, as well as west to the west coast/Naples area of Florida.

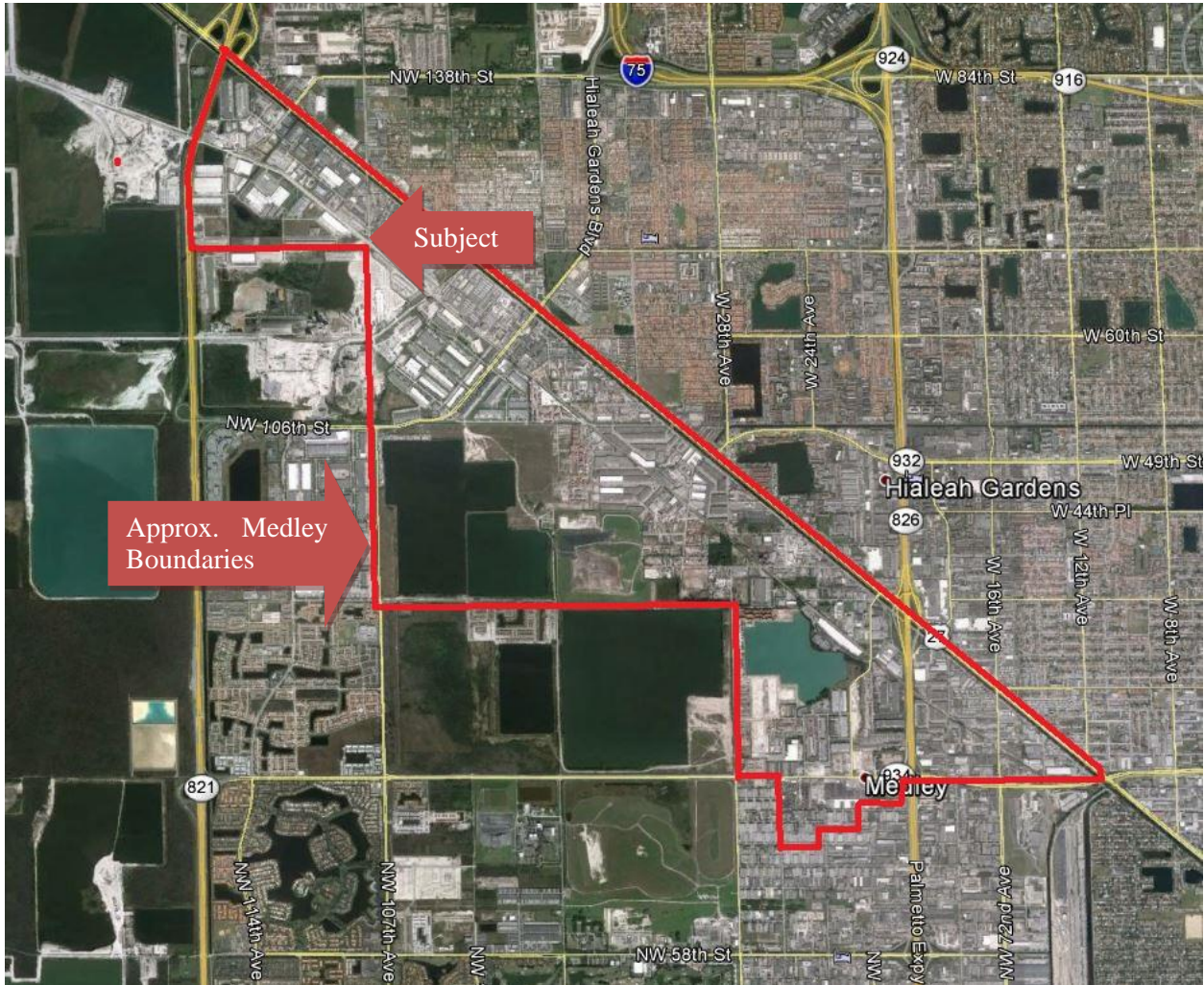
Okeechobee Road, the northern boundary of Medley, provides major highway access as it extends southeast to S.R. 112 (the Airport Expressway) and northwest to the Florida Turnpike. Okeechobee Road intersects with the Palmetto Expressway. NW South River Drive is the primary road south of Okeechobee Road and this two-lane road also intersects with the Palmetto Expressway. There is an interchange with the Florida Turnpike at Okeechobee Road.

The Miami-Dade County Comprehensive Master Land Use Plan has defined the area between NW 90 Street and Okeechobee Road and between the Palmetto Expressway and the Florida Turnpike primarily for industrial and office use. The area west of the Palmetto Expressway to the Florida Turnpike, south of Okeechobee Road, is dominated by heavy truck and equipment storage yards, sand and gravel operations, concrete plants, container

storage yards and other heavy industrial uses. These uses have prevailed in the area for over 25 years.

The subject property is located in an area developed mostly with industrial uses and is within close proximity to transportation corridors (Florida Turnpike, Okeechobee Road, Interstate 75 and the Palmetto Expressway).

### Neighborhood Aerial

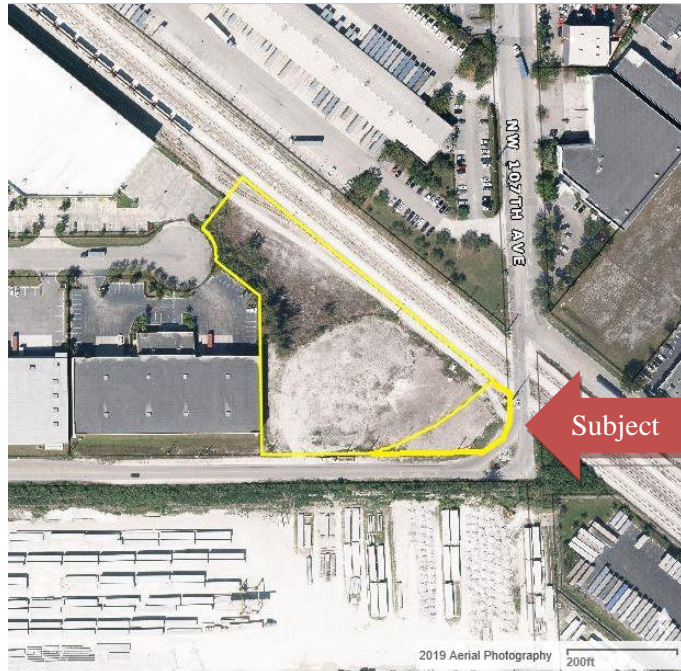


\*For illustrative purposes only. Boundaries are not exact.





## DESCRIPTION OF THE SITE



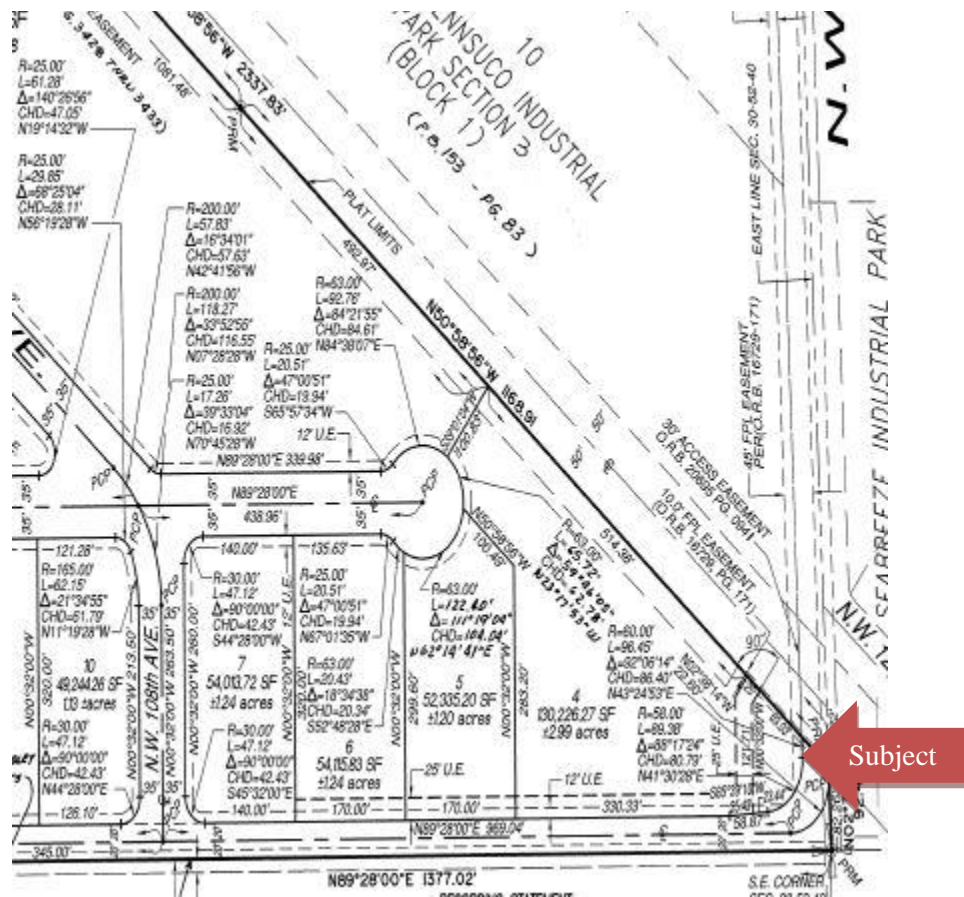
Not to scale; for illustrative purposes only

Location:	Located at the northwest corner of NW 122 Street and NW 107 Avenue in the Town of Medley, Miami-Dade County, Florida.
Land Area:	130,226 SF; 2.99 Acres
Shape:	Irregular
Utilities:	Available
Frontage/Access:	NW 122 Street, NW 123 Street, Rinker Private Railroad Right of Way
Site Improvements:	None
Topography:	Basically level and at street grade.
Flood Insurance:	Zones X and AH; Zone X – areas determined to be outside the 1% and 0.2% chance floodplain. Zone AH – are areas of 100-year shallow flooding where depths are between 1 and 3 feet. National Flood Insurance Community Panel Number 12086C0113L, dated September 11, 2009.

**Soil Conditions:** No soil report of the property was provided. It is assumed that the soil is of sufficient load bearing capacity to support the construction of permanent structures. No evidence of any adverse soil conditions at the site was observed upon our physical visit of the property.

**Land Use Restrictions:** A title report was not provided. There are no known land use restrictions that would adversely affect the subject property.

**Environmental Study:** An environmental study was not provided. This appraisal report is based on the assumption that no conditions exist that would adversely affect the utilization or marketability of the property for its highest and best use.



## REAL ESTATE TAX ANALYSIS

The subject property is located within the Town of Medley and is subject to city and county ad valorem taxes on real property. The Florida Statutes provide for assessment and collection of ad valorem taxes on real property; however, the taxes are assessed, collected, and used on the local county level. The assessment for the property is established each year as of January 1<sup>st</sup> by the Miami-Dade County Property Appraiser's Office at 100% of "Just Value". The tax due is computed according to annual millage rates established by Miami-Dade County. Millage rates are the amount paid to each taxing body for every \$1,000 of assessed value. Taxes are payable in November with a 4% discount and become delinquent on April 1<sup>st</sup>. According to the Miami-Dade County tax rolls, the 2019 assessment and taxes for the subject property is as follows:

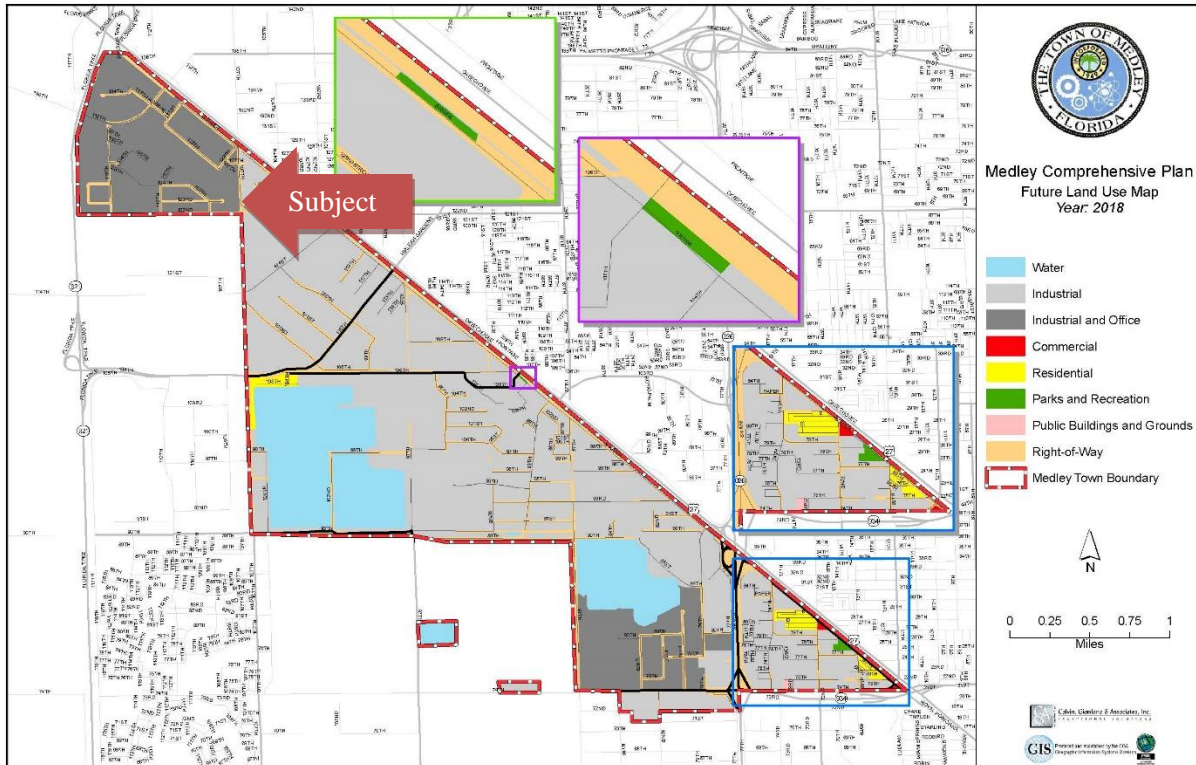
MDCPA Folio	Market Value Assessment			Assessed	
	Land	Improvements	Total	Value	Taxes
22-2030-016-0060	\$199,692	\$0	\$199,692	\$196,534	\$0.00
22-2030-016-0061	\$1,721,457	\$0	\$1,721,457	\$1,467,752	\$0.00
Totals	\$1,921,149	\$0	\$1,921,149	\$1,664,286	\$0.00

Since ownership of the subject property is held by a governmental entity, there are no taxes due. It should be noted, the difference between the "assessed value" and the "market value assessment" for the subject property is attributable to the 10% cap on annual non-residential ad valorem assessments provided under Florida Statute 193.1555. Based on the site area of the subject property, the land assessment equals \$14.75 per square foot.

# LAND USE AND ZONING

## Land Use

According to the Medley Land Use Plan map, the subject property has a land use designation of Industrial and Office.

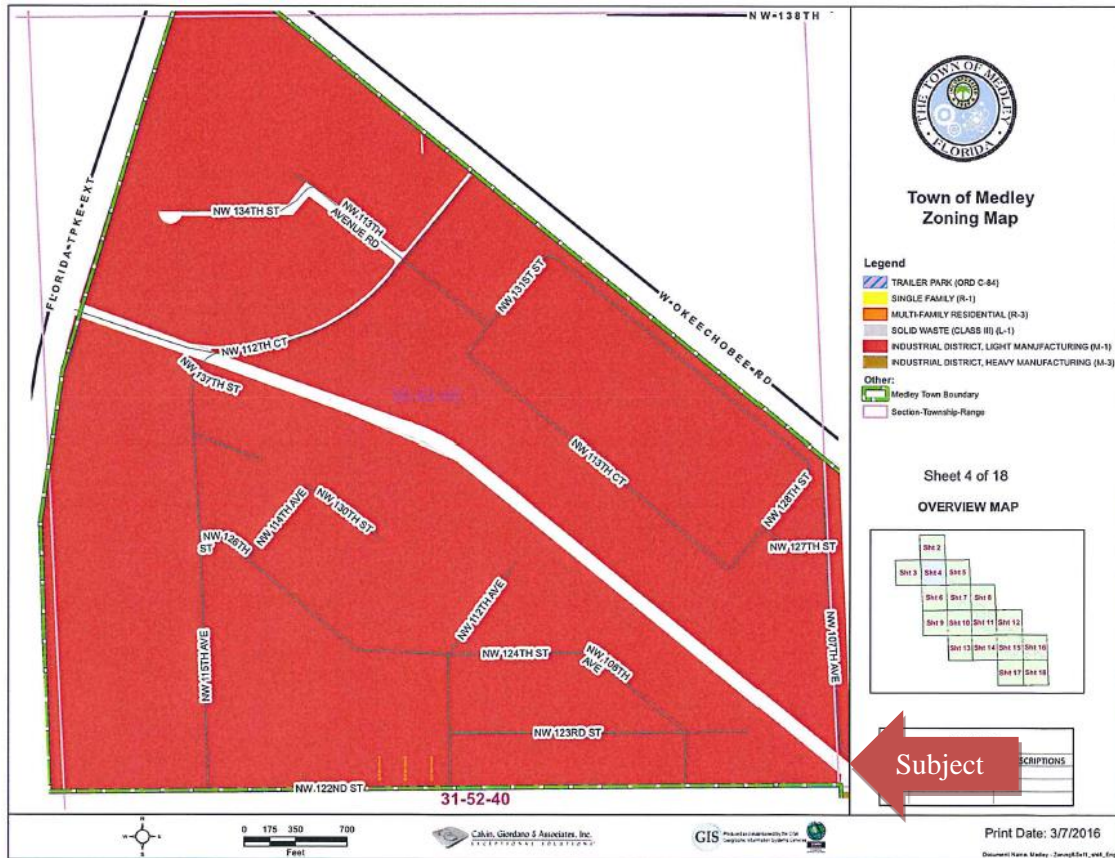


## Zoning

The subject property is located within the jurisdictional boundaries of Medley and is zoned M-1 (Industrial District, Light Manufacturing) This district permits a variety of uses, mostly of an industrial nature.

- Building Site and Lot Coverage: Not to exceed 60% of the total lot area.
- Setbacks: The side and rear setbacks shall be a minimum of 5 feet
- Parking Requirements:
  - Commercial One parking space per every 400 square feet.
  - Industrial One parking space per every 1,000 square feet of floor space, up to 10,000 square feet and, thereafter, one parking space per every 2,000 square feet of floor area in excess of 10,000 square feet.

The above stated zoning restrictions are basic requirements outlined in the zoning code. There are several overlapping sections of the zoning code, as well as building code requirements, which would be considered in a full zoning code compliance review.



## HIGHEST AND BEST USE

The following definitions are from The Dictionary of Real Estate Appraisal (Sixth Edition) published by the Appraisal Institute:

**Highest and Best Use** is the “reasonably probable use of property that results in the highest value. The four criteria that highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability.”

**Highest and Best Use As Though Vacant** is the use “among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”

In estimating highest and best use, there are essentially four stages of analysis:

1. Possible Use - normally dictated by physical constraints.
2. Permissible Use - what use would be permitted in consideration of existing zoning and other applicable laws governing the use of the property, as well as any deed restrictions that may exist.
3. Feasible Use - which possible and permissible uses will produce a net return to the owner of the site.
4. Maximally Productive - among feasible uses, which use will produce the highest net return to the land.

To meet the tests of highest and best use, the use cannot be speculative or conjectural. It must be legal and probable. There must be a profitable demand for such use and it must return to the land the highest net return for the longest period of time. These tests have been applied to the subject property. In arriving at the estimate of highest and best use, the subject property was analyzed as vacant.

**As Though Vacant** The highest and best use, as vacant, considers among all reasonable alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

**Physically Possible:** The subject property is a platted parcel of irregularly shaped vacant land that contains 2.99 acres. The site is level and at, or near, street grade. Although no soil report for the subject property has been provided, a visit of the property, as well as existing developments in the area revealed no problems associated with the physical aspects of developing the site. The area has good frontage, access and access to public utilities. The physical characteristics of the site support a number of possible uses within the confines of its configuration, size and accessibility.

**Legally Permissible:** Permissible or legal uses are those permitted by zoning and land use regulations. Title commitments were not provided to the appraiser. It is assumed there are no covenants, restrictions or easements that are in effect which would adversely affect the use of the site to such an extent that it would negatively impact its value.

The subject property is within the jurisdictional boundaries of Medley and has a land use designation of Industrial and Office and is zoned M-1 (Industrial District, Light Manufacturing). The uses of properties in this location are governed by land use and zoning and mostly developed with industrial uses.

**Financially Feasible/Maximally Productive:** It has been established that the subject property is of adequate size and shape for development. It has further been established that existing zoning in the area provides for potential development of a variety of industrial uses. Our research indicates that the most probable development of the subject property, as vacant, would be for the development of an optimum size industrial building within the constraints of zoning and market demand, based on the property's location and surrounding uses.

**Conclusion:** Considering the location, physical characteristics and permissible uses, the surrounding neighborhood, land uses and the real estate market in general, it is our opinion that the highest and best use of the subject property, as vacant, is for the development of an optimum size industrial building within the constraints of zoning and market demand.



## **SUMMARY OF ANALYSIS AND VALUATION**

There are three generally recognized approaches considered in the valuation of real property. They include the income, sales comparison, and cost approaches. It should be noted that the appropriateness and reliability of each approach depends on the type of property being appraised, the age and condition of the improvements, if any, and the availability and quality of market data available for analysis.

The income approach provides an indication of value of a property based on a conversion of anticipated benefits (net income). The method of conversion is called capitalization and is either based on a single year's income (direct capitalization), or several years' income (discounted cash flow). The sales comparison approach provides an indication of value based on sales of properties considered similar. The cost approach provides an indication of the value of a property represented by the reproduction cost of the existing improvements, less accrued depreciation, to which is added the land value.

The subject parcel is a platted parcel of vacant land and the sales comparison approach was utilized to estimate the land value. The income and cost approaches to value were not considered relevant to this appraisal.

The appraisal process is concluded by a review and re-examination of each of the approaches to value that were employed. Consideration is given to the type and reliability of data used and the applicability of each approach. These factors are reconciled and a final value estimate is made.

## SALES COMPARISON APPROACH TO VALUE

The sales comparison approach produces an estimate of value for real estate by comparing recent sales of similar properties in the subject's surrounding or competing area. Inherent in this approach is the principle of substitution, which states 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 which qualify as arm's-length transactions between willing, knowledgeable buyers and sellers, price trends can be identified from which value parameters may be extracted. Comparability in physical, locational, and economic characteristics are important criteria in evaluating the sales in relation to the subject property. The basic steps involved in the application of this approach are as follows:

1. Researching recent relevant property sales and current offerings throughout the competitive area.
2. A selection process to focus on properties considered most similar to the subject, and then analyzing the selected comparable properties giving consideration to the time of sale and any change in economic conditions which may have occurred as of the date of valuation. Other relevant factors of a physical, functional, or locational nature are also considered.
3. Reducing the sales to a meaningful unit of comparison, i.e., price per unit or price per square foot.
4. Making appropriate adjustments to the comparable properties.
5. Interpreting the data analyzed to draw a meaningful conclusion of value.

The validity of this approach is dependent upon the availability and relevancy of the data. The sales of properties having characteristics similar as the subject have been collected and analyzed. Typically, land sells based on units of comparison particular to the property type (e.g., price per square foot, price per acre, price per unit). In this analysis, the price per square foot of land area was analyzed.

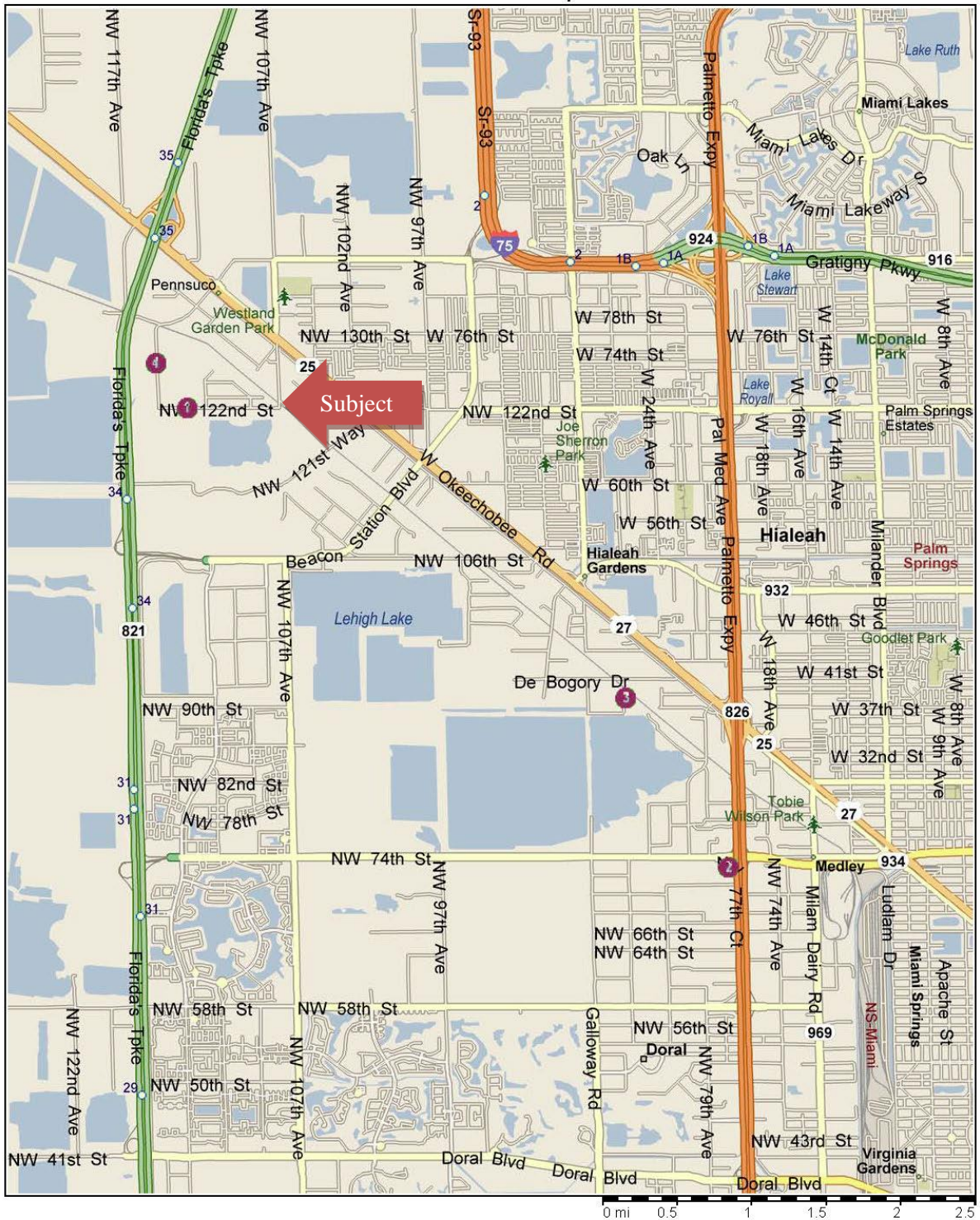
As noted, the subject property is a 2.99-acre plated parcel of land that has a land use designation of Industrial and Office and is zoned M-1 (Industrial District, Light Manufacturing). Our research for comparable land sales concentrated on those industrially-zoned sites located within the subject's market area, or competitive areas, for purposes of comparison to the subject property. Four area land sales have been presented in this report. The sales under analysis occurred between April, 2018 and March, 2019. The sales included in our analysis are considered to represent the best available data as of the date of valuation. The sites range in size from 1.35 to 7.95 acres. The sales reflected unadjusted per square foot prices from \$15.88 to \$28.70. A summary chart and location

map of the sales follows. Detailed information and an aerial photograph of the sales are presented in the addenda.

**SUMMARY OF LAND SALES**

No.	Location	Zoning	Land Area Sq.Ft.	Acres	Sale Date	Sales Price	Price Per Sq.Ft.	Grantor/ Grantee
1	11325 NW 122 Street Medley	M-1	58,742	1.35	Apr-18	\$1,245,000	\$21.19	Mitra, LLC AB2 Enterprises, LLC
2	7290 NW 77 Court Miami-Dade	IU-3	346,302	7.95	May-18	\$5,500,000	\$15.88	Diaz Family LLC Medley RE Holdings, LLC
3	9051 NW 84 Avenue Medley	M-1	70,735	1.62	Feb-19	\$2,030,000	\$28.70	Brat Holdings, LLC Aerotrurst Test Cell, LLC
4	115XX NW 124 Street Medley	M-1	89,514	2.05	Mar-19	\$2,215,500	\$24.75	F&C Kochen, LLC Harvest International Inv. LLC

# Land Sales Map



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## **Discussion of the Land Sales**

**Land Sale 1** is located at 11325 NW 122 Street in Medley. The site contains 1.35 acres and has frontage on NW 122 Street. The site is mostly rectangular and is zoned for industrial uses. The site was vacant at the time of sale. It appears the buyer purchased the site to construct an owner/user building. This property sold in April, 2018 for \$1,245,000 or \$21.19 per square foot.

**Land Sale 2** is located at 7290 NW 77 Court in unincorporated Miami-Dade County. The site contains 7.95 acres and has frontage on NW 77 Court and exposure to the Palmetto Expressway. The site is mostly rectangular and is zoned for industrial uses. The site was vacant at the time of sale. The buyer intends to construct an industrial building on the site. This property sold in May, 2018 for \$5,500,000 or \$15.88 per square foot. At the time of sale, the site was contaminated and the remediation costs were estimated to be \$3 million (+/- \$8.67/SF) and were the responsibility of the buyer.

**Land Sale 3** is located at 9051 NW 84 Avenue in Medley. The site contains 1.62 acres and has a frontage on NW 84 Avenue. The site is mostly rectangular and is zoned for industrial uses. The site was vacant at the time of sale. According to the seller, the buyer intends to construct a jet engine testing facility on the site and indicated the location was well-suited for their intended use due to a number of factors. The seller felt they paid a premium for the site due to these conditions. This property sold in February, 2019 for \$2,030,000 or \$28.70 per square foot.

**Land Sale 4** is located at 115XX NW 124 Street in Medley. The site contains 2.05 acres and has frontage on NW 124 Street. The site is basically rectangular and is zoned for industrial uses. The site was vacant at the time of sale. This property sold in March, 2019 for \$2,215,500 or \$24.75 per square foot.

## **Adjustment Factors**

Property characteristics and sale terms considered in our analysis are financing, changes in market conditions, conditions of sale, size, location, topography, zoning and size. Each of these items has been analyzed and compared to the subject property and are discussed on the following paragraphs.

**Financing:** All of the sales were cash to the seller transactions, with typical terms of purchase for the subject market and no adjustments for financing are warranted.

**Terms of Sale:** All of sales were arm's length transactions; therefore, no adjustments are required. The seller of Sale 3 indicated the buyer paid a slight premium due to their perceived desirability of the site for their intended use. A slight downward adjustment was considered to be required for this factor.

**Time/Market Conditions:** The land sales transpired between April, 2018 and March, 2019. Based on our research, sales prices for industrial sites have been stable during the time period covered by the sales and no adjustment for time/market conditions is considered to be required.

**Size:** The subject property contains 2.99 acres. The land sales range in size from 1.35 to 7.95 acres. Typically, smaller parcels sell for higher per unit prices than larger parcels, all other things being equal. An analysis of the sales, however, do not support this trend. For this reason, no adjustment for size is warranted.

**Condition/Topography:** The subject property is level and at street grade. All of the sales were considered generally similar in topography at the time of sale and were not considered to require adjustment for this factor. As noted, Sale 2 had contamination at the time of sale and the remediation costs were estimated to be \$3 million and were the responsibility of the buyer. Upward adjustment was considered to be required for this factor.

**Zoning/Land Use:** The subject property has a land use designation of Industrial and Office and a zoning classification of M-1 (Industrial District). The zoning classifications of all of the sales permit industrial uses and no adjustments were considered to be required for this factor.

**Location:** The subject property is located in the Medley area. The sales are all also located in the Medley area, or similar industrial areas with overall similar locations and are not considered to require adjustment for this factor.

**Road Frontage/Access:** The subject property has frontage along NW 122 and 123 Streets, as well as a private railroad right of way. All of the sales are considered to have similar street frontage and access and no adjustments are required. It was noted, Sale 2 has exposure to the Palmetto Expressway which is considered a positive attribute and is considered to require a downward adjustment for this factor. The subject railroad frontage was not considered a significant site characteristic in this market.

**Configuration/Shape:** The subject property is irregular in shape, but has sufficient dimensions to allow for development. The overall shape/configuration/utility of sales are considered generally similar and no adjustments are warranted for this factor.

## Conclusion

Based on the above, the land sales reflected the following:

Sale No.	1	2	3	4
Sale Date	Apr-18	May-18	Feb-19	Mar-19
Price/S.F./Land	\$21.19	\$15.88	\$28.70	\$24.75
Financing	=	=	=	=
Terms of Sale	=	=	-	=
Market Cond./Time	=	=	=	=
Size	=	=	=	=
Configuration	=	=	=	=
Condition/Topography	=	+	=	=
Frontage/Access	=	-	=	=
Zoning	=	=	=	=
Location	=	=	=	=
Overall	=	+	-	=

Based on our analysis and taking into account the property's land area, location, zoning classification and the limited number of vacant sites in the area, we estimate the land value of the subject property, as of May 20, 2020, at \$25.00 per square foot as follows:

$$\begin{array}{rcl} 130,226 \text{ SF} \times \$25.00/\text{SF} & = & \$3,255,650 \\ & \text{Rounded} & \$3,260,000 \end{array}$$

As noted, the world is currently in the midst of a pandemic, with Florida in the process of reopening after a period of 'stay-at-home' orders. It was noted, none of the sales occurred during this period. Our research and analysis included discussion with brokers active in the subject market area concerning their thoughts concerning market activity during this time. The brokers reported a brief period of almost no activity around mid-March through mid-April, 2020, followed by a slow increase in activity. It was noted, rent and prices during this period reportedly have not changed as compared to the pre-pandemic time period and almost all transactions that were under contract prior to the pandemic closed. The brokers noted, the only segment of the market that was directly impacted was planned construction. Developers reportedly "hit the pause button", putting shovel-ready projects on hold until more information concerning the impact of the pandemic is ascertained. The brokers further indicated they believe the market will rebound fully by the end of 2020.

During our broker interviews we found a +/- 1.3-acre vacant, industrially zoned site in the subject subdivision was put under contract during the pandemic for about \$1.40 million, or \$24.72 per square foot. The site was platted, filled to grade and slightly irregular in shape.

In addition, it was noted EEB Land 1, an affiliate of the industrial developer the Easton

Group closed on a 8.5-acre parcel of vacant, industrially-zoned land in nearby Hialeah Gardens on May 18, 2020 for \$8.20 million, or \$22.15 per square foot. This purchase is a continuation of Easton's acquisition in the area for the on-going development of industrial distribution warehouses.

These transactions are considered to support our conclusion value and illustrate the market's reaction to the pandemic.



## RECONCILIATION AND FINAL VALUE ESTIMATE

The process of reconciliation reviews and reexamines the approaches to value which were included in the appraisal. In the preceding sections of this report, indications of value for the property, based on the applicable approaches to value, as follows:

Sales Comparison Approach:	\$3,260,000
Income Approach:	Not Applicable
Cost Approach:	Not Applicable

The subject property is a 2.99-acre plated parcel of land that has a land use designation of Industrial and Office and is zoned M-1 (Industrial District, Light Manufacturing) and the sales comparison approach to value was considered the most relevant valuation method. There is an active market for parcels of similar land in the subject market area and the sales comparison approach to value was considered to provide a credible indication of value. Based on our investigation and analysis, we have formed the opinion the market value of the subject property as of May 20, 2020, was \$3,260,000.

**ADDENDUM A – PHOTOGRAPHS OF THE SUBJECT PROPERTY**  
**Photographs of the Subject Property**



View of the subject property looking northeast from NW 122 Street.



View of subject property looking northwest from NW 122 Street.

## Photographs of the Subject Property



View of subject property looking southeast from NW 123 Street.



Street Scene - View looking east along NW 123 Street.

## Photographs of the Subject Property



Street Scene - View looking west along NW 122 Street.



Street Scene - View looking east along NW 122 Street.

**ADDENDUM B – COMPARABLE SALES INFORMATION  
LAND SALE 1**



Location: 11325 NW 122 Street, Medley, Florida

Legal Description: Lot 6, Block 5, Pan American North Business Park Subdivision, recorded in Plat Book 162, Page 51, of the Public Records of Miami-Dade County, Florida

Folio Number: 22-2030-016-0390

Sale Information:

Grantor	Mitra, LLC
Grantee	AB2 Enterprises, LLC
Date of Sale	April 14, 2018
Sale Price	\$1,245,000
Terms	Cash to seller
Unit Price	\$21.19 Per Square Foot
Prior Sale	None Within Prior 3 Years

Physical Description:

Land Area	58,742 Square Feet; 1.35 Acres
Topography	Basically level and at, or near, street grade.
Shape	Mostly rectangular
Frontage	NW 122 Street

Zoning  
Utilities

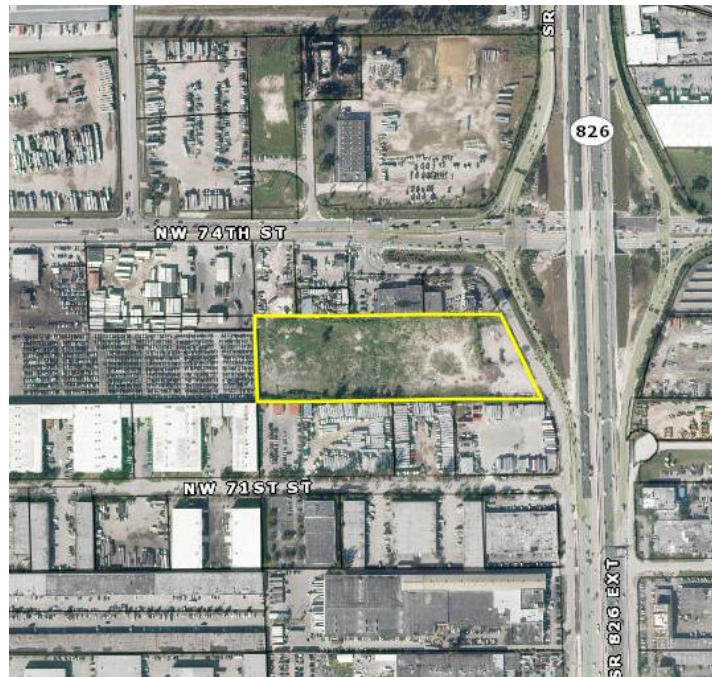
M-1 (Industrial District); Medley  
All available to the site.

Comments:

At time of sale, this site was filled and ready for development. It appears the site was purchased for the construction of an owner/user building.



## LAND SALE 2



Location: 7290 NW 77 Court, Miami-Dade County, Florida

Legal Description: The part of Tract 2 lying Westerly of the West right-of-way of State Road 826 in Section 15, Township 53 South, Range 40 East of Florida Fruit Land Company Subdivision, recorded in Plat Book 2, Page 17, of the Public Records of Miami-Dade County, Florida

Folio Number: 30-3015-001-0020

### Sale Information:

Grantor	Diaz Family, LLC
Grantee	Medley RE Holdings, LLC
Date of Sale	May 21, 2018
Sale Price	\$5,500,000
Terms	Cash to seller
Unit Price	\$15.88 Per Square Foot
Prior Sale	None Within Prior 3 Years

### Physical Description:

Land Area	346,302 Square Feet; 7.95 Acres
Topography	Basically level and at, or near, street grade.
Shape	Rectangular
Frontage	NW 77 Court

Zoning “IU-3” (Heavy Industrial District); Miami-Dade County

Utilities All available to the site.

Comments: According to the broker, the site was originally under contract for \$8,500,000. During the due diligence period, it was discovered the site had environmental issues which would be required to be remediated. The cost of the cure was \$3,000,000 and the sales price was lowered. The cost to clean the site is the buyer’s responsibility.





### LAND SALE 3



Location: 9051 NW 84 Avenue, Medley, Florida

Legal Description: Lengthy Legal – Refer to Deed - A portion of Lot 1, Block 2 of Lakeside Industrial Park Subdivision, as recorded in Plat Book 154, Page 8, Miami-Dade County, Florida

Folio Number: 22-3003-033-0053

#### Sale Information:

Grantor	Brat Holdings, LLC
Grantee	Aerotruster Test Cell, LLC
Date of Sale	February 26, 2019
Sale Price	\$2,030,000
Terms	Cash to seller
Unit Price	\$28.70 Per Square Foot of Land Area
Prior Sale	None Within Prior 3 Years

#### Physical Description:

Land Area	70,735 Square Feet; 1.62 Acres
Topography	Basically level and at, or near, street grade.
Shape	Rectangular
Frontage	NW 84 Avenue
Zoning	M-1 (Industrial District); Medley

Utilities

All available to the site.

Comments:

According to the grantor, the buyer purchased this site for the construction of a jet engine testing facility. The grantor stated the buyer paid a premium for the site because it met several of their criteria for such a facility.



## LAND SALE 4



Location: 115XX NW 124 Street, Medley, Florida.

Legal Description: Lengthy Legal – Refer to Deed – A Portion of Lot 1, Block 6 of Pan American North Business Park, recorded in Plat Book 162, Page 51, of the Public Records of Miami-Dade County, Florida

Folio Number: 22-2030-016-0470 and 0480

Sale Information:

Grantor	F&C Kochen, LLC
Grantee	Harvest International Investments, LLC
Date of Sale	March 8, 2019
Sale Price	\$2,125,000
Terms	Cash to seller
Unit Price	\$24.75 Per Square Foot of Land Area
Prior Sale	None Within Prior 3 Years

Physical Description:

Land Area	89,514 Square Feet; 2.05 Acres
Topography	Basically level and slightly below grade.
Shape	Rectangular
Frontage	NW 124 Street
Zoning	M-1 (Industrial District); Medley

Utilities

All available to the site.

Comments:

According to the grantor's son, a realtor, the site was purchased for the construction of an industrial building.



**ADDENDUM C – QUALIFICATIONS OF THE APPRAISER  
ANDREW H. MAGENHEIMER, MAI**

**EDUCATION:**

Bachelor's Degree, The University of the South, Sewanee, Tennessee, 1986

**EXPERIENCE:**

Over thirty years in the field of real estate, involved in various forms of consultation, appraisal, economic research and market analysis.

June, 1997 to Present, Principal, Slack, Johnston & Magenheimer, Inc.

August, 1991 to May, 1997, Senior Appraiser, Slack & Johnston, Inc.

February, 1987 to July, 1991, Staff Appraiser, Dixon & Friedman, Inc.

**GENERAL APPRAISAL EXPERIENCE:**

Appraisals - Vacant land, environmentally sensitive land, aviation facilities, industrial facilities, shopping centers, office buildings, apartment buildings, residential developments and single-family residences.

Consulting - Economic research, market analysis, feasibility analysis and ad valorem real estate tax assessment appeals pertaining to industrial, commercial and residential properties.

Litigation Support – Appraisals and consulting, including expert testimony, concerning various property types.

**AFFILIATIONS:**

Licensed Florida Real Estate Broker

Florida State-Certified General Real Estate Appraiser, Certification No. RZ1073

Appraisal Institute Member, MAI, Certificate Number 10133, Continuing Education Completed

2002 President of the South Florida Chapter of the Appraisal Institute

Member of the Miami Board of Realtors

Member of the Florida Keys Board of Realtors

Corporate Member of Florida Airport Council (FAC)