

DADE COUNTY BAR
ASSOCIATION

LEGAL AID

PARKING
SPACE 60'

DADE COUNTY BAR

123 NW 1ST AVE, MIAMI, FL 33131

PROPOSAL TO SELL



URBAN CORE
DIVISION

Colliers
INTERNATIONAL

DESCRIPTION OF PROPERTY

The Dade County Bar building is a great add value opportunity for investors. With almost no inventory left in the area and its unparalleled location, the timing to maximize the potential sales price for this property could not be better.

Address:	123 NW 1st Ave
Current Tenant:	Owner Occupied
Folio:	01-4137-030-0010
Building Size SF:	18,076
Lot Size SF:	5,000
Zoning:	T6-80 O



FINANCIAL ANALYSIS

Our occupancy scenarios compared the differences in value between selling the DCBA building and purchasing a office condominium versus leasing.

In this case, we used Centro (see page 11) as the property that will be assumed or leased. Through our analysis, we found that it would be significantly less expensive to purchase an office condominium than it would be to lease it.

Occupancy Cost Comparison
Dade County Bar Association
123 NW 1st Avenue, Miami, FL 33128

	Sell Existing Building - Buy Centro Building	Sell Existing Building - Lease Centro Building
ANALYSIS PERIOD	10 Yrs	10 Yrs
INITIAL EQUITY CONTRIBUTION	\$757,157	N/A
TOTAL OCCUPANCY COST/(BENEFIT)	(\$828,526)	\$4,973,916
AVERAGE ANNUAL OCCUPANCY COST/(BENEFIT)	(\$82,853)	\$497,392
AVG ANNUAL COST/(BENEFIT) BASED ON 15,000 SF	(\$5.52) PSF	\$33.16 PSF
NPV OCCUPANCY COST - 8.0%	(\$1,838,635)	\$1,932,093

	Sell Existing Building - <u>Buy</u> Centro Building	Sell Existing Building - <u>Lease</u> Centro Building
ANALYSIS PERIOD	10 Yrs	10 Yrs
ANALYSIS START DATE	7/1/19	7/1/19
BUILDING Square Feet (SF)	16,248 SF	16,248 SF
ASSUMED BUILDING SALE		
Sale Date	7/1/19	7/1/19
Fair Market Value	\$4,800,000	\$4,800,000
Outstanding Principal	\$0	\$0
Commission - 3%	\$144,000	\$144,000
Net Sales Proceeds	\$4,656,000	\$4,656,000
CENTRO BUILDING PURCHASE		
Purchase Price	\$3,785,784	
Purchase Price PSF	\$233.00 PSF	
FINANCING		
Interest Rate	8.0%	
Amortization	20 Yrs	
Loan to Value	80.0%	
Initial Equity	\$757,157	
Debt Before Finance Fees	\$3,028,627	
Financing Cost - 1% of Total Debt	\$30,286	
Annual Debt Service	\$307,032	
Additional Annual Reserve	\$2.20 PSF	
LEASED SF OCCUPIED BY DCBA	<u>DCBA Centro Bldg Ownership</u>	<u>DCBA Centro Bldg Lease</u>
Premises Size	16,248 SF	16,248 SF
Full Service Rent	N/A	\$40.00 PSF
Annual Rent Escalation	N/A	3.0% annually
Term	N/A	10 Yrs
Tenant Improvements & Buildout Costs	\$60.00 PSF	\$60.00 PSF
Tenant Improvement Allowance	N/A	\$20.00 PSF
Lease Commissions	N/A	N/A
Move Out - Moving / FF&E / Cabling Costs	\$20.00 PSF	\$20.00 PSF
Parking*	\$100 per month	\$100 per month
Signage	TBD	TBD
OPERATING EXPENSES (Opex)		
2019 Estimated Opex	\$10.00 PSF	\$10.00 PSF
Annual Escalation	3.0% annually	3.0% annually
Condo Association Fees*	\$3,500 per month	\$3,500 per month
Passthrough	NNN	2019 Base Year
DISCOUNT RATE / WACC	8.0%	
SALES TAX	6.8%	

* Parking and Condo Association Fees are assumed flat for the analysis term.

SCENARIO 1 BUY CENTRO

Fiscal Year Starting	Notes	7/1/19	7/1/20
	Buy\$ / (Sell\$)	1	2
CENTRO BUILDING OWNERSHIP	16,248 SF		
Occupancy Costs (PSF)	(DCBA as Owner)		
Operating Expenses	NNN	\$10.15	\$10.45
Condo Association Fees		\$2.58	\$2.58
Occupancy Costs			
Operating Expenses		\$164,917	\$169,865
Condo Association Fees		42,000	42,000
Tenant Improvements & Buildout Costs		974,880	
Relocation Costs (Moving, FF&E, etc.)		324,960	
Parking		1,200	1,200
Additional Annual Reserve		3,250	3,347
Total Occupancy Costs		\$1,511,207	\$216,412
BUILDING PURCHASE EXPENSE			
Upfront Equity	\$757,157	\$0	\$0
Annual Debt Service		307,032	307,032
Total Purchase Expense	\$757,157	\$307,032	\$307,032
Sale Proceeds	(\$4,656,000)	\$0	\$0
Total Pre-Tax Occupancy Cost	(\$3,898,843)	\$307,032	\$307,032
Total Occupancy Cost/(Benefit)			(\$828,526)
Average Annual Occupancy Cost/(Benefit) for Analysis Period			(\$82,853)
NPV - 8.0%			(\$1,838,635)

SCENARIO 2 LEASE CENTRO

Fiscal Year Starting	Notes	7/1/19	7/1/20
	Buy\$ / (Sell\$)	1	2
CENTRO BUILDING LEASE	16,248 SF		
Occupancy Costs (PSF)	(DCBA as Tenant)		
Rent PSF - Full Service		\$40.00	\$41.20
Operating Expense Passthrough	2019 Base Year	\$0.15	\$0.45
Condo Association Fees		\$2.58	\$2.58
Occupancy Costs			
Rent		\$649,920	\$669,418
Operating Expenses		2,437	7,385
Condo Association Fees		42,000	42,000
Sales Tax		44,195	45,520
Tenant Improvements & Buildout Cost		974,880	
Tenant Improvement Allowance		(324,960)	
Relocation Costs (Moving, FF&E, etc.)		324,960	
Parking		1,200	1,200
Total Occupancy Costs		\$1,714,632	\$765,523
Sale Proceeds	(\$4,656,000)	\$0	\$0
Total Pre-Tax Occupancy Cost	(\$4,656,000)	\$1,714,632	\$765,523
Total Occupancy Cost/(Benefit)			\$4,973,916
Average Annual Occupancy Cost/(Benefit) for Analysis Period			\$497,392
NPV - 8.0%			\$1,932,093

Cash Outflow

7/1/21	7/1/22	7/1/23	7/1/24	7/1/25	7/1/26	7/1/27	7/1/28	
3	4	5	6	7	8	9	10	
								Average PSF
\$10.77	\$11.09	\$11.42	\$11.77	\$12.12	\$12.48	\$12.86	\$13.24	\$11.64
\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58
								Total
\$174,961	\$180,209	\$185,616	\$191,184	\$196,920	\$202,827	\$208,912	\$215,180	\$1,890,591
42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	420,000
								974,880
								324,960
1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	12,000
3,448	3,551	3,657	3,767	3,880	3,997	4,116	4,240	37,253
\$221,608	\$226,960	\$232,473	\$238,151	\$244,000	\$250,024	\$256,229	\$262,620	\$3,659,884
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$757,157
307,032	307,032	307,032	307,032	307,032	307,032	307,032	307,032	3,070,317
\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$3,827,474
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,656,000)
\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	\$307,032	(\$828,526)

Cash Outflow

7/1/21	7/1/22	7/1/23	7/1/24	7/1/25	7/1/26	7/1/27	7/1/28	
3	4	5	6	7	8	9	10	
								Average PSF
\$42.44	\$43.71	\$45.02	\$46.37	\$47.76	\$49.19	\$50.67	\$52.19	\$45.86
\$0.77	\$1.09	\$1.42	\$1.77	\$2.12	\$2.48	\$2.86	\$3.24	\$1.64
\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58	\$2.58
								Total
\$689,500	\$710,185	\$731,491	\$753,435	\$776,038	\$799,320	\$823,299	\$847,998	7,450,604
12,481	17,729	23,136	28,704	34,440	40,347	46,432	52,700	265,791
42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	420,000
46,886	48,293	49,741	51,234	52,771	54,354	55,984	57,664	506,641
								974,880
								-324,960
								324,960
1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	12,000
\$792,067	\$819,407	\$847,568	\$876,573	\$906,449	\$937,221	\$968,916	\$1,001,562	\$9,629,916
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,656,000)
\$792,067	\$819,407	\$847,568	\$876,573	\$906,449	\$937,221	\$968,916	\$1,001,562	\$4,973,916

DOWNTOWN OFFICE MARKET

›Overview

Vacancies in Downtown Miami have been flat over the past year but are still among the highest in the metro. The submarket has been plagued by large move-outs in recent years as tenants willing to pay for premier space continue to migrate to neighboring Brickell. Despite this, rent growth remains solid and is north of the metrowide benchmark. Investors typically shop here for value-add acquisitions, but a few trophy assets have traded recently. One of the largest sales in 2018 occurred in May when the SunTrust International Center sold for \$127 million (\$282/SF).

›Leasing

Fundamentals have been stable over the past year after a long period of vacancy expansion. Vacancies in Downtown Miami are still the highest in the metro, which is due to some out-migration of tenants. Flight to quality is apparent in Downtown, but in many instances, tenants jump ship to assets in neighboring Brickell. For example, Akerman Law Firm left the SunTrust International Center and moved into Three Brickell City Centre. The submarket is home to a growing number of executive office and co-working spaces that have established a presence to attract tech and startup firms to the area. This submarket also has a high concentration of office-using jobs in both the public and private sector and various transit amenities like the metrorail and the downtown metro mover.

›Rent Growth

Despite elevated vacancies, rent growth has outperformed the metro and historical averages. While this strong rent growth has been seen across all classes, 4 & 5 Star assets have seen some of the strongest gains recently, with year-over-year growth of over 4% in 2018. Downtown rents come at a significant discount to those in Brickell, with the current delta at about \$8/SF gross. However, Downtown has maintained a significant rent premium to the Miami metro as a whole since the recession. Assets like Citigroup Center, Miami Tower and the Wells Fargo Center boast some of the highest asking rents in the submarket at nearly \$50/SF gross.

194K

12 Mo Deliveries in SF

378K

12 Mo net absorption in SF

16.5%

vacancy rate

3.2%

12 Mo Rent Growth

K



CENTRO OFFICE

Address: 151 SE 1st Street
 Unit #: CU-3, CU-5
 Class: Class A
 Rentable SF: 6,314 - 16,248
 Price: \$3,500,000
 Price PSF/bldg: \$215



ONE FLAGLER

Address: 14 NE 1st Ave
 Unit #: 10th Floor
 Class: Class B
 Rentable SF: 10,241
 Price: \$3,850,000
 Price PSF/bldg: \$375



CHASE BUILDING

Address: 150 SE 2nd Ave
 Unit #: 401 & 402
 Class: Class A
 Rentable SF: 5,351
 Price: \$1,690,000
 Price PSF/bldg: \$315



CONCORD 66

Address: 66 W Flagler St
 Unit #: 9th Floor
 Class: Class B
 Rentable SF: 6,300
 Price: \$2,600,000
 Price PSF/bldg: \$412

OPPORTUNITIES TO LEASE





MIAMI CENTRAL

Address: 161 NW 6th St
 Unit #: 11th Floor
 Class: Class A
 Rentable SF: 6,469
 Rent: \$35.00/NNN
 Term: Negotiable



ONE FLAGLER

Address: 14 NE 1st Avenue
 Unit #: 10th Floor
 Class: Class B
 Rentable SF: 10,241
 Rent: \$28.00/MG
 Term: 3 Years



ALFRED I. DUPONT

Address: 169 E Flagler St
 Unit #: 1500
 Class: Class B
 Rentable SF: 5,659
 Rent: \$29.00-35.00/FS
 Term: Negotiable



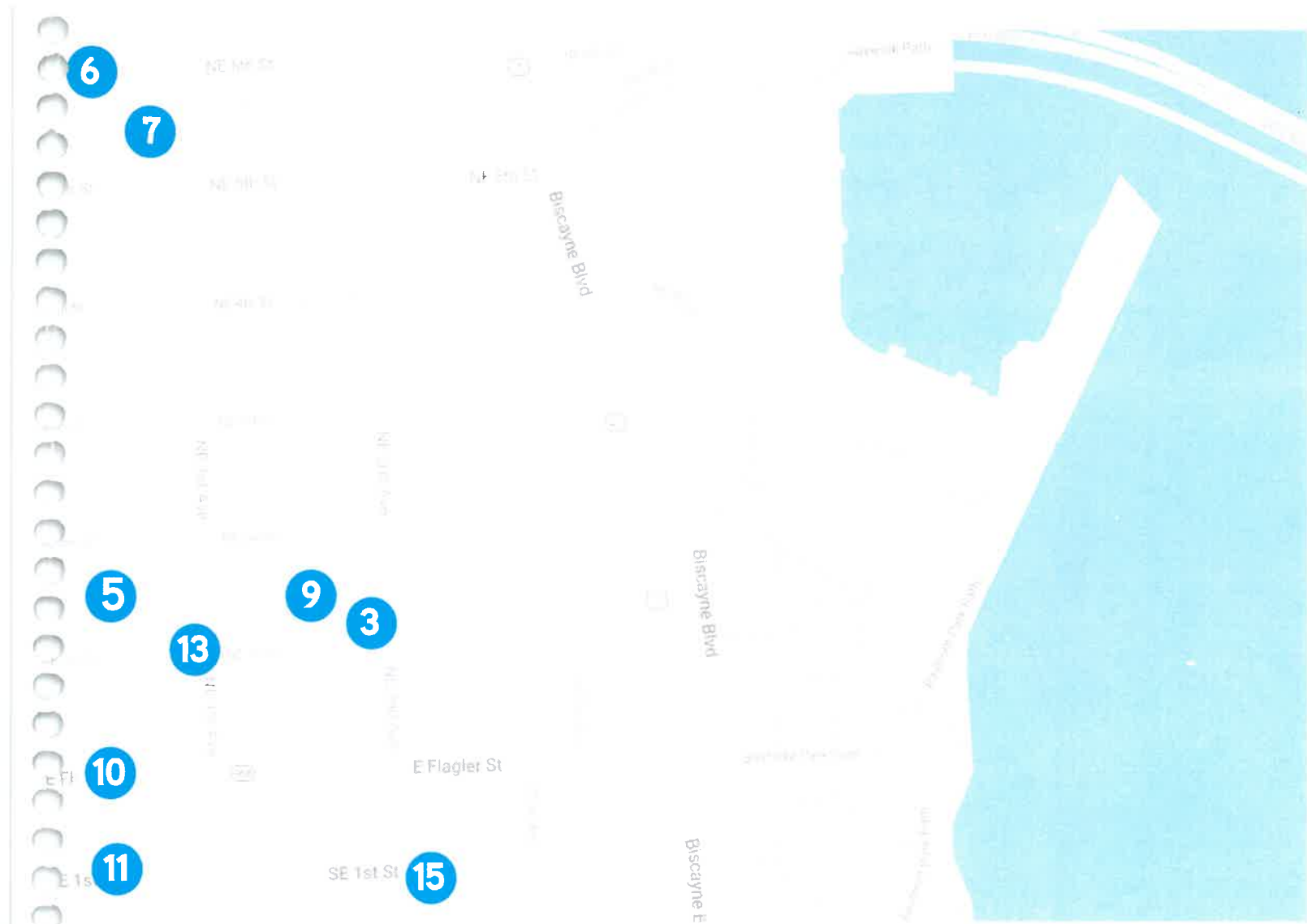
SOUTHEAST FINANCIAL

Address: 1830
 Unit #: 1830
 Class: Class A
 Rentable SF: 5,282
 Rent: \$36.50/NNN
 Term: 5-10 Years

COMPS

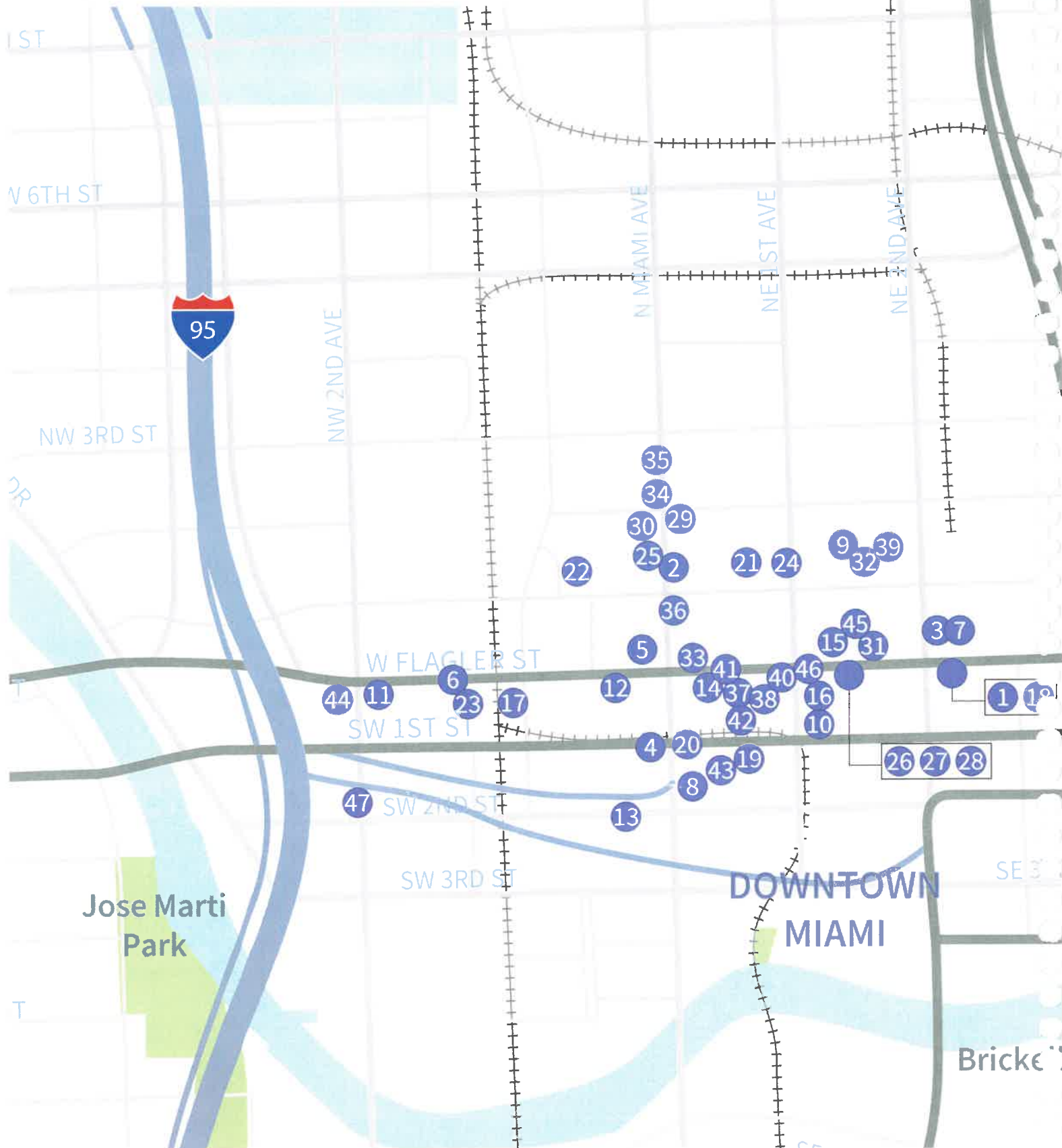


	Name Of Building	Type	Street #	Street Name	
1.	Parking Lot	Land	49	NW 1 St	
2.	Krystal Tower	Land	530	NW 1st Court	
3.	Annex	Land	5255	NE 1 St	
4.	Stones	Land	22	SW 1 St	
5.	Metro Mall	Retail	1	NE 1 St	
6.	Legal Center: Church Site	Land	46	NE 6 St	
7.	Church Site	Land	500	NE 1 Ave	
8.	Christ Fellowship	Land	501	N Miami Ave	
9.	La Orquida Parking	Land	151	NE 1 St	
10.	Vacant Land	Land	30	E Flagler St	
11.	Silver Bell Building	Office	108	S Miami Ave	
12.	Corner 'Puntinia'	Retail	100	S Miami Ave	
13.	The WPM	Office	40-46	NE 1 Ave	
14.	Courthouse East	Retail/Office	22	NW 1 St	
15.	Ocean Bank	Office	200	SE 1 St	



Bldg Size	Lot Size	Zoning	Date Sold	Sold Price	Price per SF Bldg	Price per s/f Land
N/A	22,500	T6-80-O	PS	\$13,500,000	N/A	\$600
N/A	22,500	T6-36a O	1/1/19	\$8,550,000	N/A	\$380
257,712	37,500	T6-80-O	10/24/18	\$18,500,000		\$493
N/A	24,172	T6-80-O	8/13/18	\$13,000,000	N/A	\$538
225,054	28,688	T6-80-O	7/1/18	\$14,500,000	\$64	\$505
N/A	15,000	T6-80-O	5/1/18	\$7,550,000	N/A	\$503
20,000	21,000	T6-80-O	5/1/18	\$10,750,000	\$538	\$512
N/A	35,992	T6-80-O	3/18/17	\$18,095,000	N/A	\$503
N/A	15,000	T6-80-O	11/15/17	\$9,270,000	N/A	\$618
N/A	6,000	T6-80-O	6/21/17	\$4,000,000	N/A	\$667
7,610	3,000	T6-80-O	4/15/19	\$2,300,000	\$302	N/A
10,949	5,268	T6-80-O	7/31/18	\$3,500,000	\$320	N/A
22,490	3,125	T6-80-O	8/15/18	\$5,400,000	\$240	N/A
56,205	15,000	T6-80-O	7/8/16	\$22,000,000	\$391	N/A
150,530	13,905	T6-80-O	2/15/16	\$33,850,000	\$225	N/A

**RECENTLY SOLD BY
URBAN CORE DIVISION**



Maurice A.
Ferre Park

Bayfront Park

ST

Point

- | | | |
|----|-----------------------|------------------|
| 1 | La Epoca | 200 E Flagler St |
| 2 | Metromall | 1 NE 1st St |
| 3 | White Building | 201 E Flagler St |
| 4 | Corner Puntinia | 100 S Miami Ave |
| 5 | Biscayne Building | 19 W Flagler St |
| 6 | Dunkin Donuts | 116 W Flagler St |
| 7 | The Flagler Building | 219 E Flagler St |
| 8 | 155 Office | 155 S Miami Ave |
| 9 | Commonwealth Building | 139 NE 1st St |
| 10 | Mosley | 115 SW 1 St |
| 11 | The Thomas Center | 172 W Flagler St |
| 12 | Courthouse Tower | 44 W Flagler St |
| 13 | FedEx | 200 S Miami Ave |
| 14 | Vacant Lot | 30 E Flagler St |
| 15 | KFC | 129 E Flagler St |
| 16 | 7-Eleven | 110 E Flagler St |
| 17 | Kalback | 20 SW 1 Ave |
| 18 | Ricks | 226 E Flagler St |
| 19 | Quittner | 32 SE 1 St |
| 20 | Metro Beauty | 4 SE 1 St |
| 21 | Americenter | 55 NE 1st St |
| 22 | Parking Lot | 49 NW 1 St |
| 23 | Dollar Plus | 110 W Flagler St |
| 24 | Post Office | 100 NE 1 Ave |
| 25 | Super Kids | 118 N Miami Ave |
| 26 | Miami Souvenirs | 124 E Flagler St |
| 27 | Perfume Store | 130 E Flagler St |
| 28 | The Ritz | 134 E Flagler St |
| 29 | The Manhattan | 137 N Miami Ave |
| 30 | Corner 2 Story | 140 N Miami Ave |
| 31 | 777 Mall | 141 E Flagler St |
| 32 | La Orquidea Jewelry | 145 NE 1 St |
| 33 | WT Grant Bldg | 17 E Flagler St |
| 34 | Corner 3 Story | 200 N Miami Ave |
| 35 | Law Office | 218 N Miami Ave |
| 36 | 2 Story | 31 N Miami Ave |
| 37 | Foot Locker | 44 E Flagler St |
| 38 | Flagler Station | 48 E Flagler St |
| 39 | Parking | 151 NE 1 St |
| 40 | Flagler Station A | 76 E Flagler St |
| 41 | Foot Locker B | 38 E Flagler St |
| 42 | Foot Locker C | 41 SE 1 St |
| 43 | 155 Parking | 26 SE 1 St |
| 44 | Mirmelli-Hannon | 208 W Flagler St |
| 45 | Bank of America | 133 E Flagler St |
| 46 | Wells Fargo | 100 E Flagler St |
| 47 | Thomas Center B | 22 SW 2 Ave |

COMPETITIVE ADVANTAGE

The Urban Core Division is a data driven boutique commercial real estate firm with global outreach and a focus on the evolving Urban Core neighborhoods.

WHAT WE DO



Expert

In local market knowledge.



Data-Driven

Customized, graphic analytics at your fingertips.



Global Connectivity

Worldwide presence for attracting qualified buyers.



Creative Marketing

Innovative visual marketing to capture the right audience.



Streamlined Negotiations

Skilled in navigating through complex, multi-party and unique negotiations.



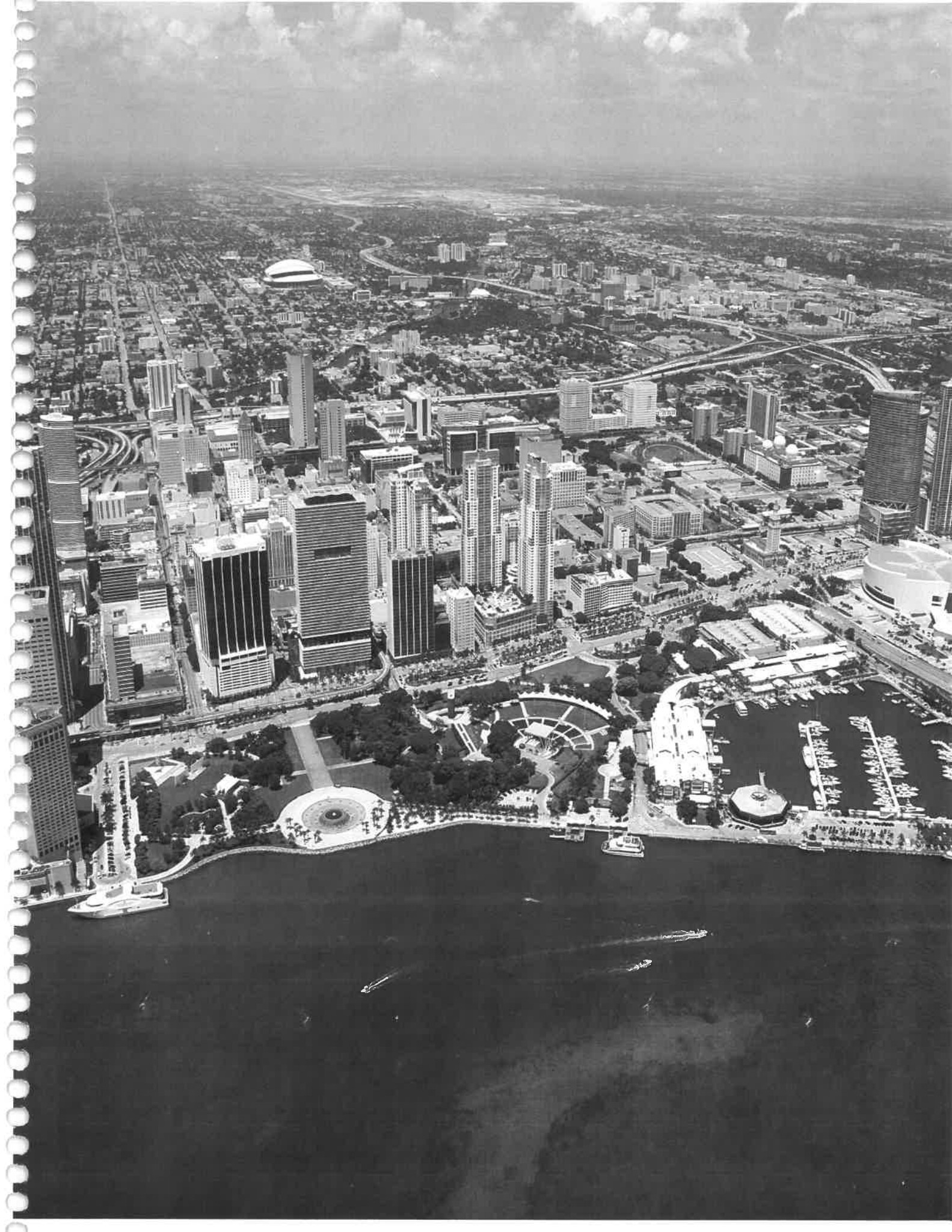
Tech-Savvy

Harnessing technology to help us market, report and communicate more effectively.



Personalized Attention

Transparent updates, reporting and two-way dialogue.



CONTACT US



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