

AUGUST 23, 2021

FXE Ground Lease Development Lot 20/21

Colliers

Prepared for the City of Fort Lauderdale



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August 23, 2021

Executive Summary

On July 1st, 2021, Colliers International commenced marketing efforts to widely market Lots 20 and 21 of Fort Lauderdale Industrial Air Park, Section II ("Subject Property") on behalf of the City of Fort Lauderdale. Our marketing strategy and directive is to solicit proposals, and secure a long-term ground lease tenant for the vacant, 5.42 acre parcel. The Subject Property is located in close proximity to the Fort Lauderdale Executive Airport. Proposed projects should increase the tax base, create jobs, and enhance the overall environment of the City of Fort Lauderdale. An Appraisal provided by Meacham and Associates, Inc., on June 3, 2021, determined the Final Estimate of Value to be \$4,070.00, and the Highest and Best Use for the site is Light Industrial. Based upon the criteria set by the City to attain a minimum 8% return, the minimum rent on the Subject Property was set at \$325,600 annually.

The Subject Property was marketed as outlined in Exhibit "A", and included, on-site signage, premium listing services - Costar & LoopNet, colliers.com and personal outreach. Sealed bids were due to the City on August 19, 2021, and one bid was received by Midgard Group, Inc. The Subject Property received less interest, as compared to prior land lease offerings; this was predominantly due to the size of the parcel and Light Industrial Use. A smaller, light industrial project typically will not fit the investment criteria for an institutional developer. Additionally, the recent increases in overall construction costs, and uncertainty of future pricing are proving to be a challenge for developers as they evaluate the viability of a new, speculative project.

Midgard Group's Submittal

Proposed Development	Construct & manage three (3) single story flex/warehouse buildings totaling approx. 68,028 SF.
Annual Rent Year 1	\$330,000
Lease Term	50 years
Renewals	None
Rent Increases	3%
Rent Deferment	None
Total Lease Value	\$37,222,900

After reviewing Midgard Group's Submittal, our recommendation is to proceed with lease negotiations with Midgard Group, Inc. From the City's perspective, Midgard Group's proposed Project will increase in the tax base, and attract new, local, and international companies with employees in all wage ranges. Additionally, the new project will enhance the Uptown Ft. Lauderdale business community and alleviate some of the demand for new, modern, warehouse space in a submarket with a 6.7% vacancy factor. Midgard Group, Inc. is an existing City of Fort Lauderdale tenant, and currently owns and operates Fort Lauderdale Crown Center, a 24 acre business campus with 475,000 sq. ft. office space in the close proximity to the Subject Property.

The economic Terms contained in Midgard Group's Submittal meets or exceeds the City of Fort Lauderdale's minimum criteria. The overall lease value, inclusive of 3% annual escalations represents a total lease value of \$37,222,900.

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Exhibit “A” Marketing Overview

Marketing Phase	Completed
Executed listing agreement	✓
Create offering memorandum	✓
Install signage	✓
Create due diligence folder via Dropbox	✓
Create Colliers.com website listing	✓
Add property information to Loopnet and CoStar	✓
Add property information to Crexi.com	✓
Send communication to our internal database	✓
Shared project via Loopnet eblast distribution	✓
Shared project Via Crexi.com eblast distribution	✓
Cold called prospects	✓
Followed up with prospective developers who have expressed interest	✓
Followed up with prospective buyers who have expressed interest	✓

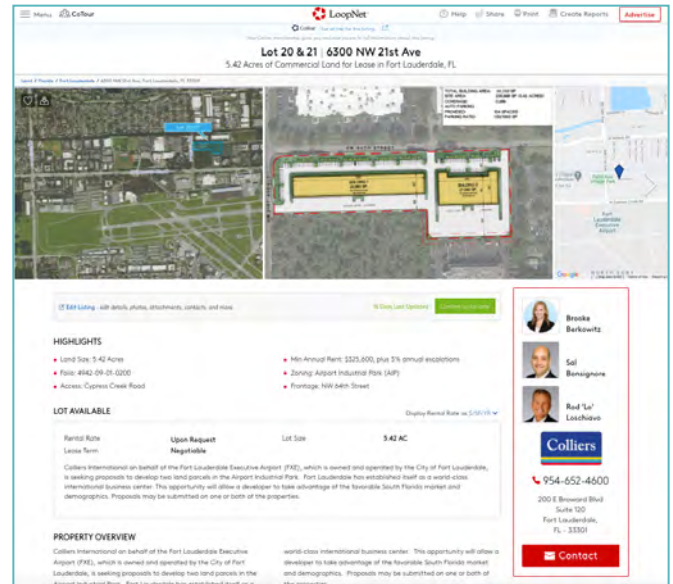
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Loopnet.com

Listing Summary

The property information is listed on Loopnet with Silver exposure, as a benefit of the Silver listing status, Loopnet tracks prospects that have shown interest in a property of this type. This enables us to promote the asset and send a targeted email campaign.

We are able to view these prospects and follow-up accordingly using provided contact information through Loopnet. LOI online along with tracking prospect activity.



Website
Loopnet



Total Views
2,519



Total Prospects
768



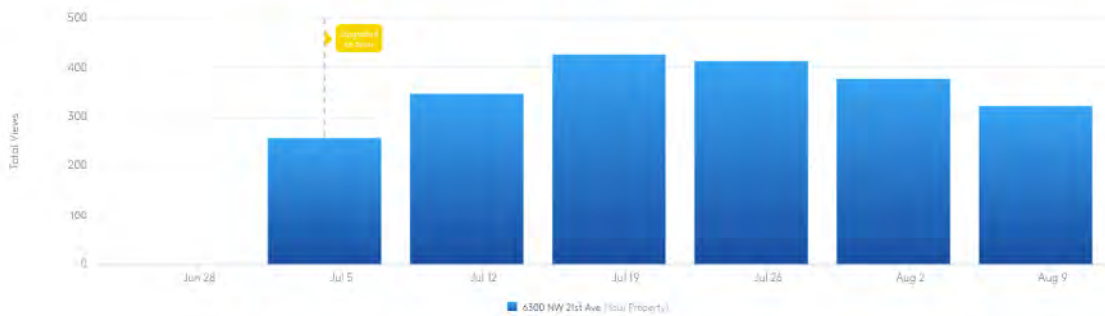
Page Clicks
81

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Loopnet.com Listing Activity

Listing Activity Report

Total Views LoopNet Select a Competitor 1 Year

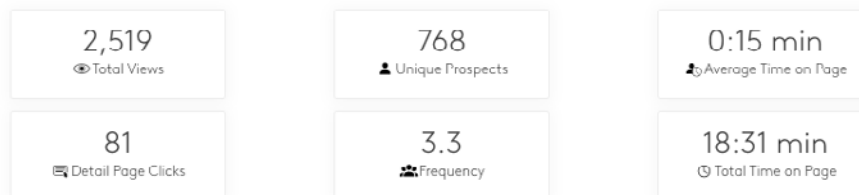


*Current week's data is in progress.

Activity Summary

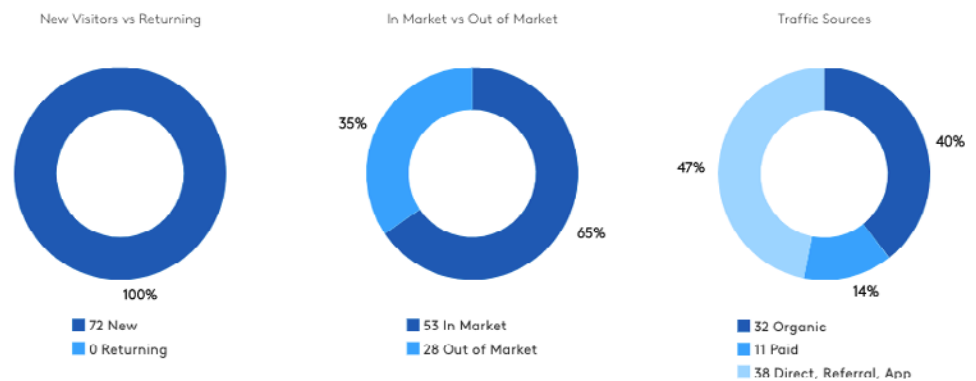
Summary of everyone that has seen your property.

1 Year



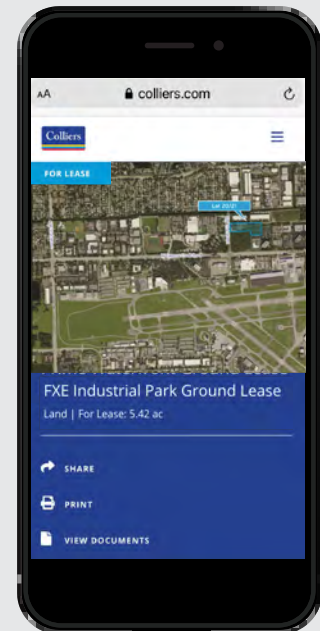
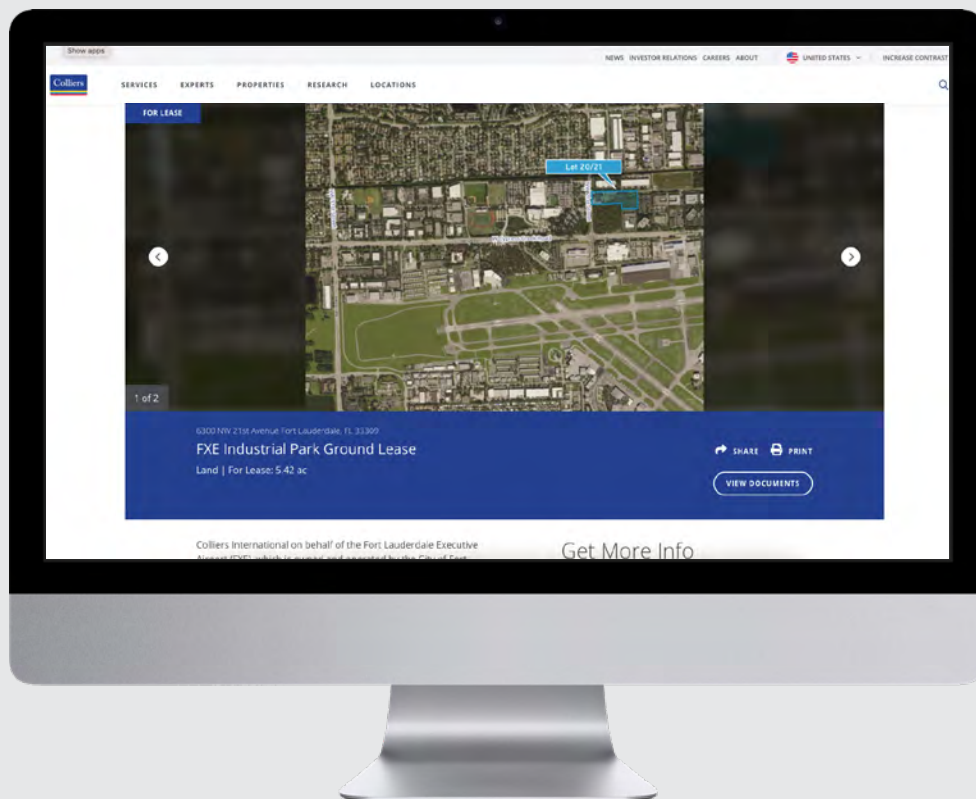
Traffic Sources

1 Year



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Colliers.com Property Listing and Featured Property



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Colliers.com

Marketing Cloud Eblast Campaign

In addition to our personal outreach strategy, information specific to the property has been sent to increase exposure and inform our contacts in our in-house database about this opportunity.

The eblast includes links to the Colliers.com site to download the Property Brochure, view the video and/or submit an LOI online.

Details are provided below for the eblast sent to all developers, commercial real estate professionals, and personal contacts in the industry from our in-house database.



Long Term Ground Lease Development Opportunity

2800 W Cypress Creek Road & 6300 NW 21st Avenue, Fort Lauderdale, FL

Colliers International on behalf of the Fort Lauderdale Executive Airport (FXE), which is owned and operated by the City of Fort Lauderdale, is seeking proposals to develop two land parcels in the Airport Industrial Park. Fort Lauderdale has established itself as a world-class international business center. This opportunity will allow a developer to take advantage of the favorable South Florida market and demographics. Proposals may be submitted on one or both of the properties.

Proposed projects should: (1) increase tax base, (2) create high paying jobs, and (3) enhance the environment of the City.

Proposals will be due to the City of Fort Lauderdale August 19th, 2021.

Parcel Details

2800 W Cypress Creek Road		6300 NW 21st Avenue	
Parcel Number	803	Parcel Number	Lot 20/21
Land Size	3.50 Acres +152,503 SF	Land Size	5.42 Acres +235,998 SF
Min Annual Rent	\$272,800	Min Annual Rent	\$325,600



Website
Marketing
Cloud



Last Eblast Date
8/10/21



**Total Eblasts
Delivered**
1,163



Open Rate
23.8%

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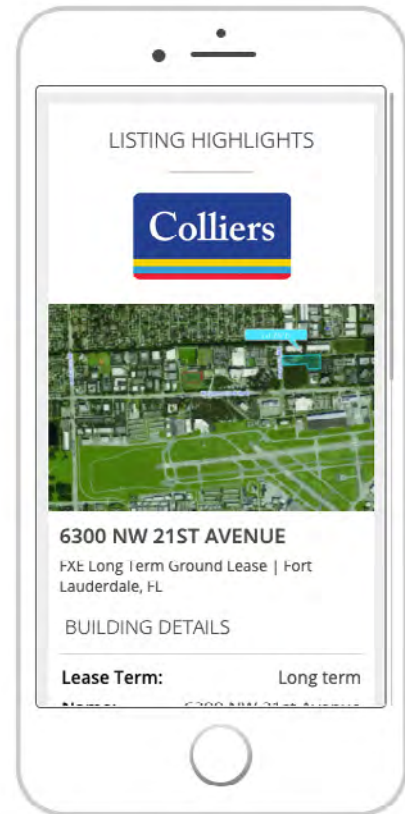
CREXi.com

Listing Summary

We have the property information listed on Crexi.com which also enables us to reach an extended list of prospects and commercial real estate professionals to gain additional exposure.

Distribution is sent monthly to a specific list of prospects that are interested in this product type.

The site includes links to download the Due Diligence Materials and/or submit an LOI online along with tracking prospect activity.



Website
CREXi



Total Views
29



Total Prospects
8

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OFFERING MEMORANDUM



Long Term Ground Lease Development Opportunity


6300 NW 21st Avenue

Colliers | **FXE FORT LAUDERDALE EXECUTIVE AIRPORT**
CITY OF FORT LAUDERDALE

Accelerating success.

Parcel Details

Location Summary



Fort Lauderdale Executive Airport

- Fort Lauderdale Executive Airport is located in the heart of the City's Uptown Business District, just minutes from downtown Fort Lauderdale. Owned and operated by the City of Fort Lauderdale, Executive Airport serves a variety of general aviation needs including aircraft refueling and storage, corporate aviation, air ambulance, air charter, maintenance, avionics, flight training, and aircraft refurbishing.
- Fort Lauderdale Executive Airport features an array of outstanding amenities including a 24-hour FAA Air Traffic Control Tower, US Customs and Border Protection facility, 24-hour Aircraft Rescue and Firefighting services, 24-hour airport security, a Fort Lauderdale Police Substation, and four Fixed-Base Operators (FBOs) that provide fueling, maintenance, aircraft hangars, and other aviation and related services to aircraft operators and their passengers.
- Fort Lauderdale Executive Airport (FXE) is owned and operated by the City of Fort Lauderdale and is a division of the City Manager's Office. The Airport oversees the administration of land leases, development of airport property, as well as operates, maintains, and promotes the Executive Airport, Airport Industrial Airport, and the Fort Lauderdale Downtown Heliport (DTL), which serves as a multimodal connection to and from the downtown business area.
- In addition, Executive Airport administers and promotes the City of Fort Lauderdale's Foreign-Trade Zone-241, which offers numerous economic benefits and advantages to companies involved in exporting/importing.
- According to the Florida Department of Transportation's 2019 Statewide Economic Impact Study, the Executive Airport supports 12,708 jobs, with a payroll of \$578,721,000 benefiting the local economy/residents. The combined direct, indirect and multiplier factors of the economic impact study for FXE was reported to be \$2,091,276,000 annually.

Lot 20/21

6300 NW 21st Avenue, Fort Lauderdale

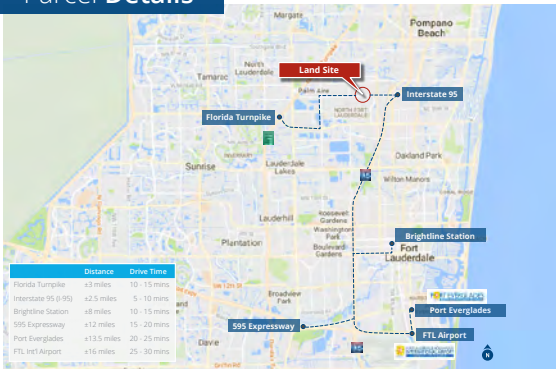


Conceptual Site Plan



Aerial

Parcel Details



Distance	Drive Time
Florida Turnpike	+3 miles 10 - 15 mins
Interstate 95 (I-95)	+2.5 miles 5 - 10 mins
Brightline Station	+8 miles 10 - 15 mins
I-95 Expressway	+12 miles 15 - 20 mins
Port Everglades	+13.5 miles 20 - 25 mins
FTL Int'l Airport	+16 miles 25 - 30 mins

Value Drivers

Uptown Fort Lauderdale


The area of the City of Fort Lauderdale is general described as the area around the Fort Lauderdale Executive Airport in the northwest area of the City of Fort Lauderdale. It is home to a diverse mix of businesses with several company headquarters anchored in the area. With its proximity to Downtown Fort Lauderdale, the Uptown area has served as an affordable alternative to office-based businesses and has developed into a strong industrial market in recent years. The City of Fort Lauderdale has developed a master plan in 2019 with the intent to establish a planning framework to guide future growth in the area by amending the current land use designations to a single land use designation that supports a mix of uses and multi-modal development.

Major Employers:

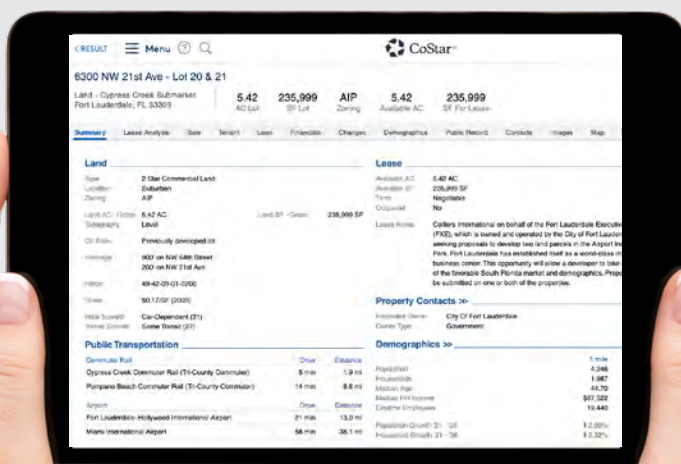
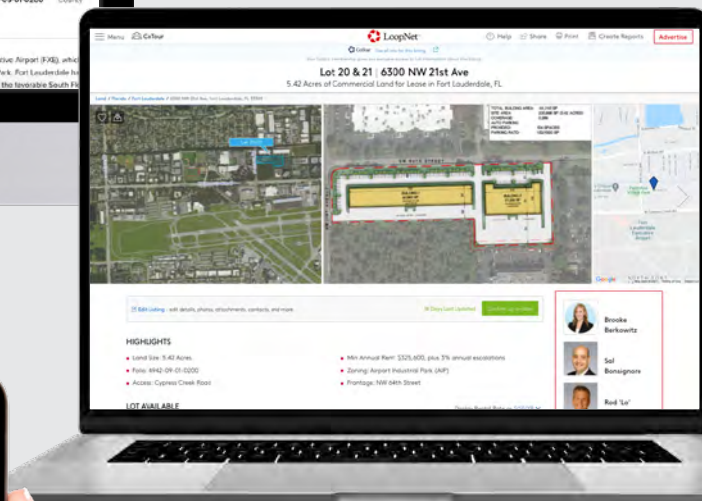
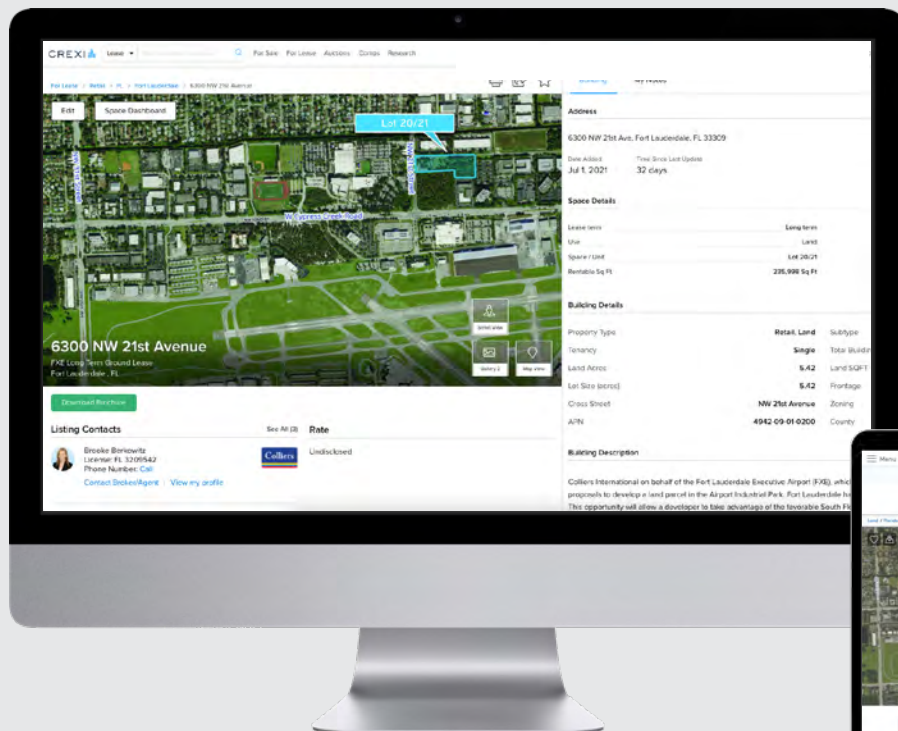


To view Uptown Urban Village Info click on link here [VIEW ONLINE](#)

Area Demographics



Total Businesses: 9,922	Total Daytime Population: 146,414
Total Population: 144,069	2020 Total Households: 59,117
2010-2020 Population Annual Growth Rate: 0.88%	Average Household Income: \$62,765
Median Age: 39.8	2020 Median Household Income: \$48,272



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Property Signage Draft



The image is a draft of a property signage sign. It features a dark blue background with a white border. At the top, the Colliers logo is displayed, consisting of the word "Colliers" in white serif font, with a horizontal bar below it divided into yellow, red, and blue segments. Below the logo, the word "Available" is written in a large, white, sans-serif font. Underneath "Available", the text "Long Term Ground Lease" is written in a white, sans-serif font, followed by "±5.42 Acres, AIP Zoning" in a smaller white, sans-serif font. Below this, the name "Brooke Berkowitz" is written in a dark blue, sans-serif font, followed by the phone number "561 512 3488" in a large, bold, dark blue, sans-serif font. Below the phone number, the name "Sal Bonsignore, SIOR, CCIM" is written in a dark blue, sans-serif font, followed by the phone number "954 816 8899" in a large, bold, dark blue, sans-serif font. At the bottom, the website "colliers.com" is written in a dark blue, sans-serif font, and below it, the text "Colliers International Florida, LLC | Commercial Real Estate Services" is written in a small, dark blue, sans-serif font.

Colliers

Available

Long Term Ground Lease
±5.42 Acres, AIP Zoning

Brooke Berkowitz
561 512 3488

Sal Bonsignore, SIOR, CCIM
954 816 8899

colliers.com

Colliers International Florida, LLC | Commercial Real Estate Services

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Property Signage



Sign 1

Installed on
NW 64th Street

Sign 2

Installed on
NW 21st Avenue





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