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August 7, 2010

Mr. Jose Abreu, P.E., Director
Miami-Dade Aviation Department
P.O. Box 592075
Miami, Florida 33159

Re: Miami International Airport
Non-terminal Rental Rates
October 1, 2010 – September 30, 2011

Dear Mr. Abreu:

Pursuant to *Resolution No. R-34-03*, we are submitting a summary of our conclusions for:

1) Land Rental Rates
2) Paving Rates
3) Building Rental Rates

The ***Quinlivan/Waronker Joint Venture*** has been preparing the annual rental rate report on the non-terminal properties at Miami International Airport since 1994. For the preparation of these annual reports, we have taken the following steps:

- Inspected all non-terminal buildings at Miami International Airport in order to determine the condition of the buildings.
- Gathered and analyzed land sales in the areas surrounding Miami International Airport and derived appropriate rates of return on land value from various sources.
- Personally inspected the non-terminal properties at twelve of the major hub airports in the United States and met with property managers gathering land rental rates and non-terminal building rates at these airports. On an annual basis, we update this data by telephone.

- Gathered and analyzed building rental rates in the areas surrounding Miami International Airport. We have found that there is a direct relationship between office building rental rates at Miami International Airport and the nearby off-airport office buildings rental rates. There is no particular advantage for office tenants being on the airport.

- Gathered and analyzed warehouse rental rates in the Airport West market area, just west of Miami International Airport. There appears to be a relationship between off-airport warehouse rental rates and cargo/warehouse rental rates on-airport. The security, minimum truck transportation and/or the ability to bring an aircraft to a cargo building are benefits of being on-airport. Therefore, on-airport cargo/warehouse buildings command a rental premium. This relationship between on-airport cargo rates and off-airport warehouse rates has been examined at other similar airports.

These market rental rates are based on the data, analyses and conclusions which is available for review in our office.

Market rent is defined as the rental income that a property would most probably command in the open market indicated by the current rents paid for comparable space as of the date of the appraisal.

After analyzing land sales surrounding Miami International Airport and land rental rates at comparable airports, the appraisers have considered the following:

1) Subject land will be limited to airport and aviation purposes.
2) No assignment of leasehold without approval of the County.
3) No subordination permitted on said leasehold.
4) The General Use Master Plan.

After due study and investigation and taking all factors into consideration which apply to the area leased within the confines of Miami International Airport, it is our opinion that the market rent of the land, as of this date, is as reported on the sheet captioned "Land Rental Rates" (page four).
Land rental rates were not increased. Additionally, no rates were increased for any of the buildings due to the current and projected economic conditions with regard to the aviation industry and to the general economy.

Jose Abreu, Director
Miami-Dade Aviation Department
August 7, 2010

In estimating the building rental rates, we have personally inspected each building structure, reviewed cargo/warehouse and office rentals in the area, and reviewed building rental rates at comparable airports. All of the above comparable rental information is contained within the ***Self-Contained Appraisal Report*** which is retained in the appraisers' office.

In addition to the comparable building rental information, the appraisers have considered the following:

1) Use, occupancy and utility of subject improvements.
2) Condition and building life expectancy of said improvements.
3) Demand for such facilities at the airport.
4) Replacement cost estimate less depreciation.
5) No assignment of leasehold without approval of the County.
6) No subordination permitted on said leasehold.

The rental rates established here in presume that the building spaces are in leaseable condition and are in compliance with life safety standards which are typical requirements of the landlord (MIA). Some buildings and building spaces at Miami International Airport are unoccupied and not in leaseable condition. If the tenant decides to expend the cost to bring the building or building space into a leaseable condition, the tenant should receive a rent credit at least equal to the amortization of the tenant's expenditure over the term of the lease.

The estimated market rents consider that the tenant is responsible for land rental, all utilities, and interior maintenance, except where noted.

Respectfully submitted,

Very truly yours,

Lee H. Waronker, MAI, SRA
Joint Venture Partner
State Certified General Real Estate Appraiser
Certificate No. RZ162

Miami International Airport
Land Rental Rates
Effective October 1, 2010

The following rental rates are to be effective October 1, 2010 and applied to all present and future leaseholds, when applicable. A map of land zone areas is attached.

Land Zone	Actual 2010 Rate	Proposed 2011 Rate
1 Airport	$1.55 per sq.ft.	$1.55 per sq.ft.
1a Airport – vacant land with aircraft access	$1.85 per sq.ft.	$1.85 per sq.ft.
2 Commercial sites adjoining airport	$1.90 per sq.ft.	$1.90 per sq.ft.
3 N.W. 21st St. and N.W. 39th Avenue	$2.75 per sq.ft.	$2.75 per sq.ft.
4 Fuel Farm	$1.50 per sq.ft.	$1.50 per sq.ft.
5 N.W. corner of N.W. 97th Avenue & N.W. 54th Street	$2.40 per sq.ft.	$2.40 per sq.ft.
6 Jai-Alai fronton land area	$2.00 per sq.ft.	$2.00 per sq.ft.

NOTE: There is an additional charge of $.05 per square foot where special services are provided, such as high intensity lighting, power cost, etc.

Paving Rates

Paving rates are in addition to land rental.

Type of Paving		Actual 2010 Rate	Proposed 2011 Rate
Standard (Vehicular)	Existing	$.25 per sq.ft.	$.25 per sq.ft.
Heavy Duty (Aircraft)	Existing	$.70 per sq.ft.	$.70 per sq.ft.

Building Rental Rates
Miami International Airport
As of October 1, 2010

The following are the annual square foot building rates for the period October 1, 2010 to September 30, 2011. **These rates exclude land, water, sewer, electric, and common area janitorial except where footnoted.**

Building #. (Old bldg. #)	Building Description	2010 Actual Rate	2011 Appraised Rate
49	Offices (A/C) Shop (A/C)	$6.00 $6.00	$6.00 $6.00
700	Cargo (Non A/C) Offices (A/C) 2nd Floor Offices (A/C) 1st Floor	$11.75 *(11)* $13.50 *(11)* $15.00 *(11)*	$11.75 *11)* $13.50 *11)* $15.00 *11)*
701	Cargo (Non A/C) Offices (A/C) 2nd Floor Offices (A/c) 1st Floor	$11.75 *(11)* $13.50 *(11)* $15.00 *(11)*	$11.75 *(1)* $13.50 *(11)* $15.00 *(11)*
702	Cargo (Non A/C) Offices (A/C) 2nd Floor Offices (A/C) 1st Floor	$11.75 *(11)* $13.50 *(11)* $15.00 *(11)*	$11.75 *(11)* $13.50 *(11)* $15.00 *(11)*
703 *(2120)*	Engine Test Cell Bldg.—Storage Test Cells (in compliance with 40-year recertification) • Reciprocating-Dynamometer Cells • Large Jet Engine Cells	$5.25 *(12)* $10,600 per month *(8)(13)* $11,100 per month *(8)(13)*	$5.25 *(12)* $10,600 per month *(8)(13)* $11,100 per month *(8)(13)*
703A	Test Cell	$12,000 per month	$12,000 per month
704 *(2121)*	Warehouse (Non A/C)/Cargo (Non A/C) Offices (A/C)/Shop(A/C)/Storage(A/C)	$5.75 *(12)* $6.25 *(12)*	$5.75 *(12)* $6.25 *(12)*
706	Cargo (Non A/C) Offices (A/C)	$15.50 *(11)* $15.00 *(11)*	$15.50 *(11)* $15.00 *(11)*
707	Cargo (Non A/C) Offices (A/C)	$15.50 *(11)* $15.00 *(11)*	$15.50 *(11)* $15.00 *(11)*
708	Cargo (Non A/C) Offices (A/C)	$15.50 *(11)* $15.00 *(11)*	$15.50 *(11)* $15.00 *(11)*
709	LanChile (Airis)	Tenant constructed building	
710	LanChile (Airis)	Tenant constructed building	
711	Arrow Cargo (Aeroterm)	Tenant constructed building	
712	Arrow Cargo (AMB Codina)	Tenant constructed building	
714	Cargo (Non A/C) Offices (A/C)	$12.75 $13.25	$12.75 $13.25

Building Rental Rates Miami International Airport
As of October 1, 2010 *(continued)*

Building #. (Old bldg. #)	Building Description	2010 Actual Rate	2011 Appraised Rate
715 *(2210)*	Former Post Office (A/C) Office warehouse	 $13.25 $12.25	 $13.25 $12.25
716A	Cargo (Non A/C) Offices (A/C) 2nd Floor Offices (A/C) 1st Floor	$13.00 *(11)(15)* $13.60 *(11)(15)* $15.00 *(11)*	$13.00 *(11)(15)* $13.60 *(11)(15)* $15.00 (*11)*
716B-J	Cargo (Non A/C) Offices (A/C) 2nd Floor Offices (A/C) 1st Floor	$12.00 *(11)(15)* $12.60 *(11)(15)* $15.00 *(11)*	$12.00 *(11)(15)* $12.60 *(11)(15)* $15.00 (*11)*
719 *(2122)*	Governmental Service Bldg. - CCC	$19.50 *(3)*	$19.50 *(3)*
741 (2204)	Decompression chamber	$45,000 per year	$45,000/yr
805	Cargo (Non A/C) Offices (A/C)	$14.00 [1] $14.00 [1]	$14.00 $14.00
807	UPS (Cargo)	Tenant constructed building	
815	USDA Import/Export	Tenant constructed building	
817	USDA Plant Inspection	Demolished	
820 *(1011)*	Warehouse (Non A/C) Offices (A/C)	$9.00 $10.00	$9.00 $10.00
831	Office/Warehouse (FedEx)	Tenant constructed building	
836 *(1054)*	GSE Office/shop (AC)	$13.50	$13.50
839	Hangar (Signature Flight Center) Offices (A/C)	$12.00 $16.00	$12.00 $16.00
840	Signature Flight Support (Terminal)	$20.00	$20.00
844 *(101)*	Hangar - Storage (Non A/C) Offices (A/C) Storage (A/C)	$9.25 *(3)* $11.75 $6.75	$9.25 *(3)* $11.75 $6.75
845 *(100)*	Offices (A/C) Warehouse (Non-A/C) Warehouse Office (A/C) Simulator (A/C) Atrium Space—1st Floor (A/C) Atrium Space—Above 1st Floor (A/C)	$16.00 *(3)* $9.00 $12.00 *(3)* $10.50 *(3)* $21.00 *(3)* $19.00 *(3)*	$16.00 *(3)* $9.00 $12.00 *(3)* $10.50 *(3)* $21.00 *(3)* $19.00 *(3)*
850	AAR ACS (Maintenance Hangar)	Tenant constructed building	
855 *(53)*	Storage (A/C)	$5.75	$5.75
856 *(52)*	Storage (A/C)	$5.50	$5.50
857 *(55)*	Wash Rack & Drum Storage	$5.25	$5.25

[1] Per lease agreement

Building Rental Rates Miami International Airport
As of October 1, 2010 *(continued)*

Building #. (Old bldg. #)	**Building Description**	**2010 Actual Rate**	**2011 Appraised Rate**
860 *(63)*	Aircraft—Hangar Maint. (#8) (Non A/C) Maintenance (A/C) Storage (A/C) Shops (A/C) Offices (A/C)	Demolished as of 1/2009	Demolished as of 1/2009
861-862 *(60)*	Aircraft—Hangars (#6 and #7) Shops (A/C) Storage (A/C) Offices (A/C) Aircraft Parking (not including land)	$9.00 *(1) (12)* $5.25 *(12)* $5.25 *(12)* $6.50 *(12)* $.70 *(17)*	$9.00 *(1) (12)* $5.25 *(12)* $5.25 *(12)* 6.50 *(12)* $.70 (17)
863 *(60-A)*	Engine Overhaul and Service Storage (A/C) 2nd Floor Storage (non A/C) 2nd Floor Offices (A/C) 1st Floor Offices (A/C)	$5.50 $4.00 $4.00 $10.00 $8.00	$5.50 $4.00 $4.00 $10.00 $8.00
864 (62)	Line Service Building	To be demolished	To be demolished
865 *(61)*	Line Service Building	To be demolished	To be demolished
871 *(48)*	Hangar (Non A/C) Office (A/C) Shop (A/C) Storage (A/C)	$9.00 (1) $5.50 $4.25 $4.25	$9.00 (1) $5.50 $4.25 $4.25
874 *(44)*	Executive Office (A/C)	$14.50 (2)	$14.50 (2)
875 *(43)*	Flight Academy Office (A/C) Pan Am Office (A/C) Individual tenants Simulator Bays (A/C)	 $10.50 (19) $13.75 $9.00	 $10.50 (19) $13.75 $9.00
880-882 *(30A-30B)*	Simulators (A/C) Office Building (A/C)	$9.00 $8.50	$9.00 $8.50
881 *(30)*	Office Building (A/C) Simulators	$8.50 $9.00	$8.50 $9.00
885 *(39)*	Shops	Demolished as of 1/2009	Demolished as of 1/2009
886 *(38)*	Shops Offices (A/C)	Demolished as of 1/2009	Demolished as of 1/2009
887 *(37)*	Shops Office Space (A/C)	Demolished as of 1/2009	Demolished as of 1/2009
888 *(35-35A)*	Maintenance and Training (A/C) Office Space (A/C)	$5.75	$5.75
890 *(25)*	Hangar (Non A/C) Office Space (A/C) Storage (A/C) Shops (A/C)	$11.00 *(1)* $8.25 $5.50 $6.00	$11.00 *(1)* $8.25 $5.50 $6.00

Building Rental Rates Miami International Airport
As of October 1, 2010 *(continued)*

Building #. (Old bldg. #)	Building Description	2010 Actual Rate	2011 Appraised Rate
891 *(24)*	First Floor: Maintenance-Shops (A/C) Second Floor: Shops (A/C) Third Floor: Shops (A/C) Fourth Floor: Storage (Non A/C)	$5.50 $5.50 $5.00 $4.75	$5.50 $5.50 $5.00 $4.75
896 *(22)*	Hangar—Maintenance (Non A/C) Office Space (A/C) Shops—Maintenance (A/C) Third Floor: Storage (A/C)	$10.00 *(1)* $7.75 $5.75 $5.00	$10.00 *(1)* $7.75 $5.75 $5.00
900 *(21)*	First Floor: Shops-Maintenance (A/C) Mezzanine—Finished Office Space (A/C)	$6.00 $6.50	$6.00 $6.50
900A *(21-A)*	Shops—Maintenance (A/C)	To be demolished	To be demolished
900B *(21-B)*	Shops (A/C) Storage (A/C)	To be demolished To be demolished	To be demolished To be demolished
900C *(21-C)*	Shops (A/C) Storage (A/C)	$6.00 $5.50	$6.00 $5.50
905 *(10)*	Guard House	$20.00	$20.00
906 *(3)*	First Floor A/C Shop/Storage First Floor A/C Cafeteria First Floor A/C Lab/Metered Room First Floor Non A/C Shop Storage First Floor Ventilated Shop First Floor Non A/C Containment 2nd Floor A/C Office 2nd Floor Non A/C Shop/Storage	$5.50 $4.50 $3.50 $3.00 $2.00 $ .50 $8.00 $5.00	$5.50 $4.50 $3.50 $3.00 $2.00 $ .50 $8.00 $5.00
909	Flight Training Facility (Airbus)	Tenant Constructed Building	
919 *(5A)*	Offices—Entire Building (A/C) Office—Per Floor or less (A/C) Office - Second Floor (Full Service) Storage (Non-A/C) Loading Dock	$10.50 $13.00 $21.00 $6.00 $1.75	$10.50 $13.00 $21.00 $6.00 $1.75
2082	Warehouse (El Dorado) Offices (A/C)	$2.50* $2.50*	$2.50* $2.50*
3010	Cabstand Cafe (A/C)	$30.00 *(5)*	$30.00 *(5)*
3030	Offices	$10.00 *(12)*	$10.00 *(12)*
3030A	Offices (A/C)—Wing of 3030	$8.50	$8.50
3032	Cafeteria (Non A/C) Cafeteria (A/C)	$4.75 $6.50	$4.75 $6.50
3033	Police Station (A/C)	$10.00	$10.00

* The 2006 rate included land, whereas the 2010 and 2011 rates are for the building only and the land rate and paving rate will be charged separately.

Building Rental Rates Miami International Airport
As of October 1, 2010 *(continued)*

Building #. (Old bldg. #)	Building Description	2010 Actual Rate	2011 Appraised Rate
3037	Maintenance-Garage (Non A/C) Offices (A/C)	$6.00 $6.50	$6.00 $6.50
3038	Building Services—Maint./Office (A/C)	$6.50	$6.50
3040	Maintenance Shops (Non A/C) and Offices (A/C)	$6.50 (19)	$6.60 (19)
3034	Triturator	$36,000 (10)	$36,000 (10)
3046	Offices (A/C) Shop (A/C)	$10.00 $6.25	$10.00 $6.25
3047	Offices (A/C)	$10.00	$10.00
3048	Offices (A/C)	$10.00	$10.00
3049	Maintenance Garage (Non A/C)	$7.00	$7.00
3050	Administration Building (Multiple Tenancy)	$14.25 *(8)*	$14.25 *(18)*
3074	In-flight Caterers: Kitchen (Non A/C) Kitchen (A/C)	 $8.50 $10.50	 $8.50 $10.50
3077	Triturator	$36,000/yr (10)	$36,000/yr (10)
3078	Fuel Building (A/C) Offices (A/C)	$10.00 $10.25	$10.00 $10.25
3089	Parking Garage	$50.00/mo. *(4)*	$50.00/mo. *(4)*
3091	Maintenance/Offices (A/C)	$7.75	$7.75
3094	Parking Garage	$50.00/mo.*(4)*	$50.00/mo.*(4)*
3095-A	Hangar Hangar Area (Non A/C) – 1st Floor Shops, Storage & Office – 1st and 2nd Floors (A/C) Shops, Storage & Office – 1st and 2nd Floors (Non A/C) Office	 $11.00 $8.50 $7.50 $10.25	 $11.00 $8.50 $7.50 $10.25
3095-B	Offices (as renovated): Offices—Entire Building (A/C) Offices—Per Floor (A/C) Offices—Penthouse (A/C)	 $11.00 $19.00 *(3)* $22.00 *(3)*	 $11.00 $19.00 *(3)* $22.00 *(3)*
3100	Maintenance Garage (Non A/C)	$7.00	$7.00
3101	Maintenance Garage—Storage (Non A/C)	$6.00	$6.00
3110	Offices—Security	$21.00	$21.00
3150	Offices (A/C)	$11.50	$11.50
3151	Maintenance—Shop (Non A/C) Offices (A/C)	$6.00 $11.00	$6.00 $11.00
3152	Service Station (Non A/C)	$5.75	$5.75
3153	Car Wash Building	$5.75	$5.75
3241	RCC Office (A/C) RCC Storage (A/C)	Not in service Not in service	$26.00 (20) $15.00 (20)

Building Rental Rates Miami International Airport
As of October 1, 2010 *(continued)*

Building #. (Old bldg. #)	Building Description	2010 Actual Rate	2011 Appraised Rate
4001	Traffic Control Center	$13.00	$13.00
4002	Public Works Office	$12.00	$12.00
4003	Corrections Office (A/C)	$7.50	$7.50
4003A	Offices (A/C) Storage (Non A/C)	$7.00 $6.00	$7.00 $6.00
4004	Sign Shop (Non A/C)	$6.00	$6.00

Loading Dock

Loading dock area has an additional rate of $1.75 per square foot.

Utility Rates

The rental rates herein exclude utilities (water, sewer and electric) except as footnoted. Utilities shall be applied as a separate charge.

Trailer and Automobile Parking

Trailer parking has a rate of $175.00 per space per month. Automobile parking (grade level) has a charge of $40.00 per space per month.

Modular Units

Where modular units are authorized for temporary use by tenants for office or storage purposes, preceding and/or during construction, a rate of $175.00 (single wide) to $225.00 (double wide) per month is established.

Full Service

This includes land, janitorial and utilities.

Footnotes

1) Non-airline tenants shall pay the said per square foot rate or 3% of all gross revenues produced from providing aircraft maintenance services to others, whichever is greater.

   Airline tenants shall pay 3% of all gross revenues produced from providing aircraft maintenance services to others in addition to the said per square foot rental rates.

2) Rent includes land, electricity, and common area janitorial.
3) Rent includes land, electricity, water, sewer and common area janitorial.
4) Rent per position per month.
5) Tenant pays minimum guarantee.
6) The rental rate reflects the "As Is" condition of the building. The building has limited fire and electrical systems. (Not used in 2005.)
7) Rent includes water, sewer, electricity, and common area janitorial. (Not used in 2005.)
8) Rent includes land.
9) The rent includes water and sewer. (Not used in 2005.)
10) Rates based on approved actual audited construction costs.
11) Rent includes common area janitorial, excludes land.
12) Additional rent may be applicable to recover costs of 40-year recertification and costs of repairs to comply with life safety codes.
13) Rate includes amortization of 40-year recertification and costs of repairs to comply with life safety codes.
14) Rate based on competitive bidding
15) Appraised rate includes a charge of $.10 per square foot as a trash removal fee.
16) No longer applicable *(was formerly "Rental based on 20-year lease. Adjusted annually on January 1st")*
17) No longer applicable (*was formerly "Hangar is currently unusable and can only be used as aircraft parking until roof repairs are completed.")*
18) Includes land rent and janitorial
19) Includes common area janitorial
20) Includes land rent and janitorial. Utilities are paid by rental car agencies in MIC.