



MIAMIBEACH

Convention Center District

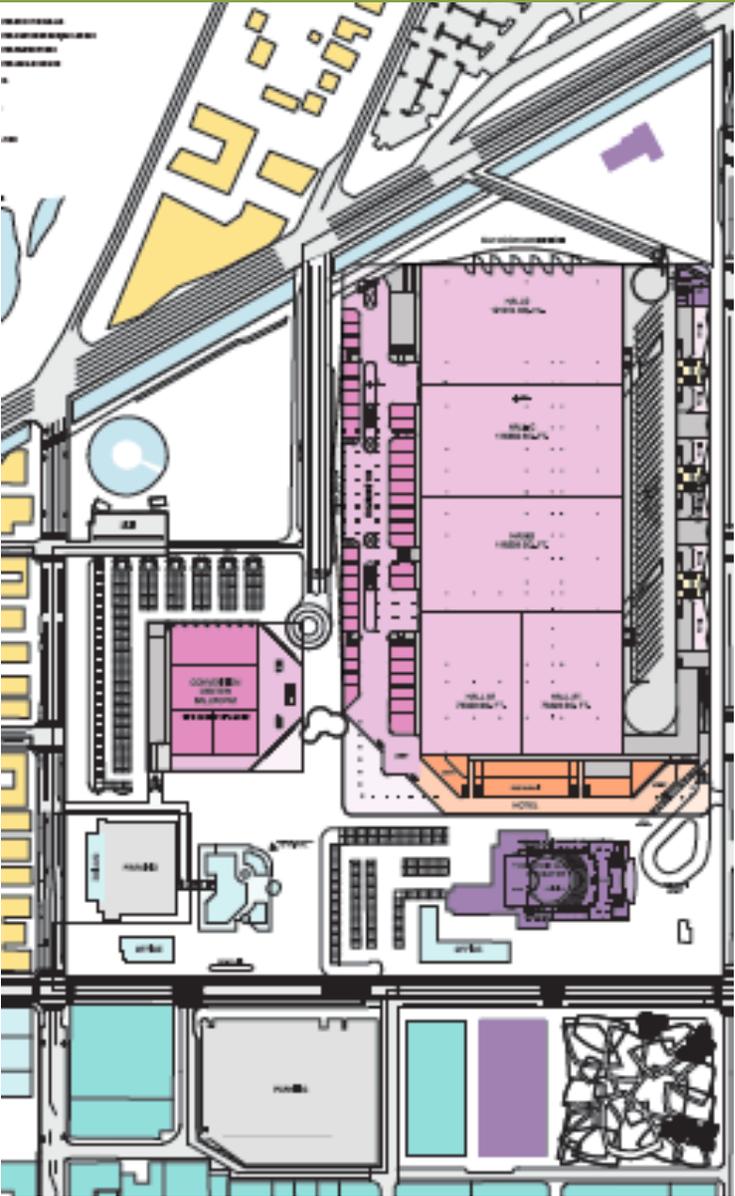
**Developer Letter of Intent Comparison
FINANCIAL COMPONENT**

May 22, 2013

Base Case Master Plan

Portman-CMC

South Beach ACE



Public Cost

Capital

- Convention Center
- Convention Center Parking
 - Public Amenities
 - Developer Fees
 - Financing

Operating

- Operating Support
- Maintenance Reserve
- Replacement Revenues

Public Capital

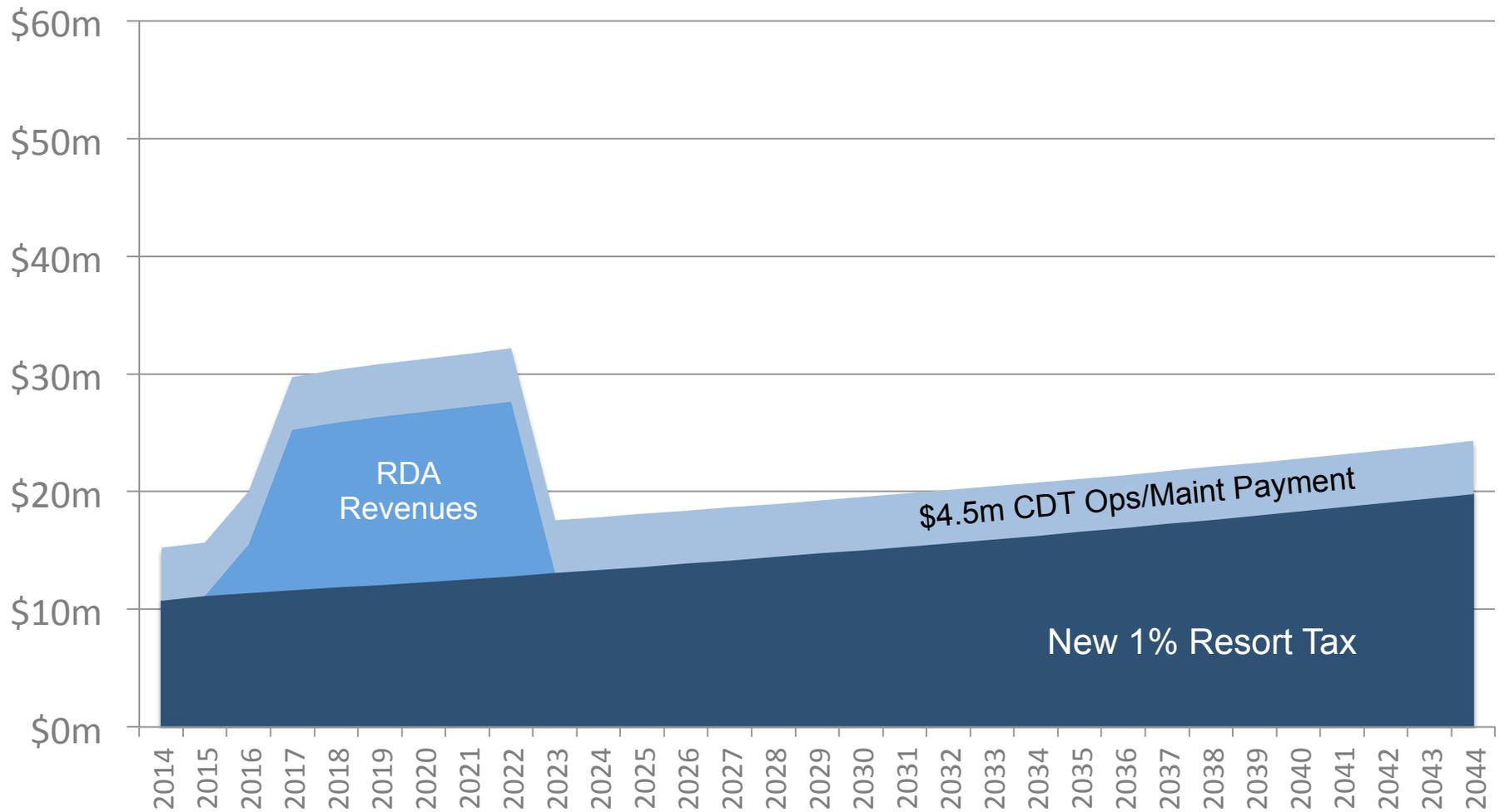
Portman-CMC		South Beach ACE
\$498.0m	Convention Center	\$506.2m
\$55m	Public Amenities	\$71.3m
\$30.4m 1,040 spaces \$29,230/space	Parking	\$57.9m 1,388 spaces \$41,700/space
\$583.4m	Total	\$635.4m
-\$32.1m	Developer Contribution	-\$10.6m
\$551.2m	Net	\$624.8m
		+73.4m

Annual Costs

Portman-CMC		South Beach ACE
\$1.5m annually	Operating Support	\$1.5m annually
\$3m increasing 2% annually	Center Capital Maintenance Reserve	\$3m increasing 2% annually
\$2.5m 17 th St. Garage \$1.3m P-Lot	Replace Lost Parking Revenues	\$2.5m 17 th St. Garage \$1.3m P-Lot
Estimate \$900,000 annually 85% funded by establishing a Business Improvement District charging <u>Private Components</u> 0.5% of Gross Revenues	Public Amenities Maintenance	Estimate \$1.3m annually Share costs “proportionally”, City costs to be consistent with current levels of maintenance funding

Public Resources

May 22, 2013

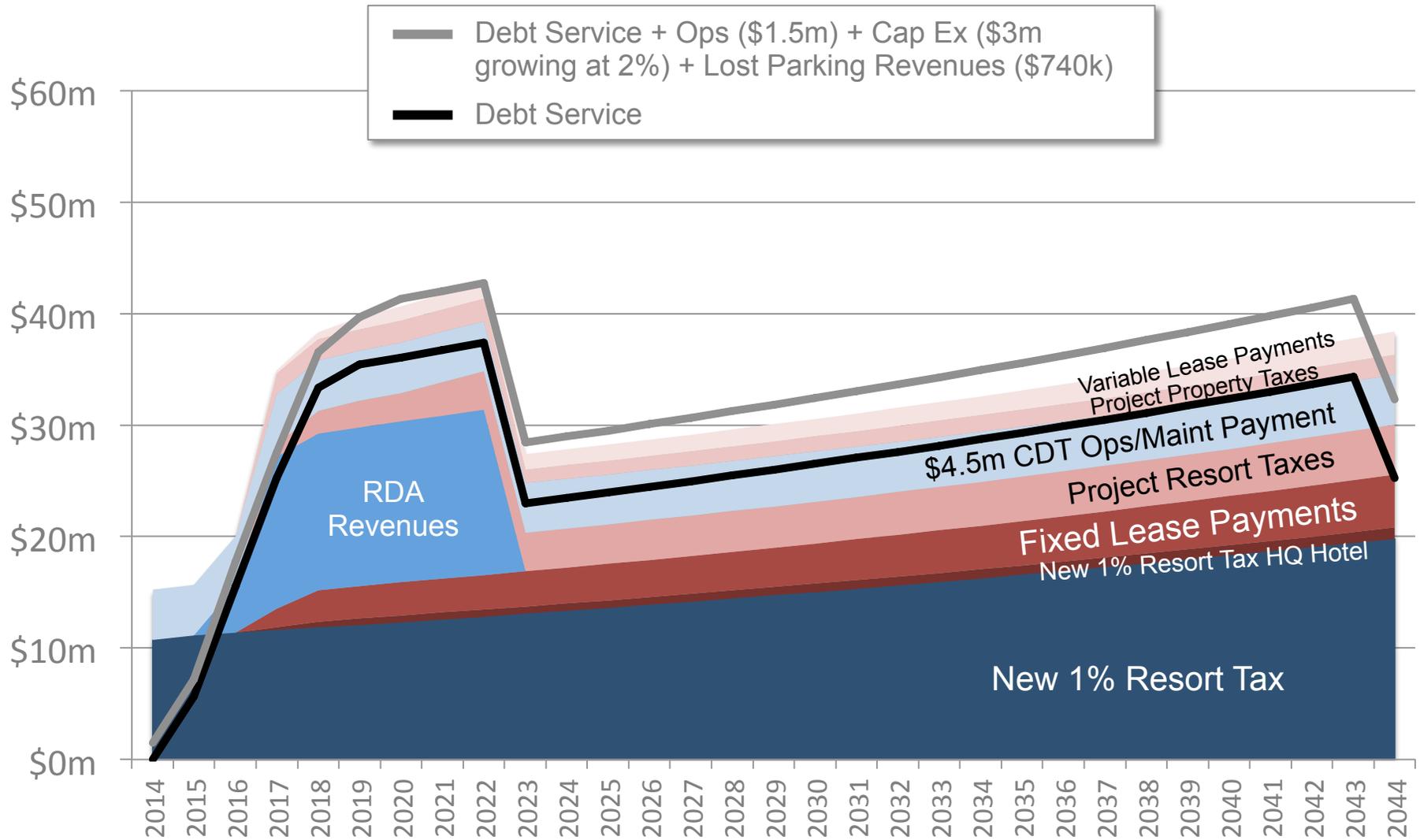


All projections assume 2% growth.

Base Case (Center + Hotel)

May 22, 2013

Portman-CMC

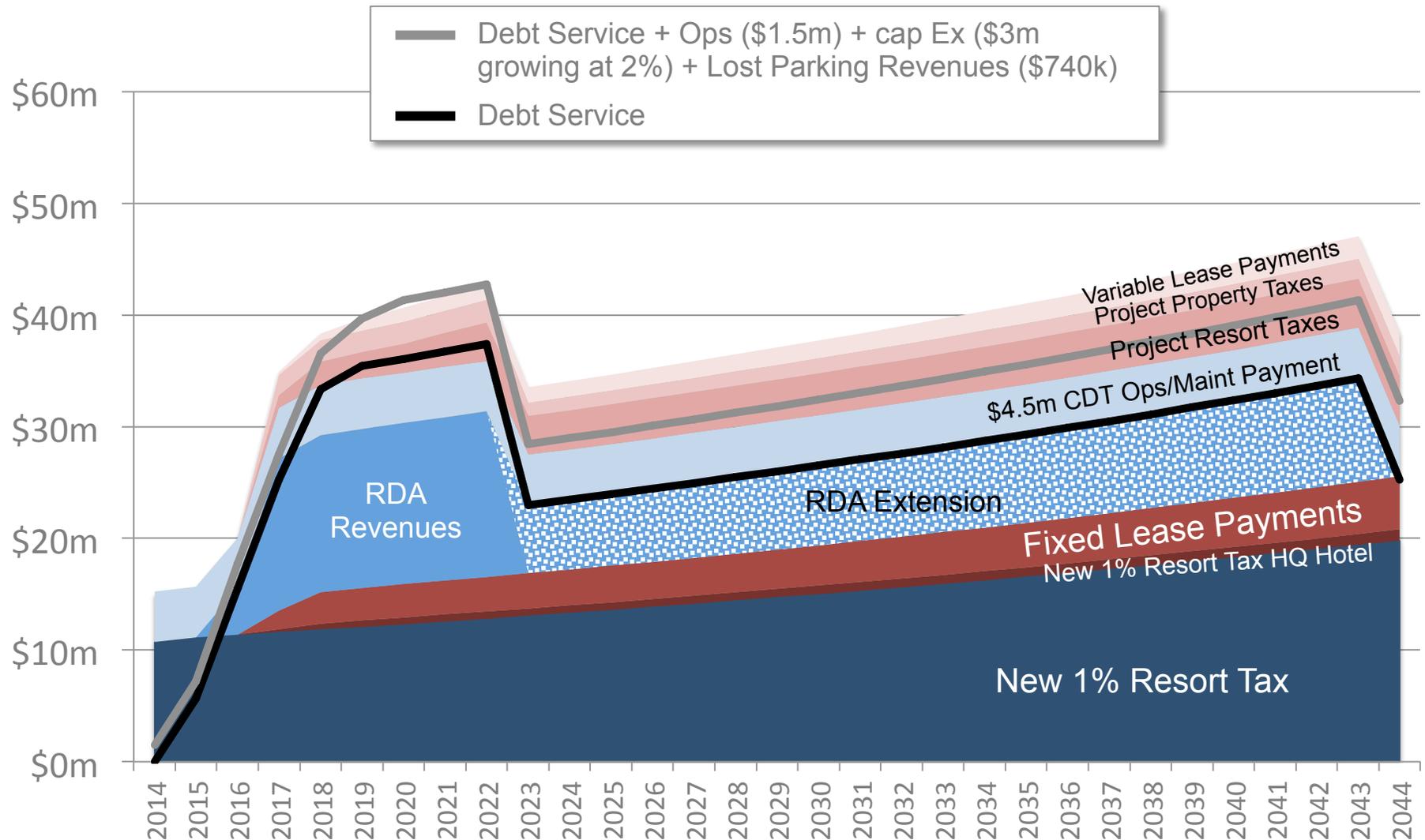


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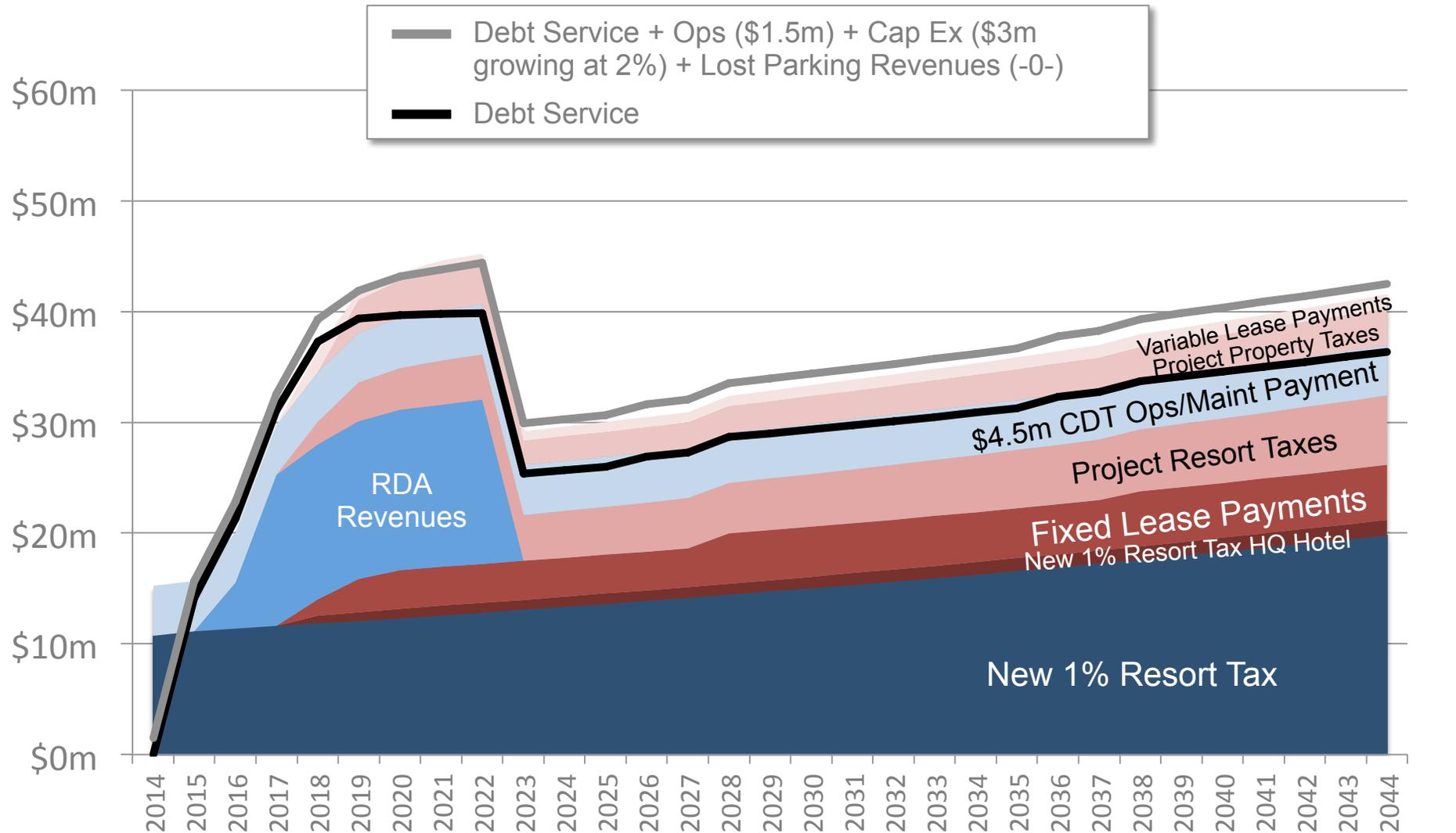


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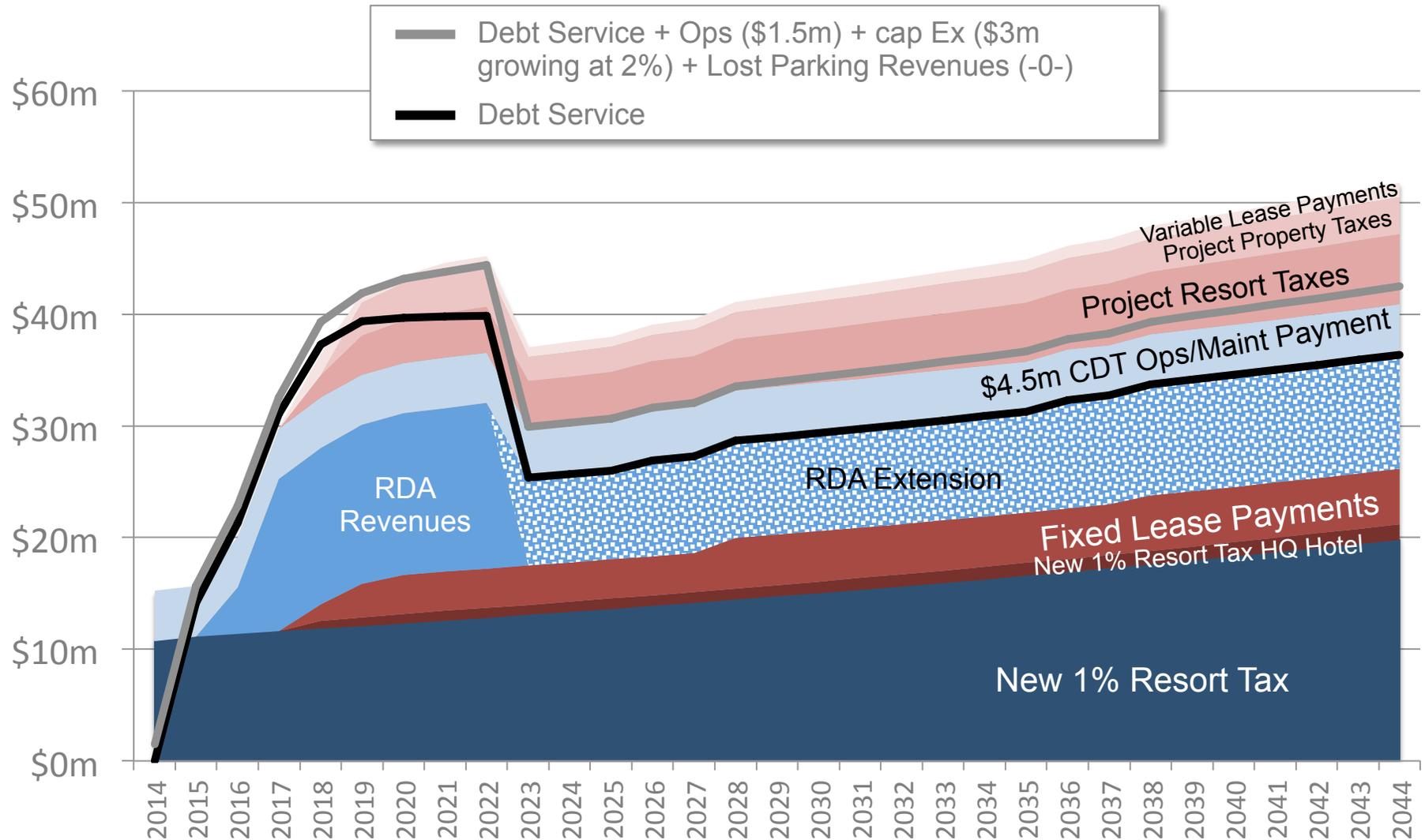


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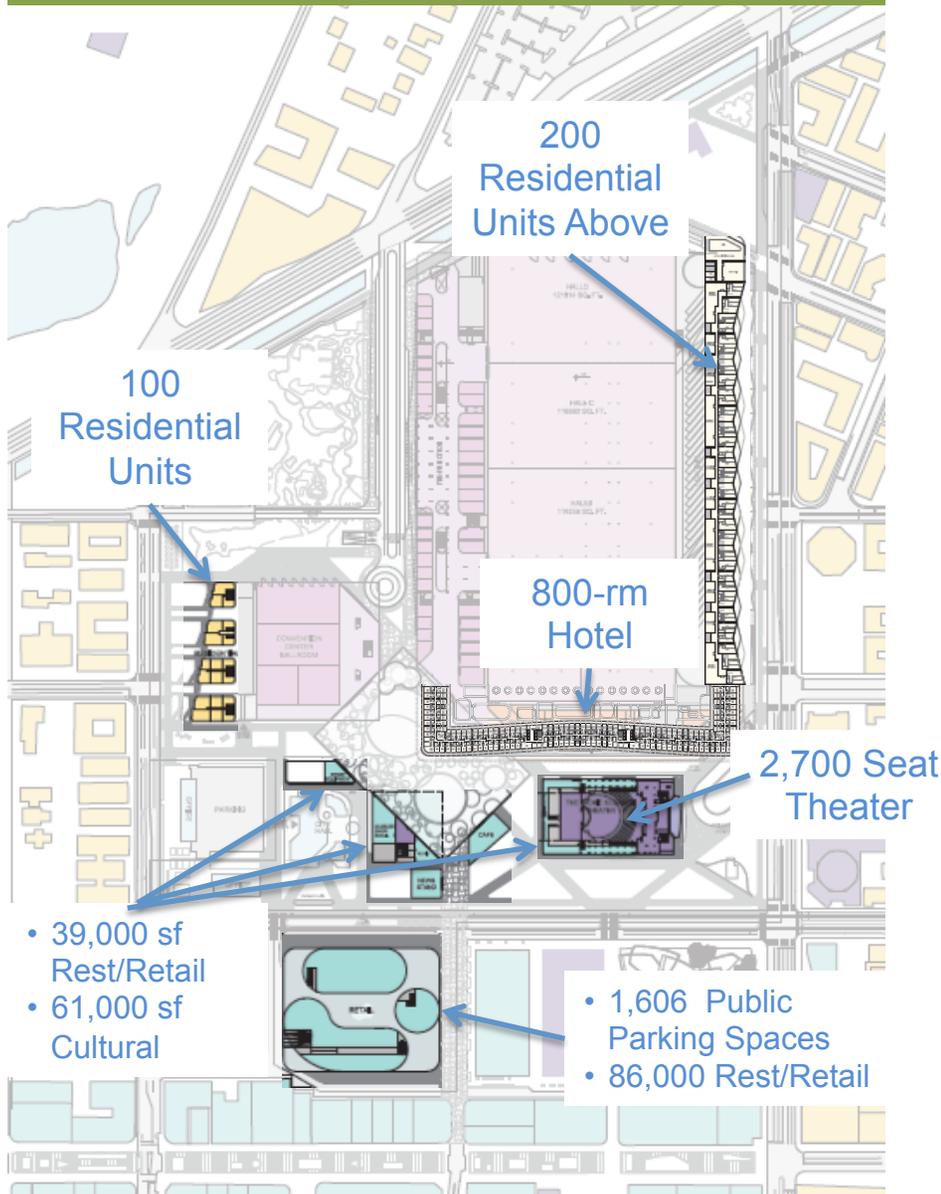
South Beach ACE



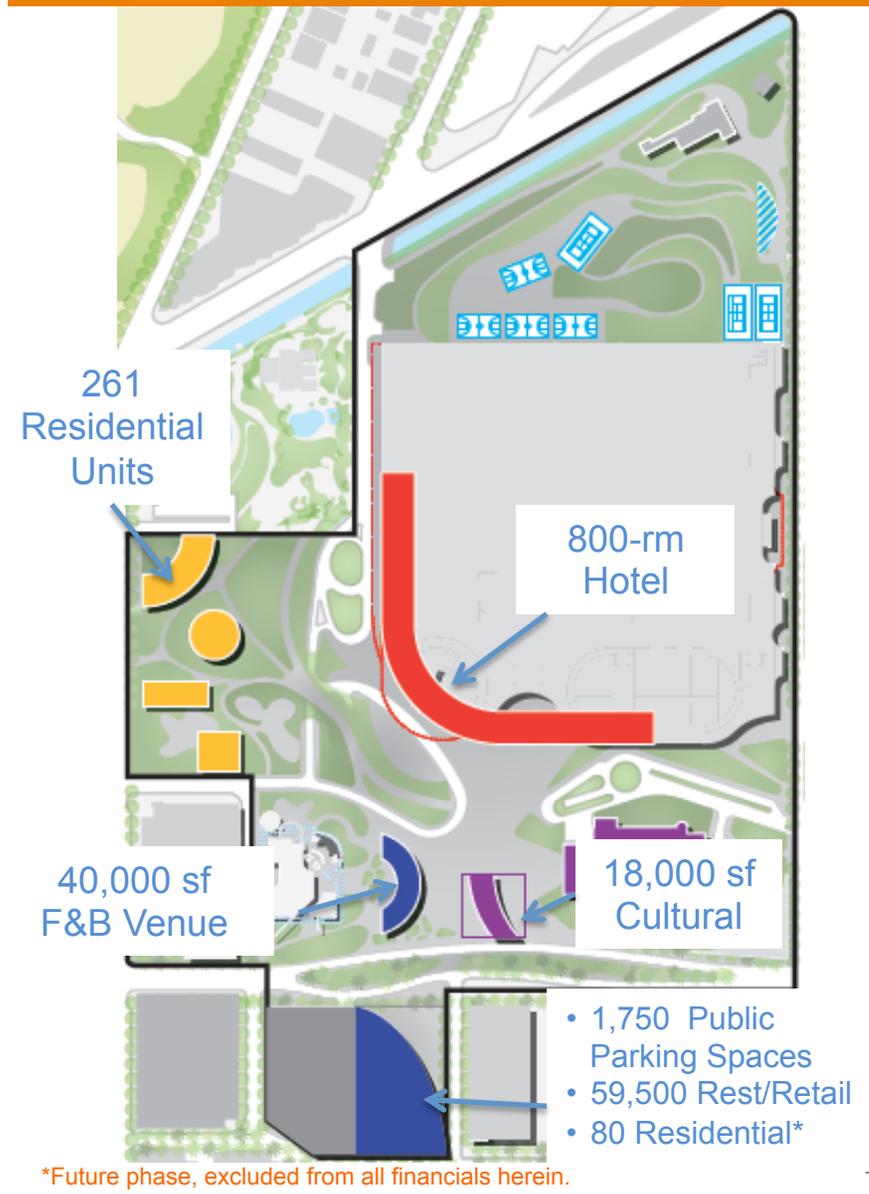
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Private Components

Portman-CMC



South Beach ACE



Private Program Summary

Portman-CMC		South Beach ACE
800 rooms 69,600 sf meeting 20,900 sf F&B	Hotel	800 rooms 55,000 sf meeting 16,380 sf F&B 40,000 sf F&B Venue
300 units	Residential	341 units (261 Phase 1 + 80 in a future phase)
125,000 sf	Retail/ Restaurant	59,500 sf (99,500 Including F&B Venue)
2,700 seats Redevelops	Theater	2,700 seats Plan to upgrade in the future
61,000 sf	Cultural	18,000 sf
2,755 spaces	Private Parking	3,101 spaces

Parking requirements under review by City

Hotel Lease Proposal

Portman-CMC		South Beach ACE
<p>Hotel Parking</p>	<p>Program</p>	<p>Hotel Parking 40,000 sf F&B Venue</p>
<p>\$2.8m Increasing 2% annually Adjusted in Year 31, and every 10 years thereafter, to 3% of gross revenues</p>	<p>Fixed Rent</p>	<p>Year 1: \$1.5m Year 2: \$3.0m Year 3-10 \$3.5M Year 11-20 \$4.5m <i>Increasing 10% every 10 years</i></p>
<p>4.0%</p>	<p>Percentage Rent **</p>	<p>Years 1 - 10: 3% Yeas 11 – 99: 3.5%</p>
<p>\$53.1M</p>	<p>Fixed Project Contribution</p>	<p>\$57.09M</p>

** Percentage Rent is the maximum of the Fixed Rent and gross revenues multiplied by the percentage.

Residential Lease Proposal

Portman-CMC		South Beach ACE
P-Lot & Washington Ave. 300 Units	Program	P-Lot Only 261 Unit
\$2.87	Rent/sf 2013\$	\$2.50
\$341,800 Increasing 2% annually Adjusted in Year 31, and every 10 years thereafter, to 3% of gross revenues	Fixed Rent	\$800,000 Increasing 10% every 10 years <i>If 80 units over 17th Street Garage are developed, additional payments will be made</i>
4.0%	Percentage Rent **	4.5%
\$6.8M	Fixed Project Contribution	\$12.4M

** Percentage Rent is the maximum of the Fixed Rent and gross revenues multiplied by the percentage.

17th Street Garage & Other Spaces

May 22, 2013

Portman-CMC		South Beach ACE
1,606 parking spaces 125,000 sf retail/rest.	Program	1,750 parking spaces 59,500 sf retail/rest.
\$10/space/day in 2016 \$120 retail/rest rent/sf	Performance	\$15/space/day 2016 \$90 retail/rest rent/sf
\$6.3m Increasing 2% annually Adjusted in Year 31, and every 10 years thereafter, to 3% of gross revenues	Fixed Rent	\$6.0m Increasing 10% every 10 years
25%	Percentage Rent **	10%
\$123.3M	Fixed Project Contribution	\$105.3M

** Percentage Rent is the maximum of the Fixed Rent and gross revenues multiplied by the percentage.

Parking & Retail NPV Components

Portman-CMC		South Beach ACE
\$205m	Total Net Present value (99 years @ 5%)	\$133m
\$57.9m 1,606 Spaces \$10/space/day in 2016 \$36,000/space	17 th Street Parking \$7.27/space/day 2012	\$86.5 1,750 Spaces \$15/space/day in 2016 \$49,400/space
\$89.4m 86,000 sf \$1,040/sf	17 th Street Retail/Rest.	\$46.5m 59,500 sf \$782/sf
\$40.6m 39,000 sf \$1,040/sf	N. of 17 th Street Retail/Rest.	<i>Included in Hotel Lease</i>
\$17.2m 61,000 sf \$281/sf	Cultural	\$1/year

Theater

Portman-CMC

South Beach ACE

Encumbered by LiveNation agreement

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2,700 seats to remain

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Propose plan to upgrade Theater consistent with Master Plan

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\$18.5m Private Contribution

Theater costs not included in Public Budget

Landscape costs for areas around Theater are included in Public Budget

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Program

An amount equating to the amount currently received from Live Nation

Fixed Rent

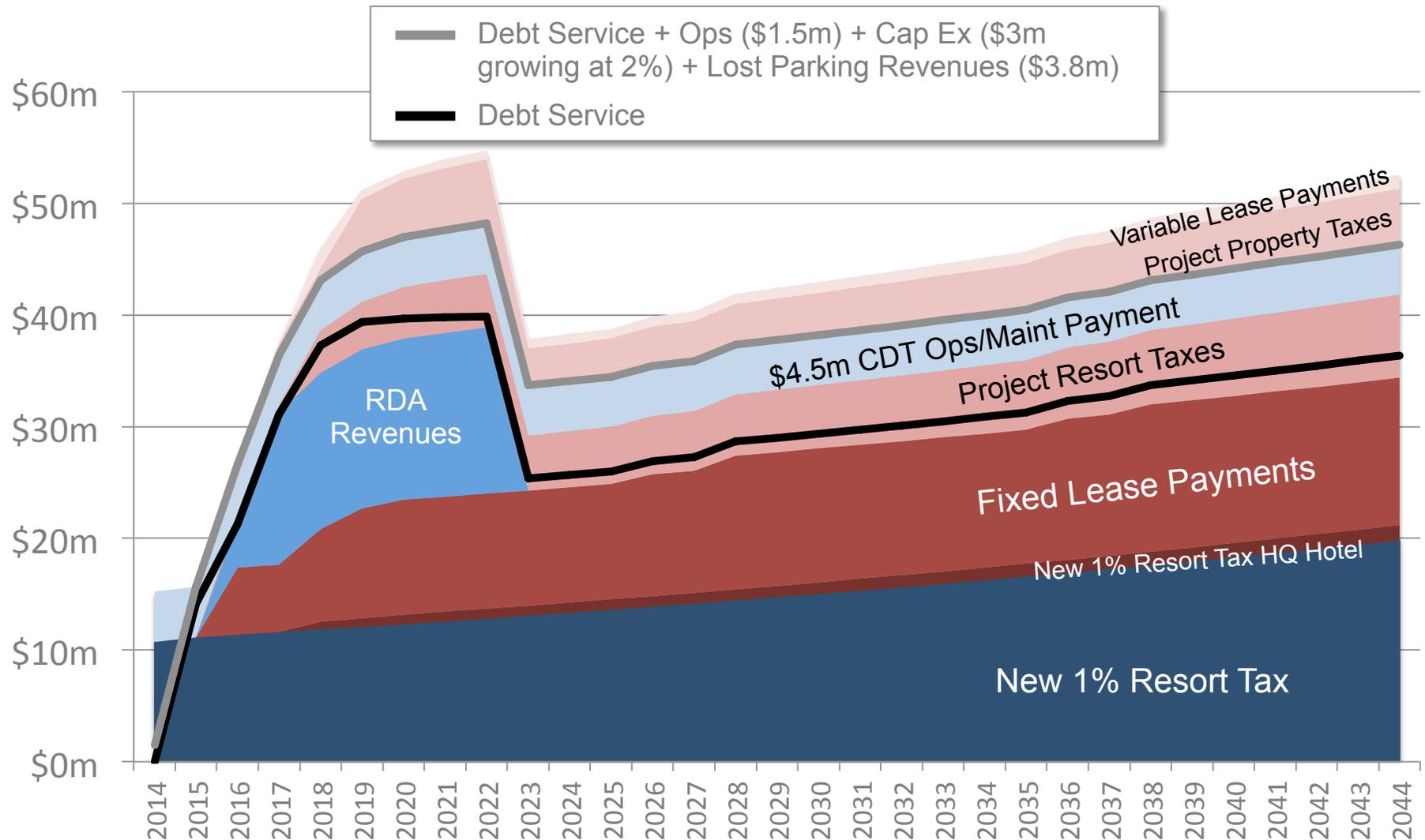
Approximately \$1m annually

None Proposed

Zero net new to City

All Components

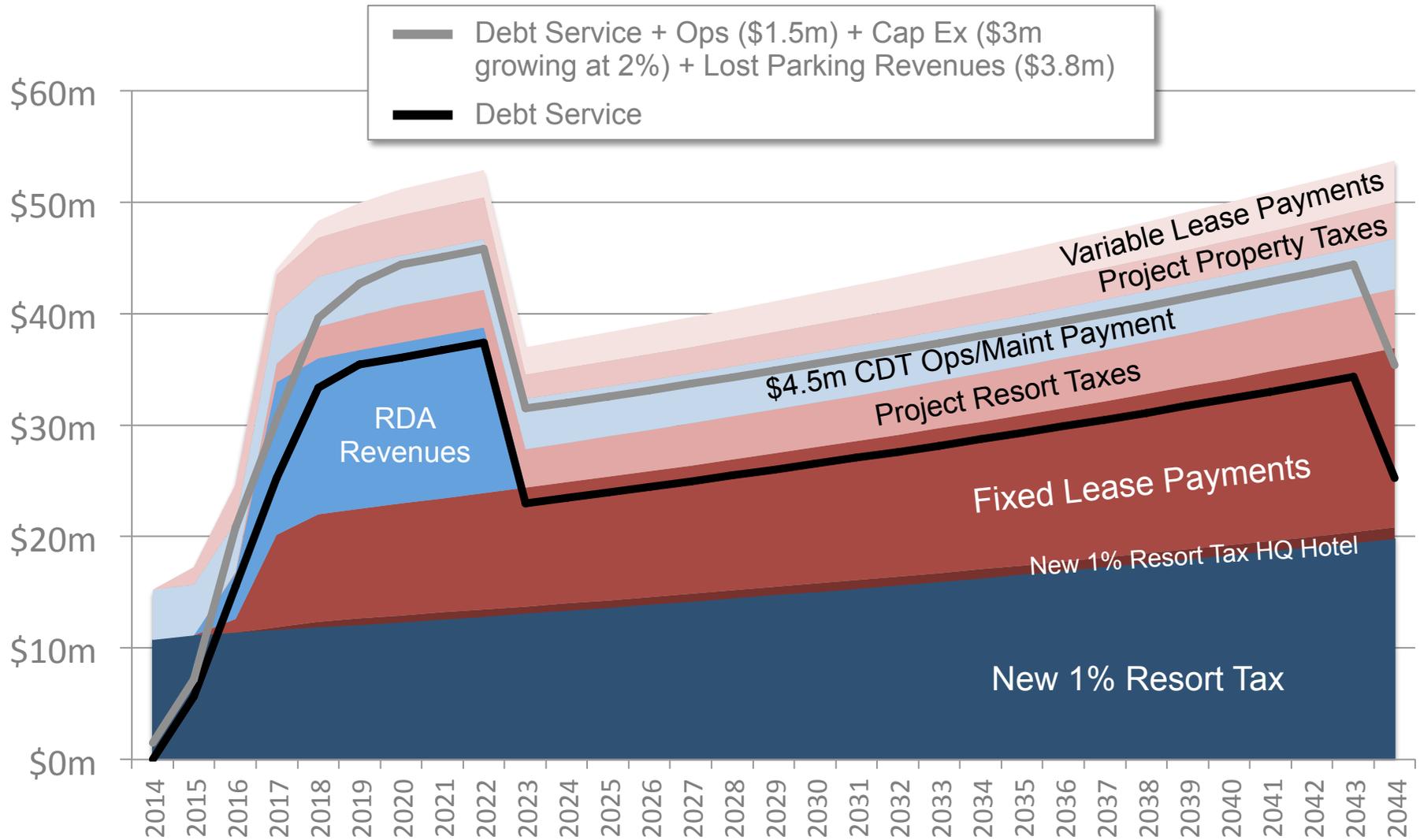
South Beach ACE



All projections assume 2% growth.

All Components

Portman-CMC



All projections assume 2% growth.

Order of Magnitude Estimate

May 22, 2013

	Portman	Tishman
Additional Funds Required of All Components Developed	\$0.0m	\$0.0m
Estimated Bonding Value of Components		
Residential	\$6.8m	\$12.4m
Parking Component of 17th Street parking Garage	\$34.8m	\$68.4m
Retail Component of 17th Street Parking Garage	\$53.8m	\$36.8m
Retail North of 17th Street	\$24.4m	\$0.0m
Cultural	\$10.3m	\$0.0m
Developer Contribution	\$32.1m	\$10.6m
Project Generated Resort Taxes	\$0.0m	\$61.2m
	<u>\$162.2m</u>	<u>\$189.5m</u>

Hypothetical Scenarios

May 22, 2013

	Portman	Tishman
Scenario 1: Hotel and CC only; no developer contribution	\$162.2m	\$189.5m
Scenario 2: No residential; No Cultural; City keeps 17th Street Parking component; Developer contribution cut in half	\$68.0m	\$147.3m
Scenario 3: Scenario 2 plus half of N. of 17th Street Retail.	\$80.2m	\$147.3m