

“Thorpe Sotheby’s International Realty is pleased to extend - to a select group of Luxury Hoteliers, Developers and Investors, the opportunity to acquire the last developable ocean front site in the Village of Bal Harbour, Florida. The Bal Harbour Beach Club, located on world famous Collins Avenue, Bal Harbour, affords the Unique Opportunity to create an International Showplace within the confines of one of the world’s most prestigious and exclusive communities.”



CONFIDENTIAL
OFFERING
MEMORANDUM

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Thorpe

Sotheby's
INTERNATIONAL REALTY

*The
Bal Harbour
Beach Club*



This Offering is a presentation regarding a project of exceptional possibilities. It outlines the **vision** for a potentially magnificent result situated in a special part of South Florida. On this 5.5 acre **canvas** of land awaits the creation of an extraordinary development. Within the exquisite **surroundings** of Bal Harbour. The Bal Harbour Beach Club is a success story waiting to be told. Its **setting** provides the favorable environment necessary to fashion this exceptional outcome.

*The
Bal Harbour
Beach Club*







The 
Bal Harbour
Beach Club

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“Thorpe Sotheby’s International Realty is pleased to extend to a select group of Luxury Hoteliers, Developers and Investors, the opportunity to acquire the last developable ocean front site in the Village of Bal Harbour, Florida.

The Bal Harbour Beach Club, located on world famous Collins Avenue, Bal Harbour, affords the Unique Opportunity to create an International Showplace within the confines of one of the world’s most prestigious and exclusive communities.”





Surfside

Indian Creek Country Club

Bal Harbour Shops

Sky Har

Under Construction - St. Regis

Sea View Hotel

Collins Avenue

The
Bal Harbour
Beach Club



Bellini Bal Harbour

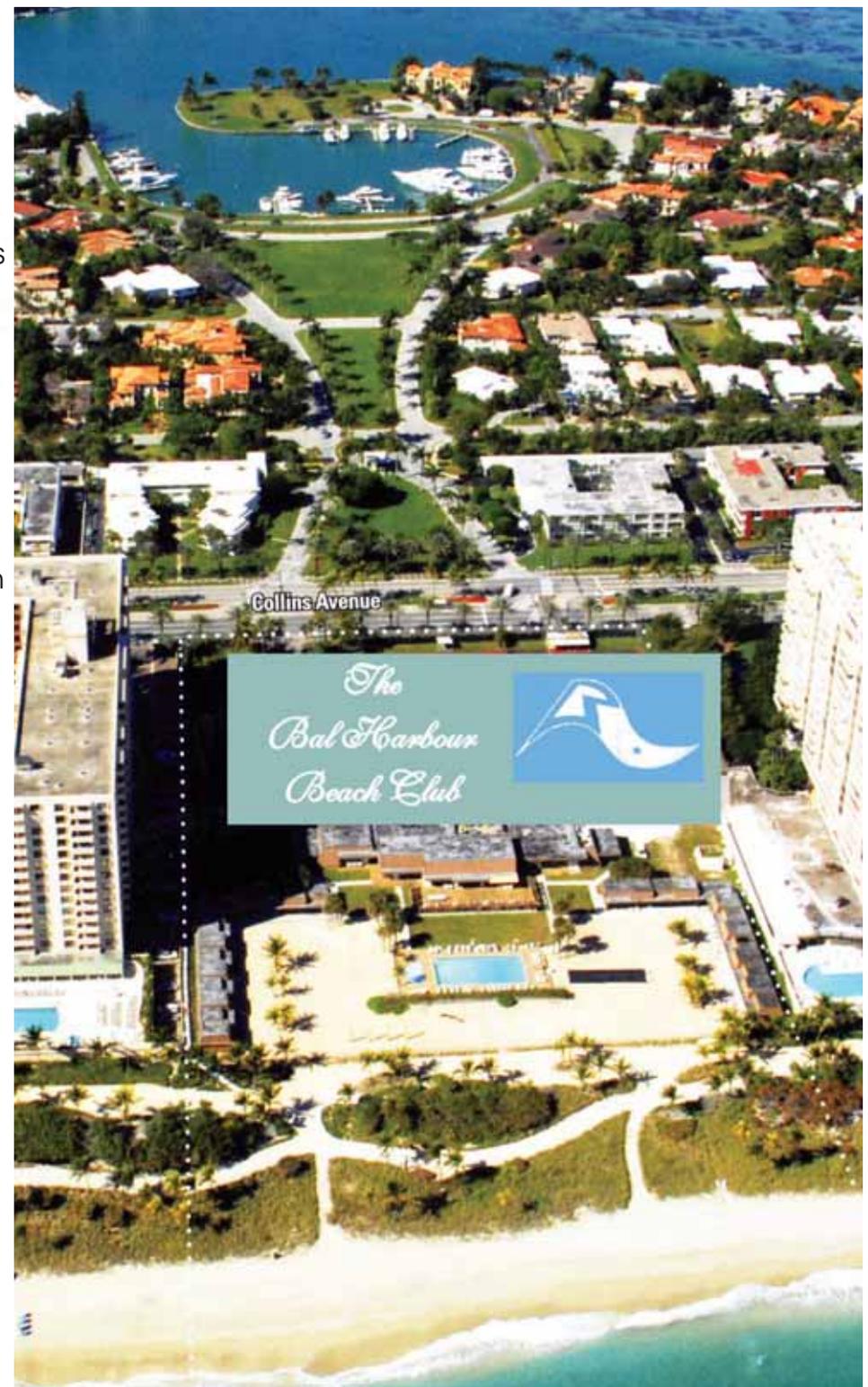
Total Site Size:	5.5 acres
Location:	Bal Harbour, Florida, Miami
Current Zoning:	Ocean Front District
Permitted Uses:	Multi-family, Hotel and accessory uses
Projected Closing:	Second quarter 2008

The Site - An Enclave of Distinction

On what now resides at The Bal Harbour Club is a 5.5 acre site that is poised for a spectacular redevelopment. This site - known as The Bal Harbour Beach Club, represents the last remaining oceanfront area available for development in the exclusive community of Bal Harbour. It is already zoned to allow the creation of over 675,000 square feet of both hotel and residential use with the potential to increase it to almost one million square feet. The opportunity to create such a critical mass of distinguished elegance no longer exists anywhere else within the Bal Harbour community. With its location on the ocean along Collins Avenue, just seconds north of Bal Harbour Shops, it creates the ideal canvas on which to create a development that embodies unsurpassed sophistication and refined taste.

South Florida & Miami - Affluence Abounds

The Bal Harbour Beach Club resides in an area identified with Miami, just north of South Beach along the world renowned Collins Avenue. With an international reputation, Miami is the cornerstone of South Florida, the 7th most populated metropolitan area in the country. This area is the "business, cultural, communications, and transportation nexus binding the United States with Latin America". Miami has emerged as an important international center and its diverse influence is apparent in every facet of the city. It is this aspect of Miami that has fueled its consistent growth throughout the last decade. Miami offers a quality of life, strategic location and infrastructure that will ensure its continued growth in the new millennium and beyond. The area is an attractive place to do business and its position internationally will allow it to take advantage of the emerging global markets. Miami is a cosmopolitan city with an international reputation and acclaim.



BOTTEGA VENETA





Bal Harbour Village-Refinement & Relaxation

Just north of Miami lies the Village of Bal Harbour. Distinctive through exclusivity. Bal Harbour, Florida is a special community whose distinguished residents and guests include those of who are among the world's most affluent. As a mile-long oceanfront paradise featuring pristine beaches, multi-million dollar homes, a treasure trove of world-class designer stores and award-winning hospitality, the Bal Harbour experience has become known around the world for its luxurious, yet relaxed environment. Bal Harbour is accessible only for those with the means to embrace its exclusivity. Its residents include past and present leaders in world affairs, business, society and entertainment. The core of this village is embodied in Bal Harbour shops, one of the most exclusive shopping destinations in the world and just steps away from The Bal Harbour Beach Club Ranked "the #1 most productive shopping center in the U.S." by Women's Wear Daily. Bal Harbour Shops' collection of stores are the who's-who in fashion and glamour. This "shopping hall of fame" embraces visitors with its tropical garden setting, plus charming cafes such as Carpaccio, Lea's Tea Room, and La Goulue. A Mecca for celebrities, the Bal Harbour Shops are considered a people-watching scene that rivals Beverly Hills, Paris, and St Tropez.

With four decades to refine its tenancy to reflect the surrounding community, Bal Harbour Shops now includes a lineup of tenants that represent the finest names in luxury retailing: Burberry, Bvlgari, Chanel, Dior, Dolce & Gabbana, Fendi, Gucci, Harry Winston, Hermes, Louis Vuitton, Neiman Marcus, Marc Jacobs, Roberto Cavalli, Saks, Valentino, Versace, Tiffany, and Yves Saint Laurent, to name just a few.



The Location-Prominence & Visibility

Situated along Collins Avenue. The Bal Harbour Beach Club is only seconds north of Ball Harbour Shops and the Bal Harbour Yacht Club Marina, and mere minutes from South Beach. It is easily accessible from Miami, Ft. Lauderdale, Boca Raton, and West Palm Beach by automobile via Interstate 95 and the Broad Causeway. Its location is approximately equidistant and provides easy access to and from both Miami International and Fort Lauderdale International airports.

The Entitlements-Current & Future

The development site presents a phenomenal opportunity for a marquee development befitting its exclusive surroundings. An ideal mix of luxurious residential and hospitality uses will ultimately be calibrated for the site, as an Investor seeks to meet a demanding clientele while mastering this once in a lifetime location. The 5.5 acres allow for a critical mass of development to occur on the site, and the needed flexibility to execute a promising master plan. Direct private beach access on the east side of the site and western sight lines that lead up a greenway onto the Bal Harbour Yacht Club Marina and Biscayne Bay lead to intriguing appeal from any angle.

The existing Ocean Front District (OF) zoning on the site allows for primarily condominiums, hotels, and private clubs—the uses that make for the most economically feasible endeavor, and are the most

desirable in the community and trade area. Ultra-luxury residences and hotels serve to further the cachet of Bal Harbour, and support the growth of the tax base through additional property, hotel, and sales tax; therefore such developments have traditionally been met with tremendous support from the village.

Current density allowed on the site is adequate to make a substantial mark on the Bal Harbour landscape with over 304 residential units or 553 hotel rooms, or some combination thereof spread over 675,000 square feet of space. In addition, ancillary retail and food and beverage uses are allowed that will further attract the discriminating resident or guest. Various height and setback restrictions are in place to maintain the character of the village. But will not impede the ability to mold the one of a kind site into something very unique.

The site has the potential to become even more valuable through a change in zoning classification, which would allow for additional density on the site. Due to its more than five-acre size, the site meets the minimum standards applicable to qualify for an application for rezoning to the Planned Development (PD) classification. It is anticipated that obtaining the PD zoning takes about six to nine months, and will be met with favorable response from the Village.



Bay Harbor Islands

Surfside
Indian Creek Country Club

Normandy Island

La Gorce Country Club

Sunset Island
Miami Beach Golf Club

Watson Island
Di Lido Island
Miami Beach
Lummus Park and Public Beach

Palm Island
Star Island

Dodge Island
Lummus Island

Fisher Island

Virgin Key



*The
Bal Harbour
Beach Club*



Collins Avenue

Bellini Bal Harbour

The Opportunity - Exclusivity & Scarcity

Although Bal Harbour sets the benchmark for vacationing in style, there are only a few remaining choices for those residents and visitors who want to bask in this luxury and relaxation to avail themselves of. The recently completed Regent Bal Harbour Hotel and soon-to be completed St Regis Hotels are the only two luxury vacation accommodations in the village and will undoubtedly set records in room rates for the region. In addition the St. Regis Residences, One Bal Harbour, and Bellini are the only recent offering of luxury residences within the Bal Harbour Village and have all been met with incredible response at ever-higher pricing. Combining the limited hotel and luxury residence offerings and the absolute scarcity of developable land, it creates an ideal situation for harvesting the intrinsic value available with the creation of a refined development on The Bal Harbour Beach Club site, making it a truly a a generational investment opportunity



Canvas

The Bal Harbour Beach Club site presents a phenomenal opportunity to create a marquee development befitting of its exclusive surroundings and ideal mix of luxurious residential and hospitality uses will ultimately be calibrated for the site, as an investor seeks to meet a demanding clientele while mastering this once in a lifetime location. The 5.5 acre site allows for a critical mass of development, as well as the needed flexibility to execute a promising master plan.



Collins Avenue

*The
Bal Harbour
Beach Club*



SITE OVERVIEW

The efficient site boasts straight property lines and 90-degree angles, allowing a clean canvas upon which to plot a unique, distinctive environment. Collins Avenue frontage of over 350 feet and a dedicated stoplight already in place make for a grand entrance to any future development. Direct private beach access on the east side of the site and western sight lines that lead up a greenway onto the Bal Harbour Yacht Club Marina and Biscayne Bay lead to intriguing appeal from any angle.

The existing Ocean Front District (OF) zoning on the site allows for primarily condominiums, hotels, and private clubs—the uses that make for the most economically feasible endeavor, and are of most desire in the community and trade area. Ultra-luxury residences and hotels serve to further the cachet of Bal Harbour, and support the growth of the tax base through additional property, hotel, and sales tax; therefore, such developments have traditionally been met with tremendous support from the village.

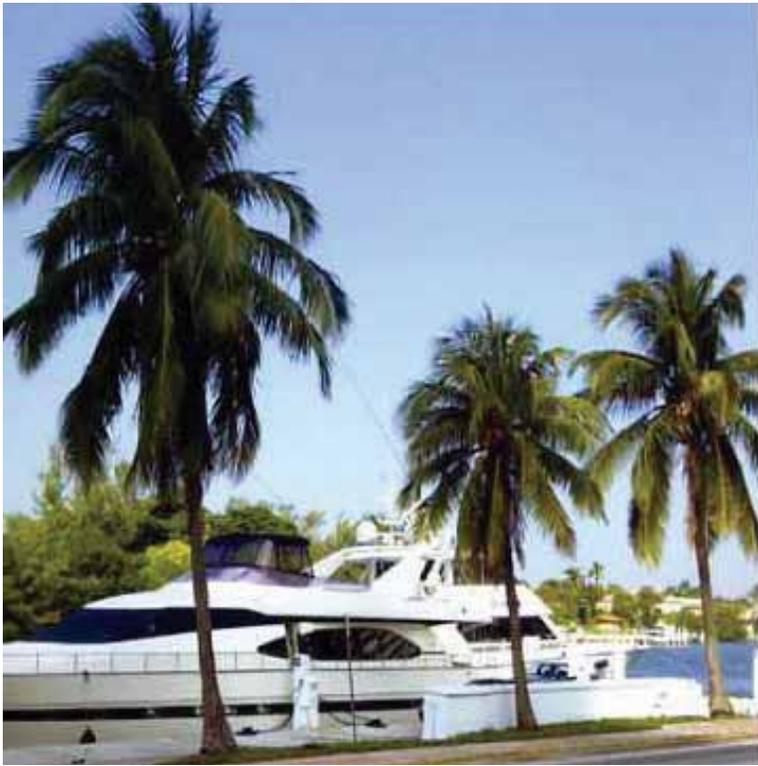
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The site has the potential to become even more valuable through rezoning, which would allow for additional density on the site. Because of its more than five-acre size, the site meets the minimum standards applicable to qualify for an application for rezoning to the Planned Development (PD) classification. It is anticipated that obtaining the PD zoning takes about six to nine months. Such a rezoning will allow for additional square footage and building height, while reducing setback requirements and allowing for additional flexibility within the site plan approval process. While there is no pre-determined floor area ratio for the PD classification, such a revised zoning could increase the buildable square footage by 250,000 square feet or possibly even more, through the additional height and lowered setbacks. The PD zoning classification is in place to encourage the development of high quality mixed-use development and may also allow additional ancillary retail to be incorporated on the site.

Site Information

Address:	10201 Collins Avenue Bal Harbour, Florida 33154
Size:	5.537 acres
Dimensions:	approximately 400' x 600'
Current Zoning:	OF-Ocean Front District
Building Height:	275'
Floor Area Ratio:	2:8
Maximum Building Size:	675,350 square feet

Potential Re-Zoning:	PD-Planned Development
Building Height:	297'
Floor Area Ratio:	Unspecified
Maximum Building Size:	Unspecified, potentially up to 925,000 square feet



OCEAN FRONT DISTRICT ZONING

The current zoning applicable to the site is Ocean Front District (OF), which is intended to provide consistent development along the east side of Collins Avenue, while encouraging development that maintains the character of the Village of Bal Harbour. The only uses permitted under the OF zoning classification are multi-family dwellings; hotels of no less than 100 guest rooms; public and private beach areas; accessory structures to multifamily or hotel developments such as cabanas and parking decks; and convenience establishments such as retail amenities and restaurants incorporated into aforementioned uses.

Details of the OF zoning include maximum densities of 55 multifamily units per acre or 100 hotel rooms per acre, or some combination thereof. The maximum floor area ratio (FAR) of buildings in the OF district is 2:8 allowing for 675,350 square feet of usable space on the site, without gain of any additional zoning. Any required parking spaces are to be included in an enclosed parking structure, although the parking area does not contribute to the FAR. The code calls for 60% of the site to be maintained as open space, half of which is to be considered usable recreation area.



One Bai Harbour

Harbour House

Bellin

Collins Avenue

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*The
Bal Harbour
Beach Club*



Collins Avenue



PLANNED DEVELOPMENT DISTRICT ZONING

Additional FAR square footage can be achieved through the formal re-zoning process, which is anticipated to be viewed favorably by community leaders due to the site's size, access, and current condition. The process for seeking a rezoning to Planned Development (PD) is one of plan submittal and review through the Bal Harbour Village Council. Usually a six to nine month procedure, many prior developments have achieved the additional zoning as a result of bringing professional, high-quality, cooperative development plans before the Council.

The PD zoning classification maintains a stated purpose of:

- Promoting the public welfare of the Village
- Answering demand for housing
- Providing suitable sites for development of structures combining residential and commercial uses.
- Encouraging innovation in residential and mixed-use development
- Conserving and efficiently using open space
- Providing greater opportunities for housing, shopping, employment, and recreation

Future development on The Bal Harbour Beach Club site will no doubt strive to meet these directives, and as such, the additional zoning should be attainable.

The PD zoning classification in Bal Harbour is somewhat flexible in terms of the ultimate square footage and permitted uses that can be achieved. The classification will allow a land owner to increase building height, and reduces required building setback and lot coverage stipulations in order to increase the density. It is believed that through the achievement of the PD zoning classification at The Bal Harbour Beach Club site, an additional 250,000 square feet, or possibly even more could be constructed. Additionally, the PD zoning classification, through its encouragement of mixed-use development, is more lenient toward the commercial component of development as it relates to ancillary food and beverage or accessory retail uses.

Surroundings

Commonly referred to as the “Gold Coast” due to the large number of Spanish Galleons that sank off the coast and would occasionally wash up on the

South Florida beaches, South Florida is characterized by its diverse culture, strong population growth, a vibrant economy, and rewarding real estate markets.





SOUTH FLORIDA "AMERICA'S PLAYGROUND"

Commonly referred to as the "Gold Coast" due to the large number of Spanish Galleons that sank off the coast and occasionally wash up on the South Florida beaches, South Florida is characterized by its diverse culture, strong population growth, and a vibrant economy.

Constrained Geography

Miami-Dade, Broward, and Palm Beach counties, the three most populous counties in the state, comprise what is commonly referred to as South Florida. While large in area, the population is confined to a narrow strip of land between the Atlantic Ocean and the Everglades. This band ranges from as little as five miles to as much as twenty miles wide (east to west) and is 110 miles long (north to south), making it the 2nd longest urbanized area in the United States, after the New York metropolitan area. The geographical boundaries help explain the high density of the area and also the clustered development of multiple cities along the coast.

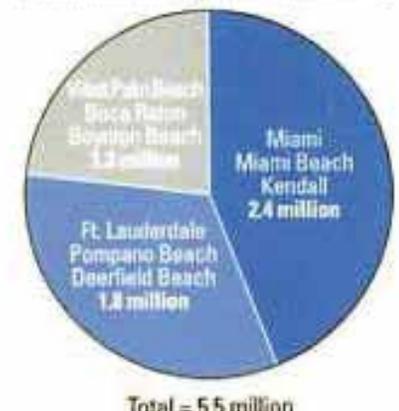
Climate

The allure of its tropical wet-and-dry climate is what makes the area such a population magnet. The Gulf Stream helps to create the long lazy and warm summers with their afternoon rains, while winter spans from November to March with is typically very dry weather and comfortable temperatures.

Population

With its 5.3 million people accounting for 2.3 million households and 1.3 million families, South Florida is the 7th most populated metropolitan area in the country. Dispelling the notion of a population dominated by retirees, it is interesting to note that the average age is just under 39 years, with 24% of the population under 18 years and only 15% over 64 years.

South Florida Population (Est. 2006)



International Immigration

Largely due to international immigration, South Florida's population is growing extremely fast. The South Florida Economic Forecasting Partnership estimates that the proximate area expanded by just under 490,000 people from 2000 to 2005, with nearly 70% of this growth coming from net international migration.

Diversity

The aforementioned international immigration has led to a diverse and energetic culture. Much of the population comes from Latin America and the Caribbean along with Canada, Brazil, Israel, and Europe. Permanent and part-time American snowbirds from the Northeast, Midwest, and California represent another population segment and contributes to the area's diversity. The melding of cultures has led to a "multicultural mosaic" that is unique to South Florida. South Floridians are decidedly more urbane than the rest of Florida.

Principal Cities

- | | |
|-------------------|-------------------|
| • Miami | • Pompano Beach |
| • Fort Lauderdale | • Kendall Beach |
| • Miami Beach | • Boca Raton |
| • West Palm Beach | • Deerfield Beach |

Growth Economy

It is South Florida that is the "business, cultural, communications, and transportation nexus connecting the United States with Latin America." Its superior productivity is evidenced by nearly \$204 billion in Gross Domestic Product in 2004, which is nearly 2% of the total U.S. and 37% of Florida's total. Within the area, Miami-Dade is the largest economy. South Florida's median household

South Florida – Fortune 500 Companies

Company	Location
AutoNation	Fort Lauderdale
Lennar	Miami
FPL Group	June Beach
Office Depot	Delray Beach
World Fuel Services	Miami
Ryder System	Miami
Republic Services	Fort Lauderdale
Burger King	Miami
Spherion	Fort Lauderdale
Agilysys	Boca Raton

income is just under \$44,000 and its average disposable income per capita was 9% higher than the U.S. and 10% higher than the State of Florida. South Florida's connection to the growing economies in Latin America has materially benefited the South Florida economy—and will continue to do so. Accordingly, South Florida's job growth is projected to grow during the next 5 years at 1.3% annually, almost twice as fast as the rest of the Nation.

Tourism

Over 10 million visitors come to South Florida each year, yielding an economic impact of over 11 billion dollars. Due to the mild climate and diverse resident population, 44.1% of tourists come from outside the United States. With an average length of stay nearing 7 days, tourists consider South Florida an ideal place to take their yearly vacation.

Seasonal Residents

South Florida is known as the winter home for many residents residing in colder regions. Miami Beach's year-round population of 95,000 grows by 110,000 between the months of January to April. Seasonal residents rent or own housing units in South Florida, but are not accounted in any official statistics or census. Of the seasonal residents who purchase second homes, half are of foreign origin, with the rest comprising of U.S. residents from the Northeast or the Midwest. New Yorkers make up the largest number of domestic seasonal residents. Seasonal residents own more than 60% of the premium condominium units. They contribute greatly to the high median housing value in South Florida (\$235,000), and to the overall economy due to their strong buying power. It is estimated that the income level of these residents is between \$75,000 and \$250,000, well above the income levels of the permanent population.

Transportation

South Florida has an excellent highway system serviced by five interstate highways including I-95, which runs along the coast and to just south of Miami, and I-75, which runs east-west and towards Naples. Air travel is facilitated by three major international airports located in Miami, Fort Lauderdale, and Palm Beach County. Combined, these airports transported a record 63.3 million passengers in 2007. South Florida has four seaports, including the Port of Miami, Port Everglades, Port of Palm Beach, and the Miami River Port.



MIAMI-DADE COUNTY

CLASSIC AMERICAN DESTINATION

Offering a bustling downtown, relaxing oceanfront views, and the serenity of Everglades National Park, Miami-Dade County has something for everyone. Known for its culture, picturesque, tropical surroundings, and year-round beach weather, Miami-Dade County has become a symbol for the leisurely lifestyle.

Population

Miami-Dade County is a multicultural melting pot consisting of residents as well as domestic and international tourists. Considered a polyglot community, the 2.5 million residents come from more than 121 countries, speak 68 languages, and comprise a workforce of over one million multi-lingual, multi-skilled men and women. Growing in size as fast as it is diversity, the population of the Miami-Dade County is expected to increase 33% by 2030.

Economy

As the southernmost major port on the eastern seaboard, and offering direct access to the Caribbean, Central and South America, Miami-Dade County is the gateway to both International travel and trade. As the home of seven passenger cruise lines including Carnival Cruise Lines, Seabourn Cruises, and Norwegian Cruises, Miami-Dade's economy benefits from being the departure point for thousands of visitors that come and go each year.

Tourism

Considered a "must see" vacation destination for many domestic and international families, Miami's tourism industry brought in \$14 billion of revenue in 2007. With more than 10 million overnight guests annually, many local residents earn a living in the leisure and hospitality industry. The beaches of Greater Miami draw visitors from across the country and around the world, and the Art Deco nightclub district in South Beach (in Miami Beach) is widely regarded as one of the most glamorous in the world. In 2005, over 10 million tourists visited the area generating several billion dollars in revenue. Although the majority of these international visitors arrive from Latin American countries, visitors from Canada and European countries represent a fairly sizeable portion of international tourists and reflect Miami's global appeal. The current strength of the Euro against the Dollar has made the Miami area much more attractive to European visitors, and some hotels are reporting a 40% increase in European guests. With a consensus belief of exchange rates maintaining their current levels, the Miami area will remain an affordable and enticing destination for international visitors.

International banking is another crucial segment of the economy. With total deposits of \$74.3 billion in 2003, about 100 commercial banks, thrift institutions, foreign bank agencies, and Edge Act banks are located in downtown Miami, representing the largest concentration of domestic and international banks on the East Coast south of New York. Brazilian, British, Canadian, French, German, Israeli, Japanese, Spanish, and Venezuelan banks have offices in Miami-Dade County. Still, domestic banks dominate the market, by Bank of America Corp., which has total deposits of over \$7.8 billion (2003) in its 25 local offices.



In 2007, international trade contributed \$51 billion to Miami-Dade County's economy, and employed 7.5% of the local labor force. As the port of entry for all regional countries (except Mexico), job growth grew 5.3% since 2003. With already more than 300 Fortune 500 multinational corporations have regional and worldwide headquarters in Miami-Dade County; there are future plans to turn the Port of Miami into a transshipment hub for trade between Asia. Accompanying this mission, the port plans to spend some \$350 million on capital improvements in the next five years to keep the Port of Miami competitive with other seaports. Total expenditure would be \$540 million, with the other \$190 million coming from federal, state, and local grants/contributions. In 2006, over 8.5 billion cargo tons of product were transported through the Port of Miami.

Gaming

On January 29th 2008, the Florida Gaming Corporation announced that in a local referendum, Miami-Dade County voters approved the operation of up to 2000 Class III Las Vegas style slot machines at Miami Jai-Alai, Calder Race Track, and Flagler Dog Track. A study done by the Washington Economics Group indicated that more than 6,400 jobs and \$26 million in tax revenues would come from the first year of operations. With 63% of voters in favor of Miami's gaming industry, the recent approval is expected to prime the pump for further legislative measures and increased economic potential. Many in the Miami area are behind the ultimate arrival of casino gambling in Dade County, Florida. The logical location for this would be along Collins Avenue.

Miami International Airport

Miami International Airport (MIA) is a hub for passenger airlines American Airlines, American Eagle, and Executive Air; cargo airlines Arrow Air, Fine Air, UPS, and Federal Express; and charter airline Miami Air. MIA is the premier gateway between the US and Latin America, and, along with Atlanta's Hartsfield-Jackson Airport, Miami is one of the largest aerial gateways into the American South. In 2007, 33,740,416 passengers traveled through the airport, the highest number since 2001. Through October of 2007, more international passengers boarded U.S. carriers at Miami International than at any other U.S. airport. Air cargo at Miami International Airport increased 5.12 percent for 2007, with total freight topping 2 million tons for the year. Counting 1.79 million tons of international freight in 2007, Miami International Airport is the domestic industry leader and ranks 11th in international freight globally. Concourse J is a new concourse that opened on August 29, 2007. Designed by Carlos Zapata and M.G.E., this area—the "South Terminal" will be the only part of the airport able to accept the new Airbus A380 and has introduced a third customs and immigration facility at the airport, supplementing the ones at Concourses B and E—enabling Miami International Airport to continue to facilitate easily visitors from all over the world.



Lifestyle

South Beach is much more than a name or a brand, it is emblematic of a sophisticated lifestyle. Rivaling the French Riviera, South Beach is a magnet for both U.S. and international visitors and a place to see and be seen. Add to that several world-class golf resorts, outstanding hotels and resorts, twenty-two museums, horse and dog racing and much, much more, Miami-Dade County offers a plethora of attractions all year round.

Among those attractions are its sports teams. Dolphin Stadium is home to both the Miami Dolphins of the NFL and Florida Marlins of Major League Baseball. The NBA's 2006 World Champion Miami Heat play in the American Airlines Arena, and the University of Miami Hurricanes play in nearby Coral Gables. Representing 5 National Title teams and 2 Heisman Trophy winners, the University of Miami has had the most successful football program over the past 25 years and serves as a large source of community pride for Miamians,

As if that was not enough, in addition to miles of beautiful beaches and water sports, recreational activities abound in Miami including 850,000 acres of parks, over 500 public tennis courts and 13 public golf courses. To further accommodate the growing need for cultural venues in Miami a \$255 million Performing Arts Center was completed in the fall of 2006. Miami also contains some of the finest healthcare facilities in the nation and prides itself of having a ratio of one doctor for every 250 residents.



BAL HARBOUR VILLAGE

Distinctive through exclusivity, Bal Harbour, Florida is a special community whose distinguished residents and guests include those who are among the world's most affluent. As a mile-long oceanfront paradise featuring pristine beaches, multi-million dollar homes, a treasure trove of world-class designer stores and award winning hospitality, the Bal Harbour experience has become known around the world for its luxurious, yet relaxed environment.

Created with Paradise in Mind

The vision for this subtropical paradise began with the purchase of raw land in 1929. Bal Harbour founder Robert C. Graham, envisioned it an exclusive modern community that would maintain exceptionally high standards, provide superior services, and foster immense civic pride. As the national economy grew from post WWII prosperity, the vision became a reality. As the years have passed, Bal Harbour has transformed and redeveloped itself into its current form of densely developed oceanfront hotel and exclusive condominium buildings, complemented by single family residential communities on the west side of Collins Avenue.

An Enclave of Privacy

Amongst increasing levels of growth and population density due to its desirable nature, Bal Harbor has remained true to its founding principles. Redevelopment has endeavored to increase standards of luxury; with generous minimum dwelling sizes and strict building requirements, the economics of supply and demand have yielded to the needs of a smaller, more profitable, target market. With a population set to remain around 3,000, Bal Harbor is accessible only for those with the means to embrace its exclusivity. Although averaging a median age of 58, those between the ages of 65 and 84 make up 31% of the Bal Harbor Village community, and represent past and present leaders in world affairs, business, society, and entertainment. Well-heeled younger generations have been drawn to this legendary hideaway as well. Totaling 35% of the population, those under 45 have been taking up residence and vacation with increasing frequency, a recognition of Bal Harbor's elegant, private atmosphere.







Adventura

Sunny Isles

The Regent
Bal Harbour

The
Bal Harbour
Beach Club

The Sea
View Hotel

U/C St. Regis Hotel
and Residences

Bal Harbour Shops

Collins Avenue



Visiting in Style

Bal Harbour sets the benchmark for vacationing in style. The recently completed Regent and soon-to-be completed St. Regis Hotel are the only two luxury vacation accommodations in the village. Although hotel rooms are ample in the surrounding area, Bal Harbour continues to endorse only the best of the best.

The Regent Bal Harbour

Adjacent One Bal Harbour, The Regent Bal Harbour was the first new hotel in the village in over 50 years. Featuring 124 Studios and Executive Suites, each guest room design is enhanced by spacious openings and large terraces with panoramic views. The interior offers mahogany wood, granite stone, and leather accents to convey a serene and warm atmosphere. This top of the line oceanfront hotel claims 750 feet of beach front property, and pampers guests with a full range of services and amenities. Planning ahead is a must for this soon-to-be award winning hotel. During the peak season room and suite rates range from \$600 to \$2500 per night depending upon day and room selection.

The Sea View Hotel

Popular particularly with Europeans and South Americans, the stylish and historic Sea View opened in 1947. Guests tend to be very loyal, in fact, many of the regular guests from the hotel's early years consistently rent the same room. In addition to the 226 guest rooms and suites, the spacious area includes an Olympic-sized pool accented with palm trees and surrounded by 50 private cabanas. The hotel's common areas have the nostalgic feel of a bygone era in Florida's history. During peak season, rates range from \$300-\$450 per night depending upon the day and room selection.

Coming Home to Bal Harbour

The idea of a simple and lavish lifestyle catering to sophisticated tastes has attracted residents since the incorporation of Bal Harbour Village. Waking up to a beach front backyard and the sounds of the Atlantic Ocean, condominiums are ideal to the average Bal Harbour resident. Although the median year of housing units built in 1972, over 80% of the dwellings are in structures with, 50 or more residences. This lifestyle is clearly valued as the most recent average sale price over \$1.5 million dollars.





One Bal Harbour (at The Regent)

New to the Bal Harbour oceanfront in 2008, this hotel-condo offers 80 private residences that sold out in a matter of weeks and are now nearly ready for move-ins. Made available at a variety of price points up to \$12,500,000. One Bal Harbour residences averaged nearly \$2.4 million dollars per unit. As introduced above, the adjacent Regent At Bal Harbour Hotel is fully prepared to offer an extensive range of amenities to both its visitors and One Bal Harbour residents.

Bellini Residences

On a tight sight at the north end of tile village, the Bellini Residences features 81 private units scattered among a 24 floor high rise. The development was a great success as the average sale price has been approximately \$4.5 million dollars. Built as private residences only, the Bellini features a heated oceanfront pool, 24-hour concierge, and valet.

Up and Coming

Scheduled to open in 2010, The St. Regis Resort & Residences will be the second hotel development built in Bal Harbour Village over the last 50 years. Now under construction by a joint venture between Starwood and The Related Companies, the St. Regis will include 219 hotel rooms, 36 hotel condos, and 300 private residences. The Siegar Suarez Architectural Partnership has designed the St. Regis to be constructed in three towers, with the middle tower housing the hotel portion. All hotel condo units have been sold. Private residences range from \$1.94 to \$11 million dollars and average over \$1,650 per square foot. Residence Club units in the hotel tower - one and two bedroom condos - will average approximately \$1,800 per square foot.

Neighbors

Immediate neighbors to Bal Harbour have benefited from their close proximity. As the demand for Bal Harbour continues to outpace supply, the communities of Sunny Isles to the north and Surfside to the south have seen a rise in their real estate values and demand. Relative proximity to Bal Harbour, Florida has become a benchmark for wealth and affluence. While a Bal Harbour address continues to be an aspiration for many, the ability to access it has become an economic achievement in itself.



Setting

The market setting which The Bal Harbour Beach Club aims to serve is an uncommon one. It is of the utmost exclusivity and sophistication. Only the highest-end, most luxurious properties can be considered when drawing comparisons for the evaluation of this opportunity.





LUXURY RESIDENCES

In the sphere of luxury residences, there are but a handful of recently completed projects that set only the floor of what The Bal Harbour Beach Club can be. Only two projects have delivered in the Village in the past five years -Bellini Bal Harbour and One Bal Harbour - adding only a combined 340 units to the local residential market. Both Bellini Bal Harbour and One Bal Harbour sold out at a torrid pace, years prior to their completion. With average prices per square foot estimated to be in excess of \$1,100, the prices of these residences is far in excess of the Miami average. In fact, for 2007 the gross price of homes sold in Bal Harbour exceeded that of Miami by 225%, or \$1.05 million. This remarkable demand is reflective of the distinctive exclusivity that the Village of Bal Harbour commands.

One new project is currently under construction in Bal Harbour, and is anticipated to be the new benchmark for the Village in terms of pricing. The St. Regis Resort and Residences is rising on the former site of the Sheraton Hotel and will deliver in late 2009. The project has been met with great anticipation by community residents and international travelers and investors. Developed by the Related Group and Starwood Hotels & Resorts, the 300 luxury residences and 40 hotel residences are currently priced at an average of greater than \$1,650 per square foot.

Bal Harbour Luxury Residences

	Bellini Bal Harbour	One Bal Harbour	St. Regis Residences
Delivery	2005	2007	Est. Late 2009
Status	Sold Out	Sold Out	Limited Release Accepting Reservations
Units	80	240	300/40
Avg Price Per Square Foot	\$850	\$975	\$1,650

ACCOMMODATIONS

For the past twenty years, there have been only two choices for accommodations in sought-after Bal Harbour. The Sea View Hotel and the since-demolished Sheraton were the only options available to the discriminating visitor to the area. While the Sea View remains a long-time favorite of regulars and international travelers, two new hotels are seeking to capitalize on the increasing desirability and cachet of the area with luxury hospitality offerings of their own. The new Regent Hotel and soon-to-open St. Regis will add only an additional 343 luxury rooms to the local supply, and only a very limited amount of convention and meeting space. The 343 rooms being added are actually a reduction from the 645 rooms previously located in the Sheraton. This reduction in supply is already serving to increase occupancy and rates dramatically at the Sea View and Regent, where the first two months are nearly sold out at average rates in excess of \$600 per night.

The 12 hotels that comprise the ultra-luxury hotel set in the Miami area have seen a substantial increase in demand dating back to 2004, because of a continued regional job growth, the increasing cachet of Miami as a "playground of the rich and famous," and international travelers flocking to the area as a result of the favorable currency rate. Since year-end 2004, average occupancy at 5-star hotels in the region has increased over 7 percentage points to 71% for 2007. Meanwhile, room rates have spiked over 35%, amplifying the area's desirability among elite clientele.

Bal Harbour Hotel Supply

2006 Supply (# of rooms)		2010 Supply (estimated # of rooms)	
Sea View Hotel	220	Sea View Hotel	220
Sheraton Bal Harbour	645	Regent Bal Harbour	124
		St. Regis	219
Total	865	Total	563
Total Reduced Supply	302 rooms		

Miami 4 & 5 Star Hotels

