

PREFERRED REALTY & DEVELOPMENT

RFQ MCRA 2015-03 MARGATE CITY CENTER DEVELOPMENT

*RFQ MARGATE CITY
CENTER*

SECTION 1

1. QUALIFICATIONS AND EXPERIENCE

a) Representative authorized to act on behalf of the applicant:

- Name: Richie Speno
Address: 1723 Banks Rd, Margate, FL, 33063
Telephone: 954-971-6775
Fax: 954-984-8179
Email: rspeno@prd-realty.com

b) Developer:



Preferred Realty & Development (Preferred) is a commercial real estate investment and development firm, engaged in development, acquisition, and asset management. The company also provides property management and brokerage services for commercial properties.

Preferred was founded in 1980 in South Florida by Thomas R. Speno. The company mainly focused on residential real estate, until Thomas ventured into development including multifamily and commercial property in 2001. Richie Speno joined the company in 2004 and Preferred Realty & Development formed shortly afterward. The company has successfully developed, owned, and managed projects with large industrial buildings, multi-family properties, retail centers and office buildings.

In the last 10 years, Preferred Realty & Development has completed 5 projects valued over \$38,000,000. Preferred's legal and operational structure is as follows: Preferred Realty Inc., DBA, Preferred Realty & Development.

- Name: Preferred Realty & Development
Address: 1723 Banks Rd, Margate, FL, 33063
Telephone: 954-971-6775
Fax: 954-984-8179

c) Organizational Chart

- | | |
|------------------------------------|----------------------------|
| ▪ Thomas R. Speno, President | PRINCIPAL |
| ▪ Richard D. Speno, Vice President | CITY CENTER PROJECT LEAD |
| ▪ Tom Speno Jr., MBA, Director | CITY CENTER PROJECT MEMBER |

d) Thomas R. Speno, President – PRINCIPAL

Thomas Speno is the owner and founder of Preferred Realty & Development. Thomas has over 30 years' experience in the ownership of various commercial real estate assets in South Florida and across the country. Over the past 20 years Thomas has acquired and developed over \$115 million in commercial real estate assets. Preferred purchases and develops commercial, office, industrial, retail and multi-family properties.

- Name: Thomas R. Speno
- Address: 1723 Banks Rd, Margate, FL, 33063
- Telephone: 954-971-6775
- Fax: 954-984-8179
- Email: tspeno@prd-realty.com

e) Richard D. Speno, Vice President - CITY CENTER PROJECT LEAD

Richie Speno joined the company in 2004 and is involved with acquisitions, construction development, property management, transactional sales and leasing services. A graduate of Auburn University, with an Economics degree, Richie has over 15 years' experience with both residential and commercial construction. Richie has managed construction assignments and project development exceeding \$43M since joining the company.

Tom Speno Jr., MBA, Director - CITY CENTER PROJECT MEMBER

Tom Speno Jr. joined Preferred in 2014 after successfully completing his MBA at the University of Miami. Tom's experience within the real estate industry includes commercial brokerage, development, corporate real estate, and private equity investment. Tom has worked across Florida as an advisor to companies handling their real estate negotiations. Tom completed his bachelor's degree with honors at Florida State University.

SECTION 2

2. SAMPLE PROJECTS AND REFERENCES

a)

- I. **BANKS BUSINESS PARK** - Margate, FL – Designated as **major employment center** for the City of Margate

165,000 Square Feet office/warehouse Business Park located on Banks Rd near the intersection of Banks and Copans Rd. Preferred Realty & Development's corporate office is located here. Total project cost **\$22,000,000**.

Financing: Developer Equity & Construction Loan for 70% loan to value of project costs.

Timeline: 3 Phase project completed over 4 years from design through final phase completion.

Additionally, Preferred developed Margate Business Park; 28,000 square foot Business Park off NW 24th Street in Margate.



II. DREXEL PARK TOWNHOMES – Delray Beach, FL

Preferred's most recent multifamily development is Drexel Park Townhomes. Drexel Park is a two-story new construction development project located in Delray Beach and **completed in the fall of 2014**. Preferred has two additional townhome projects scheduled to break ground in North Lauderdale (April 2015) and Delray Beach (June 2015).

Financing: Developer Equity and Regional Bank provided construction financing

Timeline: 2 years from design through completion



III. MARVILLA CONDOMINIUM – Wilton Manors, FL

Successful condominium redevelopment project Preferred Realty & Development completed in Wilton Manors, FL. Preferred handled all construction management for this project as well.

Financing: Owner / Developer Equity

Timeline: 24 months from design to disposition



IV. **PREFERRED EXCHANGE TOWER** – Coral Springs, FL

203,000 Square Feet Class A Office and Retail building

Preferred successfully repositioned an underperforming office and retail property; purchased property for \$15,750,000. Preferred added value through diligent management, capital improvements and marketing to lease up vacant office and retail space then sold the property for \$33,500,000.

Financing: Owner Equity and Permanent Financing

Timeline: 5 years from acquisition, including asset management and successful disposition



V. **FEDEX DISTRIBUTION CENTER** – Salt Lake City, Utah

70,925 square foot distribution center built for FedEx Express at the Salt Lake City International Airport in Salt Lake City, Utah. This project was completed in **January 2015**.

Financing: Developer Equity & Construction Financing (see reference letter from Synovus Bank)

Timeline: Design, lease negotiations, and construction took place over 24 months



- b) **Public sector** reference see exhibit: Jerry Blough, former Chief of Police and City Manager for the City of Margate.

SECTION 3

3. FINANCIAL CAPACITY AND CAPABILITY

- a) Preferred's principal plans to provide the necessary Developer Equity to accelerate the start of the project. Preferred plans to secure construction financing through a local community or regional bank. After the project achieves stabilization and reaches a market level of occupancy, the construction loan would be paid in full and replaced by long term permanent financing.
- b) **NO** current or pending bankruptcies, disbarments, law suits, or loan defaults
- c) Financial statement - (Please keep confidential pursuant to state law) and reference from financing sources: see exhibits

SECTION 4

4. ESTIMATED TIMELINE FOR DEVELOPMENT OF PROPOSAL

- a) Anticipated timeline for initial due diligence, conceptual planning for the project and development of a project pro forma and financing strategy:
- 30 – 60 days
- b) Additional information that would be helpful in expediting the due diligence process includes:
- Confirm any restrictive covenants, easements, and agreements
 - Confirm any releases available from current lienholders if applicable
 - Verify all operating expenses of the existing property have been reflected in the financial information provided
 - Verify all service contracts terminable without penalty
 - Confirm assignability of service contracts
 - Determine existence of contingent liabilities or open claims against property
 - Verify no development rights transferred
 - Verify no existing contemplated assessments
 - Verify no disputes with brokers, suppliers or employees
- c) Additional information related to challenges to development of the City Center site and expedition of the proposal process. As a local company based in Margate and experienced in developing a major employment center in the City of Margate, we anticipate surmountable challenges that we are uniquely positioned to address and overcome with our in market local team and successful track record developing multiple projects in Margate.

February 10, 2015

To Whom It May Concern:

It is a privilege to recommend to you Preferred Realty & Development for consideration as one of the multiple developers that will be under your review and consideration for the Margate City Center. I had the distinct pleasure of working with this development company and more specifically with Mr. Richie Speno, Vice President of the company, during my tenure as Chief of Police and as City Manager with the City of Margate. Preferred Realty & Development performed with integrity, as agreed and exceeded my expectations.

Preferred Realty & Development is a hometown company headquartered in the City of Margate that is truly interested in playing a key role for the Margate Community Redevelopment Agency (MCRA) to achieve the high ideals for the City with the development of the City Center. With the MCRA considering multiple developers, this company has much to offer and has a proven track record of successes. These successes include the development and management of the Banks Business Park which is a major employment center in the City of Margate today. The company's intimate knowledge of the local environment will serve as a tremendous asset and help accelerate the success of the City Center.

Preferred Realty & Development's insight, experience, and abilities, can help move the City Center project from a vision to reality. The time is right, and the mission to create new economic opportunities in Margate can happen with the right team. Preferred Realty & Development wants to invest further in the City of Margate and is ready to meet the challenge.

I would highly recommend this company for further consideration. In the event that you wish to discuss my association with Preferred Realty & Development, or request any additional information, please feel free to contact me at 954-410-9733, or by email at jblough606@aol.com.

Sincerely,



Jerry A. Blough



450 S. Orange Ave. Suite 600
Orlando, FL 32801

February 10, 2015

Mr. Thomas Speno, President
Preferred Realty & Development
1723 Banks Road
Margate, FL 33063

Dear Mr. Speno:

I am pleased to provide this letter of reference with regard to the financing Synovus Bank provided on your behalf to construct a build-to-suit facility for Federal Express in Salt Lake City, Utah.

Synovus provided a high seven figure construction facility which closed on May 2, 2014. As of this writing, the project has been completed on time, on budget and without any adverse occurrences over the course of construction. The tenant has accepted the premises and has taken occupancy.

At this writing, the loan has a current balance in the high seven figures and has been paid as agreed. The loan matures on April 21, 2015.

If you have any questions about anything contained herein, please feel free to call me at (407) 839-6139.

Sincerely,

Larry W. Hacker
Senior Corporate CRE Banker

ACKNOWLEDGEMENT FORM

ADDENDUM NO. 2


**RFQ MCRA 2015-03 – REQUEST FOR QUALIFICATIONS (RFQ)
MARGATE CRA (MCRA) CITY CENTER DEVELOPMENT**

I acknowledge receipt of Addendum No. 2 for RFQ MCRA 2015-03. This addendum contains three (3) pages. Please include the original of this form in your RFQ submission.

Company Name: PREFERRED REALTY AND DEVELOPMENT

Address: 1723 BANHS RD, MARGATE, FL, 33063

Name of Signer THOMAS SPENDO
(please print)

Signature:  Date: 2/10/15

Telephone: 954-971-6775 Facsimile: 954-984-8179

Please fax your completed form to (954) 935-5258 or e-mail to purchase@margatefl.com.

Patricia Greenstein
Purchasing Manager 
1/12/15

ACKNOWLEDGEMENT FORM

ADDENDUM NO. 1

**RFQ MCRA 2015-03 – REQUEST FOR QUALIFICATIONS (RFQ)
MARGATE CRA (MCRA) CITY CENTER DEVELOPMENT**

I acknowledge receipt of Addendum No. 1 for RFQ MCRA 2015-03. This addendum contains six (6) pages. Please include the original of this form in your RFQ submission.

Company Name: PREFERRED REALTY AND DEVELOPMENT

Address: 1723 BANKS RD, MARGATE, FL 33063

Name of Signer THOMAS SPENO
(please print)

Signature:  Date: 2/10/15

Telephone: 954-971-6775 Facsimile: 954-984-8179

Please fax your completed form to (954) 935-5258 or e-mail to purchase@margatefl.com.


Patricia Greenstein
Purchasing Manager
1/7/15