

Lee County Board Of County Commissioners

Blue Sheet No. 20050525

Agenda Item Summary

1. **ACTION REQUESTED/PURPOSE:** Authorize the Division of County Lands to make a binding offer to property owner in the amount of \$675,000 for Parcel 2, Matlacha Park Expansion Project, pursuant to the Purchase Agreement; authorize the Division of County Lands to handle all documentation necessary to complete transaction.

2. **WHAT ACTION ACCOMPLISHES:** Makes binding offer to property owner.

3. **MANAGEMENT RECOMMENDATION:** Management recommends Board approve the Action Requested

4. **Departmental Category:** 6

CLA

5. **Meeting Date:** 10-11-2005

6. **Agenda:**
 Consent
 Administrative
 Appeals
 Public
 Walk-On

7. **Requirement/Purpose: (specify)**
 Statute 73 & 125
 Ordinance
 Admin. Code
 Other

8. **Request Initiated:**
 Commissioner _____
 Department Independent
 Division County Lands
 By: Karen L.W. Forsyth, Director

9. **Background:**
Negotiated for: Parks and Recreation

Interest to Acquire: Fee interest in 12,500 square feet of improved waterfront property.

Property Details:

Owner: Leonard Laakso
Address: 4565 Pine Island Road NW, Matlacha, FL
STRAP No.: 24-44-22-00-00006.0010

Purchase Details:

Binding Offer Amount: \$675,000

In order to expedite acquisition efforts, staff recommends Board make a binding offer in the amount of \$675,000 (appraised value), and commence Eminent Domain procedures.

Appraisal Information:

Appraiser: W. Michael Maxwell, MAI, SRA, Maxwell & Hendry Valuation Services, Inc.
Amount: \$675,000
Date of Value: July 26, 2005

Staff Recommendation: Staff recommends the Board approve the action requested.

Account: ~~24-44-22-00-00006.0010~~ 20203418700.506110

Attachments: Purchase Agreement, In House Title Report, Location Map, Appraisal Report, Sales History

10. **Review for Scheduling:**

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services			County Manager/P.W. Director
			CCM		Analyst	Risk	Grants	
K. Forsyth			Johney		9/19/05	9/19/05	9/19/05	HS 9/20/05

11. **Commission Action:**

- Approved
- Deferred
- Denied
- Other

RECEIVED BY
 COUNTY ADMIN: [Signature]
 9-19-05
 2:00
 COUNTY ADMIN
 FORWARDED TO: [Signature]
 9-22-05
 4:30 PM

3:00 PM
 9/20/05
 ED TO:
 9/20/05

This document prepared by
Lee County Division of County Lands
Project: Matlacha Park Expansion
Parcel: 2
STRAP No.: 24-44-22-00-00006.0010

BOARD OF COUNTY COMMISSIONERS
LEE COUNTY
AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
IN LIEU OF CONDEMNATION PROCEEDINGS

THIS AGREEMENT for purchase and sale of real property is made this _____ day of _____, 2005 by and between **Leonard Laakso, a single person**, hereinafter referred to as SELLER, whose address is 806 NE 2nd Avenue, Del Ray Beach, FL 33444, and **Lee County, a political subdivision of the State of Florida**, hereinafter referred to as BUYER.

WITNESSETH:

- 1. AGREEMENT TO PURCHASE AND TO SELL:** SELLER agrees to sell and BUYER agrees to purchase, subject to the terms and conditions set forth below, a parcel of land consisting of 0.29 acres more or less, and located at 4565 Pine Island Road NW, Matlacha, FL and more particularly described in "Exhibit A" attached hereto and made a part hereof, hereinafter called "the Property." This property is being acquired for the Matlacha Park Expansion Project, hereinafter called "the Project", with the SELLER'S understanding that the property, if not voluntarily sold, would have been condemned by BUYER through the exercise of its eminent domain powers.
- 2. PURCHASE PRICE AND TIME OF PAYMENT:** The total purchase price ("Purchase Price") will be Six hundred seventy-five thousand and No/100 dollars (\$675,000.00), payable at closing by County warrant. The Purchase Price is mutually agreeable to both the SELLER and BUYER and represents the voluntary sale and purchase of the property in lieu of BUYER's condemnation.

3. **EVIDENCE OF TITLE:** BUYER will obtain at BUYER's expense an American Land Title Association Form B Title Commitment and provide title insurance Owner's Policy in the amount of the purchase price, from a title company acceptable to BUYER. The commitment will be accompanied by one copy of all documents that constitute exceptions to the title commitment. The commitment will also show title to be good and marketable, subject only to real estate taxes for the current year, zoning and use restrictions imposed by governmental authority, and restrictions and easements common to the area.

4. **CONDITION OF PROPERTY; RISK OF LOSS:** BUYER has inspected the Property and, except as is otherwise provided herein, accepts the Property in the condition inspected. Any loss and/or damage to the Property occurring between the date of this offer and the date of closing or date of possession by BUYER, whichever occurs first, will be at SELLER'S sole risk and expense. However, BUYER may accept the damaged property and deduct from the purchase price any expenses required to repair the damage, or BUYER may cancel this Agreement without obligation.

5. **SELLER'S INSTRUMENTS AND EXPENSES:** SELLER will pay for and provide:

- (a) A statutory warranty deed, and an affidavit regarding liens, possession, and withholding under FIRPTA in a form sufficient to allow "gap" coverage by title insurance;
- (b) utility services up to, but not including the date of closing;
- (c) taxes or assessments for which a bill has been rendered on or before the date of closing;
- (d) payment of partial release of mortgage fees, if any;
- (e) SELLER'S attorney fees, if any.

6. **BUYER'S INSTRUMENTS AND EXPENSES:** BUYER will pay for:

- (a) Recording fee for deed;
- (b) survey, (if desired by BUYER).

7. **TAXES:** SELLER will be charged for Real Estate taxes and personal property taxes (if applicable) up to, but not including the date of closing.

This voluntary sale and purchase is considered by Florida law to be exempt from the payment of Documentary Stamp Taxes because this transaction was made under the threat of an eminent domain proceeding by the BUYER.

8. **DEFECTS IN TITLE AND LEGAL ACCESS:** Prior to closing, BUYER will have a reasonable time to examine the title and documents establishing legal access to the property. If title is found to be defective, BUYER will notify SELLER in writing of the defects and SELLER will make a prompt and diligent effort to correct such defects. If SELLER fails to make corrections within 60 days after notice, BUYER may elect to accept the Property in its existing condition with an appropriate reduction to the purchase price, or may terminate this Agreement without obligation.

9. **SURVEY:** BUYER may order the Property surveyed at BUYER's expense. SELLER agrees to provide access to the Property for such survey to be performed. If the survey shows a discrepancy in the size or dimensions of the Property, or shows encroachments onto the Property or that improvements located on the Property encroach onto adjacent lands, or if the survey identifies violations of recorded covenants and/or covenants of this Agreement, upon notice to the SELLER, the BUYER may elect to treat such discrepancies, violations and/or encroachments as a title defect.

10. **ENVIRONMENTAL AUDIT:** BUYER may perform or have performed, at BUYER's expense, an environmental audit of the Property. If the audit identifies environmental conditions unacceptable to the BUYER, BUYER may elect to accept the Property in its existing condition with an appropriate abatement to the purchase price or BUYER may terminate this Agreement without obligation.

11. **ABSENCE OF ENVIRONMENTAL LIABILITIES:** The SELLER warrants and represents that the Property is free from hazardous materials and does not constitute an environmental hazard under any federal, state or local law or regulation. No hazardous, toxic or polluting substances have been released or disposed of on the Property in violation of any applicable law or regulation. The SELLER further warrants that there is no evidence that hazardous, toxic or polluting substances are contained on or emitting from the property in violation of applicable law or regulation. There are no surface impoundments, waste piles, land fills, injection wells, underground storage areas, or other man-made facilities that have or may have accommodated hazardous materials. There is no proceeding or inquiry by any governmental agency with respect to production, disposal or storage on the property of any hazardous materials, or of any activity that could have produced hazardous materials or toxic effects on humans, flora or fauna. There are no buried, partially buried, or above-ground tanks, storage vessels, drums or containers located on the Property. There is no evidence of release of hazardous materials onto or into the Property.

The SELLER also warrants that there have been no requests from any governmental authority or other party for information, notices of claim, demand letters or other notification that there is any potential for responsibility with respect to any investigation or clean-up of hazardous substance releases on the property. All warranties described herein will survive the closing of this transaction.

In the event the SELLER breaches the warranties as to environmental liability, SELLER agrees to indemnify and hold the BUYER harmless from all fines, penalties, assessments, costs and reasonable attorneys' fees resulting from contamination and remediation of the property.

12. **TIME AND BINDING AGREEMENT:** Time is of the essence for closing this transaction. The BUYER's written acceptance of this offer will constitute an Agreement for the purchase and sale of the Property and will bind the parties, their successors and assigns. In the event the BUYER abandons this project after execution of this Agreement, but before closing, BUYER may terminate this Agreement without obligation.
13. **DATE AND LOCATION OF CLOSING:** The closing of this transaction will be held at the office of the insuring title company on or before 60 days from the date this Agreement is made. The time and location of closing may be changed by mutual agreement of the parties.
14. **ATTORNEYS' FEES:** The prevailing party in any litigation concerning this Agreement will be entitled to recover reasonable attorneys' fees and costs.
15. **REAL ESTATE BROKERS:** SELLER hereby agrees to indemnify and hold the BUYER harmless from and against any claims by a real estate broker claiming by or through SELLER.
16. **POSSESSION:** SELLER warrants that there are no parties in possession other than SELLER unless otherwise stated herein. SELLER agrees to deliver possession of Property to BUYER at time of closing unless otherwise stated herein.
17. **TYPEWRITTEN/HANDWRITTEN PROVISIONS:** Typewritten and handwritten provisions inserted herein or attached hereto as addenda, and initialed by all parties, will control all printed provisions in conflict therewith.

18. **SPECIAL CONDITIONS:** Any and all special conditions will be attached to this Agreement and signed by all parties to this Agreement.

WITNESSES:

CHARLIE GREEN, CLERK

BY: _____
DEPUTY CLERK (DATE)

SELLER:

Leonard Laakso

BUYER:
LEE COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

BY: _____
CHAIRMAN OR VICE CHAIRMAN

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

COUNTY ATTORNEY (DATE)

Special Conditions

1. BUYER acknowledges the property does not have legal access and will not deem this a title defect under Paragraph 8 of the Purchase Agreement.
2. BUYER and SELLER hereby covenant that the Purchase Price recited herein, except as noted below, includes payment for attorney and appraiser fees and costs, moving expenses, the home, additions, improvements, carport(s), shed(s), landscaping and for all fixtures, including but not limited to, built-in-appliances, air conditioning unit(s), hot water heater(s), ceiling fans, screen enclosure(s), windows, awnings, doors and floor covering, as of the date of this agreement.
3. BUYER'S authorized agent will inspect the house and all other real property and improvements prior to closing. All personal property and all hazardous materials, including but not limited to paint, pesticides, batteries, and fuel must be removed prior to closing. Removal of any fixture(s) by SELLER may cause a delay in closing and a reduction in the Purchase Price. All additional costs associated with any breach of this covenant will be paid by the SELLER. This covenant shall survive closing.
4. SELLER hereby agrees to deliver possession of the Property, absent of any resident(s) or tenant(s), to BUYER at the time of closing and further agrees that the purchase of the Property is NOT subject to any written or verbal lease agreement(s) of the SELLER.
5. Upon the BUYER'S written acceptance of this Agreement, SELLER hereby gives permission allowing entry to the premises by County Representatives, upon first receiving 48 hours prior notice, in order for the premises to be inspected to determine if asbestos is present in the improvements or if relocating any or all real estate improvements is feasible subsequent to closing and the County taking possession of the Property.

WITNESSES:

CHARLIE GREEN, CLERK

BY: _____
DEPUTY CLERK (DATE)

SELLER:

Leonard Laakso

BUYER:
LEE COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

BY: _____
CHAIRMAN OR VICE CHAIRMAN

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

COUNTY ATTORNEY (DATE)

Exhibit A

Parcel 2

A Tract or parcel of land lying on West Island in Section 24, Township 44 South, Range 22 East, Lee County, Florida, which tract or parcel is described as follows:

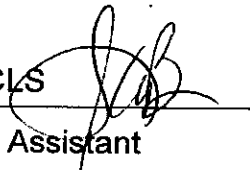
From the Southwest corner of Section 24 run N 2°14' W along the West line of said Section for 1050.4 feet to the centerline of State Road No. 78 (formerly No. 183); thence, run N 37°49' E for 344.97 feet; N 37°29' E for 1076.1 feet and N 37°49' E for 545.55 feet along the centerline tangents of said road according to a plat recorded in Deed Book 145 at Page 139 of the Public Records of Lee County, to a point on line with the Northeasterly line of Block No. 2, of the plat of Pine Island Fill Subdivision, recorded in Plat Book 8 at Page 85 of the Public Records as monumented; thence run S 52°31' E 150.00 feet, S 37°49' W 24.10 feet and S 35°11' E 140.00 feet to the point of beginning; thence, S 54°49' W (passing over a set iron rod at 42.00') 100.00 feet to a set iron rod; thence S 35°11' E 125.00 feet to a set iron rod; thence N 54°49' E (passing over a set iron rod at 58.00') 100.00 feet; thence, N 35°11' W 125.00 feet to the point of beginning.

Division of County Lands

In House Title Search

Search No. 24-44-22-00-00006.0010
Date: February 16, 2005
Parcel: 2
Project: Matlacha Park Expansion,
Project MATL-PARK


To: Michele S. McNeill, SRWA
Property Acquisition Agent

From: Shelia A. Bedwell, CLS
Property Acquisition Assistant 

STRAP: 24-44-22-00-00006.0010

This search covers the period of time from January 1, 1940, at 8:00 a.m. to January 24, 2005, at 5:00 p.m.

Subject Property: See attached Schedule "X"

*No other changes as of
9/11/05 at 5PM* 

Title to the subject property is vested in the following:

Leonard H. Laakso, a single person

by that certain instrument dated August 9, 1989, recorded August 10, 1989, in Official Record Book 2089, Page 2459, Public Records of Lee County, Florida.

Subject to:

1. Title to oil, gas and mineral rights and leases on subject property is specifically omitted from this report.
2. Subject to Resolution No. 83-6-5, pertaining to the Matlacha Sewer System, recorded in Official Record book 1676, Page 2164, Public Records of Lee County, Florida. Said Resolution does not specify the area to be encumbered.
3. Subject to Lee County Ordinance No. 86-14, relating to garbage and solid waste collection, recorded in Official Record Book 2189, Page 3281, and amended by Official Record Book 2189, Page 3334, Public Records of Lee County, Florida.

4. *Code Enforcement Order recorded 7/28/05 in O.R. 4819, page 1000*

NOTE: The subject property is landlocked; an aerial view of the property appears to indicate that access to the subject property is through Matlacha Park, though no instrument of record was found granting said access.

Tax Status: 2004 taxes are ~~now due and payable~~ *paid*.

(The end user of this report is responsible for verifying tax and/or assessment information.)

The Division of County Lands has made a diligent search of the Public Record. However, this report contains no guarantee or warranty as to its accuracy.

Division of County Lands**In House Title Search**

Search No. 24-44-22-00-00006.0010

Date: February 16, 2005

Parcel:

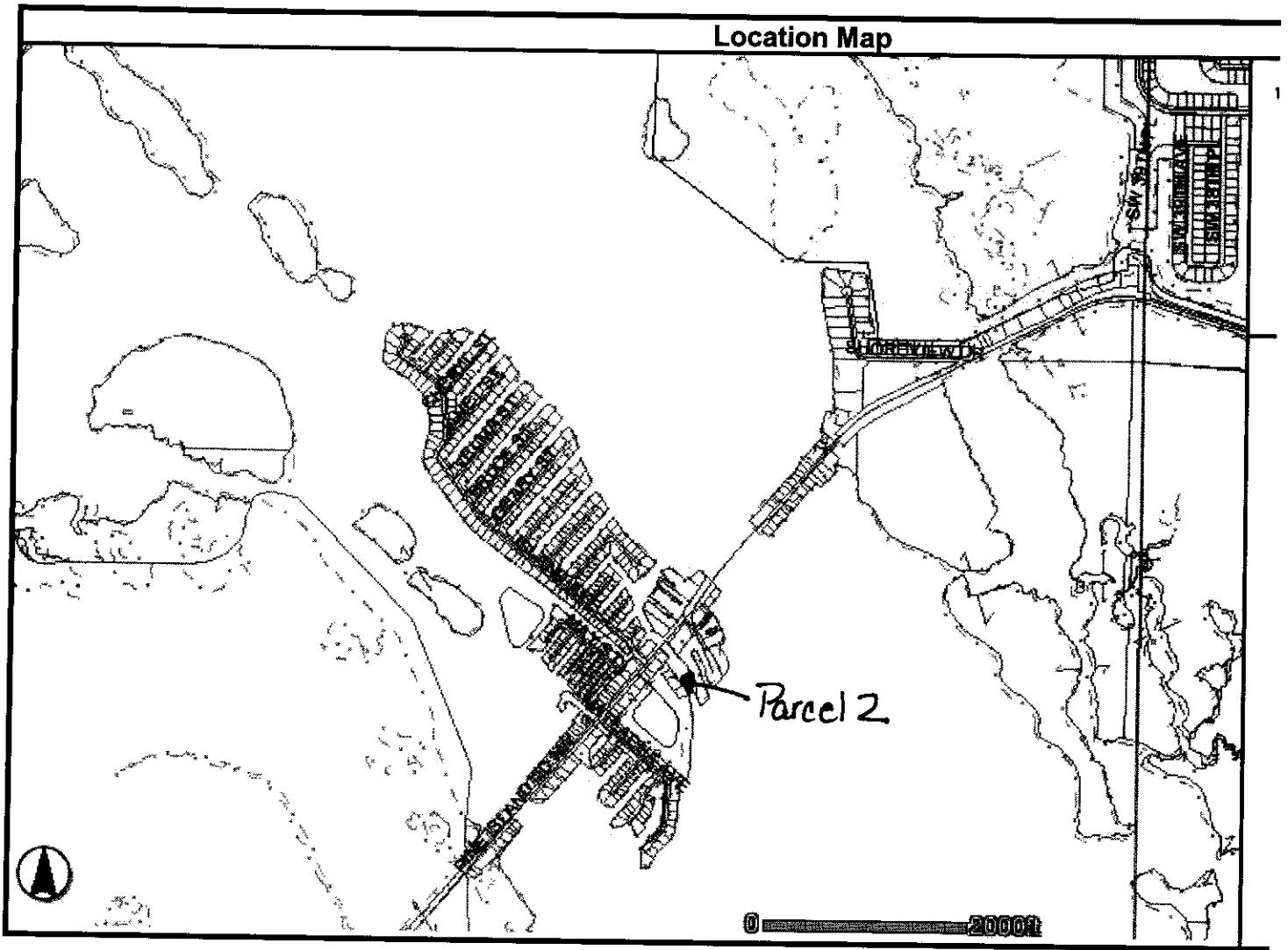
Project: Matlacha Park Expansion,

Project MATL-PARK

SCHEDULE "X"

A Tract or parcel of land lying on West Island in Section 24, Township 44 South, Range 22 East, Lee County, Florida, which tract or parcel is described as follows:

From the Southwest corner of Section 24 run N 2°14' W along the West line of said Section for 1050.4 feet to the centerline of State Road No. 78 (formerly No. 183); thence, run N 37°49' E for 344.97 feet; N 37°29' E for 1076.1 feet and N 37°49' E for 545.55 feet along the centerline tangents of said road according to a plat recorded in Deed Book 145 at Page 139 of the Public Records of Lee County, to a point on line with the Northeasterly line of Block No. 2, of the plat of Pine Island Fill Subdivision, recorded in Plat Book 8 at Page 85 of the Public Records as monumented; thence run S 52°31' E 150.00 feet, S 37°49' W 24.10 feet and S 35°11' E 140.00 feet to the point of beginning; thence, S 54°49' W (passing over a set iron rod at 42.00') 100.00 feet to a set iron rod; thence S 35°11' E 125.00 feet to a set iron rod; thence N 54°49' E (passing over a set iron rod at 58.00') 100.00 feet; thence, N 35°11' W 125.00 feet to the point of beginning.



LAND APPRAISAL REPORT

IDENTIFICATION:

Borrower Not Applicable Census Tract 0701.00 Map Reference 24-44-22
 Property Address 4565 Pine Island Road NW
 City Matlacha County Lee State FL Zip Code 33993-9780
 Legal Description Please see Legal Description page.
 Sale Price \$ N/A Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ 3,324.37 (yr) Loan charges to be paid by seller \$ None Other sales concessions None Known
 Lender/Client Lee County Board of County Commissioners Address Division of County Lands PO Box 398, Fort Myers, FL 33902
 Occupant Vacant Appraiser Matthew H. Caldwell Instructions to Appraiser _____

NEIGHBORHOOD:

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Employment Stability	<input type="checkbox"/> Good	<input checked="" type="checkbox"/> Avg.	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input checked="" type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Present Land Use	<u>65%</u> 1 Family	<u>10%</u> 2-4 Family	<u>0%</u> Apts.	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<u>0%</u> Industrial	<u>5%</u> Vacant	<u>%</u> Condo	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(*) From _____ To _____			Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u>5%</u> Vacant	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Price Range	\$ <u>250,000</u> to \$ <u>2,000,000</u>		Predominant Value \$ <u>600,000</u>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Age	<u>0</u> yrs. to <u>60</u> yrs.		Predominant Age <u>35</u> yrs.					

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): _____

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): _____

SITE:

Dimensions 125X100 Sq. ft., No survey provided = 12,500 Sq. Ft. or Acres Corner Lot
 Zoning classification Zoning - AG-2/Land Use - Urban Community Present Improvements do do not conform to zoning regulations
 Highest and best use Present use Other (specify) _____
 Public Other (Describe) _____
 Elec. Gas Water San. Sewer Underground Elect. & Tel.
 OFF SITE IMPROVEMENTS
 Street Access Public Private
 Surface Sand/Crushed Shell
 Maintenance Public Private
 Storm Sewer Curb/Gutter Street Lights
 Sidewalk
 Topo Appears Level
 Size Typical
 Shape Appears Rectangular
 View Gulf Access Canal
 Drainage Appears Adequate
 Is the property located in a HUD Identified Special Flood Hazard Area? No Yes
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): There are no apparent adverse easements, encroachments, or any other adverse conditions which were revealed by the appraiser's routine inspection of the subject property.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	4565 Pine Island Road NW Matlacha	2632 Clyde Street Matlacha	2632 Clyde Street Matlacha	2638 Clyde Street Matlacha
Proximity to Subject		0.43 miles	0.43 miles	0.43 miles
Sales Price	\$ N/A	\$ 398,500	\$ 325,000	\$ 450,000
Price /Waterfront Ft.	\$ N/A	\$ 7,970	\$ 6,500	\$ 6,000
Data Source	Current Inspection	County OR#4816/2982	County OR#4649/4840	County OR#4633/1414
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION + (-) \$ Adjust	DESCRIPTION + (-) \$ Adjust	DESCRIPTION + (-) \$ Adjust
	N/A	06/20/2005	03/30/2005 +57,000	03/08/2005 +79,000
Location	Suburban	Suburban	Suburban	Suburban
Site/View	12,500 Sq. ft.	4,000 Sq. ft.	4,000 Sq. ft.	6,000 Sq. ft.
Front Feet	125	50 +300,000	50 +300,000	75 +200,000
Depth	100	80	80	80
View	Gulf Access Canal	Gulf Access Canal	Gulf Access Canal	Gulf Access Canal
Sales or Financing Concessions	None Known	Cash or Equal None Known	Cash or Equal None Known	Cash or Equal None Known
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 300,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 357,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 279,000
Indicated Value of Subject		Net 75.3 % \$ 698,500	Net 109.8 % \$ 682,000	Net 62.0 % \$ 729,000

Comments on Market Data: The comparable sales provided are similar land sales located in Matlacha. Please see the supplemental addendum for discussion of the adjustments.

Comments and Conditions of Appraisal: This appraisal report has been completed to estimate a value opinion of the land described by the subject's legal description.

Final Reconciliation: The Sales Comparison Approach has been given primary emphasis in the final opinion of value, as it is the most reliable indicator of market value. Please see our Comments Regarding Sales Comparison for further comments.

RECONCILIATION:

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 07/26/2005 to be \$ 675,000
 State Registered Trainee Appraiser R19277 Matthew H. Caldwell State Certified General Appraiser RZ55 W. Michael Maxwell MAI, SRA Did Did Not Physically Inspect Property
 Appraiser(s) Review Appraiser (if applicable)

Sales Comparison Comments

File No. 507304

Borrower/Client	Not Applicable		
Property Address	4565 Pine Island Road NW		
City	Matlacha	County	Lee
		State	FL
		Zip Code	33993-9780
Lender	Lee County Board of County Commissioners		

Comments Regarding Sales Comparison

All comparable sales utilized are closed sales, as confirmed by FARES, MLS, related parties, and/or County Tax Records. The OR Book and Pages referenced refer to the deed being recorded in the County Public Records. Prior sales listed represent a three year history. According to County Tax Records, there have been no qualified sales of the subject or comparables in the past three years, other than those listed in the report.

We have utilized the six most recent gulf access parcel sales on Matlacha. As evidenced by these sales, waterfront property has appreciated rapidly over the past two years. In addition to these sales, we have researched current listings on the island. Sale 3 (a canal lot) is listed for \$550,000 or \$7,333 per waterfront foot. Also we have found two lots on Matlacha Pass listed for \$1,450,000 for 100 front feet or \$14,500 per waterfront foot and \$1,200,000 for 100 front feet or approx. \$12,000 per waterfront foot, respectively.

Sale 4 sold as improved with a hurricane damaged home. According to Mike Faulkner, the selling agent, the buyer owned a demolition company and removed the improvement at their own expense. The sales price was \$579,000. We have adjusted \$20,000 in consideration for the removal. This is reflected in the Sales Comparison grid.

In comparing Sale 4 & 5, there is a 2.5% change per month in early 2004. In comparing Sale 1 & 2, there is a 7.5% change per month in early 2005. Based on our knowledge of the waterfront market in SW Florida over the past year, where values have surged upward for a short time and then remained stable for longer periods of time, we have adjusted Sales 2-6 at 3.5% a month for market conditions.

We have utilized a quantitative adjustment for front footage based on the comparison of Sales 2 & 3. Both sold in March of 2005 with the only distinguishing characteristic being the front footage. The difference is \$125,000 or \$5,000 per front foot. This adjustment does not consider the diminishing return in contributory value as front footage increases. It is our opinion that the contributory value of the additional footage beyond 50-75 feet should be adjusted at \$4,000 per front foot.

We did not adjust for depth, as this characteristic does not weigh heavily on value in waterfront properties.

In adjusting for view, we were not able to demonstrate an adequate quantitative adjustment, and therefore have weighted the sales qualitatively.

The subject property is larger than the average canal property in the Matlacha market area, but is not abnormal when compared to those parcels located on the Pass or the back bay. Sale 4 is located on a gulf access bayfront lot, while Sales 1-3 & 5-6 are located on gulf access canals, making the subject most similar to these sales.

The final value conclusion of \$675,000 represents our opinion of the land as though vacant and does not consider the cost of removing the current improvements. Based on the age of the improvement and the probable use of the site for commercial fishing in the past, it is possible the site and improvements may be contaminated with various substances, such as lead paint, motor oil, etc. It would be imprudent for us to estimate a charge against the unaffected market value without evidence of these conditions. We recommend an environmental audit be conducted to determine the cost associated with returning the parcel to the unaffected condition we have valued.

5-Year Sales History

Parcel No. 2

Matlacha Park Expansion Project

NO SALES in PAST 5 YEARS

NOTE: Sale(s) relate to "parent tract" of the subject parcel.