

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20070543

- 1. ACTION REQUESTED/PURPOSE:** Approve Purchase Agreement for acquisition of Parcels 100/101 (33,250 sq. ft.) & 103 (10,125 sq. ft.), Ortiz Avenue Project 5056, in the amount of \$1,200,000, pursuant to the terms and conditions set forth in the Agreement. Authorize payment of costs to close and the Division of County Lands to handle and accept all documentation necessary to complete this transaction.
- 2. FUNDING SOURCE:** Fund: Road Impact Fee – Central District; Program: Capital Project; Project: Ortiz Ave 5056 - S.R. 80 (Palm Beach Blvd.) to Lockett Road.
- 3. WHAT ACTION ACCOMPLISHES:** Acquisition of property necessary for the widening of Ortiz Avenue without the necessity of an Eminent Domain action.
- 4. MANAGEMENT RECOMMENDATION:** Approve.

5. Departmental Category: CGA **6. Meeting Date:** MAY 01 2007

7. Agenda: <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Administrative <input type="checkbox"/> Appeals <input type="checkbox"/> Public <input type="checkbox"/> Walk-On	8. Requirement/Purpose: (specify) <input checked="" type="checkbox"/> Statute <u>125</u> <input type="checkbox"/> Ordinance <input type="checkbox"/> Admin. Code <input type="checkbox"/> Other	9. Request Initiated: Commissioner _____ Department <u>Independent</u> Division <u>County Lands</u> By: <u>Karen Forsyth, Director</u>
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10. Background:
Negotiated for: Department of Transportation
Interest to Acquire: Parcel 100/101 - Fee-simple interest in 33,250 sq. ft. commercial property, improved with an operating 1,421 sq. ft. restaurant. Parcel 103- Fee-simple interest in 10,125 sq. ft. commercial property, improved with a multi-family dwelling currently utilized as housing for employees of a busing company, which leases and operates from this location.

Property Details:
 Owner: John G. Sepielli, Jr.
 Location: 4660 Palm Beach Boulevard; 182 Ortiz Ave; 186/188 Ortiz Ave
 STRAP No.: 04-44-25-16-00002.0010, ~.0050, & ~.0080

Purchase Details:
Purchase Price: \$1,200,000 as total compensation.
Costs to Close: Estimated to be \$10,000

Appraisal Information:
Company: Maxwell & Hendry Valuation Services
Appraised Value: \$965,000

Staff Recommendation: Staff is of the opinion that the purchase price of \$1,200,000 is justified, considering the costs associated with condemnation proceedings being estimated at \$45,000 -\$60,000, excluding land value increases. Please refer to the attached Value Justification Report.

Account: 20505618823.506110

Attachments: Value Justification Report; Purchase Agreement; Appraisal Data (Includes Location Map); Title Data; 5-Year Sales History

11. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i>			<i>[Signature]</i> 4/16/07	<i>[Signature]</i> 4-17-07	<i>[Signature]</i> 4-20-07	<i>[Signature]</i> 4/18/07	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i> 4-18-07

- 12. Commission Action:**
- Approved**
 - Deferred**
 - Denied**
 - Other**

RECEIVED BY COUNTY ADMIN: <i>[Signature]</i>
4-17-07
3:45pm
COUNTY ADMIN FORWARDED TO: <i>[Signature]</i>
4-18-07
11:10 AM

REC. BY COUNTY
Date: <u>4/17/07</u>
Time: <u>11:33 AM</u>
Forwarded To: <u>Admin</u>

4/17/07
3:09

Value Justification Report

Parcel No. 100/101/103 - Sepielli

Ortiz Avenue Widening
Project No. 5056

The Division of County Lands has negotiated a proposed agreement in the amount of \$1,200,000, for the purchase of a 33,250 square foot commercial parcel, improved with a 1,421 square foot operating restaurant (Parcel 100/101), and a 10,125 square foot commercial parcel, improved with a multi-family dwelling (Parcel 103) and currently utilized as housing for employees of a busing company that leases and operates from this location.

The appraisal process for the restaurant property (Parcels 100/101) considers a value of \$22.00 per square foot for the primary land area of 17,000 square feet, on which the restaurant operates, and associated improvements. The remaining land area, consisting of 16,250 square feet, received a lower per square foot price of \$15.40, as this was considered to be excess land.

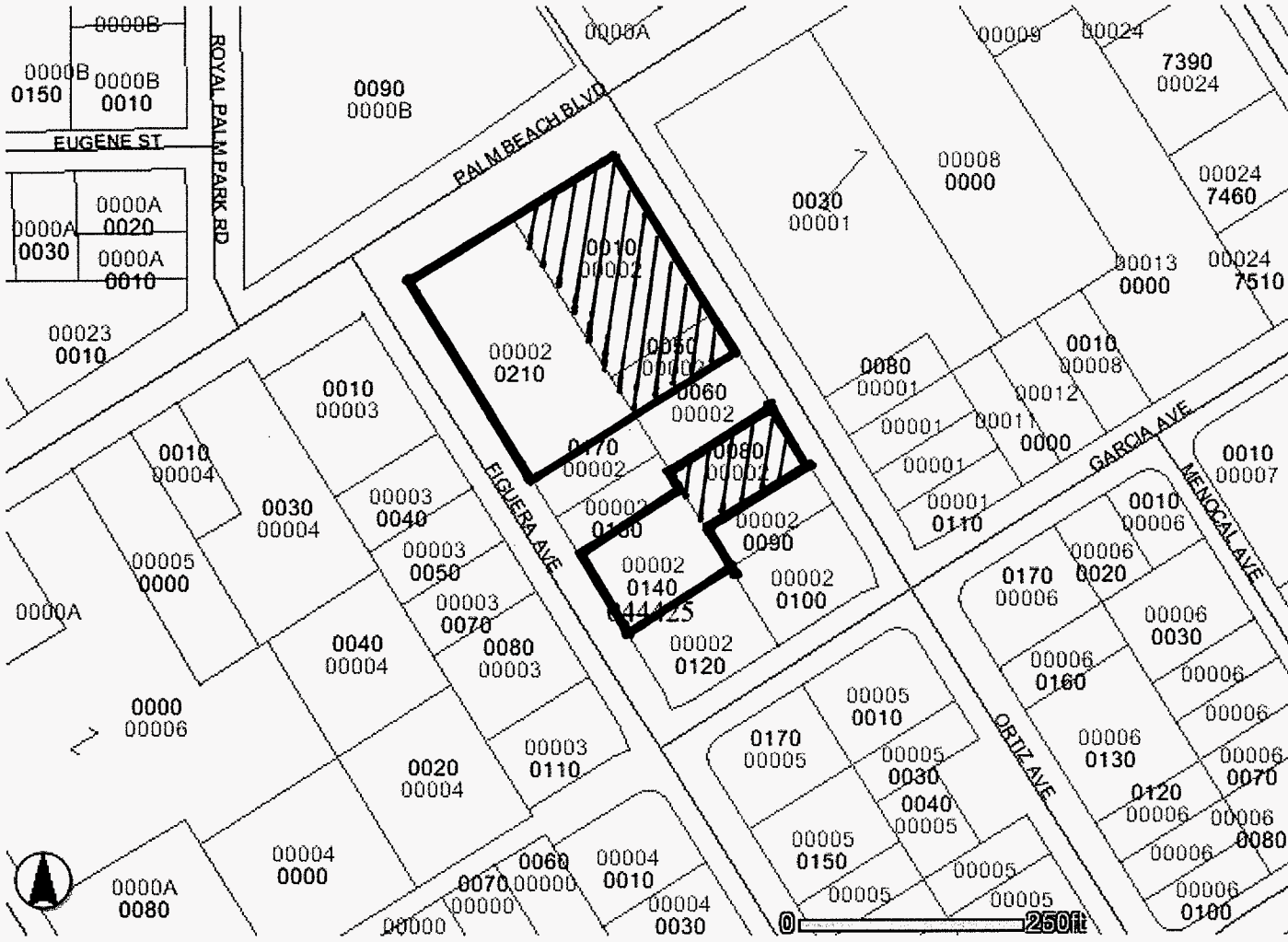
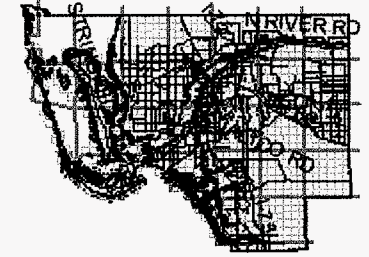
Parcel 103, consists of 10,125 square foot commercial-zoned property, improved with a multi-family dwelling. Due to approved zoning and the unique type of improvements sited thereon, the owner has leased the property to a busing/transit company at rates significantly higher than a standard multi-family dwelling may receive from the residential market place.

As part of the settlement agreement, the owner is responsible, at the owner's expense, for terminating the active leases and removing the restaurant and multi-family tenants prior to closing. The County will not be responsible for any moving costs of the tenants.

The negotiated purchase price, inclusive of any attorney or appraiser fees/costs, is based upon the previously stated factors, as well as benefits from cost avoidance of condemnation:

1. Estimated cost for County's condemnation appraisals/consultants - \$15,000 - \$20,000;
2. Estimated County Staff/Condemnation costs - \$10,000 - \$15,000; and
3. Estimated cost of Property Owner's appraisal - \$20,000 - \$25,000

Ortiz Avenue - Properties Owned by John Sepielli



- Legend**
- Block
 - Lot
 - Condo Block
 - Condo Lot
 - Condo Building
 - Parcels
 - Parcel Hooks
 - Hydro Features
 - Road Center Line
 - Township Range Lines
 - Township Range Labels
 - Section Lines
 - City Limits
 - Barista Springs
 - Cape Coral
 - Fort Myers
 - Saribel
 - Town of Fort Myers Beach



0 250ft



- LAND OWNED BY J. SEPIELLI



- SUBJECT PARCELS

This document prepared by

Lee County
County Lands Division
Project: Ortiz Avenue 5056
Parcels: 100, 101, 103
STRAP Nos.: 04-44-25-16-00002.0010, ~.0050, & ~.0080

BOARD OF COUNTY COMMISSIONERS

LEE COUNTY

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT for purchase and sale of real property is made this ____ day of _____, 20__ by and between **John G. Sepielli, Jr., a/k/a John G. Sepielli, a married person**, hereinafter referred to as SELLER, whose address is Post Office Box 50488, Fort Myers, Florida 33994, 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 33,250 square feet, more or less, and located at 4660 Palm Beach Boulevard and 182 Ortiz Avenue, Fort Myers, Florida and more particularly described in "Exhibit A" attached hereto and made a part hereof, and a parcel of land consisting of 10,125 square feet, more or less, and located at 186/188 Ortiz Avenue, Fort Myers, Florida, and more particularly described in "Exhibit B" attached hereto and made a part hereof, hereinafter collectively called the "Property". This Property will be acquired for the Ortiz Avenue Widening Project No. 5056, hereinafter called "the Project."

2. **PURCHASE PRICE AND TIME OF PAYMENT:** The total purchase price ("Purchase Price") will be One Million Two Hundred Thousand and no/100 (\$1,200,000), payable at closing by County Warrant.

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 with legal access, 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. If any loss and/or damage to the Property occurs between the date of this offer and the date of closing or date of possession by BUYER, whichever occurs first, BUYER may accept the damaged property or BUYER may cancel this Agreement without obligation.

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

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 (deed/affidavit to be prepared by BUYER'S title company);

5.01 **SELLER'S EXPENSES:** SELLER will pay for and provide:

- (a) Utility services up to, but not including the date of closing, if applicable;
- (b) taxes or assessments for which a bill has been rendered on or before the date of closing;
- (c) payment of partial release of mortgage fees, if any;
- (d) SELLER'S attorney fees/costs, 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. BUYER is exempt from ad valorem taxation. SELLER will pay all taxes determined to be legally due and payable by the County Tax Collector.

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 or legal access 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 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 the 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 or covenants of this Agreement, upon notice to the SELLER, the BUYER may elect to treat those discrepancies, violations or encroachments as a title defect.

10. **ENVIRONMENTAL AUDIT:** Prior to closing, 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 or BUYER may terminate this Agreement without obligation.

11. **ABSENCE OF ENVIRONMENTAL LIABILITIES:** The SELLER, to the best of SELLER'S knowledge, hereby 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. To the best of SELLER'S knowledge, 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, to the best of SELLER'S knowledge, 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. To the best of SELLER'S knowledge, 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. To the best of SELLER'S knowledge, 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. To the best of SELLER'S knowledge, there are no buried, partially buried, or above-ground tanks, storage

vessels, drums or containers located on the Property. To the best of SELLER'S knowledge, there is no evidence of release of hazardous materials onto or into the Property.

The SELLER, to the best of SELLER'S knowledge, 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.

Prior to closing, the SELLER will empty the grease trap at the Property located at 4660 Palm Beach Boulevard.

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.

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 90 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. The SELLER has not employed the services of a real estate broker. Therefore, no brokerage fees are due for the sale of the Property.

16. POSSESSION: SELLER warrants that there are no parties in possession other than SELLER, and Tornado Bus Company (Parcel 103), and Restaurant & Toqueria Arandas 2

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

Page 5 of 6

(Parcel 100/101), unless otherwise stated herein. SELLER agrees to terminate all leases and deliver possession of Property to BUYER, absent of any residents or tenants, 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:

Jorge Luis Gomez

SELLER:

By: *[Signature]* 4/12/07
John G. Sepielli, Jr. (DATE)
a/k/a John G. Sepielli

CHARLIE GREEN, CLERK

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

BY: _____
DEPUTY CLERK (DATE)

BY: _____
CHAIRMAN OR VICE CHAIRMAN

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

COUNTY ATTORNEY (DATE)

SPECIAL CONDITIONS

Page 1

BUYER: Lee County

SELLER: Sepielli

PARCEL NOS. 100, 101, 103

1. With regard to **Parcel 100/101**, BUYER and SELLER hereby covenant that the Purchase Price recited herein, except as noted below, includes payment for the restaurant improvements, shed, fixtures, including but not limited to lights, hot water heater, air conditioning units and systems, built-in appliances, refrigeration units, grills, fire compression system, and landscaping, signage structure, as of the date of the BUYER'S appraisal, as well as any moving expenses, attorney fees/costs, and any business damages.

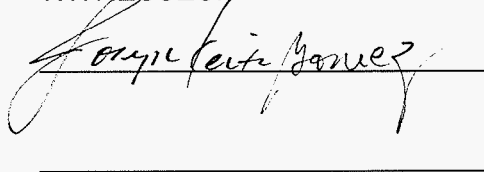
2. With regard to **Parcel 103**, BUYER and SELLER hereby covenant that the Purchase Price recited herein, except as noted below, includes payment for the improvements, shed, fixtures including but not limited to hot water heaters, air conditioning units and systems, built-in appliances, landscaping, as of the date of the BUYER'S appraisal, as well as any moving expenses, attorney fees/costs, and any business damages.

3. BUYER'S authorized agent will inspect the improvements located on the Property and all other real property and improvements prior to closing. Removal of any improvements and/or fixtures, other than those provided herein, by SELLER may cause the termination of this Agreement or a delay in 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(S) hereby give permission allowing entry to the premises by County Representatives, upon first receiving 48 hours prior notice, in order for the premises to be inspected for asbestos containing materials.

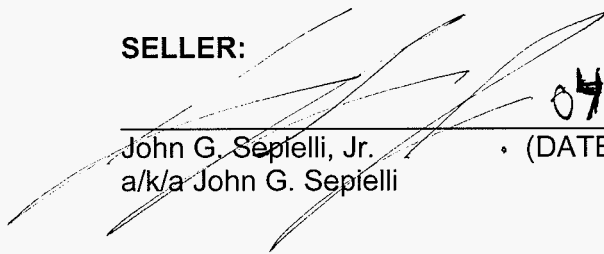
WITNESSES:



CHARLIE GREEN, CLERK

BY: _____
DEPUTY CLERK (DATE)

SELLER:



John G. Sepielli, Jr. (DATE)
a/k/a John G. Sepielli

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

BY: _____
CHAIRMAN OR VICE CHAIRMAN

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

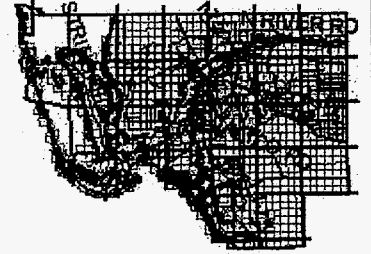
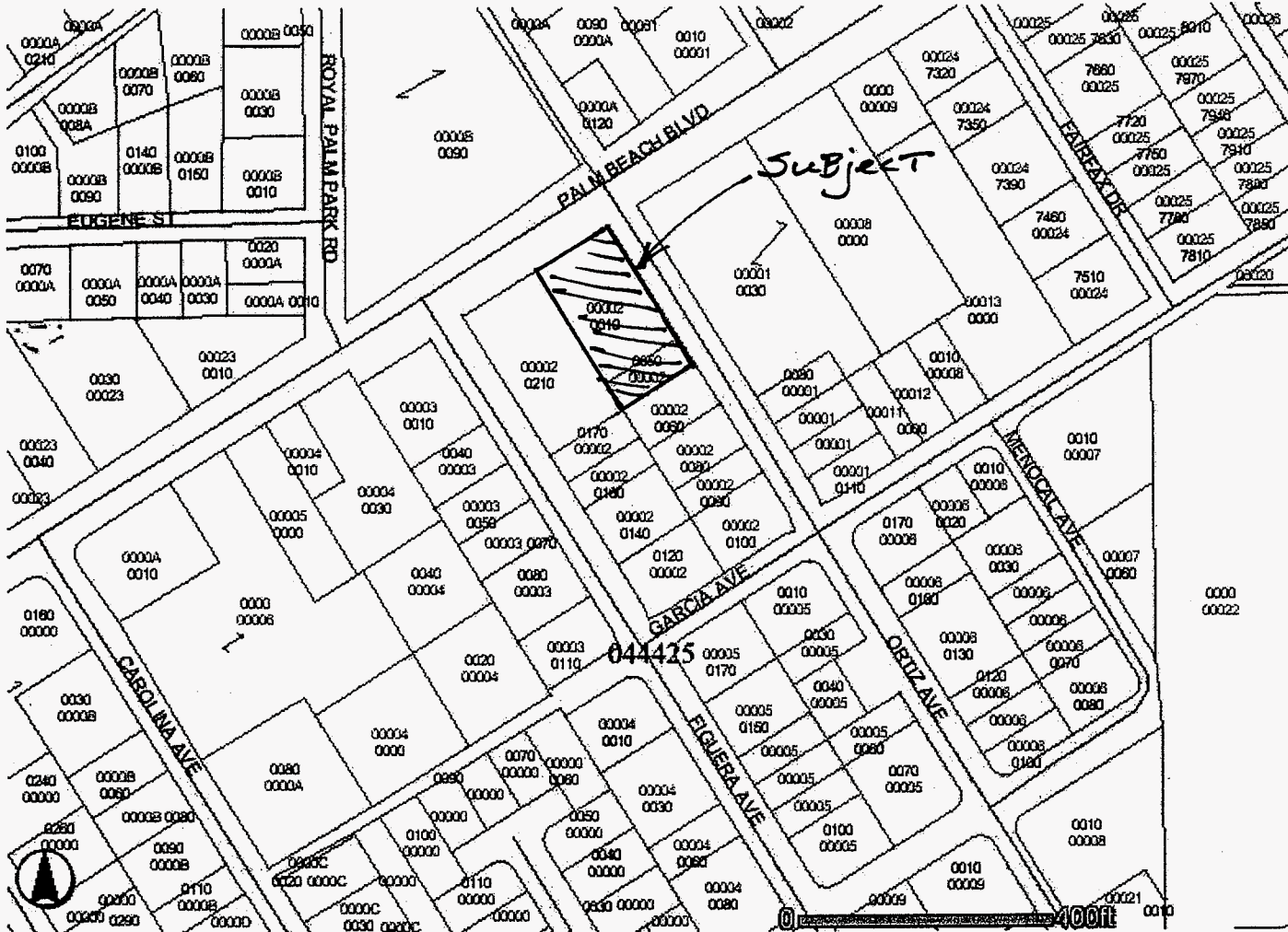
OFFICE OF THE COUNTY ATTORNEY (DATE)

Exhibit "A"
(Page 1 of 2)

Lots 1, 2, 3, 4, 5, Block 2, Parque de Leon, a subdivision according to the plat thereof, as recorded in Plat Book 6, Page 72 in the Public Records of Lee County, Florida, less that part conveyed for road right of way.

Ortiz Avenue 5056, Parcels 100/101 - Sepielli

Exhibit "A" Page 2 of 2



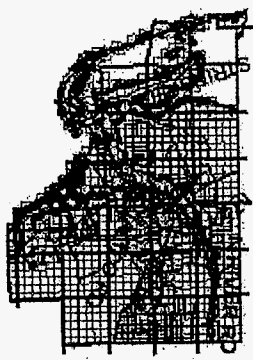
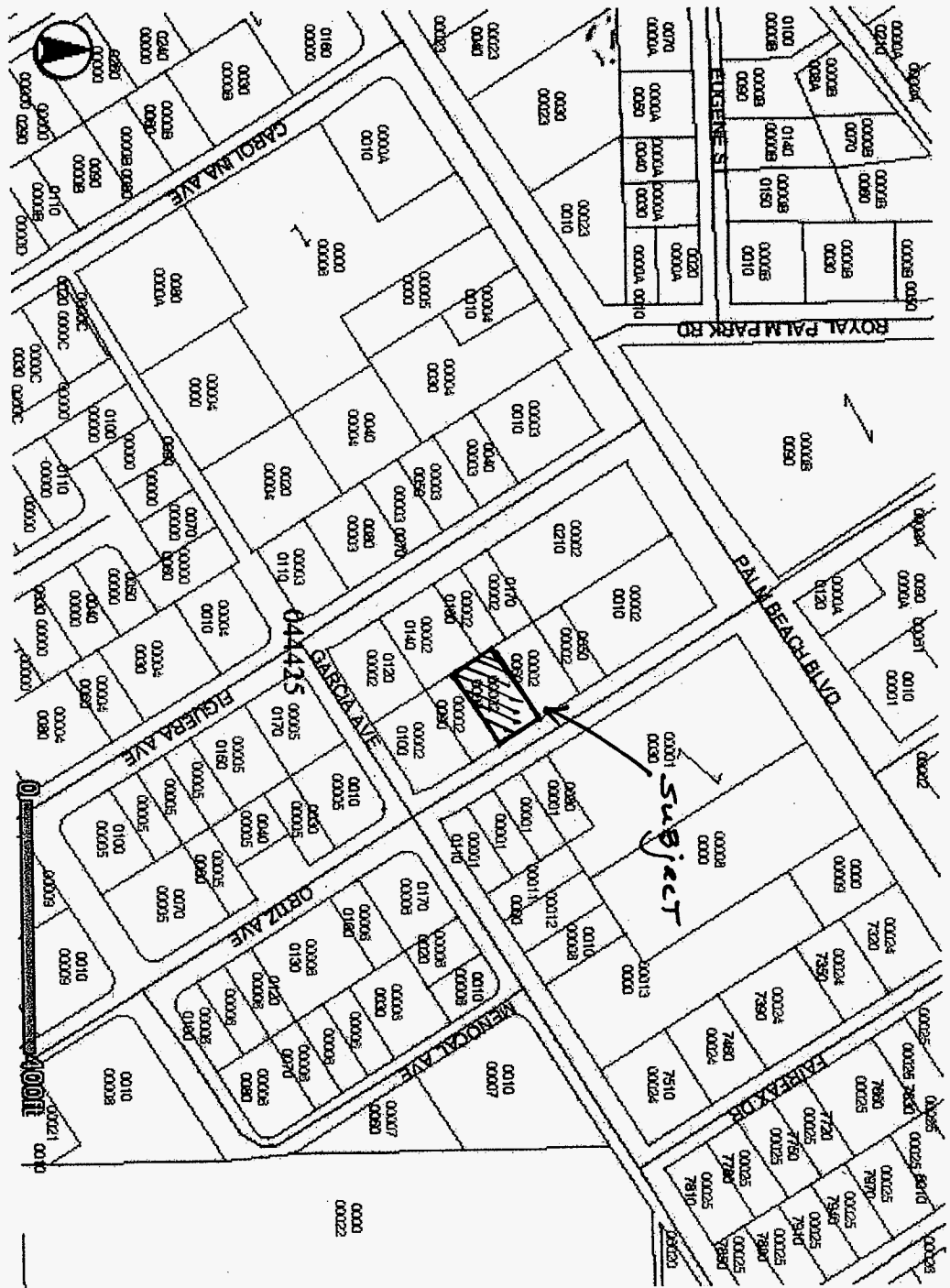
Legend

- Block
- Lot
- Condo Block
- Condo Lot
- Condo Building
- Parcels
- Parcel Hooks
- Hydro Features
- Road Center Line
- Township Range Lines
- Township Range Labels
- Section Lines
- City Limits
- Bonita Springs
- Cape Coral
- Fort Myers
- Santibel
- Town of Fort Myers Beach

Exhibit "B"
(Page 1 of 2)

Lot 8 and the southeasterly 25 feet of Lot 7, Block 2, Parque de Leon, a subdivision according to the plat thereof, as recorded in Plat Book 6, Page 72, in the Public Records of Lee County, Florida.

(The southeasterly 25 feet of Lot 7, further described as: The part of Lot 7 lying southeasterly of a line parallel to and 25 feet northwesterly of a line dividing Lots 7 and 8, in said Block 2, Parque de Leon a subdivision according to the plat thereof, as recorded in Plat Book 6, Page 72, in the Public Records of Lee County, Florida).



- Legend**
- Block
 - Lot
 - Condo Block
 - Condo Lot
 - Condo Building
 - Parcels
 - Parcel Hooks
 - Hydro Features
 - Road Center Line
 - Township Range Lines
 - Township Range Labels
 - Section Lines
 - City Limits
 - Banola Springs
 - Cape Coral
 - Fort Myers
 - Sarcel
 - Town of Fort Myers Beach



Maxwell & Hendry

Valuation Services, Inc.

Real Estate Appraisers - Consultants

PRESIDENT

W. Michael Maxwell, MAI, SRA
State-Certified General
Appraiser, RZ 55

VICE-PRESIDENT

Gerald A. Hendry, MAI
State-Certified General
Appraiser, RZ 2245

ASSOCIATES

William E. McInnis
State-Certified General
Appraiser, RZ 2232

Timothy D. Rieckhoff
State-Certified General
Appraiser, RZ 2261

Andrea R. Terregrossa
State-Certified General
Appraiser, RZ 2899

Matthew H. Caldwell
State-Certified General
Appraiser, RZ 2901

Matthew S. Simmons
State-Certified Residential
Appraiser, RD 5762

Scott H. Simmons
Registered Trainee
Appraiser, RI 13108

Damon R. Barnes
Registered Trainee
Appraiser, RI 18261

Christopher G. Reublin
Registered Trainee
Appraiser, RI 16310

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Residential
Phone: (239) 333-1060
Fax: (239) 333-1066
E-mail: residential@maxwellhendry.com

14 September 2006

Lee County Board of County Commissioners
Department of Public Works
Division of County Lands
P.O. Box 398
Fort Myers, Florida 33902-0398

Attention: Mr. Robert G. Clemens
Acquisition Program Manager

Re: Appraisal of Parcels 100 and 101 for the Ortiz Avenue Widening Project 4072, properties located at 4660 Palm Beach Boulevard and contiguous vacant land located at 182 Ortiz Avenue, Lee County, Fort Myers, Florida, properties owned by John G. Sepielli, Jr. (STA No. 48; Solicit No. CN-03-11; Contract No. 2767; Account No. 20407218823.506199)

PARCEL 100/101
ORTIZ AVE

Dear Mr. Clemens:

As you requested, an inspection and analysis have been made of the above property, which is legally described in the attached appraisal report. The purpose of this assignment is to estimate the market value of the undivided fee simple interest in the land and improvements as if free and clear of all liens, mortgages, encumbrances, and/or encroachments except as may be amended in the body of this report. The property in this appraisal is subject to an existing lease. However, according to the information provided, this lease is relatively short term and expires on 31 January 2007. As such, a prospective purchaser of the subject property would be relying on the possibilities of a new lease; therefore, a Leased Fee Analysis is not considered appropriate in this situation.

Market value for this purpose is understood to be the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. The full definition of market value can be found in the body of this report.

As per the Uniform Standards of Professional Appraisal Practice (USPAP), there are three report writing options. These options include either a self-contained report, summary report, or restricted use report format. This appraisal is presented in a summary report format. In this situation, the Sales Comparison and Income Approaches to Value are considered to be the only reliable approaches to value in estimating the market value of the subject property. The Cost Approach to Value is not considered due to the overall age and condition of the subject property and the reliability of a replacement cost estimate. This summary appraisal report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).


The intended use of this report is understood to be for use as a basis of value for the possible acquisition of the subject property for the Ortiz Avenue Widening Project Number 4072. The subject property was inspected on 6 September 2006 by Mr. William E. McInnis, Associate Appraiser. Mr. W. Michael Maxwell, MAI, SRA made a subsequent exterior inspection of this property. Our compensation in this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the obtainment of a stipulated result, or the occurrence of a subsequent event.

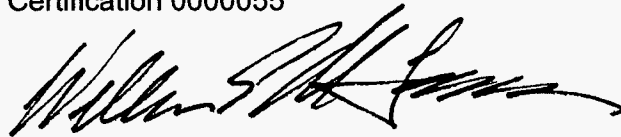
In addition to the standard Assumptions and Limiting Conditions contained in the Addenda to this report, this appraisal is subject to the Extraordinary Assumptions as listed in the Executive Summary on the following pages.

By reason of our investigation and analysis, data contained in this report, subject to the Extraordinary Assumptions contained herein, and our experience in the real estate appraisal business, it is our opinion the market value of the subject property, as of 6 September 2006, is as follows:

SEVEN HUNRED NINETY THOUSAND DOLLARS.....(\$790,000.00)

Respectfully submitted,


W. Michael Maxwell, MAI, SRA
State-Certified General Appraiser
Certification 0000055


William E. McInnis, Associate Appraiser
State-Certified General Appraiser
Certification 0002232



W. MICHAEL MAXWELL, MAI, SRA
GERALD A. HENDRY, MAI, CCIM

EXECUTIVE SUMMARY

OWNER OF RECORD:	John G. Sepielli, Jr., according to the Lee County Property Appraiser's records.
LOCATION:	The subject property is located at the southwesterly intersection of Palm Beach Boulevard and Ortiz Avenue, in Section 04, Township 44 South, Range 25 East, Lee County, Florida. The subject property has two addresses associated with it as follows: a improved/vacant property located at 4660 Palm Beach Boulevard, Fort Myers, Florida 33905 (Parcel 100); and a contiguous vacant site located at 182 Ortiz Avenue, Fort Myers, Florida 33905 (Parcel 101).
SITE SIZE:	The estimated size of the entire subject site is 33,250 square feet, according to the Lee County Property Appraiser's records. No survey of the subject property was provided, and this appraisal report is subject to same. Should a survey indicate a different size, we reserve the right to modify this appraisal report accordingly.
IMPROVEMENTS:	The property located at 4660 Palm Beach Boulevard (Parcel 100) is improved with a restaurant facility which was originally constructed in approximately 1987. The building contains a total of approximately 1,421 square feet of enclosed area, which is comprised of a dining room, two restrooms, and two kitchen areas. The improvements are described in more detail in the body of this report. This parcel also has excess land associated with it. Parcel 101 contains no improvements.
ZONING/LAND USE:	Parcel 100 is zoned CC and C-1 (Commercial) and has a land use of Intensive Development. Parcel 101 is zoned TFC-2 and also has a land use of Intensive Development.
HIGHEST AND BEST USE:	Commercial Development
ESTIMATES OF VALUE –	
Cost Approach to Value:	N/A
Sales Comparison Approach:	\$795,000
Income Approach to Value:	\$780,000
Final Market Value Estimate:	\$790,000
INTEREST APPRAISED:	Fee Simple Interest
DATE OF VALUATION:	6 September 2006
DATE OF REPORT:	14 September 2006
APPRAISERS:	W. Michael Maxwell, MAI, SRA William E. McInnis, Associate Appraiser

**EXTRAORDINARY
ASSUMPTIONS:**

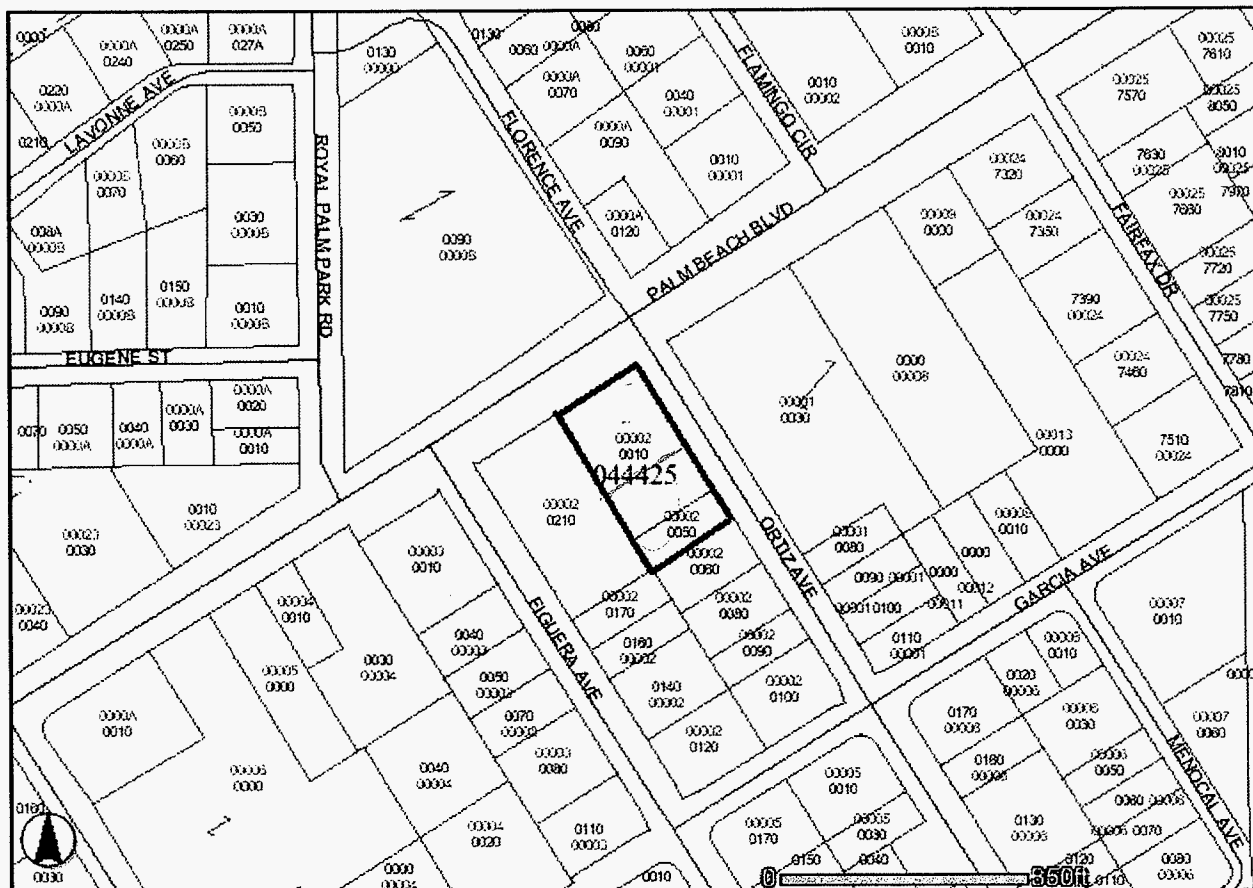
This appraisal is subject to any and all reports with regard to environmental conditions on or in close proximity to the subject property. Upon inspecting the property, no such conditions were observed or believed to exist to the extent that would cause a loss in value. However, we are not experts in determining such matters. Therefore, experts in that field should be consulted if necessary.

This appraisal is subject to a survey of the subject property, as none was provided for this assignment.

As per the instructions of the client, the restaurant equipment, furniture, and other items as outlined in the inventory of equipment document contained in the Addenda to this report are not included in the market value estimate for the subject property.

This appraisal assumes that no structural or component problems exist to the extent that they would cause a loss in value, unless specifically noted in the body of this report. This includes but is not limited to, structural and roof components, plumbing, electrical, and air conditioning systems. In the course of inspecting the property, furniture, equipment or other items were not moved that potentially could reveal problems. This report also assumes all such components and systems are up to code. Should the need arise, experts trained to detect problems in the various components or systems should be consulted.

SITE LOCATION MAP #1 – GIS Map



Small Residential Income Property Appraisal Report File # 608114

There are 18 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 115,000 to \$ 279,900	
There are 15 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 95,000 to \$ 250,000	
FEATURE	SUBJECT
Address	186/88 Ortiz Avenue Fort Myers, FL 33905
Proximity to Subject	970/72 Oleander Avenue Fort Myers, FL 33916
Sale Price	4324/26 Ballard Road Fort Myers, FL 33905
Sale Price/Gross Bldg. Area	4437/39 Ballard Road Fort Myers, FL 33905
Gross Monthly Rent	1.34 miles SW
Gross Rent Multiplier	1.61 miles SW
Price per Unit	1.57 miles SW
Price per Room	
Price per Bedroom	
Rent Control	
Data Source(s)	
Verification Source(s)	
VALUE ADJUSTMENTS	
Sale or Financing Concessions	
Date of Sale/Time	
Location	
Leasehold/Fee Simple	
Site	
View	
Design (Style)	
Quality of Construction	
Actual Age	
Condition	
Gross Building Area	
Unit Breakdown	
Unit # 1	
Unit # 2	
Unit # 3	
Unit # 4	
Basement Description	
Basement Finished Rooms	
Functional Utility	
Heating/Cooling	
Energy Efficient Items	
Parking On/Off Site	
Porch/Patio/Deck	
Deferred Maintenance	
Net Adjustment (Total)	
Adjusted Sale Price of Comparables	
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)	
Adjusted Price Per Bedroom (Adj. SP Comp / # of Comp Bedrooms)	
Value per Unit	
Value per Rm.	
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. All comparable sales provided are similar 2-4 family improvements located in the same or competing neighborhoods. After proper adjustments in accordance with generally accepted appraisal principles, the adjusted comparable sales have indicated a value range of \$145,960 to \$180,760 with the subject commanding a value within this range.	
Indicated Value by Sales Comparison Approach \$ 170,000	
Total gross monthly rent \$ 1,600 X gross rent multiplier (GRM) 110 = \$ 176,000 Indicated value by the Income Approach	
Comments on income approach including reconciliation of the GRM An adequate supply of rental information and sales were gathered to form an estimated monthly rental figure and gross rent multiplier allowing utilization of the Income Approach.	
Indicated Value by: Sales Comparison Approach \$ 170,000 Income Approach \$ 176,000 Cost Approach (if developed) \$	
The Income Approach and the Sales Comparison Approach each have been given value weight. The cost approach has not been developed as it is not an applicable approach to value for the subject property due to the subject's age.	
DATE OF REPORT: 9/19/2006	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:	
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 175,000, as of 9/6/2006, which is the date of inspection and the effective date of this appraisal.	

PARCEL 103
ORTIZ AVE

SALES COMPARISON APPROACH

INCOME

RECONCILIATION

Small Residential Income Property Appraisal Report File # 608114

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature *Matthew S. Simmons*
 Name Matthew S. Simmons
 Company Name Maxwell & Hendry Valuation Services, Inc.
 Company Address 12600-1 World Plaza Lane, Bldg. #63, Fort Myers, FL 33907
 Telephone Number (239) 333-1060
 Email Address residential@maxwellhendry.com
 Date of Signature and Report 9/19/2006
 Effective Date of Appraisal 9/6/2006
 State Certification # St.Cert.Res.REA, RD 5762
 or State License # _____
 or Other (describe) _____ State # _____
 State FL
 Expiration Date of Certification or License 11/30/2006

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

ADDRESS OF PROPERTY APPRAISED

186/88 Ortiz Avenue
Fort Myers, FL 33905

APPRAISED VALUE OF SUBJECT PROPERTY \$ 175,000

SUBJECT PROPERTY

- Did not inspect subject property
- Did inspect exterior of subject property from street
Date of Inspection _____
- Did inspect interior and exterior of subject property
Date of Inspection _____

LENDER/CLIENT

Name Sheila Bedwell
 Company Name Lee County BOCC: County Lands
 Company Address Post Office Box 398, Fort Myers, FL 33902-0391
 Email Address _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
- Did inspect exterior of comparable sales from street
Date of Inspection _____

Division of County Lands

Updated Ownership and Easement Search

Search No. 04-44-25-16-00002.0010

Date: March 24, 2006

Parcel: 100

Project: Ortiz Avenue Widening, Project 4072

To: J. Keith Gomez
Property Acquisition Agent

From: Shelia A. Bedwell, CLS *SB*
Property Acquisition Assistant

STRAP: 04-44-25-16-00002.0010

Effective Date: March 22, 2006, at 5:00 p.m.

Subject Property: Lots 1, 2, 3, and 4, Block 2, Parque de Leon, a subdivision according to the plat thereof, as recorded in Plat Book 6, at Page 72 in the Public Records of Lee County, Florida, less that part conveyed to the State of Florida for road right of way.

Title to the subject property is vested in the following:

John G. Sepielli, Jr.

By that certain instrument dated March 9, 1990, recorded March 13, 1990, in Official Record Book 2134, Page 3532 and that certain instrument dated July 22, 1996, recorded July 30, 1996 in Official Record Book 2730, Page 2724, Public Records of Lee County, Florida.

Easements:

None of record.

NOTE (1): Resolution pertaining to East Lee County Sewer System, recorded in Official Record Book 1669, Page 3414, Public Records of Lee County, Florida.

NOTE (2): Lee County Ordinances relating to garbage and solid waste collection, recorded in Official Record Book 2189, Pages 3281 and 3334, Public Records of Lee County, Florida.

NOTE (3): Death Certificate of John G. Sepielli recorded as Instrument number 2005000097060, Public Records of Lee County, Florida.

Tax Status: Certificate 05-002952 outstanding in the amount of \$4,038.99; 2005 taxes due and payable in the amount of \$3,633.60. ** 2004, 2005, 2006 taxes are 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 guarantees or warranty as to its accuracy.

Division of County Lands**Updated Ownership and Easement Search**

Search No. 04-44-25-16-00002.0050

Date: March 27, 2006

Parcel: 101 ✓

Project: Ortiz Avenue Widening, Project 4072

To: J. Keith Gomez
Property Acquisition AgentFrom: Shelia A. Bedwell, CLS
Property Acquisition Assistant

STRAP: 04-44-25-16-00002.0050

Effective Date: March 22, 2006, at 5:00 p.m.

Subject Property: Lot 5, Block 2, Parque de Leon, a subdivision, according to the map or plat thereof on file and recorded in the Office of the Clerk of the Circuit Court of Lee County, Florida, in Plat Book 6, at Page 72, less that part conveyed for road right-of-way, Public Records of Lee County, Florida.

Title to the subject property is vested in the following:

John G. Sepielli, Jr.

By that certain instrument dated July 22, 1996, recorded July 30, 1996, in Official Record Book 2730, Page 2724, Public Records of Lee County, Florida.

Easements:

None found of record.

NOTE (1): Resolution pertaining to East Lee County Sewer System, recorded in Official Record Book 1669, Page 3414, Public Records of Lee County, Florida.

NOTE (2): Lee County Ordinances relating to garbage and solid waste collection, recorded in Official Record Book 2189, Pages 3281 and 3334, Public Records of Lee County, Florida.

NOTE (3): Death Certificate of John G. Sepielli recorded as Instrument number 2005000097060, Public Records of Lee County, Florida.

Tax Status: 2005 taxes due and payable in the amount of \$70.11.

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

* 2005, 2006 taxes are paid *

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

Division of County Lands

Updated Ownership and Easement Search

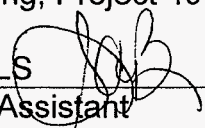
Search No. 04-44-25-16-00002.0080

Date: March 27, 2006

Parcel: 103

Project: Ortiz Avenue Widening, Project 4072

To: J. Keith Gomez
Property Acquisition Agent

From: Shelia A. Bedwell, CLS
Property Acquisition Assistant 

STRAP: 04-44-25-16-00002.0080

Effective Date: March 22, 2006, at 5:00 p.m.

Subject Property: Lot 8 and the Southeasterly 25 feet of Lot 7, Block 2, PARQUE DE LEON SUBDIVISION, according to the plat thereof as recorded in Plat Book 6, Page 72; the Southeasterly 25 feet of Lot 7, further described as: The part of Lot 7 lying Southeasterly of a line parallel to and 25 feet Northwesterly of a line dividing Lots 7 and 8, in said Block 2, in the Public Records of Lee County, Florida.

Title to the subject property is vested in the following:

John G. Sepielli

By that certain instrument dated August 27, 1993, recorded September 10, 1993, in Official Record Book 2423, Page 901, Public Records of Lee County, Florida.

Easements:

None found of record.

NOTE (1): Resolution pertaining to East Lee County Sewer System, recorded in Official Record Book 1669, Page 3414, Public Records of Lee County, Florida.

NOTE (2): Lee County Ordinances relating to garbage and solid waste collection, recorded in Official Record Book 2189, Pages 3281 and 3334, Public Records of Lee County, Florida.

NOTE (3): Death Certificate for John G. Sepielli recorded as Instrument number 2005000097060, Public Records of Lee County, Florida.

Tax Status: Certificate 05-002953 outstanding for 2004 taxes; 2005 taxes due and payable in the amount of \$2,199.38. **2004, 2005, 2006 Are Paid as of 4-2-07*
(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 guarantees or warranty as to its accuracy.

5-Year Sales History

Parcel No. 100/101 & 103/ Sepielli

Ortiz Avenue Widening
(S.R. 80 to Lockett Road)
Project No. 5056

NO SALES in PAST 5 YEARS