


CENTRAL FLORIDA EXPRESSWAY AUTHORITY

MEMORANDUM

TO: Central Florida Expressway Authority Board Members

FROM: Linda S. Brehmer Lanosa, Deputy General Counsel 
Sidney Calloway, Esquire, Shutts & Bowen

DATE: August 28, 2015

RE: *Central Florida Expressway Authority v. William H. Kelly, Sr. Trust, et al.*
Case No. 2014-003676-O, Project: 429-203, **Parcel 209**
Owners: William H. Kelly, Sr., and Dorothy B. Kelly

Central Florida Expressway Authority v. William H. Kelly, Sr. Trust, et al.
Case No. 2014-003676-O, Project: 429-203, **Parcel 221**
Owner: William H. Kelly, Sr., as Trustee
Address: 3385 West Kelly Park Road, Apopka, Florida

INTRODUCTION

This case is set for trial on the October 26, 2015 docket in front of Judge Robert Kest. The case was mediated on August 14, 2015, but to no avail.

We would like to serve offers of judgment as to these parcels to avoid additional liability for the owners' expert fees and costs. According to Section 73.032, Florida Statutes, if the judgment obtained is equal to or less than the offer of judgment, the trial court is prohibited from awarding costs incurred by the property owner after the date the offer of judgment was rejected. On the other hand, if the offer of judgment is less than the verdict and corresponding judgment, then the offer would not limit CFX's liability for expert fees and costs.

APPRAISED VALUE OF PARCEL 221

Parcel 221 is a total taking of 11.523 acres (501,942 sq. ft.) of unimproved property zoned A-1 (Citrus Rural District) along the north side of West Kelly Park Road, west of Plymouth Sorrento Road, in unincorporated Orange County. Mr. Carpenter appraised Parcel 221 with a highest and best use "to hold for future development with a reasonably probable demand for future neighborhood mixed-used commercial development as the market dictates and utilities allow." Applying the comparable sales approach, Mr. Carpenter estimated the land value to be **\$1.40/sq. ft. or \$703,000.**

APPRAISED VALUE OF PARCEL 209

Parcel 209 is a total taking of 0.2626 acres (11,438 sq. ft.) of unimproved property zoned A-1 (Citrus Rural District). The property was valued at \$1.40/sq. ft. or a total of **\$16,000** by Walter Carpenter, Jr., MAI, CRE, with a date of valuation of July 31, 2014.

OWNERS' DEMAND

The owners' real estate appraiser, Martin Engelmann, Jr., MAI, valued Parcels 209 and 221 at \$8.25/sq. ft., comprising 513,380 sq. ft. for both parcels, for the sum of **\$4.2 million** as his opinion of value. His valuation conclusion is based upon using land sales transactions that occurred at fully completed highway interchanges, which he asserts are "comparable" to the subject parcels. Mr. Kelly, the property owner, however, has claimed, in a written letter, that he believes his vacant property is worth even more, i.e. \$10/sq. ft., which effectively totals approximately **\$5.1 million**.

REQUEST

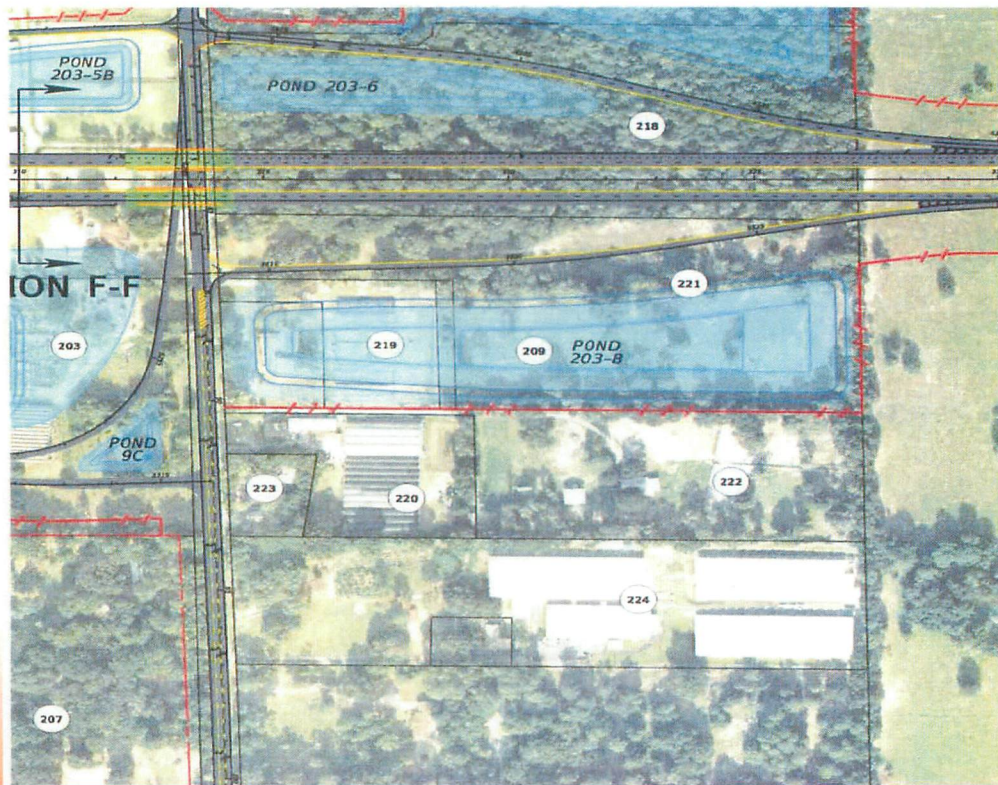
We request the Board confirm the Committee's recommendation of August 26, 2015, to approve offers of judgment as to Parcels 209 and 221 in the amounts of \$23,000 and \$1,004,000, respectively, based upon \$2.00/sq. ft., excluding interest, attorney's fees, expert fees, and costs.

ATTACHMENTS

Aerial, Maps, and Table



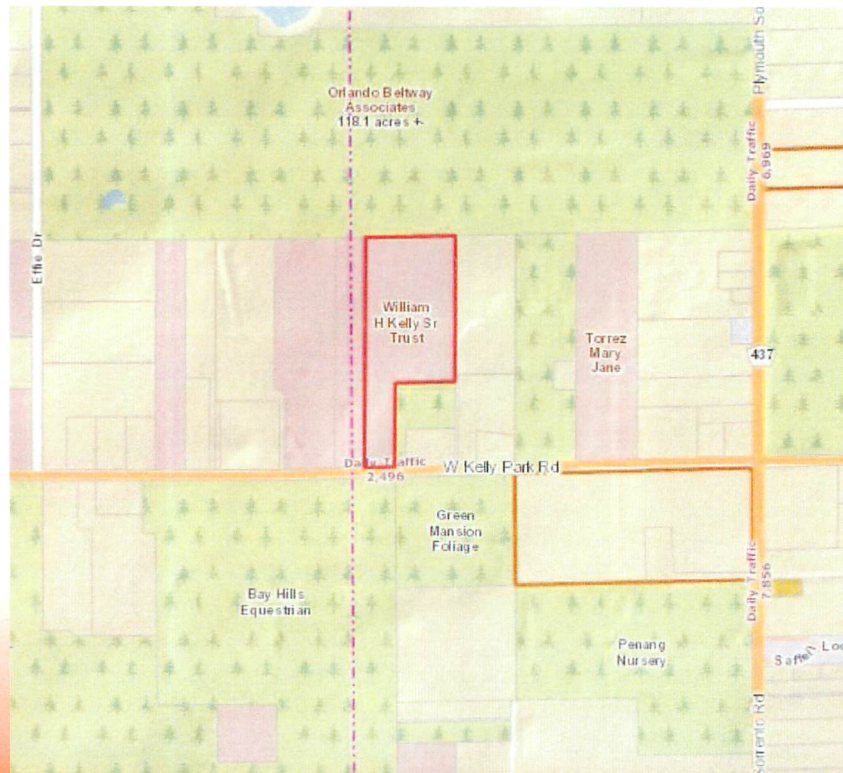
Acquisition Overview



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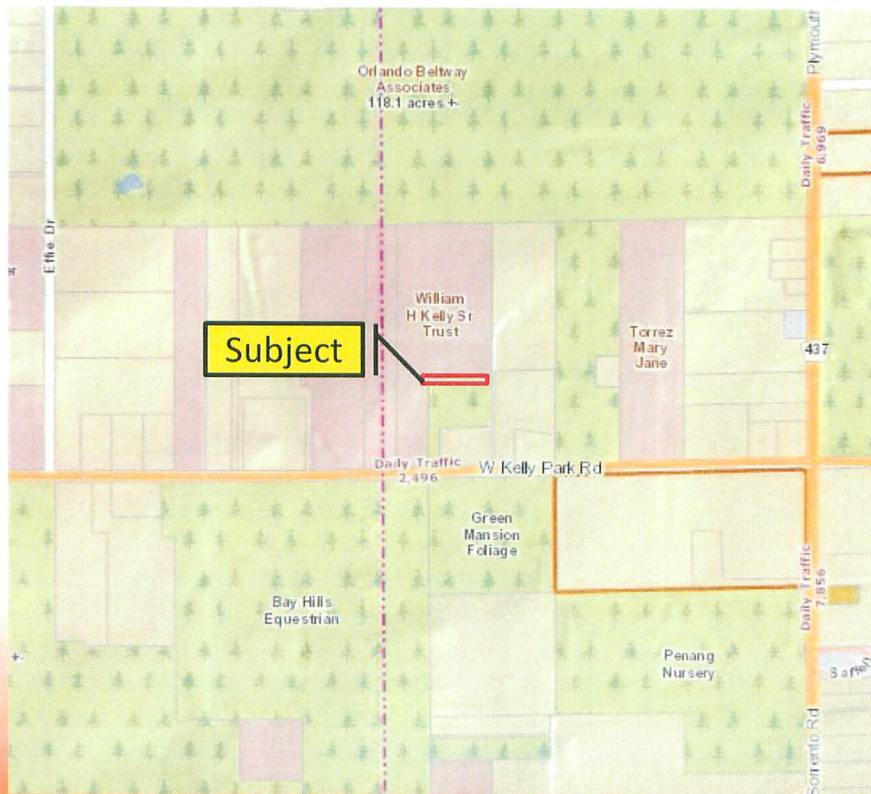
Parcel 221 (11.523 acres)



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Parcel 209 (0.2626 acres)



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Appraisal Comparison

Parcel Number	Carpenter	Englemann	Owner
Parcel 221 501,942 sf (11.523 ac)	@ \$1.40/sf (~\$61k/ac)	@ \$8.25 (~\$360k/ac)	@ \$10/sf (~\$436k/ac)
Parcel 209 11,438 sf (0.2626 ac)	@ \$1.40/sf (~\$61k/ac)	@ \$8.25 (~\$360k/ac)	@ \$10/sf (~\$436k/ac)
Estimated Value 513,380 sf (11.7856 ac)	\$719,000	\$4,240,000	\$5,133,807.30

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