

NEWSLETTER

THE FIRST OF 2000

SORRY THIS IS LATE BUT CIRCUMSTANCES DELAYED THIS WRITING UNTIL NOW. THE MOST SIGNIFICANT THING TO HAPPEN SINCE THE LAST LETTER WAS A MAILING TO LOTOWNERS IN UNITS 2 & 3 OFFERING TO BUY THEIR LOTS FOR \$200.

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THEIR LETTER STATED THAT IF YOU KEEP YOUR LOT, YOU WILL BE ASSESSED NEARLY \$2000 TO GET WATER TO YOUR LOT. THIS WAS NOT THE CASE FOR 95% OF ALL LOTOWNERS IN UNITS 1,2,3,4,5,6,7,8,9 AND UNIT 102. YOUR ESCROW FUNDS WERE CHARGED THE \$975 DOLLARS FOR WATER. ABOUT 5% OF YOU WHO HAD ESCROW FUNDS TAKEN BY THE BANKRUPT GDC WERE ASKED TO PAY \$975 UP FRONT OR PAY IT OVER 20 YEARS TO GET WATER LINES INSTALLED. THIS HAPPENED IN 1998 & 1999 WHEN ALL WATER LINES WERE INSTALLED TO THE ABOVE UNITS.

THE LETTER FURTHER STATED THAT IN THE NEAR FUTURE YOU WILL HAVE AN EQUAL OR GREATER THAN \$2000 ASSESSMENT FOR SEWER LINES TO YOUR LOT. I AM ON THE ADVISORY BOARD THAT MAKES THE RECOMMENATION TO THE COUNTY COMMISSIONERS. WHAT WE HAVE SAID IS SEPTIC TANKS WILL BE PERMITTED UNTIL A UNIT IS 50% OR MORE BUILT WITH HOUSES BEFORE SEWER LINES ARE EVEN CONSIDERED. THEY GO ON TO SAY THAT THOUSANDS OF THESE LOTS ARE STILL UNDEVELOPED WITHOUT WATER, SEWER OR POWER. THIS IS ONLY TRUE FOR LOTS IN BANYAN VILLAGE UNITS 10,11,12 AND 13.

I AM GLAD TO SEE THE INTEREST IN PORT LaBELLE. I JUST DON'T LIKE THEIR GETTING THE FACTS WRONG IN A LETTER TO THE LOTOWNERS.

AT OUR LAST PORT LaBELLE UTILITY AVISORY BOARD MEETING WE WERE TOLD BY THE ENGINEER THAT IT WOULD COST ABOUT \$1,200 A LOT TO INSTALL THE WATER LINES TO BANYAN VILLAGE (UNITS 10,11,12 & 13). MY RECORDS SHOW THERE ARE 3,655 LOTS IN BANYAN VILLAGE FOR A TOTAL COST OF \$4,386,000 FOR THE WATER LINES. ONLY ABOUT ½ THE LOTS ARE SOLD AND HAVE ESCROW FUNDS. THE OTHER ½ ARE STILL OWNED BY THE COMPANY AND HAVE NO ESCROW MONEY. THE AMOUNT OF MONEY WE COULD GET OUT OF THE ESCROWS FROM BANYAN VILLAGE WOULD BE ABOUT \$2,200,000. FROM A CASH STANDPOINT WE WOULD NEED TO COME UP WITH ABOUT ANOTHER \$2.2 MILLION TO DO THE PROJECT. IF WE DID INSTALL WATER LINES IN BANYAN VILLAGE WE WOULD NEED TO EXPAND THE CAPACITY OF THE WATER PLANT AT A COST OF ABOUT \$750,000 FOR A TOTAL CASH SHORTAGE OF ABOUT \$3,000,000. WE DON'T THINK IT WOULD BE WISE OR POSSIBLE TO BORROW THIS \$3,000,000 ON ATLANTIC GULF COMMUNITIES PROMISE TO PAY OVER 20 YEARS ON THE LOTS THEY STILL OWN.

WHEN WE INSTALLED THE WATER LINES TO UNITS 1,2,3,4,6,7,8,9, AND UNIT 102 IN 1998 & 1999 WE GOT THE COMPANY TO AGREE TO A 20 YEAR PAYMENT PLAN TO PAY THE \$975 PER LOT COST, ON THE LOTS THEY STILL OWNED. WITH THIS AGREEMENT WE COULD BORROW THE MONEY TO INSTALL WATER FOR ALL LOTS IN THE ABOVE UNITS. IN LATE 1999 ATLANTIC GULF COMMUNITIES CLOSED THE DOORS ON THE MIAMI OFFICE AND MOVED INTO A SMALL OFFICE IN BOCA RATON. WE ARE DEPENDING ON AGC TO PAY THESE SPECIAL ASSESSMENTS AND WE QUESTION HOW MUCH LONGER THEY WILL BE IN EXISTENCE.

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THE GOALS OF THE ADVISORY COMMITTEE ARE TO MAKE ALL LOTS, IN ALL UNITS, BUILDABLE BY INSTALLING WATER LINES TO ALL LOTS, KEEP THE WATER QUALITY AS HIGH AS POSSIBLE AND DO THIS AT THE LOWEST POSSIBLE COST TO OUR WATER CUSTOMERS. WHAT WE HAVE ACCOMPLISHED TO DATE HAS BEEN DONE WITH ALMOST NO COOPERATION FROM THE COMPANY. WE CAN'T FIND OUT WHAT HAPPENED TO THE ESCROW MONEY TAKEN FROM ABOUT 5% OF THE LOTS WHERE THE LOTOWNER HAS NO ESCROW MONEY LEFT IN THEIR ACCOUNT.

WATER QUALITY MUST BE OUR #1 GOAL AND TO COMPLY WITH THE EVER TIGHTER REQUIREMENTS IS HARDER ALL THE TIME.

WE CAN'T CONSIDER WATER LINES TO BANYAN VILLAGE UNTIL WE KNOW WHETHER OR NOT THE COMPANY IS GOING TO EXIST AND IF NOT WHO WILL TAKE OVER THE OWNERSHIP OF ABOUT 1/2 OF THOSE LOTS IN BANYAN VILLAGE. IF THE NEW OWNER HAS A SOUND FINANCIAL BACKGROUND AND WILL AGREE TO PAY THE \$1,200 PER LOT COST UPFRONT OR BORROW THE MONEY TO PAY TO HAVE THE WATER LINES INSTALLED, THEN WE CAN GO AHEAD.

WE CAN'T LOWER THE WATER RATES TO OUR CUSTOMERS UNTIL WE GET WATER LINES TO ALL LOTS SO I'M AFRAID IT'S GOING TO BE SEVERAL YEARS BEFORE THE RATES TO CUSTOMERS CAN BE LOWERED.

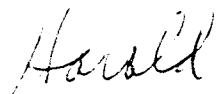
AT THE TIME THE COUNTY PURCHASED THE UTILITY ALL REVENUES FROM THE EXISTING 835 WATER CUSTOMERS WERE PLEDGED FOR 40 YEARS TO PAY THE BOND PAYMENTS FOR THE PURCHASE. SO UNTIL NEW WATER CUSTOMERS COME ON LINE WE DON'T HAVE ANY MONEY FOR THE CONSTRUCTION FUND.

NEW CUSTOMERS TO DATE INCLUDE A FEW NEW HOUSES, LaBELLE MIDDLE SCHOOL, THE 72 DUPLEXES, 36 SENIOR CITIZEN APARTMENTS, 75 UNIT MOBILE HOME PARK IS UNDER CONSTRUCTION AND THE WELCOME CENTER IS NOW A CHURCH. THE OLD EQUESTRIAN CENTER IS SOLD AND IS BEING PREPARED FOR ESTATE HOMESITES. NEW CUSTOMER TAP IN FEES AND THE \$24 PER YEAR PER LOT SPECIAL ASSESSMENT GO INTO THE CONSTRUCTION FUND BUT WE WILL SOON BE FORCED TO TAKE MONEY FROM THIS FUND TO EXPAND THE CAPACITY OF THE WATER PLANT.

IN THE MEANTIME THERE ARE ABOUT 7,000 LOTS WITH WATER LINES INSTALLED IN 1998 AND 1999. ALL LOTS IN PORT LaBELLE NOW HAVE WATER LINES INSTALLED AND CAN BE BUILT ON (EXCEPT BANYAN VILLAGE UNITS 10,11,12 & 13).

I STILL GET LETTERS ASKING WHAT YOUR LOT IS WORTH AND I WILL SAY AGAIN THERE IS NO LOCAL MARKET FOR PORT LaBELLE LOTS. I AM HAPPY TO REPORT THAT SEVERAL LOTS HAVE BEEN SOLD, TO FRIENDS OR RELATIVES, BY USING THE VIDEO TO SHOW YOUR LOT IN PORT LaBELLE.

ABOUT 2 MILES OF HIGHWAY #80 JUST WEST OF LaBELLE IS NOW 4 LANES. THAT LEAVES JUST 12 MILES YET TO BE 4 LANED. WHEN THIS IS DONE HIGHWAY #80 WILL BE 4 LANES FROM LaBELLE TO FT. MYERS.



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