

LOST OAK POLK COUNTY, FL

4 miles of Lake Kissimmee frontage



HARTMAN REAL ESTATE
COMMERCIAL • INDUSTRIAL • ACREAGE

3500 SW Corporate Pkwy, Suite 202
Palm City, FL 34990
Phone: 772 287-4690

LOST OAK
POLK COUNTY, FL

Location:: Grape Hammock Road, Just off of State Road 60, 15 miles east of Lake Wales, 20 miles west of the Florida Turnpike and 60 miles south of Orlando.

Size: 2,909+/- acres

Uplands: 2,454+/- acres

Frontage: 4+/- miles on Lake Kissimmee, Florida's 3rd largest lake.

Improvements: 2 boat ramps

Land Use: A/RR, 1 unit per 5 acres
220+/- acres leisure recreation
1,390± developable units

Price: \$22,000,000.00

Comments: Florida's most magnificent property, 2,909+/- acres with 4 miles of frontage on pristine Lake Kissimmee. Located in the path of development, only 9 miles from Destiny-. Florida's first Green City. Amenities include world-class bass fishing, wing shooting- quail, dove and Osceola turkey, and more, two existing boat ramps, conservation value, 300 year old oaks, and 6 eco systems. Dubbed the most beautiful property in Florida. Ideally suited for wealth preservation and growth, this property has it all.





LOST OAK

Executive Summary

Pomcor-Longview LLC (“Pomcor”) owns approximately 2,770 acres of undeveloped land located in Central Florida on the southern shore of pristine Lake Kissimmee. The property, known as “Lost Oak,” represents a unique opportunity to own an exclusive private estate, and to preserve this extraordinary property for future generations.

Summary: Pomcor is offering to sell all 2,770 acres to a single buyer or buying group. The property could be acquired by a single purchaser or a group of purchasers using any number of suitable acquisition structures.

Wealth Preservation & Conservation Easement Potential: As home to 200 species of birds, white-tailed deer, wild boar, six ecosystems and a variety of natural landscapes important to the environment, Lost Oak has significant conservation value which can be preserved by a perpetual conservation easement over all or part of the property. Even with a conservation easement, the owners could still retain perpetual rights to use the land for hunting, fishing, nature trails and other uses which are not inconsistent with conservation purposes. Subject to strict rules, the IRS will also allow owners that create conservation easements to take charitable deductions for the value of the easements. Although the development opportunities for Lost Oak are remarkable, the potential tax saving from a conservation easement on part or all of the property could also be substantial and should be considered by any buyer.

Lake Kissimmee: Lake Kissimmee, Florida’s third largest and most picturesque lake is 35,000 acres, 17 miles long, and is home to world-class bass fishing. The enjoyment of high quality fishing is further elevated by the natural beauty, serenity, and solitude of the lake as well as that of its surrounding lands, which are 95% undeveloped, pristine, and destined to remain so.

International Games Clay Course: Pomcor has retained John Woolley, FITASC World Champion, to design an International Games Clay Course which will include, FITASC, sporting clays, high tower, field flurry, bunker trap, as well as skeet and trap ranges. Pomcor is willing to complete the construction of the International Games Clay Course as a “turn-key” facility for a buyer or buying group.

Private Lodge and Guest Rooms: As with the Sporting Clays Course, Pomcor has retained renowned architects, planners, and an interior designer to design a lodge with guest rooms. The renderings also include a stable and private boathouse.

Visitors have described Lost Oak as “the most beautiful piece of undeveloped property they have seen. With its strong oaks and weeping moss it is something truly special.”

For further information or to arrange a private visit to Lost Oak, please contact Rick Hartman at (772) 287-4690.

Conservation Easement Summary

The following summary information is taken largely from Internal Revenue Service Pronouncements and from other sources including, but not limited to, the United States Internal Revenue Code (the "Code"), Treasury Regulations and other positions of the IRS. Since tax laws are constantly changing, and the courts and IRS are continually issuing options and rulings which may affect how taxes are determined, no assurances can be given that the summary provided herein will be accurate. Further, since tax related issues are susceptible to varying interpretations and future events or circumstances, each person should consult with his or her own tax advisors with respect to their own tax considerations and issues.

Overview. Section 170(a) of the Code allows a deduction, subject to certain limitations, for charitable contributions (as defined in §170(c)). Regulations provide that the amount of the contribution is generally the fair market value of the property at the time of the contribution, subject to certain limitations. The amount of charitable contributions that an individual may deduct in a taxable year is limited to the applicable percentage of the individual's "contribution base", which the Code defines as the individual's adjusted gross income, computed without regard to any net operating loss carryback. There are three applicable percentages, which depend on the donee organization and the property contributed.

- **50% Limitation.** Cash contributions made to public charities and other similar organizations which are described in §170(b)(1)(A), are subject to an applicable percentage of 50 percent.
- **30% Limitation.** For cash contributions to "semipublic charities" and private foundations (organizations described in §170(b)(1)(B)), and contributions of capital gain property to organizations described in §170(b)(1)(A), the applicable percentage is generally 30 percent.
- **20% Limitation.** For contributions of appreciated property to semipublic charities and private foundations, the applicable percentage is 20 percent.

Any charitable contributions made in excess of the applicable contribution base limitations generally can be carried forward for up to 5 succeeding taxable years but the total of all charitable contributions deducted in a taxable year may not exceed 50 percent of the individual's contribution base.

Conservation Easements. A charitable contribution deduction is generally not allowed if the donation constitutes less than the donor's entire interest in the property. One of the exceptions to this rule, however, is where the donation constitutes a qualified conservation contribution. A taxpayer that makes a qualified conservation contribution of a qualified real property interest to a qualified organization exclusively for conservation purposes is entitled to a charitable contribution deduction for the value of the conservation contribution. Under applicable Treasury Regulations (1.170A-14(h)(3)), the value of the deduction relating to perpetual conservation easements is generally equal to either (A) the fair market value of the donated easement, if there is a substantial record of sales of easements comparable to the donated easement, or (B) if no substantial record of market-place sales is available, the difference between the fair market value of the property without the easement and the fair market value of the property with the easement. When the value is based on the market difference in the value of the property, the Regulations provide that the valuation must take into account not only the current use of the property but also an objective assessment of how immediate or remote the likelihood is that the property, absent the restriction, would in fact be developed. Treasury Regulations contain several examples which help to illustrate the application of the conservation rules. One such example is as follows:

***Example 1:** C owns Greenacre, a 200-acre estate containing a house built during the colonial period. At its highest and best use, for home development, the fair market value of Greenacre is \$300,000. C donates an easement (to maintain the house and Greenacre in their current state) to a qualifying organization for conservation purposes. The fair market value of Greenacre after the donation is reduced to \$125,000. Accordingly, the value of the easement and the amount eligible for a deduction under Section 170(f) is \$175,000 (\$300,000 less \$125,000).*

Partnership or LLC Owned Properties. When a partnership or limited liability company that owns land grants a conservation easement over the property, each partner or member separately, rather than the partnership or LLC, is treated as having made the charitable contribution. The resulting charitable contribution deduction is not allocable to the partnership's business but, rather, each partner or member must individually determine the applicable contribution limitations.

March 26, 2009

Mr. Paul Wellington
Pomcor, Inc.
625 North Flagler Drive, Suite 600
West Palm Beach, Florida 33401

Re: Lost Oak

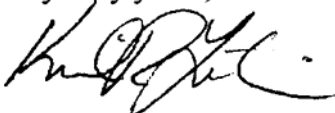
Dear Paul:

The Nature Conservancy has a long history of interest and involvement in the conservation lands around Lake Kissimmee. In particular, the Conservancy's planning has identified this area, including Lost Oak, as a great priority to our conservation mission. Lost Oak is located in a rural and sparsely developed area of Polk County and is part of a mosaic of natural communities, including flatwoods, marshes, swamps, hammocks and scrub, all of which are critical habitat for at least 20 rare animals, including the red-cockaded woodpecker, snail kite, Florida scrub-jay and Florida grasshopper sparrow.

A map was previously provided to the Conservancy that depicts 1,862± acres comprising the greater part of the western side of the tract. Much of this land is included in a Florida Forever project that was originally proposed to protect high quality habitats and provide landscape linkage with other public conservation lands. The protection of Lost Oak is a critical component of this conservation plan. The Conservancy does not endorse the development proposal put forth for this property but, in the event Lost Oak cannot be protected in its entirety, the protection of the areas designated on the map as "Conservation Easement" would be desirable and would accomplish many of the project goals.

We understand that your long term plans may include a conservation easement on this designated portion of the site, providing protection for the important habitats and species occurring on the property. Given the conservation significance of the area as a whole and the important linkage of this tract in particular, The Nature Conservancy would be very interested in holding the conservation easement area so designated, plus other portions of the site that might be considered as your plans evolve. Any such agreement would be subject to compliance with all Conservancy policies and procedures, recovery of all expenses and a grant for long-term monitoring of the easement, and satisfaction that the conservation values of the property are protected.

Very truly yours,



Keith R. Fountain
Director of Protection

Cc: John Winfree

May 30, 2008

Via Email

Louis Bernstein
Paul Wellington
Pomcor, LLC
625 North Flagler Drive
Suite 625
West Palm Beach, Florida 33401

**Re: Food, Conservation and Energy Act of 2008 (2008 Farm Bill)
Qualified Conservation Easement Provisions**

Dear Louis and Paul:

As you know, the Pension Protection Act of 2006 (the "PPA") provided additional tax incentives relating to qualified conservation contributions under section 170(h) of the Internal Revenue Code (the "Code"). The original provision applied only to contributions made after December 31, 2005 through December 31, 2007. However, in May of this year, Congress passed the Food, Conservation and Energy Act of 2008 which among other things, extended the tax incentive through the end of 2009. While we have previously discussed these provisions in the context of taxpayers making qualified conservation easements, you have asked about the special provisions as applicable to "qualified farmers and ranchers."

Section 170(b)(1)(E)(iv) of the Code, as added by the PPA, provides that if an individual is a "qualified farmer or rancher" for the taxable year in which a qualified conservation contribution is made, the individual can take a deduction for the value of the donated property up to 100% (rather than 50%) of the taxpayer's adjusted gross income. The PPA also added section 170(b)(2) for corporate qualified farmers and ranchers and provides that in the case of a corporation (other than a publicly traded corporation) which also qualifies as a "qualified farmer or rancher," any qualified conservation contribution made will be allowed up to 100% of the corporation's taxable income over the amount of all other allowable charitable contributions. Any excess unused contribution deduction for a qualified conservation easement can be carried forward for 15 years.

For purposes of these two provisions, a "qualified farmer or rancher" is a taxpayer whose gross income from the trade or business of farming (within the meaning of section 2032A(e)(5)) is greater than 50% of the taxpayer's gross income under section 61 of the Code. Therefore, during the year of the contribution, if a taxpayer's income from the following sources exceeds 50% of the taxpayer's total gross income from all sources, then the taxpayer is a "qualified farmer or rancher" and would be eligible for the 100% limitation:

1. cultivating the soil or raising or harvesting any agricultural or horticultural commodity (including the raising, shearing, feeding, caring for, training, and management of animals) on a farm;
2. handling, drying, packing, grading, or storing on a farm any agricultural or horticultural commodity in its unmanufactured state, but only if the owner, tenant, or operator of the farm regularly produces more than one-half of the commodity so treated; or
3. the planting, cultivating, caring for, or cutting of trees; or the preparation (other than milling) of trees for market.

There is an additional condition for eligibility of the 100% limitation which relates to the contribution of any property in agricultural or livestock production, or that is available for such production, by a qualified farmer or rancher. In the case of a corporate taxpayer, the statute requires that for a contribution of a qualified real property interest to be eligible for the 100% limitation, the property must be "used in agricultural or livestock production (or available for such production)" and, as a further condition on the contribution deduction, the qualified conservation contribution must also include a restriction that the property remain generally available for such agricultural or livestock production. While there is a similar requirement in the case of individual farmer and rancher taxpayers that contribute property used in agricultural or livestock production (or available for such production) that they too must also include a restriction that the property remain generally available for such agricultural or livestock production, the provisions applicable to individual farmers and ranchers does not appear to limit the use of the increased 100% limitation solely to the contribution of property that is used in agricultural or livestock production (i.e., an individual farmer or rancher may use the higher 100% limitation on other qualified conservation contributions but if the property was used in agricultural or livestock production, then the contribution must also include the restriction that the property remain available for such production). Where this further condition applies, according to the Joint Committee Staff summary accompanying the PPA, "there is no requirement as to any specific use in agriculture or farming, or necessarily that the property be used for such purpose, merely that the property remain available for such purpose."

Unfortunately, because this provision is relatively new, there is not much authority on it to date. However, it does seem clear that whether a taxpayer qualifies as a farmer or rancher is determined on a year by year basis, based on the taxpayers' income for that particular year. Further, the incentive for qualified farmers and ranchers does not apply to publicly traded corporations. We did not find any authority indicating that the incentive should not be available to large privately held corporations.

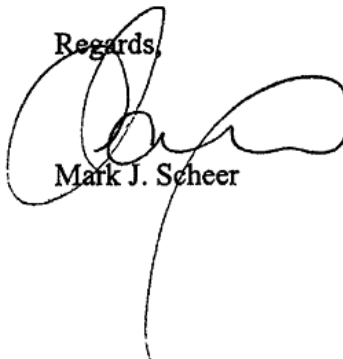
Louis B. Bernstein
Paul Wellington
May 30, 2008
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Finally, as indicated in IRS Revenue Notice 2007-50, a copy of which was previously sent to you, the determination of whether a qualified conservation contribution made by a pass-through entity such as a partnership or S corporation (or an LLC taxed as either a partnership or S corporation) qualifies for the farmer/rancher incentive is done at the partner/shareholder level and not the entity level (See also section 703(a)(2)(C), with respect to partnerships, and section 1363(b)(2), with respect to S corporations, of the Code, which provide that partnerships and S corporations are not allowed charitable deductions and therefore, the deductions are taken into account at the partner/shareholder level). As a result, if a corporation is an S corporation, the incentive for individuals set forth above would apply to each shareholder, and the separate incentive for corporations would not be applicable.

Finally, as required by Internal Revenue Service Circular 230, we must advise you that the written advice provided herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Code. In order for our advice to be such that you may be entitled to rely upon it for purposes of avoiding penalties, we would be required under applicable IRS guidelines to undertake independent due diligence with respect to many of the facts discussed in this letter. Further, no portion of our written correspondence may be used in connection with the promotion, marketing or recommendation to another party of any transaction or matter addressed herein as relates to any U.S. federal tax matters and each person with whom Pomcor may discuss the plans as relates to the Lake Kissimmee Property should seek advice from their independent tax advisor based on their particular circumstances.

Please let me know if this is what you were looking for and any other comments that you may have.

Regards,

A handwritten signature in black ink, appearing to read "Mark J. Scheer", is written over the typed name. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

Mark J. Scheer

MJS/ms

enclosures

***World Class
Bass Fishing***



***Wildlife in
Abundance***

***Great
Hunting
Location***



Beautiful Hammocks

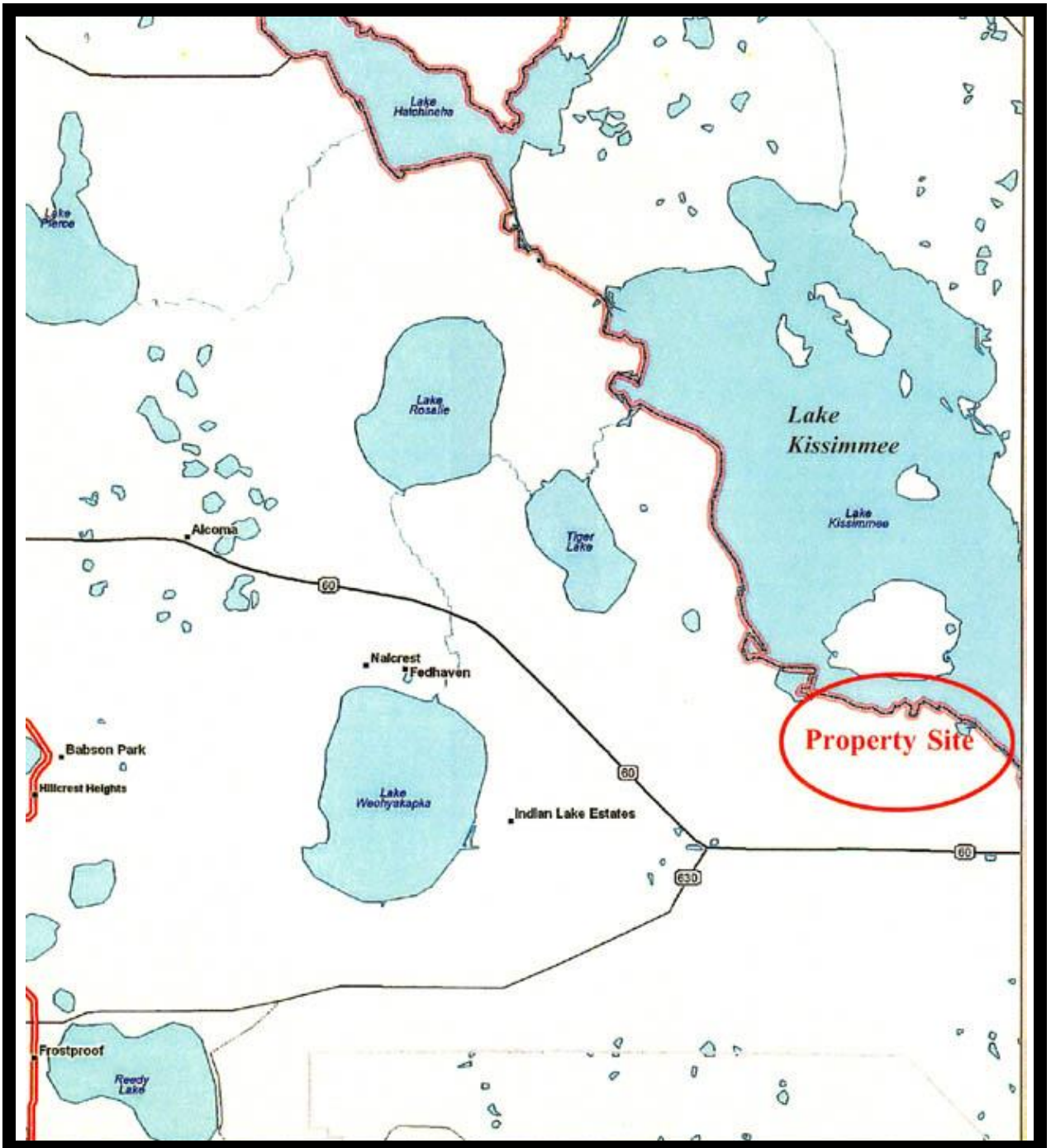


Wild Boar

Pristine Beauty



LOST OAK POLK COUNTY, FL

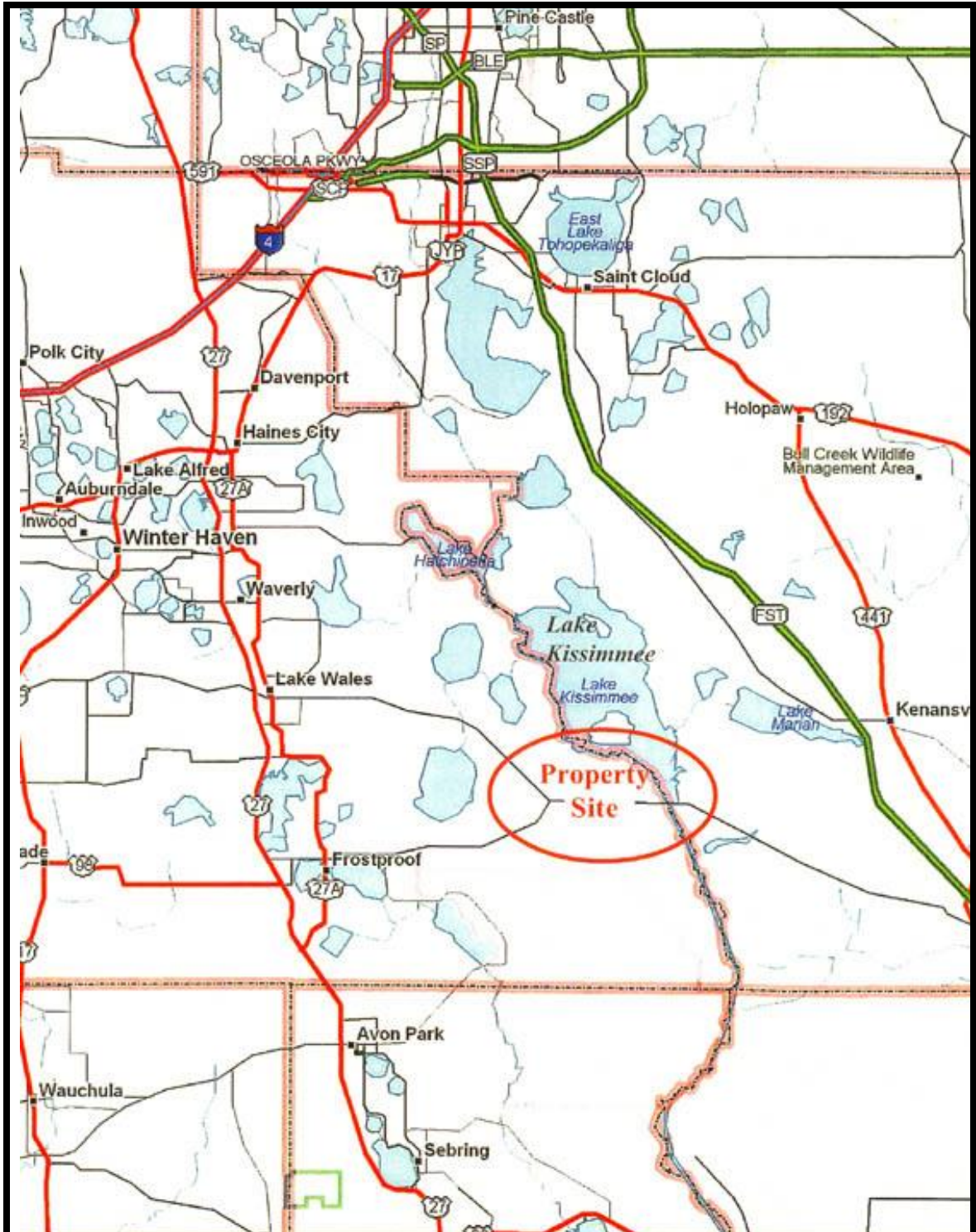


Directions:

From Hwy 27 take Hwy 60 east approximately 18 miles to Grape Hammock Road. Turn north.

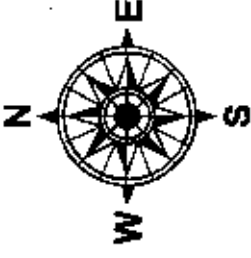
From Yeehaw Junction, take Hwy 60 west, crossing the Kissimmee River. Turn north on to Grape Hammock Road

LOST OAK POLK COUNTY, FL



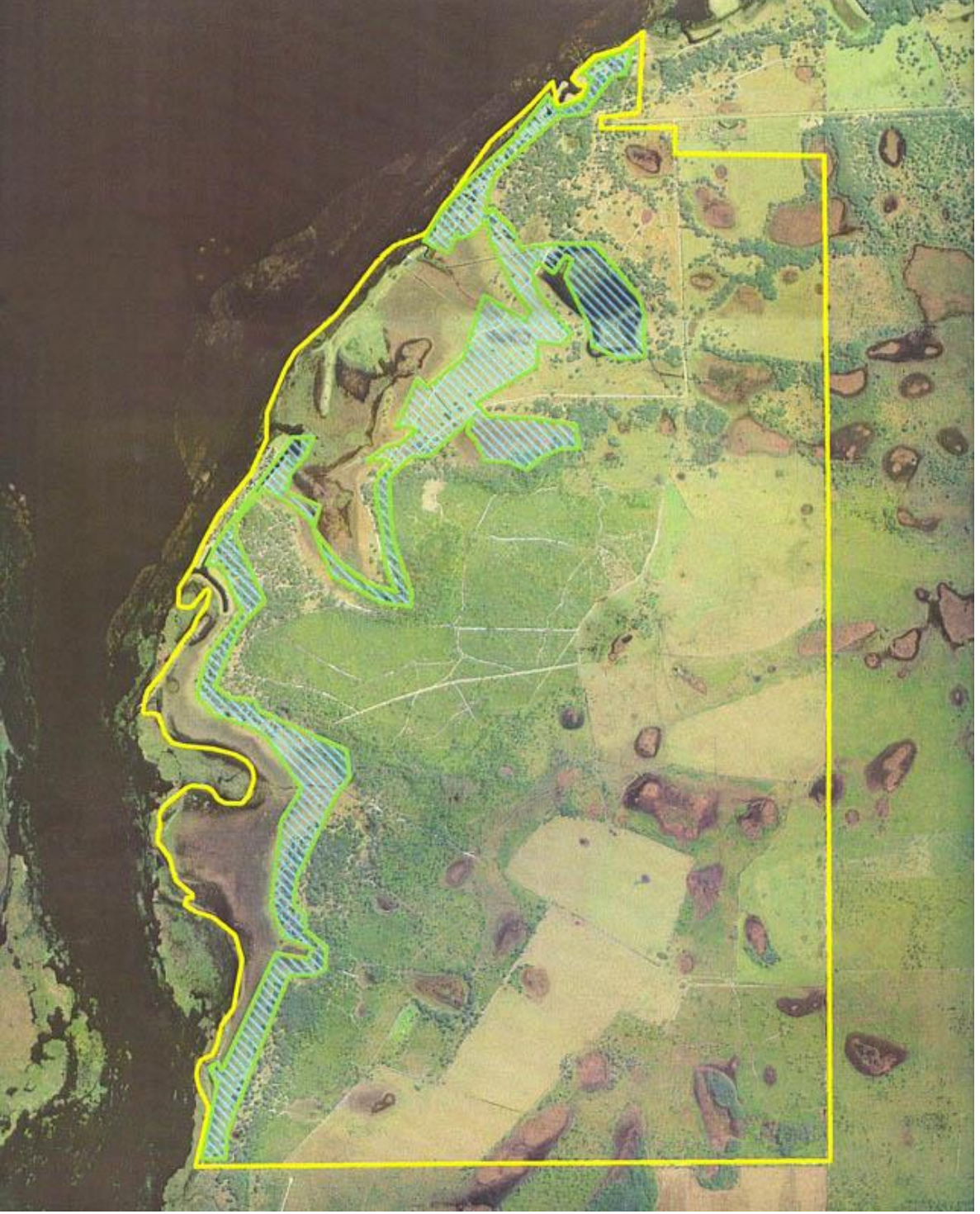
LOST OAK POLK COUNTY, FL

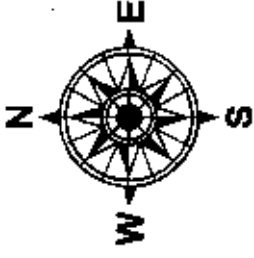




**LOST OAK
2,909 ACRES
SECTIONS 28, 29, 30,
31, 32, 33 & 34
TOWNSHIP 30
RANGE 31
POLK COUNTY**

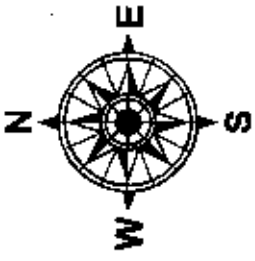
AERIAL OVERLAY





**LOST OAK
2,909 ACRES
SECTIONS 28, 29, 30,
31, 32, 33 & 34
TOWNSHIP 30
RANGE 31
POLK COUNTY, FL
5 FOOT COUNTOUR
INTERVALS**



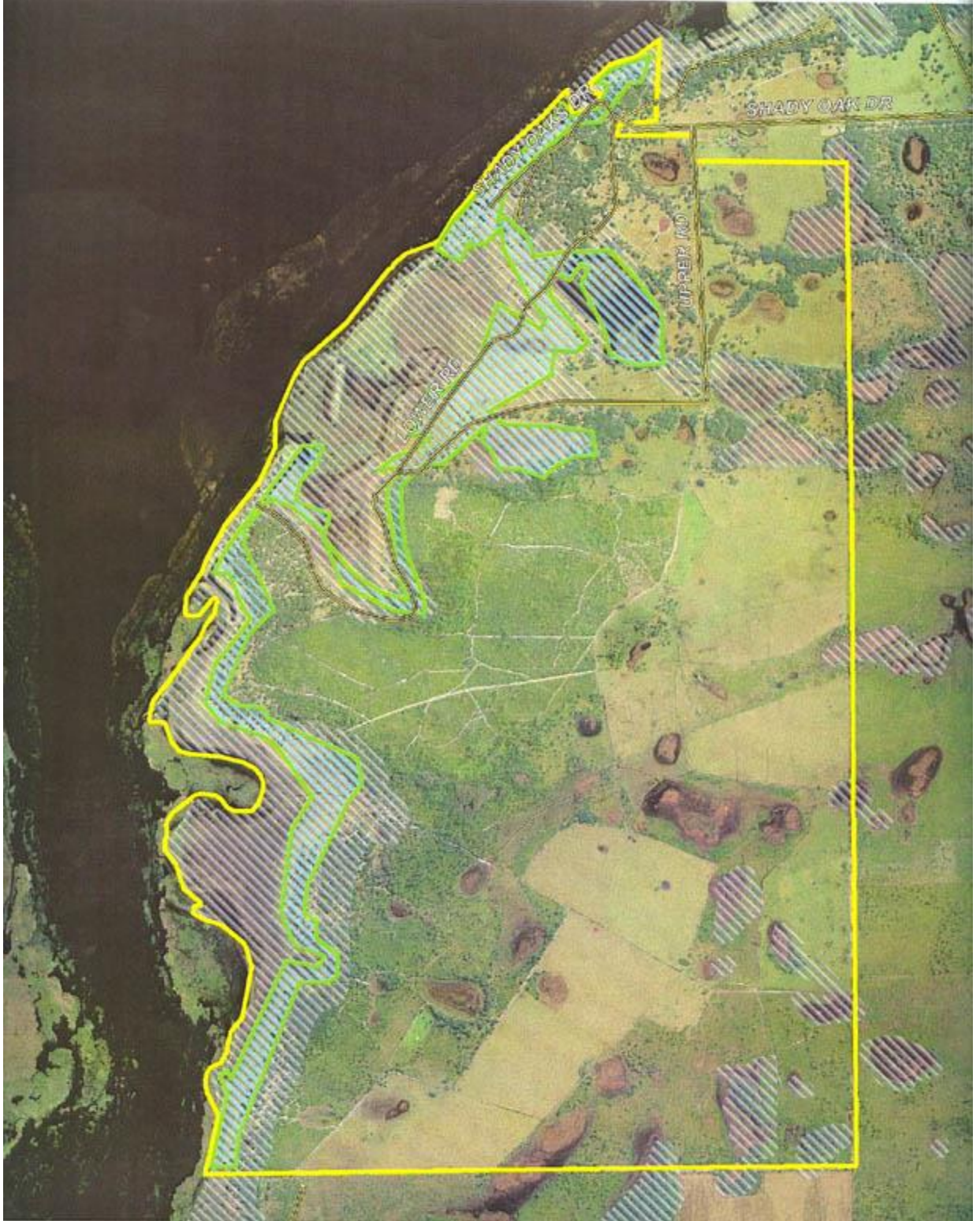


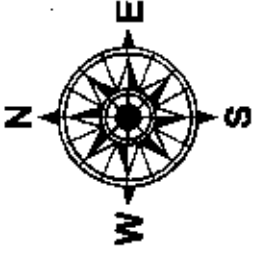
**LOST OAK
2,909 ACRES**

**SECTIONS 28, 29, 30,
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RANGE 31
POLK COUNTY, FL**

**FEMA FLOOD
HAZARD AREA**

Outside Hazard	Within Hazard
Acres 2118	662



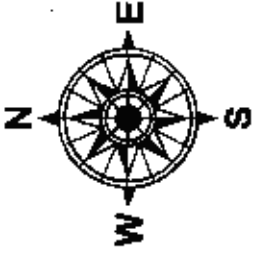


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SOIL TYPES

Soil ID	Soil Types	Acres
10	Malabar fine sand	94.89
13	Simsula muck	120.34
17	Snyrna and Myakka fine sands	650.27
19	Floridana mucky fine sand, depressional	20.53
21	Innokahee sand	665.41
23	Ona fine sand	19.44
25	Placid and Myakka fine sands, depressional	86.92
32	Kalga muck	5.32
33	Holpaw fine sand, depressional	34.22
36	Bealinger mucky fine sand, depressional	207.21
42	Felda fine sand	2.99
43	Olsnar fine sand	113.51
59	Avents-Urban land complex, 0-5% slopes	3.66
70	Duette fine sand	70.64
74	Narcossee sand	10.3
87	Bealinger fine sand	435.93
99	Water	16.77





**LOST OAK
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**APPROXIMATE
WETLANDS**

	Wetland	Upland	
Acres	584	2196	

