

June 16, 2023

Via e-mail only: kratkus@alachuacounty.us

Mr. Kevin Ratkus Senior Planner Alachua County Environmental Protection Department 408 W. University Avenue, Suite 106 Gainesville, Florida 32601

Re Option Contract with PJDJ, Inc. Title Letter Our File No.: 20-1279.7 KN

Dear Kevin:

Following your request, this letter addresses certain title exceptions included in the <u>April 21, 2023</u> Title Insurance Commitment covering the subject property issued on behalf the Old Republic National Title Insurance Company (the "**Commitment**"). Specifically, the title exceptions discussed below are included at Schedule B-II (4) – (10). The opinions offered below are made generally; the County's specific management plan or use of the subject property may in fact cause the County to arrive at a contrary opinion. All instruments are recorded in the Public Records of Alachua County, Florida.

<u>Schedule B-II (4)</u>. This item excepts from title coverage that certain Right-of-Way Easement in favor of Clay Electric Cooperative, Inc. ("Clay Electric") set out in the instrument recorded at <u>OR</u> <u>Book 291, Page 209</u> (the "ROW Easement").

The ROW Easement purports to grant Clay Electric an easement over a fifteen (15) foot strip of land immediately parallel and west of State Road No. S-239 for purposes of electrical distribution lines. Easements similar to the ROW Easement are normal and customary in prior County acquisitions. However, a survey is necessary to understand the location and impact of the ROW Easement interest.

Opinion: At this point of the transaction, exception Schedule B-II(4) appears acceptable.

Schedule B-II (5). This item excepts from title coverage that certain Drainage Easement in favor of the State of Florida (the "**SOF**") set out in the instrument recorded at <u>OR Book 271, Page 447</u> (the "**Drainage Easement**").

The Drainage Easement purports to grant the SOF an easement area of approximately 0.12 acres for drainage ditch purposes. Easements similar to the Drainage Easement are normal and customary in prior County acquisitions. However, a survey is necessary to understand the location and impact of the Drainage Easement interest.

Opinion: At this point of the transaction, exception Schedule B-II(5) appears acceptable.

Schedule B-II (6). This item excepts from title coverage that certain Oil, Gas, And Mineral Lease set out in the instruments recorded at <u>OR Book 1346, Page 536</u> and <u>OR Book 1574, Page 2948</u> (the "**OMG Lease**"). From what can be determined (the document is barely legible), the OMG Lease grants Pennzoil Producing Co. a right to explore and extract oil, gas, and other minerals (collectively, "**OMG**").

The leased premises is approximately two hundred eighty (280) acres lying in Section 36, Township 7 South, Range 18 East. A survey is required to confirm the location of the leased premises. Under Section 2 of the OMG Lease, however, it appears the OMG Lease was set to expire after ten (10) years, so on or about January 7, 1991.

In our experience, title underwriters generally will remove the exception for the OGM Lease if the current owner executes an affidavit (with indemnity) based on personal knowledge that the OMG Lease is not active and that no OGM extraction and exploration is occurring and has not recently occurred. Current information suggests the owner of the property can execute sign such an affidavit. If so, the exception can be deleted from the title policy. A note to this effect is included in the Commitment.

Opinion: With an affidavit from the owner, exception Schedule B-II(6) appears acceptable.

<u>Schedule B-II (7)</u>. This item excepts from title coverage certain Right-of-Way Easements in favor of Clay Electric set out in the instruments recorded at <u>OR Book 3360, Page 1156</u> and <u>OR Book 3360, Page 1159</u> (collectively, the "**ROW Easement II**").

The ROW Easement II purports to grant Clay Electric easements over ten (10) foot strips of land for purposes of underground powerlines. Easements similar to the ROW Easement II are normal and customary in prior County acquisitions. However, a survey is necessary to understand the location and impact of the ROW Easement II interest.

Opinion: At this point of the transaction, exception Schedule B-II(7) appears acceptable.

Schedule B-II (8). This item excepts from title coverage that certain Easement for Ingress and Egress in favor of PJDJ, Inc. set out in the instrument recorded at <u>OR Book 2595, Page 468</u> (the "**Ingress and Egress Easement**").

The Ingress and Egress Easement grants PJDJ, Inc. an easement over adjoining lands, is perpetual, and benefits all successors and assigns, subject, however, to certain use restrictions (e.g., four single family residences and farming use). Easements similar to the Ingress and Egress Easement are normal and customary in prior County acquisitions. However, a survey is necessary to understand the location and impact of the Ingress and Egress Easement interest.

Opinion: At this point of the transaction, exception Schedule B-II(8) appears acceptable.

<u>Schedule B-II (9)</u>. This item excepts from title coverage that certain ordinance of the City of Alachua (Ordinance 18-10) recorded at <u>OR Book 4617, Page 1035</u> (the "**Ordinance**").

The Ordinance incorporates into the city limits of Alachua certain portions of the subject property. Accordingly, for the affected property, all laws, ordinances, rules, and regulations of the City of Alachua will cover and control the property. A survey is necessary to understand the location and impact the Ordinance will have on the project.

Opinion: At this point of the transaction, exception Schedule B-II(9) appears acceptable.

<u>Schedule B-II (10)</u>. This item excepts from title coverage the easement contained in that certain Warranty Deed set out in the instrument recorded at <u>OR Book 4409, Page 757</u> (the "**Deed Easement**").

The deed containing the Deed Easement purports both to convey to PJDJ, Inc. and except from warranties of title a thirty (30) foot ingress, egress, and public utility easement. Easements similar to the Deed Easement are normal and customary in prior County acquisitions. However, a survey is necessary to understand the location and impact of the Deed Easement interest.

Opinion: At this point of the transaction, exception Schedule B-II(10) appears acceptable.

Following your review, please contact me with questions.

Sincerely,

David E. Menet