

**COMMERCIAL/INDUSTRIAL DEVELOPMENT PARCEL
INDIANTOWN, FLORIDA**

PRESENTED BY:

ATLANTIC WESTERN REALTY CORPORATION
3500 FAIRLANE FARMS RD. , SUITE 9
WELLINGTON, FL 33414
(561) 832-3400

INDIANTOWN DEVELOPMENT PARCEL



Atlantic Western Realty Corporation ("AWRC") has been retained as exclusive agent in the sale of the property located at the southeast corner of Fernwood Forest Dr. & SR 710 (Warfield Blvd.) , Indiantown, Florida (the "Property") by its owners Royals Inc. (the "Owner").

This offering memorandum (the "Memorandum") is being delivered to parties interested in purchasing the Property. By its acceptance hereof, each recipient agrees not to reproduce, in whole or in part, the information contained herein, or any other information subsequently provided; to keep permanently confidential all such information not already public; and to use this Memorandum only to evaluate the offering made hereby.

This Memorandum was prepared by AWRC based upon authorization and information furnished by the Owner and its agents, which reviewed and authorized its use for the purpose and in the manner outlined above. Neither the Owner, nor AWRC, or either of its shareholders, partners, officers, employees, or affiliates, make any representations or warranties, express or implied, regarding the accuracy or completeness of the information contained herein. Prospective purchasers should perform their own due diligence and investigation to verify the information contained herein and independently determine the Property' future potential and suitability for their particular investment criteria.

Nothing in this Memorandum should be construed as a representation of the future performance of the Property. Statements in this Memorandum as to the content of any contract or other document are not complete or definitive descriptions, but rather summaries of portions thereof. Wherever reference is made to such contracts or other documents, AWRC will make copies if available upon request at the appropriate time.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy an interest in the Property in any jurisdiction in which, or to any person for which, such offer, sale or solicitation would be unlawful. Except where otherwise indicated, this Memorandum speaks as of January 1, 2012 and should not be deemed to imply there has been no change in the condition or prospects of the Property since such date.

The Owner expressly reserves the right, in its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any party at any time with or without notice. The Owner shall have no legal commitment or obligation to any prospective purchaser reviewing this Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully and mutually executed, and any conditions to the obligations thereunder have been satisfied or waived.

Qualified investors are encouraged to schedule property tours, carefully consider the Property through a thorough evaluation of the information provided herein and from additional independent due diligence, and submit an offer to purchase the Property. Offers should include the buyer's qualifications and financial capabilities. The Owner reserves the right at any time to establish, amend or terminate a bid deadline for offers, reject or consider offers, or conduct final and best negotiations with selected offerors.

Acceptance of this Memorandum by the recipient constitutes acceptance of the terms and conditions outlined above.

In accordance with the requirements of Section 404.056(8), Florida Statutes, the following notice is hereby given:

RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the local County Public Center.

Pursuant to Chapter 475, Florida Statute and to Rule 61J2-10.036 of the rules of the Commission, Atlantic Western Realty Corporation hereby discloses that it is the exclusive listing agent of the Seller and, accordingly, its fiduciary responsibilities lie with the Seller.

Should you require additional information regarding the Property, would like to schedule a site inspection, or be interested in pursuing a transaction with respect to the Property please contact :

Atlantic Western Realty Corporation
3500 Fairlane Farms Rd., Suite 9
Wellington, Florida 33414
561-832-3400
fax: 561-832-3111
info@atlantic-western.com

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Survey (full size under separate cover)

INDIANTOWN DEVELOPMENT PARCEL



Investment Highlights

Overview:

Atlantic Western Realty Corporation is pleased to exclusively offer for sale the fee simple interest in two contiguous development parcels located in the City of Indiantown, Martin County, Florida.

The Property consists of two contiguous parcels at the strategic intersection of Fernwood Forest Dr. & SR 710 (aka The Beeline Highway, Warfield Blvd.) in Indiantown, Florida.

Location:

The site provides exceptional exposure and frontage to Warfield Blvd. with over 1,460' of frontage. This location is the first parcel on the south side of Warfield descending west off of the Indiantown/St. Lucie Waterway bridge overpass and as such presents one of the "entrance" features to Indiantown. The intersection of Fernwood and Warfield is also directly opposite the intersection of Citrus Ave (on the north side of Warfield) which is one of the main arteries serving Indiantown, the Indiantown airport and planned developments along the St Lucie Waterway.

This location is proximate to all of the existing and planned commercial and residential developments in Indiantown, which is being master planned for substantial re-development by regional and national developers.

Zoning:

The Property is currently zoned R-2 (Residential) and Light Industrial (IL) in the City of Indiantown, and is located within the Warfield Blvd. South District of the Indiantown Overlay Zoning District; which permits industrial, commercial, residential and mixed uses.

Permitted uses within this designation include commercial offices, retail, financial institution, restaurant, multi-family residential, and other general commercial uses; some of which may require conditional approvals.

Barriers to Entry:

The commercial corridor of Indiantown, dominated by Warfield Blvd. is tightly controlled and few parcels are available for sale, as the community poises for its planned redevelopment. As a result of the anticipated impact from the many proposed Indiantown developments that are currently in planning and in various stages of approvals, the Subject Property offers a developer/investor with a unique opportunity of securing one of the few available prime development parcels that will represent a key element in Indiantown's redevelopment.

Offering Terms:

Ownership has established a reduced combined asking price of \$950,000 for the combined site. Qualified investors are encouraged to carefully consider the Property through a thorough evaluation of the information provided herein and from additional due diligence, and submit a combined offer to purchase the Property. Offers should include the buyer's qualifications and financial capabilities and only written offers will be considered.

Owner Representation & Contacts:

For additional information on The Property please contact the Owner's exclusive agent:

Atlantic Western Realty Corporation
3500 Fairlane Farms Rd., Suite 9
Wellington, Florida 33414
561-832-3400/fax: 561-832-3111
Brad Scherer: bscherer@atlantic-western.com



Property and Description Detail

The Property consists of two adjacent parcels of land (West Parcel and East Parcel) that form the southeast corner of Fernwood Forest Dr. and Warfield Blvd. (SR 710) in Indiantown, Florida.

SITE DESCRIPTION SUMMARY

Detail	West Parcel	East Parcel	Total
Address	15318 Warfield Blvd.	none	
Tax Id	05-40-39-000-00090-4	05-40-39-000-00091-3	
Site Shape	Rectangular (153' * 456')	Rectangular (1,464' * 338')	
Area	1.314 acres	10.792 acres	12.11 acres
Improvements	Existing house	Vacant – unimproved	
Occupancy	Utilized by church mtm	n/a	
Zoning	Warfield South District of Indiantown Overlay	Warfield South District of Indiantown Overlay	Warfield South District of Indiantown Overlay

West Parcel

ADDRESS: 15318 Warfield Blvd., Indiantown, Florida

SITE SHAPE & AREA: The West Parcel has a rectangular/parallelogram shape with approximate dimensions of 153' x 456', for a total site area of 1.314 acres. According to the survey the site has approximately 153' along both Warfield Blvd. and the Seaboard rail line ROW and approximately 450 front feet along Fernwood Forest Dr.

LEGAL: W 125' OF SE1/4 OF SW1/4 S OF SR 710 SEC 5 & W 125' OF E1/2 OF NW1/4 N OF RY IN SEC 8 (LESS R/W)

UTILITIES: The site has current access to public water, fiber, power and natural gas services. Public sewer mains are located on the north side of Warfield Blvd. Utility capacity and connection fees have not been determined.

ASSESSMENT & TAXES: The West Parcel has the following assessments and taxes.

Folio Number	05-40-39-000-000-00090-4
2011 Assessment	\$20,140
2011 Taxes	\$599

Taxes reflect the 4% discount for early payment.

BUILDING IMPROVEMENTS: The West Parcel contains a single family structure that is currently in use by a church organization on a month to month tenancy.

East Parcel

ADDRESS: Warfield Blvd.

SITE SHAPE & AREA: The East Parcel has a rectangular/parallelogram shape with approximate dimensions of 1,464' x 338', for a total site area of approximately 10.792 acres. According to the survey the site has approximately 1,460' along Warfield Blvd. and the Seaboard rail line ROW.

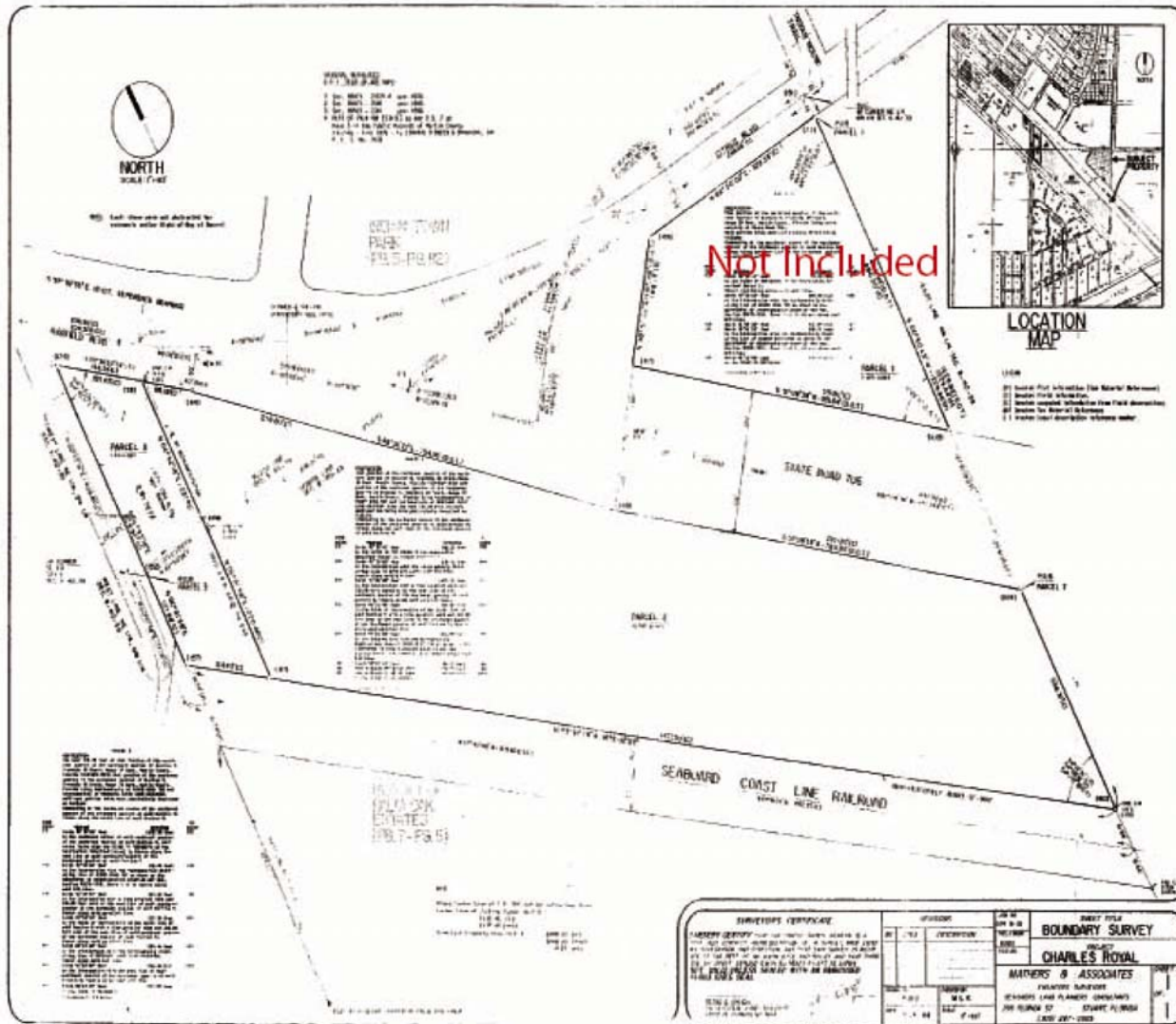
LEGAL: SE1/4 OF SW1/4 S OF SR 710 (LESS W 125') SEC 5 & E1/2 OF NW1/4 N OF RY (LESS W 125' & LESS R/W' S) SEC 8

UTILITIES: The site has current access to public water, fiber, power and natural gas services. Public sewer mains are located on the north side of Warfield Blvd. Utility capacity and connection fees have not been determined.

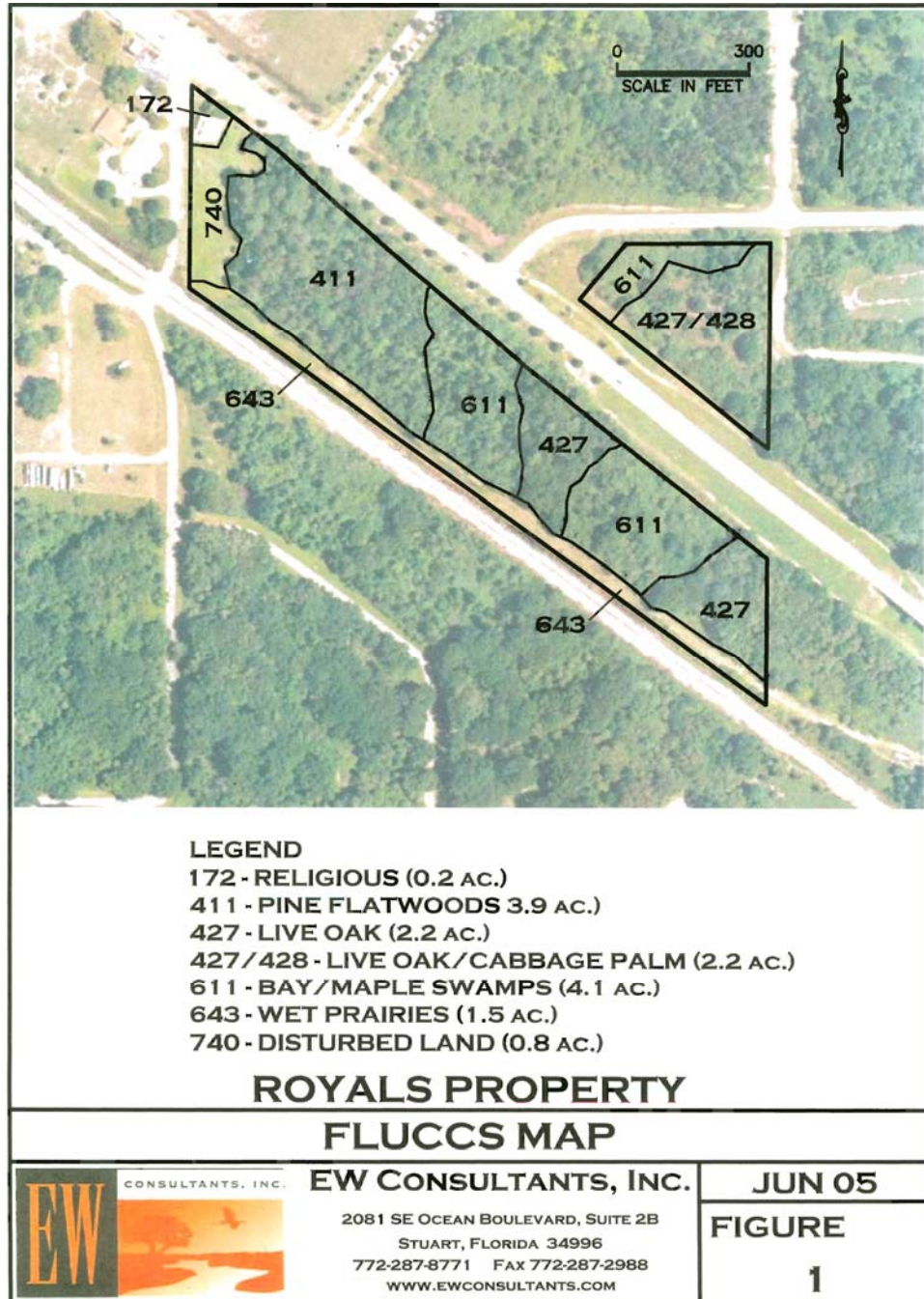
ASSESSMENT & TAXES: The East Parcel has the following assessments and taxes.

Folio Number	05-40-39-000-00091-3
2011 Total Assessment	\$82,670
2006 Taxes	\$1,284

Taxes reflect the 4% discount for early payment.



ENVIRONMENTAL: Portions of both the East & West Parcels contain areas which have been estimated by preliminary assessment to potentially contain areas and habitat that may be subject to jurisdictional wetland, native and/or rare and unique preservation requirements per Martin County Building Codes. A prospective purchaser should conduct independent environmental studies to accurately determine and make an independent conclusion of these conditions. Neither the Seller, nor AWRC make any representations or warranties in this regard.



ZONING:

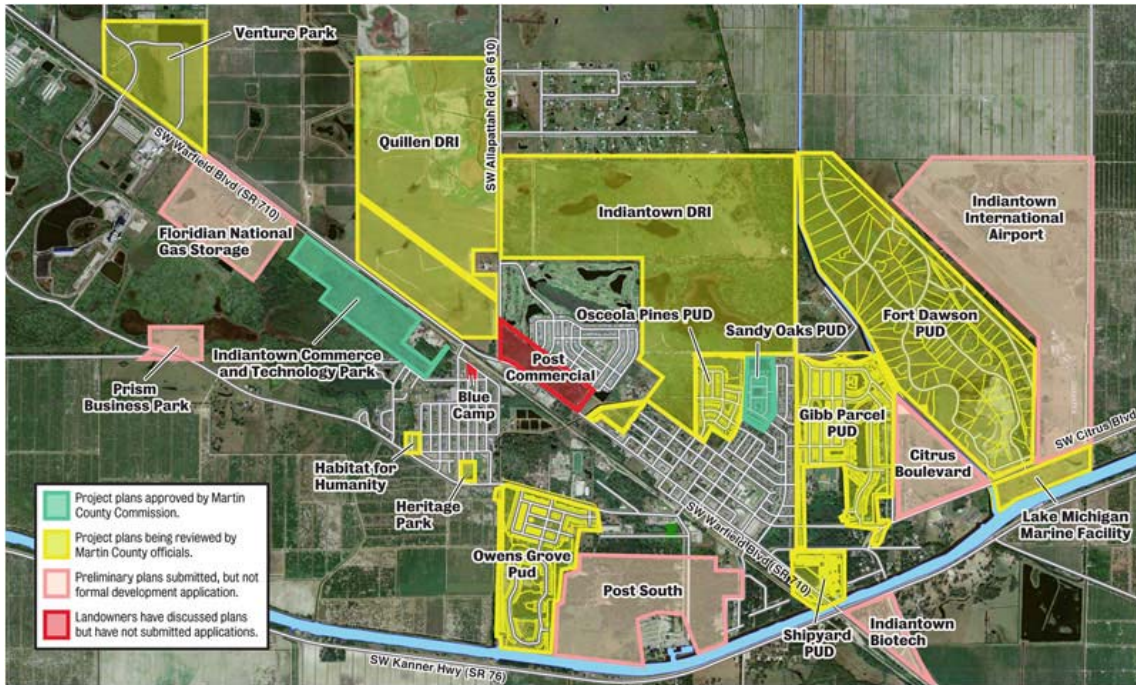
Because Indiantown is technically within an unincorporated area of Martin County, Martin County zoning jurisdiction applies. Currently, portions of the West Parcel are zoned R-2 residential. The East Parcel is currently zoned Light Industrial.

In 2002 the Martin County Board of County Commissioners established the Indiantown Community Redevelopment Area (CRA). With the help of the citizens, and business leaders the Indiantown Community Redevelopment Plan has become a guiding vision for the future of Indiantown. The entire Indiantown CRA and zoning categories, design criteria and projected developments can be seen at A vision plan for Indiantown’s master redevelopment follows and can be viewed through the following web link which will provide a complete overview of the CRA.

http://ap3server.martin.fl.us:7778/portal/page?_pageid=355,620097&_dad=portal&_schema=PORTAL

Within this CRA boundary, defined sub-districts have been established that will guide the development and permitted uses for Indiantown’s redevelopment. The East and West Parcels are located within the “Warfield Blvd. South District” of the Indiantown CRA overlay. This designation allows the Property to be eligible for a variety of commercial, multi-family residential and industrial uses including but not limited to:

<p>Residential Uses Townhouse Dwellings Apartment hotels</p> <p>Commercial and Business Uses Bed and Breakfast Inns Commercial Day Care Family Day Care Business and Professional Offices Commercial amusements, indoor/outdoor Financial Institutions Funeral Homes General retail sales and service Hotels and Motels Limited retail sales and service Marinas, commercial</p>	<p>Commercial and Business Uses (cont)</p> <p>Medical services Parking lots and garages Residential Storage Facilities Restaurants, convenience, w/ & w/o drive through Restaurants, general Trades and skilled services Vehicular sales, service & Maintenance Wholesale trades and services Ancillary retail use Construction industry trades Construction sales and services</p> <p>Industrial Uses Limited impact industries</p>
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(1) Source – Martin County

Indiantown Developments

During 2005-7 a number of major Indiantown developments were approved, or in various stages of planning. As a result of the market downturn, many of these remain planned but not currently underway, including but not limited to:

Indiantown DRI: A major DRI in the center of Indiantown planned for approximately 1,650 residential units and over 30,000 sf of commercial space.

Gibb Parcel PUD: This major PUD commonly referred to as the Heritage Preserve was originally planned by Centex to contain approximately 660 residential units; in both multi-family and single family configuration.

Quillen DRI: Originally planned and designed by Ascot, this major DRI at the intersection of Allapattah and Warfield was planned to contain approximately 2,600 residential units and a commercial pod.

Owensgrove PUD: Originally planned and designed by Centex Homes, this PUD is located south of Warfield Blvd. and fronting the St. Lucie Waterway, was planned to contain approximately 440 residential units; in both multi-family and single family configuration. This site was recently acquired by affiliates of the King Ranch.

Indiantown Developments (cont.)

Indiantown Commerce & Development Park:

Located on the west side of Indiantown, this major industrial park is fully approved for over 1mm sf and is being developed by Indiantown Realty Co. to offer 31 fully improved and developed industrial lots ranging from 1.5 acres and up, "permit ready" with all development approvals, utilities and horizontal infrastructure completed.

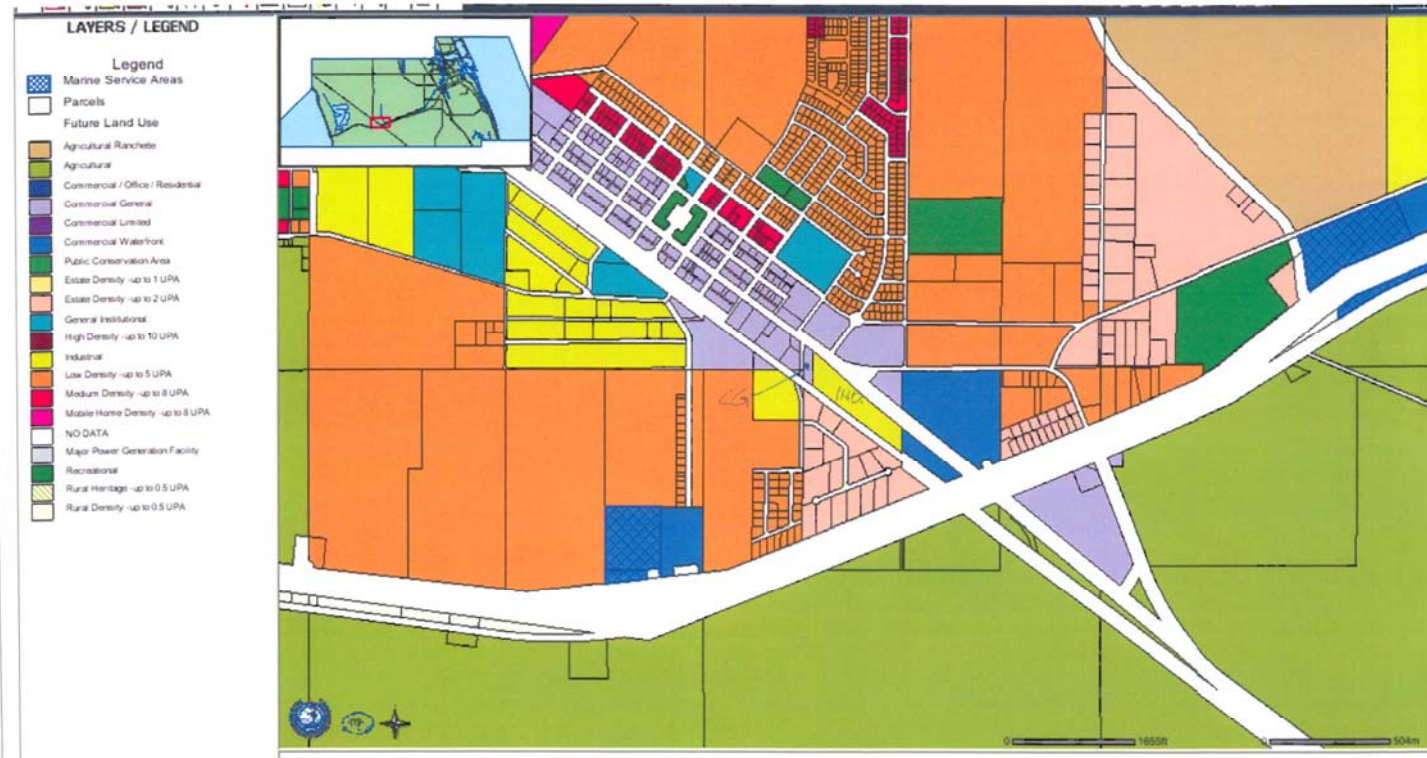
Shipyard PUD:

This waterfront project is located immediately to the east and north of the Subject Property and was approved to contain approximately 140 townhome units, together with 46,000 sf of commercial including a marina, dry dock and boat storage facilities. In 2011 the southern portion of this site was sold to the DOT for the planned bridge expansion. The remaining site north of the bridge is for sale.

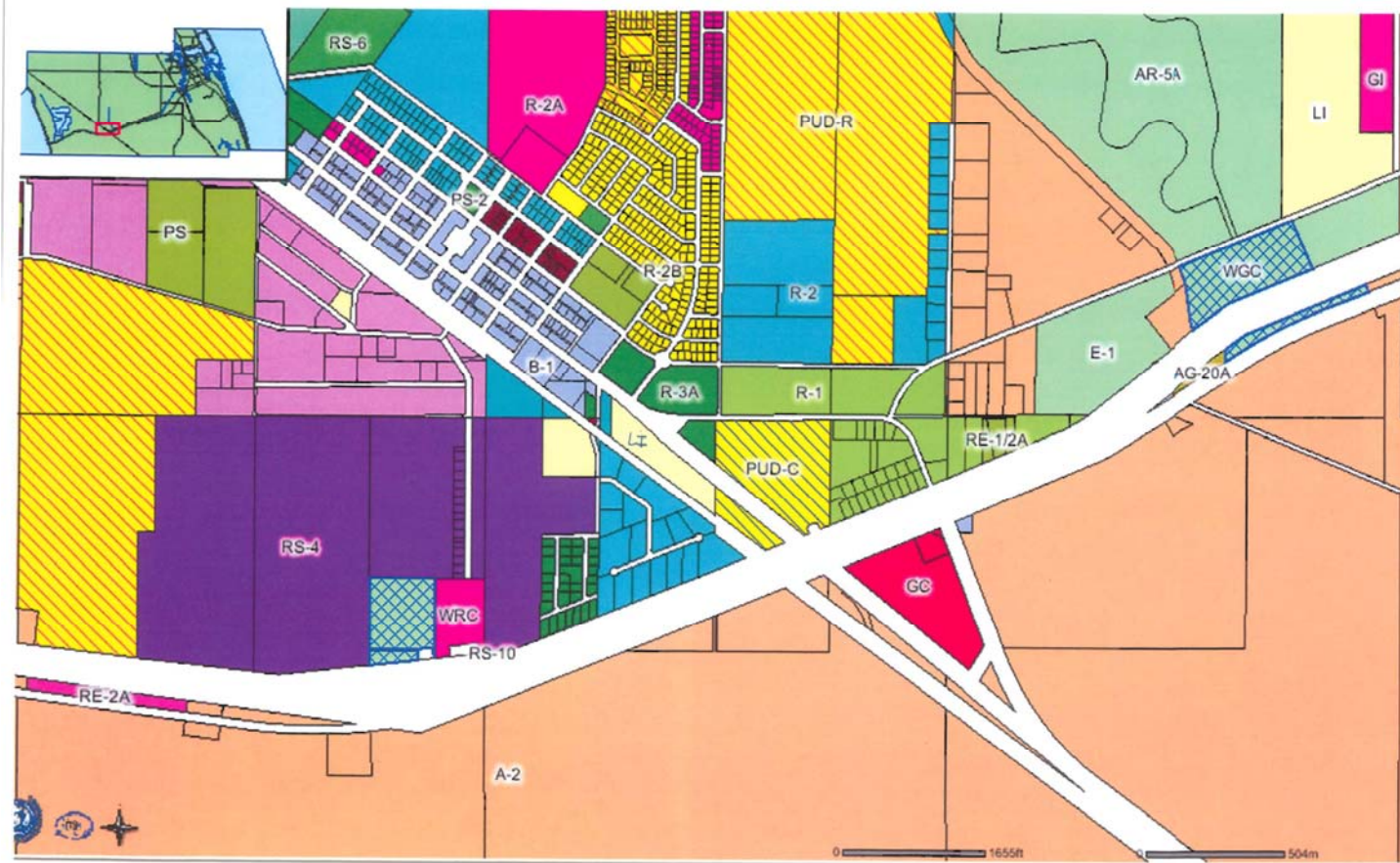
DOT Bridge Expansion

Beginning in the 1st Quarter 2012, the SR 710-Warfield Blvd. bridge and entrance into Indiantown (immediately adjacent to the Property) is scheduled to undergo a major redevelopment and expansion. Such project is expected to greatly enhance the appearance and entry into Indiantown.

INDIANTOWN FUTURE LAND USE MAP



INDIANTOWN ZONING





Indiantown CRA
Martin County

June 21, 2007



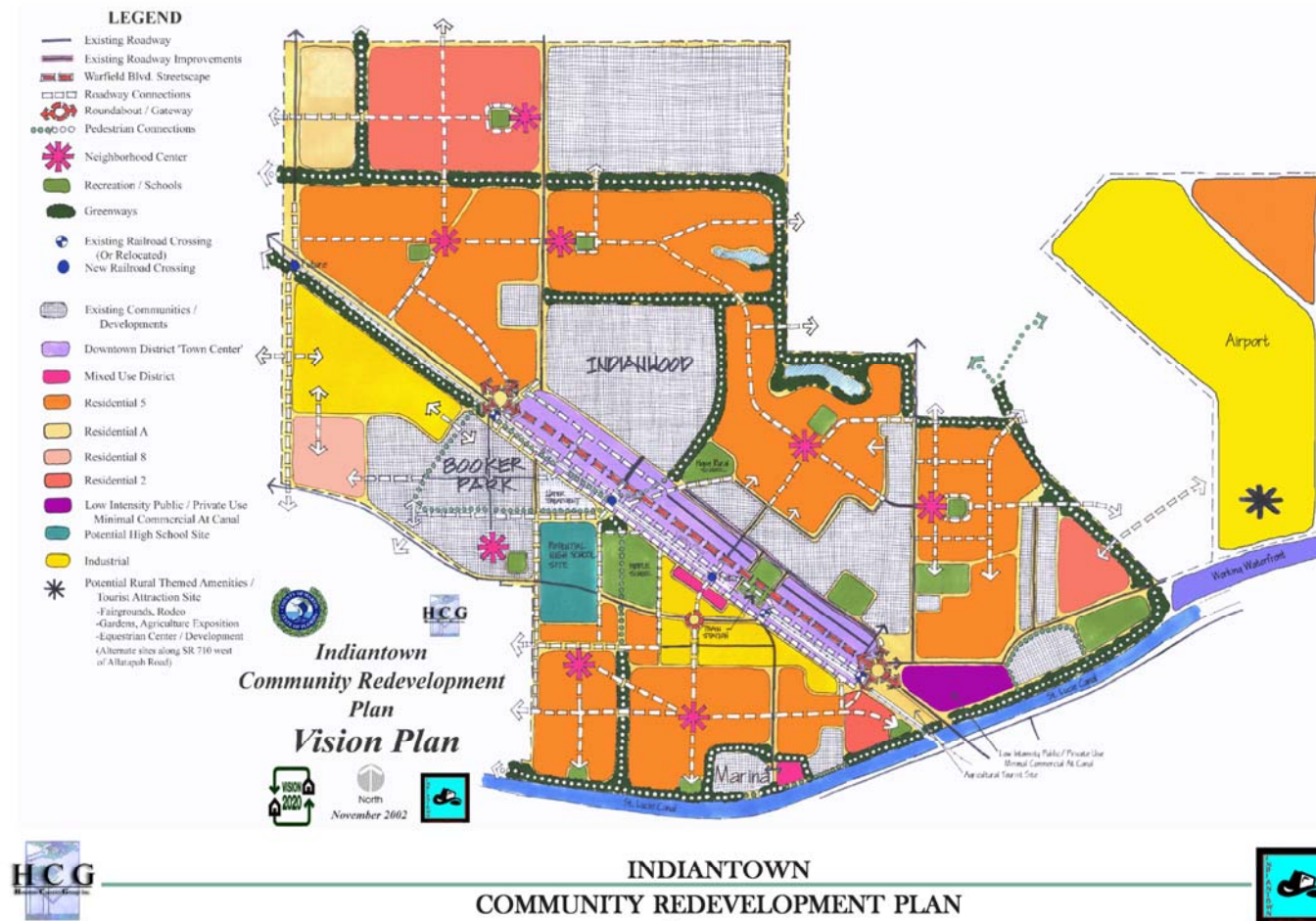
Context Map

Scale: 1" = 1000'

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III. VISION PLAN

B. Vision Plan



III. VISION PLAN

INDIANTOWN COMMUNITY REDEVELOPMENT PLAN

MLK BOULEVARD ENHANCEMENTS:



FARM ROAD ENHANCEMENTS:



PUBLIC PROJECT LIST:

1. State Road 710 Streetscape
2. Overlay Zoning & Design Guidelines
3. Economic Development Plan & Implementation
4. Sidewalks, Lighting, & Drainage
5. Clean Up, Maintenance, & Safety Policies
6. Charter School, High School
7. Train Station, Town Square, & Farmers Market
8. Farm Road Enhancements
9. MLK Boulevard Enhancements
10. Railroad Crossing & Associated Roadway and Pedestrian Connections
11. Fairgrounds & Agricultural/ Rural Themed Amenities
12. Greenways
13. Public Transportation
14. Agricultural Museum

CHARTER SCHOOL / HIGH SCHOOL:



FAIRGROUNDS & AGRICULTURE MUSEUM:



PUBLIC TRANSPORTATION:



710 STREETSCAPE:



COUNTRY PLACE:



PRIVATE PROJECT LIST:

1. Residential Development
2. Town Center
3. Business Development
4. Medical Center
5. Entertainment Facilities
6. Neighborhood Centers
7. ALF (Assisted Living Facility)
8. One Additional Golf Community with Public Access

PRIVATE DEVELOPMENT:



GREENWAYS AND OPEN SPACE:



MASTER PLAN HIGHLIGHTS

Downtown District and Town Center - The heart of Indiantown, situated between Canal and US 1, and bounded by S.R. 710, and the railroad and Canal Street, this mixed-use downtown core district is planned to be the business hub and center of activity for Indiantown and as well as 710 generally.

Mixed Use District - Aside from the Town Center and Neighborhood Centers, two other areas have been identified for potential mixed-use districts.

Residential - The most prevalent land use in the Indiantown Vision is residential. A mix of all housing types and styles, with a few recommended Estates to be built together into the central CVA theme.

Neighborhood Centers - Identified as small neighborhood focal points, these centers would draw some commercial mixed-use, subject to design guidelines, where some very small shops and offices could be co-located with residential uses.

Greenways and Pedestrian Connections - Pedestrian, bicycle, and possibly equestrian greenways are official pathways that may be associated with greenways or related systems. Recommendations provide alternative transportation modes for functional transportation and recreation.

Gateways - Special treatments at the key entry points into the Indiantown development area along Waterford Boulevard to signify the entry area, and define the Indiantown pedestrian friendly zone.

Railroad Crossings - In order to break down the barrier and separation of north and south Indiantown that the Railroad once presents, a couple of new railroad crossings are proposed to be provided with CSX Railway company.

Mid-Century Modern Connections - It is anticipated that new development as well as infill development will provide the most reach needed for the connectivity shown on the plan.

Industrial - The industrial designated lands are an important component to Indiantown's vision for new and better job creation and development.

Potential High School and/or Charter School - As the Indiantown community has recognized the importance of quality education, a new potential high school and/or charter school site has been identified adjacent to the existing middle school.

Rural Themed Private Sites Amenities - To play upon the rural country theme of Indiantown, the Master Plan's Program would be the concept that the other facilities could work in concert with.

Architectural Standards - For all new and redevelopment in Indiantown, building standards will be adopted to assure a certain level of quality and maintenance for all prospective and existing residences and businesses.

INDIANTOWN COMMUNITY REDEVELOPMENT PLAN

Indiantown Area Overview

Indiantown is an ethnically diverse community with a population of approximately 6,300 permanent residents. The community has a long historical significance in the development of South Florida and has been an important hub for major utility, agri-business and transportation industries.

Geographically, unincorporated Indiantown is located in western Martin County, whose county seat is Stuart. Perched on the navigable St. Lucie Waterway Canal, (the only waterway in Florida that connects trade and tourist communities on the Atlantic Ocean to those on the Gulf of Mexico) , Indiantown offers different advantages to different interests.

To investors and land development companies pinched by rising costs and crowded conditions on each coast it is a logical and economical place to look for new opportunities in residential, commercial and industrial construction. Because of its location, Indiantown offers an almost unique blend of small town lifestyle and with developments in planning will soon have big city sophistication.

To boating people Indiantown is the home of the "second cleanest Marina in the world" (per *Florida Waterways Magazine*) and one of the "safest hurricane holes" on the East Coast of the United States. One of the older, yet modern, businesses in the community, the Indiantown Marina, was established in 1957 and is owned by Indico Properties, Inc. the 32-slip marina offers transient and monthly accommodations as well as dry storage for vessels. The marina has a hoist and mast-stepping facility, a 30 ton travel lift, a ramp for small boats, gas and diesel fuel, ice, laundry, showers and heads, a Captain's Lounge, Ship's Store and a shady picnic area on the canal.

Indiantown's CRA area includes a federally licensed landing strip with a 7,000-foot grass runway available for use by private and charter planes. Regularly scheduled commercial flights on major airlines are available from West Palm Beach International Airport, a 45-minute drive from Indiantown.

Indianwood Golf and Country Club is a 118-acre golf and tennis community of manufactured homes for adults that opened in 1984. Located in a wooded section off State Road 710, Indianwood features a recreation center, swimming pool, a heart trail and other amenities in addition to tennis and an 18-hole golf course.

Schools in the western Martin County community include Warfield Elementary School (Pre-K through fourth grade), Indiantown Middle School (fifth through eighth grades), and the privately operated Hope Rural School (kindergarten through sixth grades). Students of high school age attend South Fork High School, a facility about 11 miles from Indiantown. Preschool aged children are served by several facilities in Indiantown, the Y.M.C.A. Day Care, Thelma Waters Infant Center and East Coast Migrant Head Start among others.

Indiantown is served by an able and well-trained volunteer fire department and law enforcement is provided by a satellite office of the Martin County Sheriff's Department. Cable television is available and active organizations in the community include a growing Chamber of Commerce, 4-H, P.T.O., Boy Scouts of America, Girl Scouts of America, Indiantown Little League, V.F.W. and others.

Timer Powers Park is a 37 acre recreational facility on Citrus Boulevard. The property, purchased by Martin County through the "Lands For You" Project, rests on the banks of the St. Lucie Waterway and includes a playground, picnic pavilions, exercise trail, boardwalk, equestrian arena and public boat ramp. The park was named in honor of long time Indiantown business owner and resident Timer Powers. Besides being involved locally in the Indiantown community, active in the Kiwanis and the Chamber of Commerce, on the State level Timer was instrumental in negotiations with the Seminole Indians.

Finding shopping suitable to your taste is only minutes away. To the east in Jensen Beach is the Treasure Coast Square Mall which is host to several large name department stores. In the other direction, one can find flair and excitement in the Gardens Mall, home of Saks Fifth Avenue and Macy's, the Palm Beach Mall and Worth Avenue in fabled Palm Beach.

Excellent restaurants can be found in nearby Stuart, West Palm Beach, and Fort Pierce. A variety of dinner entertainment is available. In Fort Pierce, the Courtside Lounge offers Jai Alai bettors a chance to pay dinner expenses while watching the matches. West Palm Beach's Palm Beach Kennel Club will provide you dinner in their Paddock Dining Room while watching greyhound racing Entertainment in abundance can be found aboard the cruise ships that depart out of the Port of Palm Beach located in Riveria Beach just 30 minutes away.

To sports fans Indiantown is the home of Payson Park, one of the country's top thoroughbred horse training tracks, Payson Park, located about six miles east of Indiantown on State Road 76 leading to Stuart, is home to more than 500 thoroughbred race horses during Florida's winter racing season and is considered one of the finest training facilities in the United States.

Major league baseball arrived on Indiantown's doorstep when the New York Mets began training for the 1988 National League season in a brand new complex in nearby Port St. Lucie. The Mets also own and operate a Class A team in the Florida State League. Two other major league teams, the Los Angeles Dodgers in Vero Beach and the Montreal Expos in Jupiter do their spring training within easy driving distance of Indiantown.

And to fisherman, Indiantown is utopia: only 10 miles from the wondrous catches of Lake Okeechobee, the second largest fresh water lake in the United States, and only 20 miles from deep sea fishing off Stuart, "the Sailfish Capital of the World". Being less than an hour's drive from deep sea fishing in the Atlantic Ocean and fresh water catches in Lake Okeechobee, Indiantown is more marine-oriented than many larger towns. A few miles west, between the Indiantown Marina and the lake, are the Port Mayaca Locks, a modern gateway to Lake Okeechobee. Ten or 12 miles east are the St. Lucie Locks located at Phipps Park, a facility open to the public where ocean-going vessels and small craft alike are raised or lowered 14 feet to compensate for the difference in elevation of Indiantown and the coast. The locks were installed by the Army Corps of Engineers when the St. Lucie Canal was dredged to serve as both drainage system from Lake Okeechobee and the only marine link across the State of Florida from Stuart to Fort Myers.

Indiantown's industrial complex includes the expanded facilities of the Florida Power and Light Martin Plant site, whose plants are the largest fossil fuel plants in Florida. Florida Power and Light Company added 800 megawatts of electrical generating capacity to their existing plant in Indiantown. Indiantown Cogeneration, L.P., a 350 megawatt electrical co-generation plant. This plant produces electricity for Florida Power & Light and steam for the Caulkins fruit processing plant.

While existing industrial, commercial and agricultural interests give Indiantown a well-balanced economy, it is the near-future potential that excites knowledgeable observers. Citing already crowded and expensive conditions along the nearby Atlantic Coast, they point out that the move west toward Indiantown is inevitable if South Florida is to accommodate the increased residential and business population projected for the next decade.

In 2002 Martin County finalized The Indiantown Neighborhood Planning Area (which is now officially recognized as the Community Redevelopment Area or CRA) consisting of approximately 5,200 acres. The Martin County Future Land Use map has identified a mix of land uses for this area, including a substantial area with an industrial designation. The predominant residential CRA CORE AREA Neighborhood Planning Area category is low density residential allowing up to five dwelling units per acre. The corridor along Warfield Boulevard (State Road 710) has been designated as General Commercial. The present make up of Indiantown already includes some mixed use land uses, with some stores and business intermixed within residential areas.

(Source: Indiantown Chamber of Commerce)

Martin County Area Overview

Indiantown is located in fast-growing Martin County which is centrally located on Florida's highly-desirable eastern coast, situated equidistant from Orlando and Miami and due north of prestigious Palm Beach County. Moreover, Martin County represents the southern portion of Florida's famed "Treasure Coast," a vibrant, oceanfront region famous for its beautiful beaches, the St. Lucie and Loxahatchee Rivers, and the Intracoastal Waterway. The Treasure Coast area is defined as the three-county area encompassing St. Lucie, Indian River and Martin Counties, with Indian River and St. Lucie Counties comprising "the Northern Treasure Coast" and Martin County the "Southern Treasure Coast".

Today, Martin County is home to more than 138,000 full-time residents and is part of the greater Port St. Lucie-Fort Pierce Metropolitan Statistical Area (the "MSA"), which boasts nearly 361,000 year-round residents. Year-round population estimates are augmented by the thousands of additional seasonal residents who visit the region each year. This comes as no surprise as the Southern Treasure Coast offers year-round warm weather, an abundance of recreational, cultural and entertainment options as well as easy access to some of southern Florida's top destinations.

The Southern Treasure Coast benefits from its prestigious waterfront communities such as Jupiter Island, Sewell's Point and Palm City, which is evidenced by Martin County's above average household income of nearly \$73,400. These incomes dwarf those of the state-wide and national income benchmarks, reflecting the Southern Treasure Coast's established enclave of wealthy coastal communities as well as the significant number of residents who commute to high-wage professional services jobs in northern Palm Beach County.

Like many areas of Florida, historically the Southern Treasure Coast has been recognized as a tourist and retiree destination. This, particularly with the planned Indiantown developments and those underway in St. Lucie County is changing to an affordable proximity to Southern Florida's major metros such as West Palm Beach, Fort Lauderdale, Miami and Naples. Indeed, the County economy continues to expand into high wage-earning industries such as Professional & Business Services, and over the forecast horizon, the Southern Treasure Coast will continue to diversify its fast-growing economic base, while attracting affordable housing segments.

Based on these fundamentals, Martin County continues to experience strong in-migration trends as the County's baseline population has more than doubled since 1980. In 2004 alone, the County boasted a net gain of more than 6,500 new residents moving to the area. The County is projected to experience continued robust population and household formation growth over the next five years.

The greater Treasure Coast is a hotbed for growth and development as thousands of new homes are built in under utilized areas once occupied mainly by orange groves. As of 3rd Quarter 2005, nearly 75,000 additional residential units have been approved for development in the Treasure Coast region, primarily in St. Lucie County. Martin County's close proximity to northern Palm Beach County and strong development boundaries further adds to the County's exclusivity and appeal, placing heightened demand on the County's existing inventory.

DEMOGRAPHIC CHARACTERISTICS

Population: Explosive Growth in Southern Treasure Coast Strongly Outpaces US

Martin County Migration Flows	
County	Net Migration 2000-2004
Palm Beach County (FL)	5,648
Broward County (FL)	2,123
Miami-Dade, FL	1,323
Suffolk County (NY)	650
Nassau County (NY)	311
Monmouth County (NJ)	252
Ocean County (NJ)	218
Westchester County (NY)	217
Fairfield County (CT)	213
Monroe County (FL)	190
ALL counties	10,519

Source: Internal Revenue Service

Martin County is home to more than 138,500 people, with the greater St. Lucie-Fort Pierce MSA boasting nearly 361,000 full-time residents. During the 1990s, the County and MSA populations grew at roughly double the rate of the US (1.8 and 2.5 percent vs. 1.0 percent, respectively). This above average growth is due to the natural migration of residents from the costly and increasingly built-out neighboring areas of southern Florida - including Miami, Palm Beach, Boca Raton and Fort Lauderdale - and an increasing flow of new northern snowbirds and retirees attracted to the region’s high quality of life and relative affordability. Indeed, since 2000 more than 80 percent of net migration into Martin County has come from its three southern neighbors - Palm Beach, Broward and Dade - with the bulk of the remaining migrants coming from the New York City areas suburban counties.

Exceptional growth in Martin County and the MSA is projected to continue over the next five years, as the County is forecasted to add new residents at a rate of 1.8 percent per annum and the greater MSA at 2.3 percent per annum, more than twice the pace of the US through 2010.

Area	Population Level				Annual Growth		
	1990a	2000a	2005e	2010f	1990-2000	2000-2005	2005-2010
Martin County, FL	100,900	126,731	138,507	151,099	2.3%	1.8%	1.8%
3 County Treasure Coast Area	341,279	432,373	485,294	541,705	2.4%	2.3%	2.2%
Florida	12,937,926	15,982,378	17,510,550	19,144,113	2.1%	1.8%	1.8%
United States	248,709,873	281,421,906	295,140,073	309,574,407	1.2%	1.0%	1.0%

Source: US Census, Claritas

It is important to note that these figures only account for year-round, permanent residents. Based on Census 2000, nearly 11 percent of the Southern Treasure Coast’s housing stock was accounted for by vacation/seasonal homes; residents of these units are not included in baseline population data. Furthermore, the baseline forecasts do not take into account the upside potential for additional population growth relating to as-of-yet unapproved development projects which may occur at sites currently being shepherded through the Development of Regional Impact (“DRI”) process many of which are located in the Indiantown market, which if approved and developed, the corresponding population growth will likely far exceed the current baseline forecast shown.

To date, development in Martin County has been limited to areas within the Urban Service District (“USD”) boundaries, which is primarily located east of Interstate 95 (“I-95”) surrounding the cities of Stuart and Jupiter Island. Due to the limited number of developable land tracts within the USD boundaries, these tracts are quickly developed whenever they become available. These factors as well as the high barriers to entry and environmental limitations imposed in Martin County positions Indiantown to capture much of the planned urban growth within Martin over the intermediate future.

Population By Age : High Percentage of Baby Boomers, Retirees Flock to Southern Treasure Coast

Population by Age Cohort									
	Martin County			United States			County vs US		
	2000	2005	2010	2000	2005	2010	2000	2005	2010
Age 0-17	18.6%	18.8%	17.7%	25.7%	24.9%	24.0%	0.73	0.76	0.74
Age 18-24	5.3%	7.0%	7.6%	9.7%	9.9%	9.9%	0.55	0.70	0.77
Age 25-34	8.9%	8.7%	9.2%	14.2%	13.5%	12.9%	0.63	0.64	0.71
Age 35-44	14.0%	12.0%	9.7%	26.0%	14.9%	13.6%	0.87	0.81	0.72
Age 55-64	11.9%	12.7%	13.5%	8.6%	10.1%	11.7%	1.3	1.26	1.15
Age 65+	28.2%	27.4%	28.9%	12.4%	12.6%	13.5%	2.27	2.18	2.15

Source: Claritas

Numbers in blue and red represent sectors in which the County's age cohort is significantly under or overweighted vs the US, respectively.

Evidence of the Southern Treasure Coast’s attractiveness to baby boomers and retirees can be clearly seen in Martin County’s population distribution by age group. Residents in both the 55-64 and 65+ age brackets are significantly more concentrated in Martin County than the nation overall, and more than 27 percent of the County’s population is age 65 or older. This is more than double the share that this age-group accounts for in the population of the US overall. In Martin County, this older (55 plus) demographic encompasses roughly 40 percent of the population.

Households: Tremendous Growth to Continue in Southern Treasure Coast, Local Areas

Area	Households				Annual Growth		
	1990a	2000a	2005e	2010f	1990-2000	2000-2005	2005-2010
Martin County, FL	43,022	55,288	60,958	66,902	2.5%	2.0%	1.9%
3 County Treasure Coast Area	139,253	181,358	205,443	230,703	2.7%	2.5%	2.3%
Florida	5,134,869	6,337,929	6,952,426	7,609,894	2.1%	1.9%	1.8%
United States	91,947,410	105,480,101	111,006,738	116,613,104	1.4%	1.0%	1.0%

Source: US Census, Claritas

In the 1990s, Martin County posted household growth rate of 2.5 percent, well ahead of the national rate of growth (2.5 percent vs. 1.4 percent per annum). Over the last five years, the County’s growth rate has remained double that of the national rate over the same time period (2.0 percent vs. 1.0 percent per annum), with this trend projected to continue over the forecast horizon as the County adds new households at a rate of 1.9 percent per annum through 2010.

Income: Impressive Incomes Boosted by Proximity to Wealthy Neighboring Enclaves

Area	Average Household Income			Annual Growth		% HHs w/ Income > \$150K		
	2000a	2005e	2010f	2000-2005	2005-2010	2000a	2005e	2010f
Martin County, FL	\$66,493	\$73,370	\$82,214	2.0%	2.3%	7.07%	8.87%	11.29%
3 County Treasure Coast Area	\$56,836	\$63,488	\$70,875	2.2%	2.2%	4.91%	6.15%	7.83%
Florida	\$53,504	\$61,030	\$68,772	2.7%	2.4%	4.13%	5.49%	7.36%
United States	\$56,644	\$64,816	\$73,219	2.7%	2.5%	4.58%	6.28%	8.56%

Source: US Census, Claritas

Today, Martin County boasts an average household income level of more than \$73,000, well outpacing both the state and national benchmarks. Over the next five years, County income levels are projected to increase at a rate of 2.3 percent per annum, as income levels exceed \$82,000 by the end of the decade. Moreover, local household incomes are boosted by the lack of a state income tax in Florida and the County's relatively affordable cost of living. This bodes well for area households as the absence of state income tax and overall affordability frees up money for spending in other areas, such as housing.

Martin County also boasts an above average concentration of wealthy households, with nearly one in 11 households boasting an income in excess of \$150,000 compared to one in 16 in the nation overall.

Both the average income level and the number of high income households in the County point to a large number of households that could potentially afford a new residence in Martin County.

Cost of Living: Affordability Further Adds to High Quality of Life in Martin County

Cost Indicators as % of National Average		
FL Major Metros	Cost of	Cost of Doing
<i>Martin County</i>	99%	N/A
Ft. Lauderdale	111%	108%
West Palm Beach	111%	110%
Miami	111%	112%

Source: Moody's Economy.com

The Southern Treasure Coast's relative affordability vis-à-vis other major Florida metros has played a key role its emergence as a desirable residential destination within the southern US. Indeed, Martin County's cost of living registers significantly below that of other southeast Florida metros such as Fort Lauderdale, West Palm Beach and Miami, making the Southern Treasure Coast an attractive alternative for residents and visitors alike when compared to its most expensive and built-out regional counterparts. The planned developments for Indiantown are clearly poised to capture significant components of the affordable housing market demand that is driving much of the population flows from the more expensive and Urban areas of the Gold Coast.

EMPLOYMENT CHARACTERISTICS***Employment Growth: Southern Treasure Coast to Add New Jobs at Outstanding Pace***

The last decade has seen jobs added to Martin County at nearly three times the rate of the national economy (3.8 percent vs. 1.3 percent) well ahead of national economic expansion. Countywide employment growth is forecast to increase further in 2006, with new jobs added at a rate of 4.0 (vs. 2.0 percent in the nation). This above average growth trend is also forecast to continue through 2015, with County jobs added at more than twice the rate of the nation: 3.1 percent vs. 1.3 percent per annum.

Like Martin County, employment growth in the greater Port St. Lucie-Fort Pierce MSA to the north, has been equally strong over the last decade. This growth is forecasted to continue over the next decade, as the metro is projected to add new jobs at triple the rate of the US through 2015, ranking the MSA as the second fastest growing metro area in the state of Florida.

Sustained healthy job growth in Martin County has resulted in a tight labor market, with unemployment continuing to decline and projected to remain below the national average (3.1 percent vs. 5.0 percent in the nation at year-end 2005) over the forecast horizon. Job creation will continue to outstrip the growth in labor force that is expected to increase from both internal population increases and net immigration.

Sector Employment: County Economy Led By Tourism and Health Services

Sector	Level % of Total	Martin County				US % of Total	US vs. County Over / Under
		Growth					
		Last Five	Most Recent	Next Five	Next Ten		
Total	100.0%	2.7%	3.7%	2.7%	2.9%	100.0%	1.00
Natural Resource and Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	-
Construction	8.3%	11.1%	10.7%	5.3%	4.8%	5.3%	1.59
Manufacturing	5.1%	2.2%	-2.5%	-0.8%	-0.6%	10.6%	0.48
Trade, Transportation and Utilities	23.4%	4.5%	3.2%	2.3%	2.3%	19.3%	1.21
Information	1.7%	-0.5%	0.5%	-2.7%	-3.1%	2.4%	0.71
Financial Activities	5.2%	6.3%	5.1%	2.7%	2.8%	6.1%	0.85
Professional & Business Services	12.3%	-0.2%	7.9%	2.9%	3.0%	12.8%	0.96
Education & Health Services	14.5%	0.5%	3.8%	3.2%	3.7%	13.0%	1.12
Leisure & Hospitality	12.7%	2.7%	1.2%	3.6%	3.7%	9.6%	1.33
Other Services	5.9%	1.0%	1.6%	5.5%	6.1%	4.1%	1.44
Government	9.9%	1.5%	3.9%	0.6%	0.9%	16.4%	0.60

Source: Bureau of Labor Statistics (Historical); Economy.com (Forecast)

Numbers in blue and red represent sectors in which the county's employment base is significantly under or overweighted vs the US, respectively.

Martin County and particularly Indiantown is known for its strong agricultural heritage. However, over the last few decades, both the number of agricultural jobs and the importance of the agricultural sector within Martin County's economy have declined. As recently as 1981, agricultural employment accounted for 6.5 percent of the total jobs in the County. Today, agricultural employment represents only 2.2 percent of the employment base, on par with the national benchmark of 2.3 percent of all jobs. Nevertheless, citrus production still remains extremely strong in the region, with Martin County ranking eighth among all Florida counties with respect to the total number of commercial citrus acres.

However, as the County's agricultural employment declines, other sectors have soared. Martin County's economy is forecasting growth in all sectors, with the exceptions of Manufacturing and Information, over the next five to ten years, reflecting Martin County's broadly expanding economic base.

Martin County's Education & Health Services sector is bolstered by the presence of the state-of-the-art medical care offered by Martin Memorial Health Systems, which also serves as the County's largest employer with nearly 2,500 employees. Looking forward, the Education & Health Services sector is forecasted to expand at a healthy rate of 3.1 percent per annum over the next five years, largely driven by the need to accommodate the area's expanding population, which includes a significant number of retirees.

Martin County, FL Major Employers	
Martin County Memorial Health Systems	2,497
Martin County School District	2,456
Publix Supermarkets	1,168
Armellini Express Lines	684
Home Depot	400
Winn Dixie	382
Lowe's Home Improvement	335
Vought Aircraft	300
TurboCombustor Technology	294
First National Bank	272

Source: Florida Research Coast

Martin County’s unique geography, complete with miles of picturesque beachfront, makes the area a popular destination for tourists, beachgoers, boaters, and divers - whose search for gold and gems still remaining from ancient shipwrecks, give this area its name the “Treasure Coast”. Adding to the County’s tourism appeal, Martin County boasts a number of cultural and entertainment venues, as well as close proximity to major tourist destinations including Disneyworld and Miami. The County’s Leisure & Hospitality sector is projected to grow at a strong rate of 3.6 percent per annum through 2015.

Although historically less critical to growth in the County, Professional & Business Services and Financial Activities industries are also projected to post strong increases in employment through 2015, as companies look to take advantage of the County’s economic incentive programs. The Professional & Business Services and Financial Activities sectors are forecast to add new jobs at a steady rate of 4.2 percent and 2.8 percent per annum, respectively, over the forecast horizon. This is an encouraging indicator for mid-market and upper-end housing demand, as these sectors typically support high-wage jobs.

EDUCATIONAL ATTAINMENT

Approximately 23 percent of the County’s population age 25 years and older holds at least a Bachelor’s degree, on par with the national benchmark for educational attainment. There are numerous educational opportunities in the Treasure Coast region for students of all ages and academic levels.

Florida Atlantic University (“FAU”), a four-year state university with over 25,000 students, offers a full-service campus in Port St. Lucie. Florida Atlantic offers degrees in 63 bachelor programs, 63 masters programs and 19 doctorate programs. FAU has over 760 full time instructors in seven locations across South Florida and the Treasure Coast including Port St. Lucie, Dania Beach, Davie, Downtown Fort Lauderdale and Western Fort Lauderdale, Jupiter and Boca Raton (main campus).

Indian River Community College (“IRCC”), one of the top-rated schools in the state, is located in Fort Pierce. IRCC is a public, two-year school that offers associates degrees and certification in approximately 63 various programs. IRCC is also well known for its strong Adult and Continuing Education curriculum. IRCC has specialized accreditation programs for 10 majors including nursing, radiologic technology and dental technology.

Florida Institute of Technology (“FIT”), one of the top technical institutions in engineering which has its main campus in Melbourne, maintains its marine laboratory in Vero Beach. FIT remains the only independent, technological university in the Southeast and offers undergraduate programs in science, engineering, aeronautics, business, humanities, mathematics, psychology, communication and education (science and mathematics); as well as supporting master’s and doctoral programs.

Also located in Martin County is the Chapman School of Seamanship, Hobe Sound Bible College, New Horizons School of Travel, with Barry University, Florida Atlantic University and Northwood University just a short commute away.

HEALTH CARE

Martin Memorial Health Systems is a community-owned, not-for-profit family of service providers that has cared for Treasure Coast residents since 1939. Martin Memorial provides a coordinated program of care from injury or illness through rehab, home health and wellness. It includes two hospitals (236 beds at Martin Memorial and 100 beds at Martin Memorial South), a surgery center, a state-of-the-art cancer center, and five wellness/fitness centers located throughout the region. Martin Memorial also provides 24-hour emergency rooms, maternity services, family care, pediatric physicians, home health, rehabilitation centers, and transportation services.

LOCAL TOURISM AND ATTRACTIONS

Martin County is known for its natural beauty, small-town charm, miles of untouched beaches and beautiful wetlands with natural inhabitants. The county boasts extensive amenities such as golf courses, tennis clubs, pools and other recreational activities offering a diverse style of living with close proximity to Palm Beach County to the immediate south.

Historic Downtown Stuart is characterized by an eclectic collection of upscale antique & clothing boutiques, gift shops and restaurants. Visitors can also stroll the Riverwalk along the St. Lucie River and a take self guided historic walking tour. In addition, the St. Lucie River is the environmental and economic lifeblood of Martin and St. Lucie counties. This historic, scenic river attracts a variety of commercial, recreational and educational activities like fishing, crab trapping, photography, painting, writing, environmental studies and eco-tourism.

Martin County's mild climate allows visitors to enjoy outdoor activities on a year-round basis. Its proximity to the Gulf Stream permits temperatures to remain mild and sunny in the winter and comfortably breezy in the summer. The County's beaches include individual access strips that allow for more private spots to enjoy the surf and sand or larger, guard-protected areas like Stuart Beach, Hobe Sound Beach and Sea Turtle / Jensen Beach. This adds to Martin County's appeal as a highly-desirable destination for "snowbirds" or winter residents.

One of the more popular sports for Floridians is underwater diving. Martin County's local waterways boast many beautiful reefs and colorful marine life ideal for snorkeling and scuba diving.

Additionally, Martin County is a major fishing and boating destination with abundant offshore and inshore waters. The County's unique geographical location at the southern edge of the temperate zone and the northern boundary of the subtropical zone, combined with the influence of the Indian River Lagoon and St. Lucie River, contributes to the huge diversity of gamefish found in the area. The County is also referred to as "Yachtsman's Paradise" due to its access to both the Atlantic Ocean and the Intracoastal Waterway, a major boating thoroughfare which stretches as far north as Maine and south to Key West.

The navigable St. Lucie Waterway extends from Stuart where it connects with the St. Lucie River and Intracoastal west, through Indiantown and on to Lake Okeechobee at Pt. Mayaca. This navigable waterway allows for large boat access across the State and provides easy access for fisherman and watersport enthusiasts to easily access the St. Lucie River, Intracoastal, Atlantic Ocean and Lake Okeechobee, all from protected inland locations.

Lake Okeechobee (the "Lake") is one of the nation's foremost destinations for freshwater fishing with over 40 species of freshwater fish and over 35 campgrounds and recreation areas. The Lake plays host to over six million visitors and 20 fishing tournaments annually.

Due to the popularity of boating in Martin County's waterways and offshore, the area marine industries contribute more than \$200 million annually to the local economy with boat sales and locally manufactured marine products, plus sales from bait and tackle, boating and fishing gear shops, and more. To show off the industry, the Marine Industries Association of the Treasure Coast presents its annual boat show each January at the Northside Marina in Stuart.

TREASURE COAST HOUSING MARKET OVERVIEW: SOUTH FLORIDA MOVING NORTH

Strong population growth and the push for affordable home pricing have fueled the recent surge in the Treasure Coast housing market. Neighboring South Florida counties Palm Beach, Broward and Dade are rapidly approaching maturity, with the environmental sensitivity of Lake Okeechobee and geographic constraints limiting developable areas to a narrow corridor along the coast, thereby resulting in a rapidly dwindling supply of developable land. This combined with price points that have made most of the Gold Coast and South Florida unaffordable to the average single family buyer, present continued opportunity for the Treasure Coast to capture an increasing percentage of housing starts in the affordable and mid-priced market.

This trend has been evidenced by the past and current growth rates of Broward and Palm Beach Counties which significantly outpaced the Treasure Coast in the 1990's, however more recently this trend has markedly reversed, with the three-county area of Indian River, St. Lucie, and Martin Counties growing faster than any of its southern neighbors.

Today the greater Treasure Coast is a hotbed for growth and development as thousands of new homes are built in under utilized areas once occupied mainly by orange groves. As of the 3rd Quarter of 2005, nearly 75,000 additional residential units have been approved for development in the Treasure Coast region, the bulk of which are located in the city of Port St. Lucie. As the oceanfront areas of St. Lucie County become increasingly built-out, the heightened demand for new housing has fueled an expansion westward to the inlands of St. Lucie County as well as northward into the newly-designated Vero Beach MSA. This trend is expected to continue, with large amounts of available land in these counties becoming the centers of new middle-class population growth and economically "attainable" housing.

All three Treasure Coast counties have seen an increase in permitting activity over the past five years, with St. Lucie County increasing more than four times over in that time span. While single-family homes have historically dominated supply, their share of housing permits has risen dramatically in the last five years, jumping from 73 percent to 87 percent of units permitted.

Martin County/Southern Treasure Coast Housing Overview

Historically, median existing single-family home prices in the Southern Treasure Coast have remained on par with the national benchmark - in fact, as recently as 2000, median home prices in the County were slightly below the national median. However, home price appreciation over the last five years has been remarkable, averaging 26.8 percent per annum compared to nation's average of 9.6 percent per annum over the same time period. At this astounding rate of growth, median home prices in the Southern Treasure Coast have soared to levels that are currently \$349,000, 68 percent above the US median.

Existing home prices in Martin County are currently on par with those in the more southern counties (Broward, Palm Beach, and Dade), reflecting the County's established enclave of wealthy coastal communities, as well as a significant number of residents who commute to high-wage professional services jobs in northern PB County. This is precisely where the forecasted opportunity for Indiantown fits in; namely as a proximate affordable community to provide easy access to the major employment centers of Northern Palm Beach and Southern Martin Counties.