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Adventist wants to issue \$3.4B in bonds



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# Legoland Florida spurs \$100M mixed-use project

The Landings to create 800 full-time jobs once finished

BY RICHARD BILBAO

Winter Haven officials must really love it when a plan comes together. First came the January announce-

ment about Legoland Florida taking over the former Cypress Gardens theme park site in Polk County, with plans to open next fall.

Now, details are starting to surface about a planned nearby \$100 million, 70-acre retail, restaurant and lodging project dubbed The Landings that will create up to 800 permanent new jobs.

Project documents indicate it will be

built along the east and west sides of Winter Haven's Highway 17 at the intersection of Cypress Gardens Boulevard, two miles from Legoland Florida.

A site plan by Orlando-based developer Winter Haven Downtown Partners LLC shows The Landings will feature:

- Two 200-room hotels
- 320,000 square feet of commercial restaurant and retail space

- 45,000 square feet of office space
- A 510,000-square-foot civic center
- A 215,000-square-foot performing arts center

The property is owned by the city of Winter Haven and Birmingham, Ala.-based Vac Acquisition Corp., which is working in partnership with the prop-

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# John Young Parkway extension on the horizon

BY RICHARD BILBAO

Motorists rejoice: The commute time is about to get shorter for drivers of the 30,000-plus cars that ride daily along John Young Parkway toward State Road 434.

The Florida Department of Transportation in early 2011 is putting out for bid a new \$51.1 million, 1.8-mile road extension in Orange County. It will connect State Road 423, also known as John Young Parkway, to State Road 434, or Forest City Road, from Shader Road to the State Road 434 and Edgewater Drive intersection.

The new road will connect several major thoroughfares, including the John Young Parkway and Orange Blossom Trail, and Edgewater Drive and Forest City Road intersections. Those roadways are traveled by roughly 30,000 vehicles and more than 3,000 trucks daily.

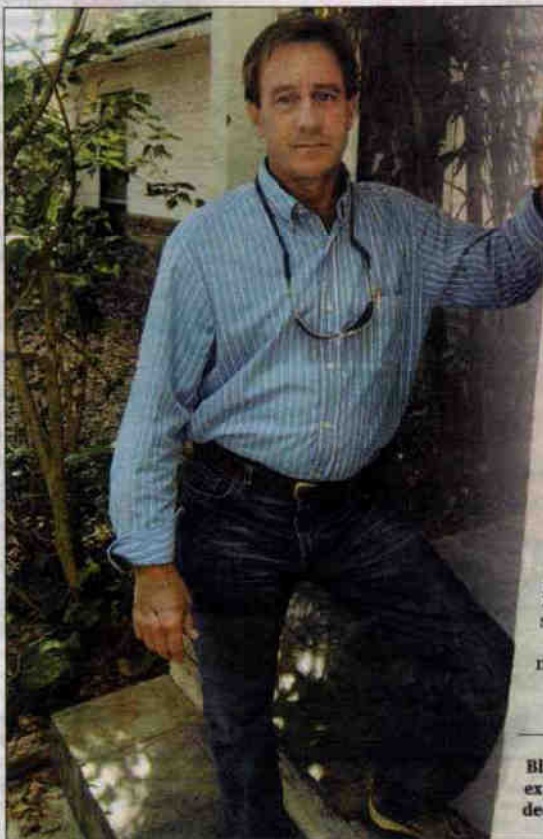
In addition, using a job-creation formula from the Florida Transportation Builders Association, the project could involve roughly 1,400 jobs, including construction workers, suppliers and material providers.

Easy transportation routes and alternatives for common high-traffic areas are vital when it comes to maintaining business and encouraging future growth, said George Rodon, director of Orange County's economic, trade and tourism development.



Rodon

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# Foreclosure halt stymies local Realtors, investors

BY ANJALI FLUKER

Home investor Greg Schmid doesn't like being put on hold, especially since it's costing him money.

Schmid, who buys and then immediately resells properties to investors through his firm, Heathrow-based Blue Sky Properties, got a foreclosed home under contract the week of Oct. 4. He began advertising the property and tracked down an interested buyer on Oct. 8.

Then, he got word his deal wouldn't go through.

The problem started when Bank of America Corp. (NYSE: BAC), JP Morgan Chase & Co. (NYSE: JPM) and Ally Financial Inc. earlier in the month agreed to halt foreclosures in 23 states, including Florida.

This was done after it was discovered the automated processes used to complete documentation

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IMC/ARCHER

Blue Sky Properties' Greg Schmid already is experiencing negative fallout from major lenders deciding to halt foreclosure sales.

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## FORECLOSURES

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to repossess homes from delinquent borrowers wasn't being checked thoroughly.

And then on Oct. 8, Bank of America — the lender on Schmid's latest deal — extended the halt to all its foreclosure sales nationwide, leaving Schmid with one deal on hold, while the lenders won't even look at his offers on eight other homes.

"It's a little scary," said Schmid, who added that 90 percent of his business is in buying and selling bank-owned homes. "I'm keeping the offer mill running, but I feel like 50 percent of them are wasted because one of these three [lenders] probably owns these homes. I feel like I'm spinning my wheels."

Schmid's case is just one that represents the fallout from the three banks' move to stop foreclosures. Other repercussions include:

- Realtors who specialize in foreclosure sales could lose clients who had homes under contract but now are put on hold, as banks are encouraging potential buyers to take back their deposits.

- Title insurance companies can't provide insurance to clients who recently bought foreclosed homes from these lenders because underwriters won't insure those banks.

- The housing market's return to a balanced inventory and pricing will be further delayed.

"In the long run, it's going to derail us," said Andy Tolbert, broker/owner of Longwood-based residential real estate brokerage Oneir HD Realty "We

were just showing some positive signs, and here comes this."

Foreclosure sales accounted for 47 percent of all Central Florida September home sales, or 1,046 of the 2,226 resales, the Orlando Regional Realtor Association reported. Along with that, another 8,713 home sales last month were pending — but a good chunk of those might be foreclosed homes whose sales are now on hold, sources said.

Metro Orlando also reported 19,171 homes got a foreclosure filing — including default notices, auction notices and bank repossessions — in the third quarter of this year, compared with 22,700 filings during the same period last year, said Irvine, Calif.-based online foreclosure tracking firm RealtyTrac Inc. Though halting foreclosures may show a temporary slowdown in those numbers, sources said once this mess is resolved and the banks resume foreclosing on properties, there will be a huge barrage of foreclosures pouring into the market at once.

"In markets that are heavily exposed to foreclosures right now, this will have a very big impact," said Stan Humphries, chief economist for Seattle-based online real estate marketing and research firm Zillow.com.

"This will dramatically change the supply picture, and buyers will become more skeptical about buying if they



Tolbert

believe increased inventory will drive down pricing."

But some said there's no need to fret, since this is just a temporary blip.

Bank of America Home Loans spokesman Rick Simon said his firm decided to call a temporary halt to assure foreclosure documents are accurate and processes are sound. "Based on our review thus far, we are confident our systems and processes have ensured the basic facts about the debt and delinquency are properly represented in the foreclosure process," he said.

Chase spokesman Thomas Kelly agreed and said the bank expects its review of affidavit preparation and signature process should be completed in a couple of weeks.

Chase had a total of \$19.5 billion, or 7.5 percent, of its mortgages in foreclosure proceedings. Bank of America reported \$18.7 billion, or 4.4 percent, of those loans in foreclosure. The two banks are the top two in the nation as of June 30, said a report by SNL Financial. Ally Financial was ninth on the list with \$2.2 billion, or 10.2 percent of those loans in foreclosure.

Local sources said the bigger fallout could be with the law firms known as "foreclosure mills" — firms that churned out bank repossession documents by the thousands and, in some cases, improperly completed or even fabricated documents to speed up the process.

Florida Attorney General Bill McCollum is investigating four law firms who allegedly participated in these activities: Fort Lauderdale-based Law Offices of Marshall C. Watson PA; Shapiro & Fishman LLP, which has offices in Tampa and Boca Raton; Plantation-



Humphries

### What this means to you:

- Homeowners served with default or auction notices may be able to avoid foreclosure in the short term.
- Abandoned homes in the midst of foreclosure proceedings will remain that way until this is resolved, which could encourage squatters and vandals to take them over.
- Homeowner association fees won't get paid, since there is no active owner, leaving the associations with less money for maintenance.
- Comparable sales will rise temporarily, since a percentage of the low-priced foreclosure sales will be removed from the market. But once resolved, there likely will be a rush of foreclosures that had been put on hold.
- Buyers may hold off on buying homes if they suspect prices will fall even lower.

based Law Offices of David J. Stern PA and Tampa-based Florida Default Law Group PL. Also under investigation is so-called "robo-signer," Jacksonville-based mortgage-processing firm Lender Processing Services Inc.

Meanwhile, Schmid said the worst outcome for him would be a full stall for six months or a 75 percent-80 percent slowdown in bank-owned sales or foreclosures.

"I'm on the fence here about what to do. I almost have to quickly pursue another avenue of revenue to supplement or replace my revenue."

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