

McCalla Paymer, LLC

225 East Robinson Street, Suite 660
Orlando, FL 32801

Phone: (407) 674-1850
Fax: (321) 248-0420

July 2, 2012

To: City of Key West
Code Compliance Division
3139 Riviera Drive
Key West, FL 33040

Re: Case No. 09-2058
923 Eaton Street

To whom it may concern:

Please accept this letter as a formal request for mitigation of the accrued fine on the above referenced case.

Certificate of title was issued to Bank of New York Mellon ("Mellon") on November 21, 2011. Up until the date Mellon obtained title to the property, it had no legal right to enter upon the premise to cure any outstanding violations that already existed. On February 21, 2012 bids were approved by Mellon to cure any outstanding violation on the property. However, the field services crews hired to remove all exterior debris were unable to complete the job due to squatters and vagrants occupying the vacant house for drug use. The occupiers of the property were very aggressive towards the field service crews and their safety appeared to in immediate danger. The property agent for Mellon indicated that the same conduct was occurring on the properties on either side on 923 Eaton Street as well. Thereafter, the property was secured for a second time but on March 6, 2012 the police observed that all doors were open and the front door was kicked in. Despite what the police observed, the field service crews completed a majority of the exterior debris removal on March 29, 2012 but indicated that there would need to be a second bid as the work involved was over and above what was anticipated. The second bid was approved to complete the remainder of the job on May 24, 2012 and the remainder of the code violations were cured on or before June 7, 2012 when Mellon received confirmation from their property agent that the house was ready to be placed on the sales market once again. Ms. Millett-Fowley from the City of Key West confirmed that the fines stopped accruing on March 23, 2012.

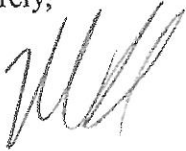
The code violations that occurred on the property were due to the negligence of the prior property owner, not Mellon. The hearing that occurred on February 24, 2010 was prior to Mellon obtaining title to the property and Mellon was unable to represent itself as said hearing. Upon Mellon taking title to the property, they took immediate steps to ensure that the property was brought into compliance but due to the aggressive squatters on property the violations were unable to be cured due to personal

safety concerns for field service crews. Furthermore, once the issue of the squatters was resolved a second unanticipated bid was necessary due to the squatters creating additional debris and damage to the property. From the time Mellon took title to the property to the time the fines stopped accruing, Mellon took substantial, diligent steps to cure the violations on the property and only due to issues outside of the control of Mellon, was this property not brought into compliance sooner.

Mellon wishes for nothing more than to have this property brought back into ownership by a resident of the City of Key West so that this property can be removed from the ever too long list of bank owned properties plaguing the State of Florida. Currently 923 Eaton Street has an offer on it with a closing date of August 8, 2012 or sooner. Mellon wishes to resolve these outstanding fines, in good faith, to ensure that the potential sales contract on the property does not fall through and this property can be placed into ownership by a citizen of the City of Key West.

Mellon appreciates this board's time and consideration in regards to 923 Eaton Street.

Sincerely,



Nicholas J. Vanhook

REQUEST FOR MITIGATION

To: City of Key West
Code Compliance Division
3139 Riviera Drive
Key West, FL 33040
Phone: 305-809-3740 - Fax: 305-809-3739

Case #: 09-2058

As owner, I, Bank of New York Mellon am requesting that
the Special Magistrate consider mitigating the accrued fines at (address)
923 Eaton Street. The amount of the fine is (~)
\$ 186,500. I am offering
\$ 5,000 to settle the above fine.

I will represent myself at the Mitigation Hearing

My Attorney Nicholas Vanhook will represent me at the
Mitigation Hearing and is empowered to negotiate the above fine.

My representative _____, with attached Power
of Attorney, is empowered to negotiate the amount of the fine.

This document must be received at least 15 days prior to the Hearing.

Chris Flinders AVP BACKED
Signature of Owner

7-2-12
Date