



JSC/CCA

JEFFERSON SMURFIT CORPORATION & CONTAINER CORPORATION OF AMERICA

Woodlands Division

P.O. BOX 457
1200 FRANKLIN STREET
FERNANDINA BEACH, FL 32034
TELEPHONE 904/261-5551

March 21, 1994

Nassau County
Board of County Commissioners
P. O. Box 1010
Fernandina Beach, FL 32034

**Re: Container Corporation of America
Nassau County Land Exchange**

Gentlemen:

Attached are the following documents:

1. Fully executed Letter of Intent between Nassau County and Container Corporation of America.
2. Entry Permit executed by Container Corporation of America allowing Nassau County access to the 10 acres which they will receive in the land exchange.

Please complete the execution of the Entry Permit and return a copy to me at the above address.

If you have any questions please contact me.

Sincerely,

JSC/CCA WOODLANDS

W. Steven Smith
Land Services Manager

WSS:wss
Attachment
cc: M. Conkin
J. Kauffman



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
P.O. Box 1010
Fernandina Beach, Florida 32034

Jim B. Higginbotham	Dist. No. 1 Fernandina Beach
John A. Crawford	Dist. No. 2 Fernandina Beach
Tom Branan	Dist. No. 3 Yulee
James E. Testone	Dist. No. 4 Hilliard
Jimmy L. Higginbotham	Dist. No. 5 Callahan

T.J. "Jerry" GREESON
Ex-Officio Clerk

March 14, 1994

MICHAEL S. MULLIN
County Attorney

Container Corporation of America
Woodlands Division
John E. Davis, General Manager

RE: Letter of Intent

Dear Mr. Davis:

The Nassau County Board of County Commissioners herewith provides to Container Corporation of America a response about the proposed exchange of lands between our respective bodies. Nassau County and Container Corporation of America understand and agree that a more complete and legally binding agreement is required. This letter is provided to you for purposes of narrowing issues and to present to our various managements as part of the respective approval processes. With the above proviso, Nassau County's intentions with respect to the proposal are:

1. The intention of the parties would be to execute an agreement that would qualify under IRS rules as a 1031 "like-kind" exchange.
2. Any final agreement executed by the parties would be subject to the approval of CCA's senior management and further would require the partial release from the existing mortgage to secure debt currently affecting the certain CCA property.
3. Nassau County would propose to exchange an equal value of timberland located in Nassau County, Florida (currently estimated to be approximately 10 acres, Exhibit "A" attached) for 10 acres more or less in Nassau County, Florida, owned by CCA (Exhibit "B" attached). Each party will provide a title update indicating the condition of the title to its respective property, including any outstanding lien or encumbrances of record. Each party will make available background information in the form of maps, aerial photographs, block maps, existing abstracts, and similar supporting documentation. These records will be examined and considered acceptable prior to and as a condition of any closing. CCA suggests this process begin immediately so that title issues can be resolved prior to the execution of any agreement.

(904) 225-9021 Board Room; 261-6127, 879-1029, 355-6275

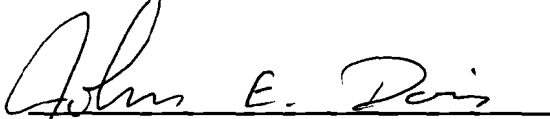
An Affirmative Action / Equal Opportunity Employer

4. Each party will assign any outstanding hunting, grazing or similar leases or provide a representation in the agreement that no such licenses or other agreements exist which have not been disclosed. Copies of existing leases or permits will be provided for review by February 15, 1994 and prior to any execution of the agreement.
5. CCA agrees that CCA will grant Nassau County a right of entry permit to enter upon and remove the timber, prior to closing, from the 10 acres owned by CCA which will be conveyed to Nassau County in this land exchange, provided that Nassau County notifies CCA of its intention to remove the timber in writing. If Nassau County removes the timber and then defaults under the terms of this agreement or any other agreement with CCA concerning this exchange of lands, Nassau County agrees to pay CCA Five Thousand One Hundred Seventy Nine Dollars (\$5,179.00), the full value of the merchantable and non-merchantable timber located on the 10 acre parcel.
6. Ad Valorem taxes shall be prorated as of the date of closing. Each party will warrant and represent to the other that no broker or finder fees are applicable to the proposed transaction.
7. Each party will represent and warrant to the other that to the best of its knowledge that there has been no release of any environmental contaminant on, under or over the property being exchanged which requires some remediation of the property, nor has there been any storage, manufacture or disposal of hazardous or toxic materials. Any breach of this provision shall result in immediate termination of this Letter of Intent or subsequent Land Exchange Agreement.
8. Each party will identify immediately any cutting agreements, outstanding mineral leases or like agreements, affecting that party's property and provide copies of any such agreements for review prior to the execution of any agreement. Any agreement affecting prospectively the property to be received must be approved in writing and be assigned to the party receiving the property at closing.
9. Risk of loss shall remain with the owner of the property prior to closing. Any casualty loss materially affecting the value of the property to be received shall be a condition requiring the review of the party to receive the property and written acceptance of the property as affected by the casualty loss shall be a condition to the exchange and closing of the transaction.

Mr. John E. Davis, General Manager
March 14, 1994
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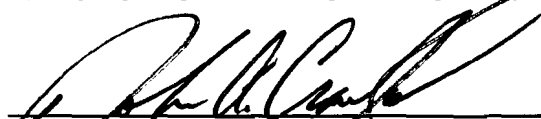
10. Any "boot" determined to exist shall be agreed upon by the parties and incorporated in the written agreement.
11. Closing shall be at a time and location acceptable to both parties.
12. Each party will verify that there is access to the property to be exchanged from a public road.
13. Title will be conveyed by Limited Warranty Deed free and clear of all liens, encumbrances, judgements or impairments, including any pending legal action. CCA will provide in the agreement that the lands it conveys will be released from the existing deed to secure debt, prior to closing.

CONTAINER CORPORATION OF AMERICA



John E. Davis
General Manager
Woodlands Division

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS



JOHN A. CRAWFORD
Its: Chairman

ATTEST:



T. J. GREESON
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney

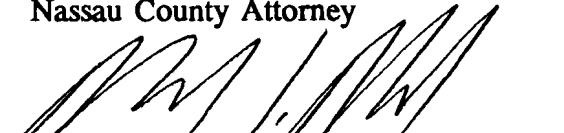

MICHAEL S. MULLIN

EXHIBIT "A"

Approximate location shown in red below for 10 acres more or less to be conveyed to Container Corporation of America by Nassau County.

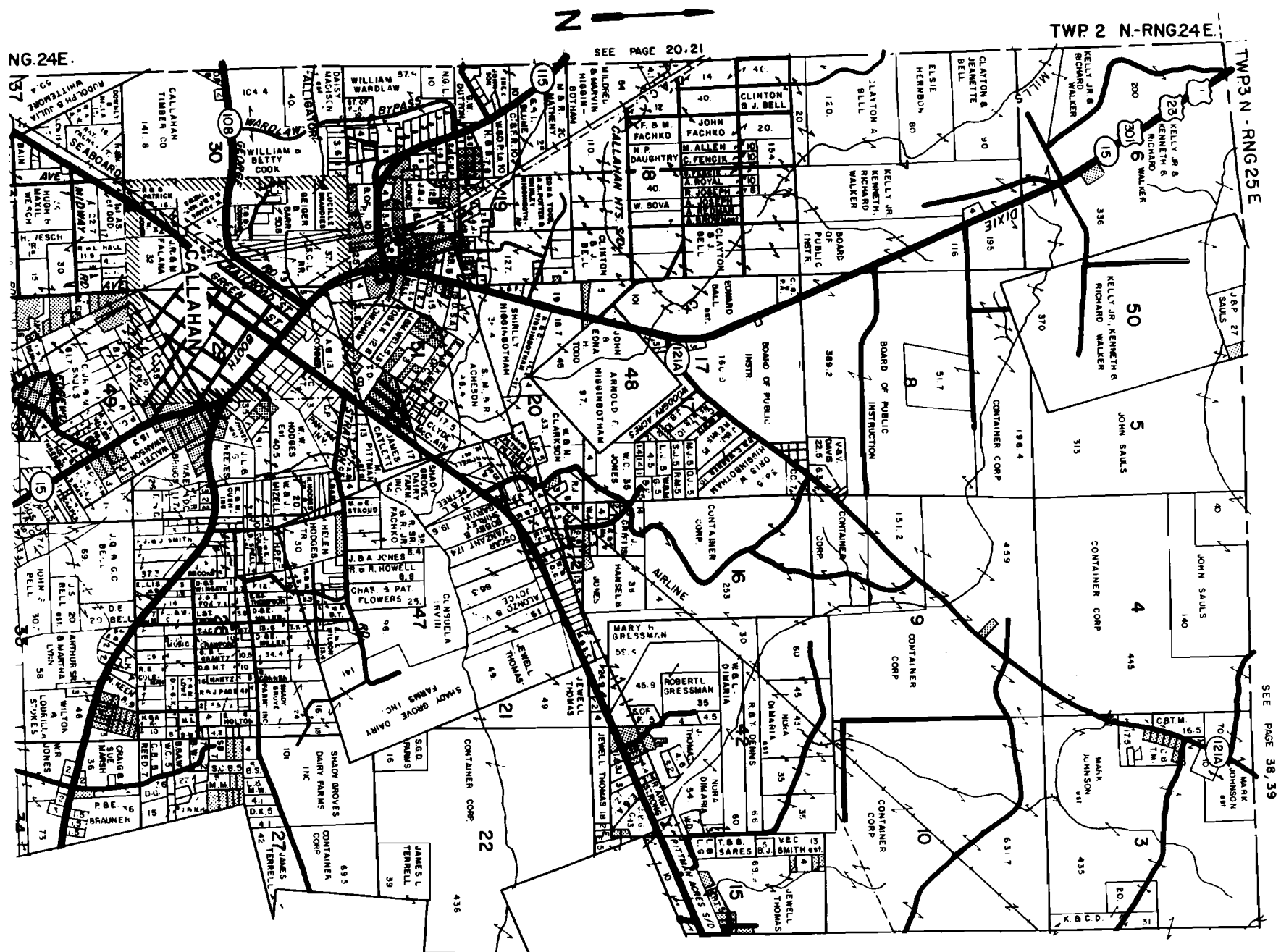


EXHIBIT "B"

A tract of land lying in Section 35, Township 2 North, Range 24 East, Nassau County, Florida more particularly described as follows: Begin at the Northwest corner of Section 35 and run North $89^{\circ}19'25''$ East along the northerly line of said section a distance of 1604.25 feet to the POINT OF BEGINNING. From the POINT OF BEGINNING run South $0^{\circ}30'35''$ East a distance of 632.60 feet; thence run North $88^{\circ}57'40''$ East a distance of 660.0 feet; thence run North $0^{\circ}30'35''$ West a distance of 632.60 feet; thence run South $89^{\circ}19'25''$ West a distance of 660.0 feet to the POINT OF BEGINNING. The portion of land thus described contains 10.0 acres more or less.



Woodlands Division

March 21, 1994

Gentlemen:

This permit is subject to the following:

1. CCA's Area Manager, Jerry Spillers, telephone number (904) 879-1650, shall be advised of Licensee's entry onto the property.
2. Licensee hereby agrees to enter the subject lands at its own risk and that in the exercise of the rights and privileges herein granted, it shall not in any manner unreasonably interfere with the otherwise absolute and unrestricted right of CCA, its agents, servants, employees, contractors, successors and assigns to the full use and enjoyment of said lands; nor shall it assign or in any manner transfer the rights and privileges granted hereunder.
3. You agree that in consideration of the rights herein granted, your entry upon said lands will be at your own risk and the undersigned will not be responsible to you, your agents, servants, employees, contractors, licensees or guests, or to any person claiming through you for injury, loss or damage, whether to person, including death at any time arising therefrom, or property, suffered by you or any such person upon said lands from any cause whatever. You agree that you will be responsible for and pay for any and all damages to the property of Container Corporation of America occurring as a direct or indirect result of or in any way connected with the exercise of the rights granted hereunder.

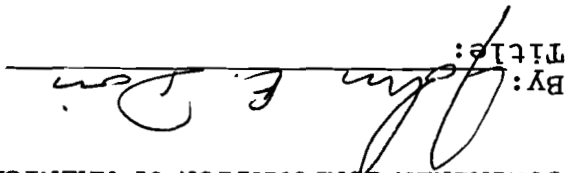
4. Prior to Licensee's entry on CCA's property, it shall furnish to CCA a certificate of insurance, showing CCA as an additional insured, setting forth such insurance coverages as CCA shall, from time to time, require.

5. Licensee shall not allow CCA's property to be littered and shall remove any refuse on said property left as a result of Licensee's use of the same.

This letter is furnished to you in duplicate. If the above correctly sets forth our understanding, please sign in the space provided below and return one copy to the undersigned.

Sincerely,

CONTAINER CORPORATION OF AMERICA

By: 
Title:

Accepted and confirmed
as of 3-28-94

NASSAU COUNTY COMMISSIONERS

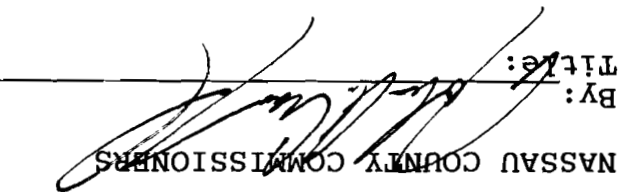
By: 
Title:

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