

IN THE CIRCUIT COURT OF THE NINTH
JUDICIAL CIRCUIT IN AND FOR ORANGE
COUNTY, FLORIDA

CASE NO.: _____

WALT DISNEY PARKS AND RESORTS U S,
INC., by and through its lessee, HCP
GROSVENOR ORLANDO OWNER LLC,

Plaintiff,

vs.

AMY MERCADO, as the Property Appraiser of
Orange County, Florida; SCOTT RANDOLPH,
as the Tax Collector of Orange County, Florida;
and JIM ZINGALE, as the Executive Director
of the Florida Department of Revenue,

Defendants.

COMPLAINT

COMES NOW the Plaintiff, WALT DISNEY PARKS AND RESORTS U S, INC., by and through its lessee, HCP GROSVENOR ORLANDO OWNER LLC, and sues the Defendants, AMY MERCADO, as the Property Appraiser of Orange County, Florida; SCOTT RANDOLPH, as the Tax Collector of Orange County, Florida; and JIM ZINGALE, as the Executive Director of the Florida Department of Revenue, and, as its cause of action, would state as follows:

1. The Plaintiff, WALT DISNEY PARKS AND RESORTS U S, INC., by and through its lessee, HCP GROSVENOR ORLANDO OWNER LLC (hereinafter "Plaintiff"), owns real property located in Orange County, Florida, consisting of one commercial parcel, at 1850 Hotel Plaza Boulevard, Bay Lake, Florida 32830, and commonly known as the Wyndham Lake Buena Vista – Disney Springs, the valuation of which property for ad valorem tax purposes is the subject matter of this action.

2. The parcel is more fully described in the records of the Property Appraiser and Tax Collector under the following Parcel Identification Number ("the subject property"): 28-24-28-0000-00-006.

3. The Defendant, AMY MERCADO, is the Property Appraiser of Orange County, Florida (hereinafter the "Property Appraiser"), and is sued herein in her official capacity, and not individually.

4. The Defendant, SCOTT RANDOLPH, is the Tax Collector of Orange County, Florida (hereinafter the "Tax Collector"), and is sued herein in his official capacity, and not individually.

5. The Defendant, JIM ZINGALE, is the Executive Director of the Florida Department of Revenue (hereinafter the "DOR"), and is sued herein in his official capacity, and not individually.

6. This Court has jurisdiction of this matter pursuant to Section 194.171(1) of the Florida Statutes.

7. Venue for this action lies in Orange County, Florida pursuant to Section 194.171(1) of the Florida Statutes.

8. Plaintiff is now, and was on January 1, 2023, responsible for the property taxes on the subject property located in Orange County, the legal description of which is contained in the Property Appraiser's records as listed in Paragraph 2 above. Relevant portions of the Amended and Restated Lease Agreement by and between Walt Disney World Hospitality & Recreation Corporation, as Landlord, and HCP Grosvenor Orlando Owner LLC, as Tenant, dated April 30, 2007 ("the Lease Agreement"), showing said responsibility of Plaintiff are attached hereto as Exhibit "A" and incorporated herein by this reference. A complete copy of the Lease Agreement can be provided confidentially upon request.

9. The Orange County Value Adjustment Board issued its Final Decision on the subject property on April 15, 2024. This final decision was mailed on April 16, 2024.

10. This action has been timely filed, and all conditions precedent to the filing of this suit have been satisfied.

11. This is an action by Plaintiff contesting the legality and validity of the 2023 ad valorem assessment (market value and assessed value) on the aforesaid tax parcel.

12. At all times material to this cause of action, the Property Appraiser was responsible for properly assessing the value of Plaintiff's parcel in accordance with Florida law.

13. The Tax Collector has the statutory duty to collect the taxes resulting from the assessment of the subject property. The Tax Collector is joined as a nominal party defendant for the purpose of providing timely notice of this action and to provide this Court with jurisdiction over the Tax Collector to direct a refund of taxes paid upon granting of the relief requested herein.

14. The DOR is joined as a party defendant pursuant to Section 194.181 of the Florida Statutes.

15. The real property for which Plaintiff is responsible for property taxes is subject to assessment by the Property Appraiser for ad valorem tax purposes. Section 192.001(12) of the Florida Statutes defines "real property" to mean "land, buildings, fixtures, and all other improvements to land."

16. As of the filing of this action, the market value assigned to the subject property for 2023 is \$62,367,670. The assessed value assigned to the subject property for 2023 is \$50,253,776.

17. This assessment exceeds the just and fair market values of the subject property, and is unlawful and/or invalid because:

- (a) Section 193.011 of the Florida Statutes was not properly or lawfully considered by the Property Appraiser;
- (b) The Property Appraiser has unlawfully, systematically, and intentionally substituted her own assessment policy instead of following the mandates of Section 193.011 of the Florida Statutes and the Florida Constitution with regard to valuing real property for ad valorem tax purposes;
- (c) The assessment is discriminatory in that the assessment is at a higher valuation than other taxable property of like class, nature, character, use, and condition located in Orange County, Florida;
- (d) The assessment is arbitrarily based on valuation practices which are different from the valuation practices generally applied to comparable property within the same class and within Orange County, Florida;
- (e) The assessment includes the value of certain intangible property, in violation of Article VII, Section 1(a) of the Florida Constitution; and/or
- (f) The method of assessment used by the Property Appraiser was unrealistic, unjust, excessive, arbitrary, and is in violation of the general laws of the State of Florida cited above and Article I, Section 4 and Article VII of the Florida Constitution, and violates the valuation methods and practices set forth in the Uniform Standards of Professional Appraisal Practice (USPAP).

18. As a result of the foregoing over-valuation, the 2023 market value and assessed value greatly exceeds the just value of the subject property, and the ad valorem taxes resulting therefrom substantially exceed the taxes which would have been levied on the subject property had it been properly assessed.

19. Plaintiff has paid the taxes due on the subject property for 2023, less the 4% discount for early payment in November, but payment of these taxes is not an admission that the tax was due and does not prejudice the right to bring this action. Verification of payment of the taxes to the Tax Collector on this parcel is attached hereto as Exhibit "B" and incorporated herein by this reference.

20. Plaintiff has complied with all conditions precedent to the filing of this action.

WHEREFORE, the Plaintiff, WALT DISNEY PARKS AND RESORTS U S, INC., by and through its lessee, HCP GROSVENOR ORLANDO OWNER LLC, respectfully prays for the Court to render a judgment decreeing (a) that the assessed value and market value of the subject property for 2023 exceeds just value and/or the subject property was unlawfully, unequally, and/or invalidly over-assessed for 2023; (b) that the Court establish and declare the lawful amount of the 2023 assessed value and market value or, in the alternative, that the Court remand this assessment to the Property Appraiser with instructions to comply with the provisions of the Florida Statutes and the Florida Constitution; (c) that the 2023 assessment and the resulting taxes be set aside to the extent the same exceeds the just or fair market value of the subject property; and (d) that the judgment further decree that Plaintiff, WALT DISNEY PARKS AND RESORTS U S, INC., by and through its lessee, HCP GROSVENOR ORLANDO OWNER LLC, is entitled to a refund of taxes paid to the extent that the amount previously paid exceeds the amount of taxes which would be owed on a corrected assessment, and such tax refund shall be promptly paid by the Tax Collector within thirty (30) days of entry of a Final

Judgment by this Court, along with any statutory interest. Further, Plaintiff, WALT DISNEY PARKS AND RESORTS U S, INC., by and through its lessee, HCP GROSVENOR ORLANDO OWNER LLC, would request that it be granted such other and further relief as the Court may deem just and proper, as well as the costs of this action.

LOWNDES, DROSDICK, DOSTER, KANTOR &
REED, P.A.

By: /s/ S. Brendan Lynch

S. Brendan Lynch
Florida Bar No. 0048124
215 North Eola Drive
Post Office Box 2809
Orlando, Florida 32802-2809
Phone: 407-418-6461
Fax: 407-843-4444
brendan.lynch@lowndes-law.com
litcontrol@lowndes-law.com
tracy.kennison@lowndes-law.com
Counsel for Plaintiff

0280159\202953\13794456v1

EXHIBIT A

**AMENDED AND RESTATED LEASE
AGREEMENT**

between

**WALT DISNEY WORLD HOSPITALITY &
RECREATION CORPORATION,**

as Landlord,

and

HCP GROSVENOR ORLANDO OWNER LLC,

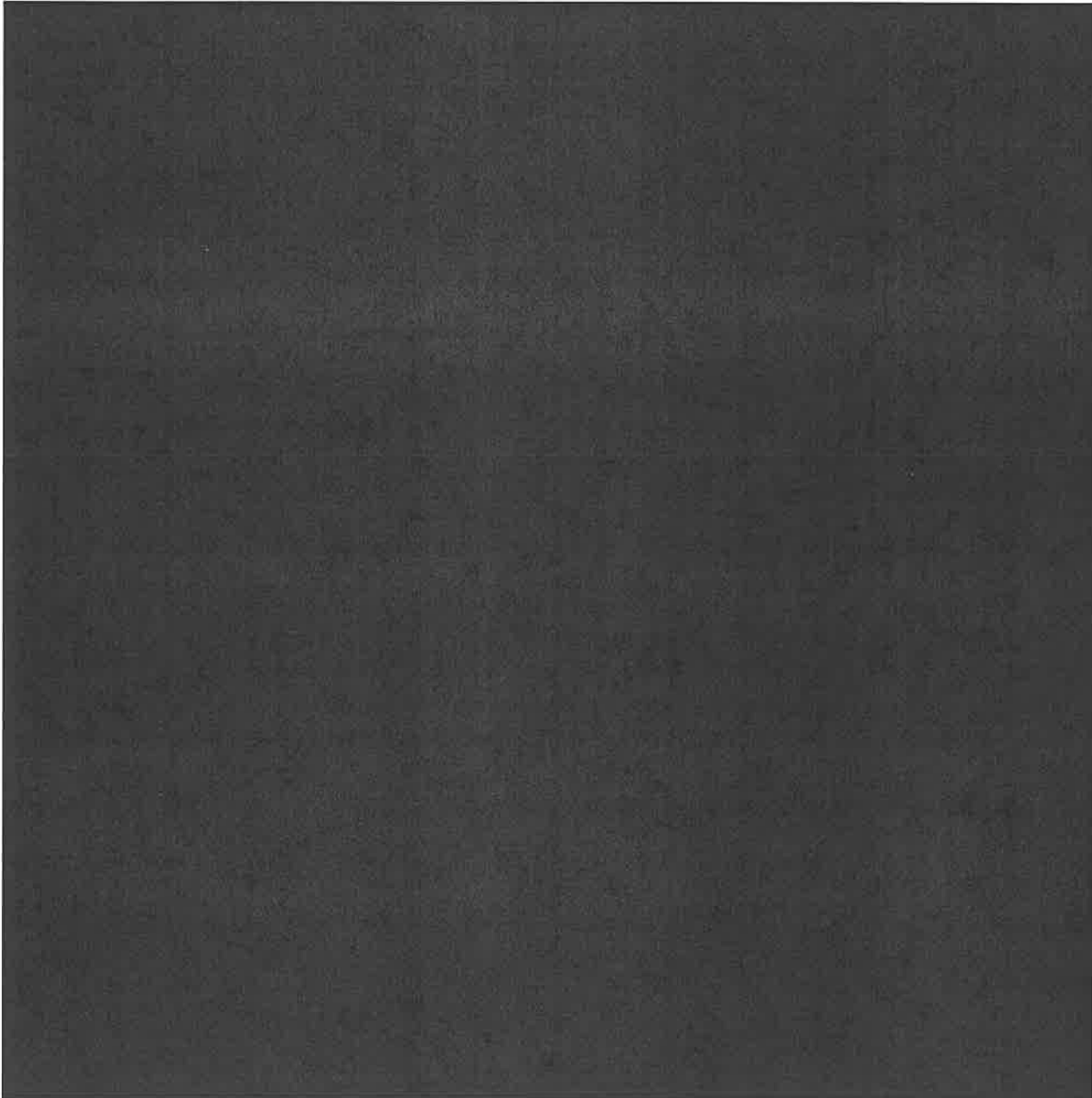
as Tenant

April 30, 2007

AMENDED AND RESTATED LEASE AGREEMENT

Grosvenor Resort, Lake Buena Vista, Florida

THIS AMENDED AND RESTATED LEASE AGREEMENT ("Lease") is made and entered into as of the date on which the last one of Landlord and Tenant has executed this Lease as indicated on the signature page below ("Effective Date"), by and between WALT DISNEY WORLD HOSPITALITY & RECREATION CORPORATION, a Florida corporation ("Landlord"), and HCP GROSVENOR ORLANDO OWNER LLC, a Florida limited liability company ("Tenant").



charge levied, assessed or imposed in lieu of or in addition to the foregoing under or by virtue of any present or future Laws; *provided, however*, that Taxes and Assessments shall not include any profit, income, revenue or similar tax upon the income of Landlord or any franchise, corporate, estate, partnership, inheritance or succession tax on Landlord, except to the extent that any of same are in lieu of or substitution for any of the Taxes or Assessments.

3.2. Payment of Taxes and Assessments.

Tenant shall pay as and when they shall become due and payable as Additional Rent, an amount equal to all Taxes and Assessments for each calendar year during the Term, together with the applicable Florida sales tax due thereon. Tenant may take the benefit of any Law permitting any Taxes and Assessments to be paid over time or in installments. In the event Tenant fails to timely pay such Taxes and Assessments, Landlord shall have the right, but not the obligation, to pay such Taxes and Assessments on Tenant's behalf and Tenant shall pay to Landlord, as Additional Rent, all such Taxes and Assessments paid by Landlord on Tenant's behalf with interest at the Applicable Rate and all of Landlord's costs and expenses associated therewith.

3.3. Proration of Taxes and Assessments.

Taxes and Assessments for the calendar years during which the Commencement Date and the Expiration Date occur shall be prorated so that Tenant pays only that portion of the Taxes and Assessments for such calendar years allocable to periods of time during the Term. Such proration shall be computed and made as soon as practicable after the Commencement Date and the Expiration Date.

3.4. Challenge of Taxes and Assessments.

3.4.1. Landlord reserves the right, but shall not be obligated to do so, to contest, challenge and/or appeal any and all Taxes and Assessments at Landlord's sole cost and expense except that, if Landlord is successful in obtaining a reduction in such Taxes or Assessments then all of Landlord's costs and expenses shall be deducted from the reduction of such Taxes and Assessments.

3.4.2. Tenant may, at Tenant's sole cost and expense, in Tenant's own name and on Tenant's own behalf, in good faith, contest such Taxes and Assessments and, in the event of any such contest, may permit the Taxes and Assessments so contested to remain unpaid during the period of such contest and any appeal therefrom, *provided, however*, that, if Landlord shall notify Tenant that, in Landlord's opinion: (i) the Premises or any part thereof will be subject to loss or forfeiture by virtue of or by reason of such nonpayment; or (ii) the name, image, reputation, goodwill or proprietary rights of Landlord or any of Landlord's Affiliates would be adversely affected by virtue of or by reason of such nonpayment, then such Taxes and Assessments shall be paid forthwith or Tenant shall deposit with Landlord a sum of money required by Landlord as security to protect the Premises from any loss or forfeiture or as security with respect to the matters described in the immediately preceding clause (ii). Landlord, at the sole cost and expense of Tenant, shall cooperate with Tenant in any such contest; *provided, however*, that Landlord shall not be required to join in any proceeding referred to in this Section unless the provisions of or requirements of any Governmental Authority at the time in effect shall require that such proceedings be brought by or in the name of Landlord, in which event Landlord shall join in such proceedings or permit the same to be brought in its name so long as Landlord shall not be subjected to any liability for the payment of any costs or expenses in connection with any such

3. TAXES AND ASSESSMENTS.

3.1. "Taxes and Assessments" Defined.

"Taxes and Assessments" shall mean any and all of the following levied, assessed or imposed upon, against or with respect to this Lease, the Rent, the Premises, any part of the Premises or the use and occupancy of the Premises at any time during the Term: real property and personal property ad valorem taxes, assessments, charges made by any public or quasi-public authority (including, without limitation, Reedy Creek Improvement District ("RCID")) for improvements or betterments related directly or indirectly to the Premises, excises, permit and impact fees, sanitary taxes and charges, sewer and water taxes and charges and any other governmental or quasi-governmental impositions, charges, encumbrances, levies, assessments or taxes of any nature whatsoever, whether general or special, whether ordinary or extraordinary, whether foreseen or unforeseen and whether payable in installments or not, along with any tax or other

proceedings, and Tenant shall indemnify and forever hold harmless Landlord from and against any such costs and expenses, including attorney's fees and disbursements.

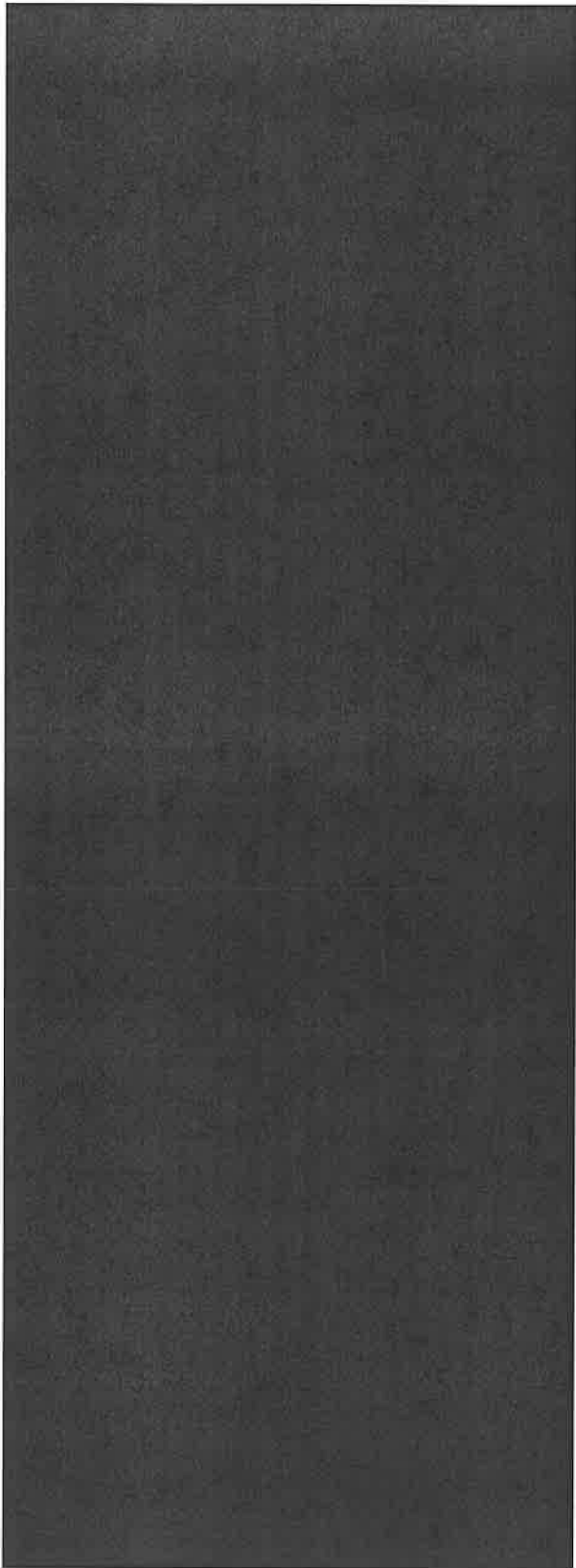
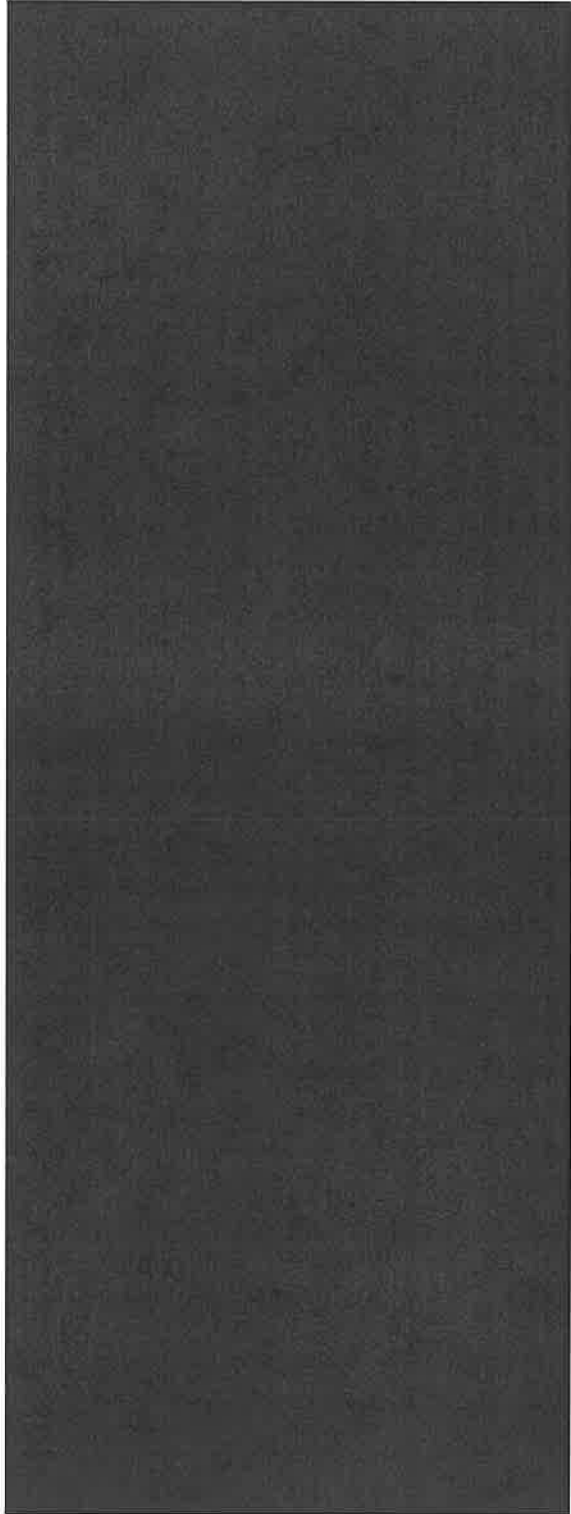


EXHIBIT B



ORANGE COUNTY TAX COLLECTOR
SCOTT RANDOLPH
 INDEPENDENTLY ELECTED TO SERVE YOU

Orange County Notice of Ad Valorem Taxes & Non-Ad Valorem Assessments

WALT DISNEY PARKS AND RESORTS U S INC
 C/O GROSVENOR HOTEL
 PO BOX 22202
 LAKE BUENA VISTA, FL 32830-2202

Account Number: ██████████
Assessed Value: 50,253,776
Millage Code: 70 LBV
Parcel Number: 28-24-28-0000-00006
Address: 1850 HOTEL PLAZA BLVD LAKE BUENA VISTA 328
Exemptions:

AD VALOREM TAXES					
Taxing Authority	Assessed Value	Exempt Value	Taxable Value	Millage	Tax Levied
STATE SCHOOL	62,367,670	0	62,367,670	3.1730	\$197,892.62
LOCAL SCHOOL	62,367,670	0	62,367,670	3.2480	\$202,570.19
GEN COUNTY	50,253,776	0	50,253,776	4.4347	\$222,860.42
LK BUENA V	50,253,776	0	50,253,776	1.9243	\$96,703.34
LIBRARY	50,253,776	0	50,253,776	.3748	\$18,835.12
SFWM	50,253,776	0	50,253,776	.2301	\$11,563.39
REEDY CRK IMP	50,253,776	0	50,253,776	8.9900	\$451,781.45
REEDY CRK DBT	50,253,776	0	50,253,776	3.9600	\$199,004.95
Total Millage:				26.3349	Subtotal: \$1,401,211.48
NON-AD VALOREM ASSESSMENTS					
Levying Authority	Phone	Amount	Levying Authority	Phone	Amount
					Subtotal:
Combined Total of Ad Valorem Taxes & Non-Ad Valorem Assessments					\$1,401,211.48

Pay Online, Opt-in to E-Billing and Print your Receipt at octaxcol.com.

Payments not received by March 31st are delinquent.

IF YOUR TAXES ARE NOT ESCROWED, PLEASE RETURN THE BOTTOM PORTION WITH YOUR PAYMENT.

0005049-2
 1850 HOTEL PLAZA BLVD LAKE BUENA VISTA 32830
 28-24-28-0000-00006
 BEG 640.2 FT S & 823.07 FT W OF NE COR OF SEC RUN N
 22 DEG W 79.90 FT TH NLY 45.51 FT N 22 DEG W 65.27 FT
 WALT DISNEY PARKS AND RESORTS U S INC
 C/O GROSVENOR HOTEL
 PO BOX 22202
 LAKE BUENA VISTA, FL 32830-2202

ONLY PAY ONE AMOUNT	
If Paid By	Amount Due
Nov. 30, 2023	\$1,345,163.02
Dec. 31, 2023	\$1,359,175.14
Jan. 31, 2024	\$1,373,187.25
Feb. 29, 2024	\$1,387,199.37
Mar. 31, 2024	\$1,401,211.48

WALT DISNEY PARKS AND RESORTS U S INC
 C/O GROSVENOR HOTEL
 PO BOX 22202
 LAKE BUENA VISTA, FL 32830-2202

PAID - DO NOT PAY

PAID 0099-02497659 \$1,345,163.02 11/13/2023

**PO Box 545100
 Orlando FL 32854-5100**

