

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for an Amendment)
of Certificate for an Extension of)
Territory and for an Original Water)
and Wastewater Certificate (for a)
utility in existence and charging)
for service))

Docket No: 992040-WS

In re: Application by Nocatee Utility)
Corporation for Original Certificates)
for Water & Wastewater Service in)
Duval and St. Johns Counties, Florida)

Docket No: 990696-WS

PREFILED DIRECT TESTIMONY OF

PATRICIA ARENAS

ON BEHALF OF SAWGRASS ASSOCIATION, INC.

DOCUMENT NUMBER-DATE

03434 MAR 17 8

FPSC RECORDS/REPORTING

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NOS. 990696-WS AND 992040-WS

3 PREFILED DIRECT TESTIMONY OF PATRICIA ARENAS

4 MARCH 16, 2000

5
6 Q. Please state your name and address for the record.

7 A. Patricia Arenas, 10036 Sawgrass Drive, Suite 1, Ponte Vedra
8 Beach FL 32086

9 Q. What is your relationship with Sawgrass Association, Inc.?

10 A. I am President of May Management, Inc., the property
11 management company for the Sawgrass Association.

12 Q. Is your office located near the Intercoastal wastewater
13 treatment facility?

14 A. Yes, my office is located right next door to Intercoastal's
15 wastewater treatment facility.

16 Q. Please describe the odors which come from Intercoastal's
17 wastewater treatment plant.

18 A. The plant regularly gives off strong and foul odors. Many
19 of my employees have complained that it is annoying, if not
20 disgusting, to have to work under such conditions. One of
21 my employees even indicated that the smell permeates her
22 automobile and even when she leaves the area, the smell
23 remains. As the property manager, I receive numerous
24 complaints from Sawgrass residents and visitors about the
25 smell.

1 Q. Are you aware of any promises or representations that
2 Intercoastal made regarding its efforts to fix the odor
3 problems from their plant?

4 A. Yes, I am. Intercoastal told the community that when their
5 new processing system was placed in operation, the odors
6 would substantially subside. It is my understanding that
7 Intercoastal was supposed to have their expanded plant in
8 operation by December 30, 1999, but they received an
9 extension from the Florida Department of Environmental
10 Protection until February 14, 2000 to come into compliance.
11 However, the smell has been just as bad, both before and
12 after all those dates. In fact, the smell over the last
13 few days and weeks has been particularly awful.

14 Q. Have you received recent complaints about odors from the
15 wastewater treatment facility from property owners in the
16 Sawgrass community?

17 A. Yes. In fact, just yesterday I received a written
18 complaint about the odor from Frances King, a Sawgrass
19 property owner who described the smell as being "worse than
20 it has ever been." Ms. King echoed the comments of many
21 residents who feel it does no good to even call to complain
22 about the odor, because Intercoastal Utilities has done
23 nothing to address it. Ms. King further reported that she
24 is unable to enjoy her property, sit outside or even leave
25 her windows open at night because of the horrible stench.
26

1 Q. Are you presenting any exhibits with your Prefiled Direct
2 Testimony?

3 A. Yes, I am. A copy of Ms. King's letter of March 15, 2000
4 is attached as Exhibit A.

5 Q. Does that conclude your Prefiled Direct Testimony?

6 A. Yes it does.

March 15, 2000

Ms. Pat Arenas
May Management Services, Inc.
10036 Sawgrass Drive, Suite 1
Ponte Vedra Beach, FL 32082

RE: Intercoastal Utilities Sewage Treatment Facility at Sawgrass

Dear Ms. Arenas;

This letter is to complain about the Intercoastal Utilities Sewage Treatment Facility at Sawgrass in Ponte Vedra Beach.

I have been a property owner for seven years in Garden Homes I, which is near the South entrance into Sawgrass County Club. We are having severe problems with the horrible smell which emanates from the facility. It is worse than it has ever been and is happening much more frequently – practically every day.

We have been given a telephone number to call when this happens, just to register a complaint about it, but quite honestly, if I did make a phone call everytime it happened, I would be on the phone almost every day, several times a day. It is not something I should have to be spending my time and efforts complaining about!


When the weather is nice, we like to sleep with our windows open. There have been nights that I have been awakened almost choking from the horrible odors. It is also becoming more and more impossible to enjoy our patio and screened porch because of the stench.

We moved to this area because of the quality of the fresh air from the ocean breezes, the beautiful views afforded from our home site, and the environment surrounding us. What we used to be able to enjoy at will, we are now limited to enjoying because of this facility.

Intercoastal Utilities needs to be accountable for our poor air quality and make the necessary changes so that this does not continue.

Thank you for your attention to this matter.

Best regards,


Frances T. King

cc: Ponte Vedra Recorder, Letters to the Editor

EXHIBIT A

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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Docket No: 990696-WS

PREFILED DIRECT TESTIMONY OF

A. RICHARD OLSON

ON BEHALF OF SAWGRASS ASSOCIATION, INC.

DOCUMENT NUMBER-DATE

03433 MAR 17 8

FPSC-RECORDS/REPORTING

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NOS. 990696-WS AND 992040-WS

3 PREFILED DIRECT TESTIMONY OF A. RICHARD OLSON

4 MARCH 16, 2000

5
6 Q. Please state your name and address for the record.

7 A. My name is A. Richard Olson. My address is 342 Quail
8 Pointe, Ponte Vedra Beach, Florida 32082.

9 Q. What is your position with Sawgrass Association, Inc.?

10 A. I am the President of the Board of Directors of Sawgrass
11 Association, Inc.

12 Q. What is Sawgrass Association, Inc.?

13 A. Sawgrass Association, Inc., which I will refer to as the
14 Association, is the master homeowners association for the
15 Sawgrass residential community. There are approximately
16 1,500 residential units which comprise the Sawgrass
17 development. Those property owners, who all are members of
18 the Association, own or reside in property located either
19 adjacent to or near the Sawgrass Country Club, which is
20 located east of Florida A1A in Ponte Vedra Beach, Florida.
21 Among other things, the Association owns and is responsible
22 for the maintenance of various common elements and
23 property, such as the Sawgrass Lake System, the roadways,
24 and guard gates. The Association is responsible for the
25 protection and maintenance of those common elements, and is

1 involved in other issues which pertain to the Sawgrass
2 community as a whole, such as the enforcement of the
3 protective covenants that govern our community.

4 Q. How long have you been involved with the Sawgrass
5 Association, Inc.?

6 A. I have been a member of the Board of Directors since 1997.
7 Before that, I served on various committees. I became
8 President of the Association in 1998. I have had
9 significant involvement in the dispute which has arisen
10 between the Association and Intercoastal Utilities, Inc.,
11 which I will refer to as Intercoastal. Intercoastal is the
12 water and wastewater provider for the Sawgrass area.

13 Q. In addition to your duties as President of the Association,
14 are you involved in any other activities at Sawgrass?

15 A. Yes, I serve as the Treasurer of the Quail Ponte
16 Condominium Association, a sub-association within the
17 Sawgrass development.

18 Q. As a resident of the Sawgrass area, you are also an
19 individual water and sewer customer of Intercoastal, is
20 that correct?

21 A. Yes, that is correct.

22 Q. What is the purpose of your testimony before the Public
23 Service Commission?

24 A. Sawgrass Association has intervened in this proceeding to
25 oppose Intercoastal's attempt to amend its certificate and

1 obtain an extension of its territory, so it could
2 substantially expand its existing service area from
3 approximately 4,500 acres in Northern St. Johns County,
4 Florida to include an additional 21,000 acres in St. Johns
5 County and 2,000 acres in Duval County.

6 Q. Are you familiar with the prefiled direct testimony of
7 various Intercoastal witnesses, including H.R. James and M.
8 L. Forrester, to the effect that, in their opinion,
9 Intercoastal has the operational, managerial and technical
10 ability to extend its service area as it has proposed to
11 do?

12 A. Yes, I have seen their prefiled testimony, and I have heard
13 them state substantially the same thing at other times as
14 well.

15 Q. Do you agree with the assertion by these Intercoastal
16 witnesses that Intercoastal has the operational,
17 managerial, or technical ability to justify an extension of
18 its service area as it has sought in this application
19 before the Public Service Commission?

20 A. No I do not.

21 Q. Why do you believe that to be so?

22 A. In order to fully respond, I must address the history of
23 the Sawgrass development and this particular wastewater
24 treatment plant. In 1983, Arvida Corporation was the
25 developer of the Sawgrass community. The Sawgrass

1 community included single family residential units, multi-
2 family residential and condominium units, a golf course and
3 tennis facilities, various other recreational areas, a
4 nature preserve and a series of lakes running throughout
5 the development. On September 1, 1983 Arvida entered into
6 a Utility Service Agreement with Intercoastal and Florida
7 Title Group, Inc. (referred to as Florida Title).
8 Intercoastal bought the water and wastewater facilities
9 previously owned by Arvida's wholly owned utility company,
10 Sawgrass Utilities, Inc. Sawgrass Utilities, Inc. was the
11 only source of potable water and sewage treatment service
12 available to serve the homes and other improvements in the
13 Sawgrass community. Among the assets which Intercoastal
14 acquired pursuant to the Utility Service Agreement was the
15 wastewater treatment plant located immediately adjacent to
16 the Sawgrass Country Club property. In addition to the
17 Sawgrass wastewater treatment facility, Intercoastal
18 acquired the potable water treatment plant, lift stations,
19 pumps, pipes and other equipment from Sawgrass Utilities,
20 Inc., in order to continue to serve the residences in the
21 Sawgrass development owned by members of the Sawgrass
22 Association, and the Sawgrass Country Club. At that time,
23 the wastewater treatment plant was permitted by the
24 appropriate regulatory authorities to process up to 250,000
25 gallons per day of raw sewage.

1

2 Also as part of the Agreement, Intercoastal was granted the
3 exclusive right to serve all existing improvements on the
4 Arvida land, and any improvements which might be
5 constructed in the future. In this way, Arvida was assured
6 that it would be able to finish its planned development of
7 the Sawgrass community in accordance with its plan, and
8 adequate water and wastewater service would be available as
9 new construction came on line.

10 Q. Did the Utility Service Agreement make any provision for
11 the reuse of treated wastewater or effluent, once it had
12 been processed at the Sawgrass wastewater treatment
13 facility?

14 A. Yes, it did. Even before the September 1, 1983 effective
15 date of the Agreement, the Sawgrass Country Club accepted
16 and used substantial amounts of reclaimed or treated
17 effluent from the Arvida wastewater treatment facility as
18 part of Arvida's conservation and water reuse and
19 irrigation system. This use was primarily for irrigation
20 of the Sawgrass Country Club golf course. The Agreement
21 required Intercoastal to continue to provide all the
22 treated effluent the Club would need for its irrigation
23 purposes for the term of the Agreement, which runs until
24 the year 2013.

25 Q. So the reuse by Sawgrass Country Club predated

1 Intercoastal's acquisition of the utility?

2 A. Yes, it did.

3 Q. What role does the Association play with respect to the
4 Utility Service Agreement?

5 A. In 1994, Arvida Corporation assigned its rights under the
6 Utility Service Agreement to the Sawgrass Association, and
7 the Association is the successor in interest to that
8 Agreement.

9 Q. Since 1983, has Intercoastal continuously served the
10 Sawgrass community for its water and wastewater needs?

11 A. Yes, it has.

12 Q. You stated earlier in your testimony that in your opinion
13 Intercoastal did not have the operational, managerial or
14 technical ability to justify an extension of its service
15 area. What specific issues exist between Intercoastal and
16 the Association to support that opinion?

17 A. Over the past few years, the Association and various
18 members of the Association and customers of Intercoastal
19 have had significant concerns about how Intercoastal
20 operates its water treatment and wastewater treatment
21 facilities. Our concerns include the following:

22

23 A very recent example was in December 1999, when
24 Intercoastal had a serious failure at a lift station
25 located near the North Gate community within Sawgrass. In

1 January 2000, an Association member advised me, as
2 Association president, that despite Intercoastal's apparent
3 attempt to fix its lift station failure, raw sewage were
4 coming out of the nearby manhole covers. I personally went
5 to the site, which is located on a hill, and I saw how wet
6 and spongy the ground was in the area near the manhole
7 cover. This was not the first time that malfunctions of
8 Intercoastal equipment have caused raw sewage to spill into
9 our community, including in the lawns of private homeowners
10 at Sawgrass. Even as of today, there is only a temporary
11 "fix" by Intercoastal and its operational or service arm,
12 Jax Utilities Management, of the North Gate lift station
13 failure. A flexible conduit is coming out of the manhole
14 cover and was placed into the ground adjacent to the
15 manhole cover.

16
17 Of particular concern to the community is that
18 Intercoastal's operation of its wastewater treatment
19 facility, located immediately next to the Sawgrass Country
20 Club and other commercial uses and in close proximity to
21 many homes, causes continuous and significant noxious
22 odors. Numerous Sawgrass residents have made complaints to
23 the Florida Department of Environmental Protection and
24 other regulatory officials about the odors. The odors have
25 been particularly noxious during the latter part of 1999

1 and even as recent as this week, in March 2000. This is
2 particularly disturbing because we were informed by
3 Intercoastal that once their new sequential batch reactor
4 system came on line in approximately February 2000, these
5 odors would be substantially reduced, if not completely
6 eliminated. H. R. James, Intercoastal's President, sent a
7 letter to the community on February 4, 2000 which said
8 there will always be "a small amount of odor" from the
9 wastewater treatment plant, and there was no way to
10 eliminate it. We do not believe Intercoastal has taken all
11 steps necessary to stop these horrible and offensive odors.
12 The odor problem continues to the present day.

13

14 We also believe Intercoastal was irresponsible when it
15 sought permission to nearly double its wastewater plant
16 capacity, especially when Intercoastal has admitted in
17 their filings with the Commission, and in their December
18 1999 Conceptual Master Plan, that significant additional
19 growth in Intercoastal's existing service area east of the
20 Intercoastal Waterway is not planned or expected.

21 Q. Didn't Intercoastal recently claim they could use any
22 excess capacity at the Sawgrass wastewater treatment
23 facility, after it was expanded, in order to serve
24 potential future customers on the westside of the
25 Intercoastal Waterway?

1 A. Yes, they did. In March 1999, Intercoastal filed an
2 application with the St. Johns County Water and Sewer
3 Authority to substantially expand its service territory in
4 St. Johns County, which included the same territory which
5 is the subject of this application by Intercoastal. Public
6 hearings were held during June and July 1999 on
7 Intercoastal's application. Intercoastal represented to
8 the Authority, through the testimony of its engineer,
9 Sumner Waitz, that Intercoastal had the immediate ability
10 to serve the contested area, even in the first phases of
11 development at Nocatee, by extending a line from the
12 Sawgrass plant across the Intercoastal Waterway (Authority
13 hearing transcript; Vol. I, p. 101-102). The manner in
14 which they said they had the capability to serve the first
15 phases of Nocatee was from the excess unused capacity of
16 the Sawgrass wastewater treatment facility once it was
17 expanded to 1,500,000 gallons per day (g.p.d.) capacity.
18 Mr. Waitz's testimony was that Intercoastal could build a
19 pipeline underneath or over the Intercoastal Waterway to
20 transport raw sewage from the new customer source (i.e.
21 west of the Waterway) to the Sawgrass wastewater treatment
22 facility.

23

24 This plan was also the subject of the testimony of M. L.
25 Forrester, the Vice President of Jax Utilities Management,

1 Inc. and the person responsible for preparing
2 Intercoastal's application to St. Johns County for an
3 extension of its service area (Vol. III, p. 27, 91-92).
4 Mr. Forrester confirmed that Intercoastal's initial plan of
5 service would extend lines from the existing Sawgrass
6 wastewater treatment plant into the proposed expansion
7 territory. Obviously, this plan by Intercoastal gave the
8 Association substantial concern, because we believe such
9 activities would be a clear breach of our Utility Service
10 Agreement.

11 Q. In your opinion, has Intercoastal breached other
12 obligations set forth in the Agreement?

13 A. Yes. Intercoastal was contractually obligated by the
14 Agreement to act in good faith to require other developers
15 to accept treated effluent for irrigation purposes, so that
16 the burden of effluent disposal would not be solely placed
17 on the Sawgrass community. We do not believe Intercoastal
18 acted in good faith on this subject.

19

20 The Florida Title Group, Intercoastal's affiliated or
21 parent company, developed the nearby Plantation at Ponte
22 Vedra. After the development of the Plantation at Ponte
23 Vedra, other residential developments were built on the
24 Florida Title land, which is also referred to as the
25 Sanchez Grant area, and is located off County Road 210.

1 Although the Agreement contemplated that some of the
2 property developed on the Florida Title land or Florida
3 Companies land could be served by Intercoastal from its
4 Sawgrass wastewater treatment facility, it was never
5 contemplated that all the land owned by the Florida Title
6 Group or the Florida Companies east of the Intercoastal
7 Waterway would be served only by Intercoastal's wastewater
8 treatment plant at Sawgrass. In fact, in Section 2 of the
9 Agreement Intercoastal specifically represented that it
10 "plans to provide water and sewer services to the Florida
11 Title lands primarily from a utility system to be located
12 on the Florida Title land . . .". To this date,
13 Intercoastal has never located any wastewater treatment
14 facility anywhere other than the Sawgrass site which it
15 acquired from Arvida, which is obviously not part of the
16 Florida Title land, or the Florida Companies land.

17 Q. What other breaches do you believe Intercoastal has
18 committed?

19 A. As I mentioned, Intercoastal breached its contractual
20 obligation to use its best efforts to have the treated
21 effluent used for irrigation on developments located on the
22 Florida Title land. In fact, Florida Title lands, as an
23 affiliate of Intercoastal's parent company, had
24 consistently refused to take reuse water for irrigation
25 purposes at the Plantation at Ponte Vedra, and

1 Intercoastal's parent company refused to require developers
2 of residential properties within the Sanchez Grant off
3 County Road 210 to accept reuse for irrigation, or other
4 similar purposes to which reuse is best suited.
5 Intercoastal apparently became very interested in the
6 concept of reuse beginning in 1999 when it sought an
7 increase of its certificated area from the St. Johns County
8 Water and Sewer Authority. Intercoastal has continued that
9 effort in front of the Public Service Commission in these
10 proceedings in order to try to convince the decision makers
11 that they have always been proponents of reuse. It is my
12 understanding that Intercoastal now claims, in these
13 proceedings, that the Plantation at Ponte Vedra may accept
14 reuse water in the future as a back up supply for its
15 irrigation needs, but it is our understanding that the
16 Plantation's actual need for reuse water will be minimal,
17 because they are using stormwater for irrigation of its
18 golf course.

19 Q. What other breaches do you believe Intercoastal has
20 committed?

21 A. Based on the testimony before the St. Johns County Water
22 and Sewer Authority, and from the material presented to the
23 PSC in these proceedings, it appears that Intercoastal had
24 been regularly operating its wastewater plant in excess of
25 the permit issued by the Florida Department of

1 Environmental Protection. That permit limited Intercoastal
2 to 800,000 gallons of Average Annual Daily Flow. Of
3 course, even that 800,000 g.p.d. figure exceeds the amount
4 which was contemplated and specifically set forth in our
5 Utility Service Agreement.

6
7 Even the data supplied by Jim Miller in his prefiled direct
8 testimony for Intercoastal did not explicitly state an
9 exact amount of the wastewater flow for the existing "east"
10 portion of Intercoastal's service area; Section 2.3.1 of
11 Intercoastal's "Conceptual Master Plan - December 1999"
12 merely states that the plant's discharge flow in 1999 was
13 approximately 800,000 gallons. Ed Cordova from the Florida
14 Department of Environmental Protection, Northeast District,
15 who handles enforcement and compliance actions for our
16 area, testified before the Water and Sewer Authority that
17 according to DEP's file records, Intercoastal was operating
18 in excess of its 800,000 g.p.d. permitted capacity.
19 Intercoastal was actually processing a current flow of
20 approximately 820,000 g.p.d. (Vol. X, p. 73). However, Mr.
21 Cordova testified that FDEP did not plan to bring an
22 enforcement action against Intercoastal either for this
23 violation or for the odors coming from a surge pond at the
24 Intercoastal utility site that contained raw effluent,
25 because Intercoastal's new plant was scheduled to come

1 online by December 1999. The expanded plant was supposed
2 to have an improved processing system (Vol. X, p. 72).

3 Q. Were there any prohibitions in the Utility Service
4 Agreement about the amounts of treated effluent which
5 Intercoastal could discharge upon the Sawgrass lands?

6 A. Yes. Although it was not specifically stated in numerical
7 terms, Intercoastal and Florida Title Group recognized in
8 the Agreement that they would not treat a volume of
9 wastewater generated either from Sawgrass or the Florida
10 Title lands in such amounts which would constitute an
11 overburdening of the Sawgrass land. Intercoastal breached
12 its duty to act in good faith to ensure there was an
13 equitable distribution of the burden of treated effluent
14 disposal, after the development on the Florida Title land
15 caused an increase flow.

16 Q. Has Intercoastal provided any information to residents of
17 the Sawgrass area or its customers concerning the quality
18 of its drinking water?

19 A. Yes. We received in October 1999 a document which
20 purported to be Intercoastal's first annual Water Quality
21 Report. In that report, which covered 1998 operations,
22 Intercoastal told us that although the level of total
23 coliform bacteria in our drinking water exceeded the
24 maximum contaminate level, the community should not worry.
25 because the incident "did not pose a threat to public

1 health and safety." I cannot understand how Intercoastal
2 could state this was not a threat to public health. I do
3 not believe Intercoastal could know whether anyone got sick
4 as a result of the contaminated water. More importantly,
5 I think this serious health hazard speaks very clearly
6 about Intercoastal's lack of operational expertise in the
7 operation of its drinking water system.

8 Q. Has the Association complained to Intercoastal or brought
9 these issues to Intercoastal's attention?

10 A. Yes, we have. The Association's attorney notified
11 Intercoastal in writing in March 1999 about Intercoastal's
12 breaches of the Agreement. As a result of Intercoastal's
13 failure to address our concerns, the Association filed suit
14 in the Seventh Judicial Circuit, in and for St. Johns
15 County, Florida (Case Number CA 99-2277), seeking relief
16 against Intercoastal for its breach of the Agreement, for
17 damages caused by Intercoastal's past trespass and nuisance
18 to the Association property, and to enjoin any continued
19 activity. That suit is now pending.

20

21 Before filing the lawsuit, and in connection with the
22 Water and Sewer Authority proceedings last summer, I
23 appeared and testified before the Authority about
24 Intercoastal's breaches of the Agreement, their substandard
25 performance under the Agreement, including the ongoing

1 serious odor problem, and the Association's concerns about
2 Intercoastal's further potential expansion of its plant and
3 facilities in such close proximity to residential areas
4 (Vol. X, p. 56).

5
6 Furthermore, Gail Werneburg, a local Ponte Vedra realtor
7 also testified before the Water and Sewer Authority that
8 the odor coming from Intercoastal's wastewater treatment
9 facility had an adverse effect on the ability to market
10 property in that area of Ponte Vedra Beach. When she would
11 drive on A1A, people who were not from the area were
12 surprised and very disgusted by the smell, and they would
13 not show any further interest in owning property in the
14 area (Vol. X, p. 69).

15
16 Intercoastal is also well aware, through the pending
17 litigation, about the Association's concerns about their
18 managerial and operational expertise. Intercoastal is also
19 well aware of the objection of its customers to its past
20 attempts to obtain rate increases. Mr. Forrester even
21 acknowledged in his prefiled direct testimony in this case
22 that there had been "strong and active opposition" to
23 Intercoastal's proposed rate increase in 1998.

24 Q. Are you aware that various Intercoastal witnesses in this
25 PSC case have claimed that expansion of Intercoastal's

1 service area will create "economies of scale" which could
2 prevent further rate increases or even encourage rate
3 rollbacks for existing Intercoastal customers?

4 A. I have seen that testimony but I have questions about how
5 they arrived at it. Intercoastal has now represented to
6 the Commission that it is not cost effective to utilize its
7 existing "eastern" plant, system and facilities to service
8 its proposed "western" expansion area. Therefore,
9 Intercoastal will have to construct a new "stand alone"
10 wastewater treatment facility, pumps, lift stations and
11 other parts of its system. I do not understand how this
12 operates as a helpful factor for the rates of existing
13 customers.

14 Q. With respect to Michael Burton's prefiled direct testimony
15 on behalf of Intercoastal, are you aware that in his
16 opinion, if Intercoastal's request for an extension of its
17 service territory is granted, rates will actually go down
18 for existing "east" Intercoastal customers?

19 A. I have seen that testimony but I do not understand the
20 factors that would cause our rates to drop as a result of
21 Intercoastal getting any expanded territory. I expect our
22 rates will go down after the cost of Intercoastal's current
23 plant expansion and the return of rate case expenses have
24 been fully amortized.

25 Q. In Mr. Forrester's prefiled direct testimony, he claimed

1 that the 1999 hearing before the St. Johns County Water and
2 Sewer Authority was not "unbiased and objective," and
3 Intercoastal was not treated fairly. Do you agree with
4 that assessment?

5 A. No, I don't. I was present for several sessions personally
6 and am aware of the testimony that was given.
7 Representatives from the Association attended every
8 session. In my opinion, the members of the Water and Sewer
9 Authority were fair and honest. The Authority chair
10 allowed all sides to present numerous witnesses and to
11 introduce many exhibits concerning the merits of their
12 position. In fact, the Authority chair allowed the
13 proceedings to run for an extended period of time, well in
14 excess of what had been previously estimated by
15 Intercoastal to be necessary in order to complete the
16 proceedings.

17 Q. Is there anything else about their current permitted
18 operation which causes you concern?

19 A. Yes. I have been advised that in order to adequately treat
20 the huge amounts of raw sewage now being accepted by the
21 Intercoastal plant, Intercoastal is using, or may have the
22 option to continuing using, chlorine gas. Although it is
23 my understanding that chlorine gas has been used in the
24 past by Intercoastal at its treatment facilities,
25 Intercoastal will have to store a huge amount of chlorine

1 gas at the Sawgrass utility site to treat a 1,500,000
2 g.p.d. flow. I have personal experience with the hazards
3 of chlorine gas. When I worked as a lifeguard in my youth,
4 I was trapped in a chlorine gas leak near a pool filter
5 where I was working. I do not want to subject our community
6 to this increased risk. I believe Intercoastal's continued
7 storage of such dangerous and hazardous material, located
8 just yards from residents homes, other residences and
9 retail establishments, is not safe. Although Intercoastal
10 representatives have said they would not store chlorine gas
11 on the premises and were thinking about changing their
12 chemical treatment method, we have seen no evidence or
13 assurance that this has taken place.

14 Q. Has Intercoastal created a fail safe plan for the disposal
15 of effluent not used by the Club for irrigation, if the
16 plan to dump its treated effluent into the Intercoastal
17 Waterway does not work or they have an equipment failure?

18 A. No they have not. Their only fail safe would be to allow
19 effluent to continue to run into the Green Lake, and
20 ultimately into the Sawgrass lake system.

21 Q. Are you sponsoring any exhibits in this proceeding?

22 A. Yes, I am. Exhibit A is the Utility Service Agreement;
23 Exhibit B is the assignment of the Agreement from Arvida to
24 the Association; Exhibit C is the 1998 Intercoastal Water
25 Quality Report, Exhibit D is Mr. James' letter to

1 Intercoastal customers dated February 4, 2000, and Exhibit
2 E is the photograph showing Intercoastal's "fix" to their
3 recent North Gate equipment failure.

4 Q. Does this conclude your prefiled testimony?

5 A. Yes it does.

6

7

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UTILITY SERVICE AGREEMENT
(Sawgrass Country Club)

This Agreement between INTERCOASTAL UTILITIES, INC., FLORIDA TITLE GROUP, INC., both Florida corporations having an address at 1300 Gulf Life Drive, Jacksonville, Florida 32207, and ARVIDA CORPORATION, a Delaware corporation having an address at Post Office Box 600, Ponte Vedra Beach, Florida 32082, is entered into on Sept 1st, 1983.

In consideration of the promises and representations made to one another in this instrument, the parties agree as follows:

Section 1. Definitions. The following definitions apply unless otherwise expressly provided:

(a) "Allowable Percentage Change in Index Number" - the cumulative percentage change in the Consumer Price Index (all urban consumers, non-seasonally adjusted) from the date of this Agreement to the date of any payment in question that would have occurred had the Consumer Price Index not increased by more than seven percent (7%) during any year within such period.

(b) "Arvida Land" - the real property described on Exhibit A, which includes lands owned by Developer and Developer's subsidiaries and land previously conveyed by Developer or Developer's predecessors in title.

(c) "Developer" - Arvida Corporation and its successors and assigns.

(d) "Effluent Disposal System" - the Effluent Pump Site together with the Lake Parcel and Lake (as defined below) and all pumps, lines and equipment to be located on the Effluent Pump Site or the Arvida Land necessary to deliver treated effluent to the golf courses and other effluent disposal areas now or hereafter existing on the Arvida Land.

(e) "Effluent Pump Site" - the real property described on Exhibit B.

(f) "Equivalent Residential Connections" or "ERC" - a factor used to convert a given average daily flow of waste water to the equivalent number of residential connections. For this purpose the average daily flow of one Equivalent Residential Connection is 350 gallons per day.

(g) "Florida Companies Land" - the real property owned by The Florida Companies lying within the real property described on Exhibit C.

(h) "Florida Title Land" - the real property described on Exhibit D.

(i) "Franchise" - the water and sewer utility franchises granted by St. Johns County ordinances 74-10 and 74-11 as amended from time to time.

(j) "Lake Parcel" and "Lake" - the real property described on Exhibit E, and the lake located thereon as it may exist from time to time.

(k) "Mortgage" - mortgage given by Utility Company to Seller to secure the Note Guaranty.

(l) "Note" - promissory note in the amount of \$1,193,410.00 executed by Florida Title Group, Inc., and delivered to Seller this day as part of the consideration for Seller's conveyance of the Utility System.

(m) "Note Guaranty" - guaranty of the Note executed by Utility Company and delivered to Seller this day to secure payment by Florida Title Group, Inc., of the Note. The Note Guaranty was given to Seller as part of the consideration for the Seller's conveyance of the Utility System.

(n) "Plant Expansion" - a 500,000 gallon per day expansion of the capacity of the sewage treatment plant located on the Utility Site, together with any addition to the water production and treatment capacity of the Utility System required thereby, to be undertaken by the Utility Company pursuant to the Purchase and Sale Agreement and this agreement in accordance with the plans and specifications to be prepared by Bessent, Hammack & Ruckman, Inc.

(o) "Players Club Land" - the real property being developed by Arvida Corporation lying west of State Road 1A1A south of Solano Road east of the Intracoastal Waterway and north of Palm Valley Road.

(p) "Purchase and Sale Agreement" - agreement between Seller and Utility Company entered into on August __, 1983 under which the Utility System has been conveyed this day from Seller to Utility Company.

(q) "Seller" - Sawgrass Utilities, Inc., the wholly owned subsidiary of Developer, and the previous owner of the Utility System.

(r) "Utility Company" - Intercoastal Utilities, Inc., and its successors and assigns.

(s) "Utility Improvements" - the potable water distribution and domestic sewage collection lines, pipes, manholes and lift stations and other facilities which may be required to connect future improvements on the Arvida Land to the Utility System in accordance with the terms of Section 9 of this Agreement.

(t) "Utility Site" - the real property described on Exhibit F.

(u) "Utility System" - the Utility Site, the wells and pumps located on the Utility Site, the water treatment facilities located on the Utility Site, the 250,000 g/p/d sewage treatment plant located on the Utility Site, and all of the pipes, lines, manholes, joints, valves, lift stations, pumping stations, force mains, collection manholes and gravity lines conveyed to Utility Company by Seller this day together with all improvements hereafter located on the Utility Site or Arvida Land which are necessary or useful in providing water and sewer service to the Arvida Land. The Utility System does not include the Lake, Lake Parcel, Effluent Pump Site, or any other portion of the Effluent Disposal System.

Section 2. Background. Developer is the developer and operator of the Sawgrass residential and resort communities located on the Arvida Land and the Players Club Land. The Utility System currently serves only the Arvida Land and is the only source of potable water and domestic sewage treatment service available to serve improvements located or to be located on the Arvida Land. Although the Players Club Land is currently served by a utility system owned by St. Johns Service Company, the capacity of that system may be fully used before complete development of the Players Club Land.

Utility Company is the subsidiary of the owner and developer of the Florida Title Land. Although the Utility Company plans to provide water and sewer service to the Florida Title Land primarily from a utility system to be located on the Florida Title Land, it may be desirable to serve a portion of the Florida Title Land either temporarily or permanently from the facilities located on the Utility Site.

According to a study done by Bessent, Hammack and Ruckman, Inc., during 1982, the Utility System experienced an average daily flow of domestic waste water of approximately 210,000 gallons. Assuming that the industry standard of 350 g/p/d of water and sewer plant capacity is necessary to serve one residential connection, the remaining 40,000 g/p/d of capacity within the existing sewage treatment plant will only allow for connection of an additional 114 residential connections.

Developer's current projections indicate that over 100 residential units may be completed before the end of 1984 and that a total of 820 new residential units may be completed by the end of 1992 on the Arvida Land. To accommodate the growth expected for 1984, it will be necessary to complete an expansion of the sewage treatment plant capacity of the Utility System by January, 1985. In addition to the growth expected on the Arvida Land, construction of approximately 450 residential units over a period of five to seven years is anticipated on the Florida Companies Land (which is within the area encompassed by the Franchise and which is expected to be served by the Utility System). To adequately accommodate the residential growth described above, the Utility Company and Developer estimate that the Utility System should have a capacity of 750,000 g/p/d.

Bessent, Hammack & Ruckman, Inc. have represented to the parties that the Utility Site is large enough to accommodate the Plant Expansion and that the 18 hole Sawgrass Country Club golf course, together with an additional 8 holes of golf to be located on the southern portion of the Arvida Land, irrigation of the berm separating the Arvida Land from the right-of-way of S.R. 11A, and storage and percolation within the Lake could accept the treated effluent from the expanded sewage treatment plant. With the Plant Expansion and installation of the Effluent Disposal System, the Utility System would be capable of processing and disposing of 750,000 gallons of residential waste water per day.

As a result of the potential efficiencies to be realized from expanding the Utility System to accommodate the future development of the Arvida Land, the Florida Companies Land, and, possibly, a portion of the Florida Title Land or Players Club Land and because of the Utility Company's experience in operating potable water and domestic waste water treatment plants, the Utility Company and Seller, a wholly owned subsidiary of Developer, entered into the Purchase and Sale Agreement under which the Seller has this day conveyed the

Utility System to the Utility Company. In return for conveyance of the Utility System, the Utility Company has agreed to continue to serve the existing improvements on the Arvida Land, to reserve the entire existing unused plant capacity of the sewage treatment plant located on the Utility Site for the use and benefit of the improvements to be constructed in the future on the Arvida Land, and to complete construction of the Plant Expansion by the later of January 1, 1985, or four months after obtaining the Department of Environmental Regulation ("DER") permits necessary for the Plant Expansion. The Utility Company has also agreed to seek applicable permits for and to further expand its water and sewage treatment plant capacity as necessary to enable it to meet its obligations to serve the Arvida Land, the Florida Companies Land and any portion of the Florida Title Company Land or Players Club Land that the Utility Company brings within the area covered by the Franchise, provided that requisite permits for such expansion can be obtained.

This Agreement states the terms on which the parties have agreed that water and sewer utility service will be provided to the Arvida Land and the terms on which the parties have agreed to cooperate in the provision of water and sewer utility services to the Florida Companies Land, the Florida Title Company Land, and the Players Club Land.

Section 3. Reservation of Sewage Treatment Plant Capacity and Use of Utility System. Utility Company shall reserve for Developer and Developer's grantees and assigns the remaining unused sewage treatment plant capacity within the Utility System for the future development of the Arvida Land until the Plant Expansion is completed. Utility Company shall not provide sewage treatment service or reserve capacity in the existing sewage treatment plant for any property other than the Arvida Land until and unless the Plant Expansion is completed. Once the Plant Expansion is completed, Utility Company shall reserve for Developer and Developer's grantees and assigns water and sewer plant capacity within the Utility System sufficient to serve 820 Equivalent Residential Connections to accommodate the units to be constructed on the Arvida Land in accordance with the development schedule outlined in Section 4. The reservation shall remain in effect so long as Developer (or other property owners within the Arvida Land) continue to make connections or pay connections fees in accordance with the provisions of Section 4 and to otherwise comply with the terms of this Agreement and, once all connection fees payable under Section 4 have been paid, the reservation shall remain in effect until 820 units have been connected.

Once the Plant Expansion has been completed the Utility Company may serve the Florida Companies Land and reserve water and sewer plant capacity for the use and benefit of the Florida Companies Land so long as such service or reservation does not interfere with Utility Company's primary obligation to provide adequate water and sewer utility service for the Arvida Land. Also, at any time after the Plant Expansion has been completed, the Utility Company may serve or reserve capacity to serve the Florida Title Land, the Players Club Land or both provided that such service or reservation does not interfere with the Utility Company's primary obligation to serve the Arvida Land or any obligation Developer may have incurred under the letters attached as Exhibit "K" to the Purchase and Sale Agreement to serve the Florida Companies Land. The Utility Company shall not be obligated to serve or reserve capacity to serve the Players Club Land in preference to the Florida Title Land but Utility

Company shall not serve or reserve capacity to serve any lands other than the Arvida Land, Florida Companies Land, and Florida Title Land without first offering such service or reservation to Developer for the use and benefit of the Players Club Land.

Section 4. Guaranty of Connections. Developer's current plans for development of the Arvida Land call for connection of 100 new residential units per year to the Utility System for the years 1984 through 1991 and for connection of an additional 20 residential units in 1992. Developer guarantees that payment of fees for connections to the Utility System from the Arvida Land will be made at the rate of at least 100 connections per year for the years 1984 through 1991 and at least 20 connections will be made in 1992, or, if the minimum number of connections required in any year are not paid for, Developer shall, nevertheless, pay the remaining connection fees that would have been payable if the minimum number of connections required for that year had been otherwise paid for. The amount of Developer's payment for any connections not actually made in any year shall be credited against future connection fees in excess of the yearly minimum payable by Developer in any year in which the minimum requirement has been met and exceeded. If connections are made or connection fees are paid above the minimum number of connections required in any year, the excess above credits for any prior years in which Fees were paid for connections not actually made shall be credited against the required number of connections in the following year. Calculation of connection fees paid during each year and of the amounts due hereunder shall be based upon a fiscal year commencing December 1st (e.g. the first fiscal year shall run from December 1, 1983 to December 1, 1984). Payments hereunder shall be made on December 15 of each year commencing with the first payment due December 15, 1984.

Utility Company agrees that Developer may require its land purchasers to prepay connection fees to the Utility Company for the number of connections estimated to be required to serve the land purchased from Arvida on or before the closing of such purchase. The Utility Company shall adopt a capacity accounting and reservation program and shall accept any and all such prepayments from Developer's land purchasers. Any and all such prepayments shall be credited against Developer's obligation to guarantee a minimum number of connections per year.

Utility Company has advised Arvida Corporation that it intends to seek an increase in the approved connection charges to bring the connection charges up to \$1,000.00 per combined residential water and sewer connection. Notwithstanding the connection charges in effect from time to time under the Franchise or under any applicable government regulations with respect to the 820 connections guaranteed by Arvida Corporation, Florida Title Group, Inc., hereby expressly guarantees to Arvida Corporation a maximum connection charge for the 820 guaranteed connection (the "Maximum Connection Charge") in return for Arvida Corporation's guarantee to Florida Title Group, Inc. of a minimum connection charge for the 820 guaranteed connections (the "Minimum Connection Charge") as provided below:

Minimum connection charge for each of 820 guaranteed connections	\$1,000.00
--	------------

Maximum connection charge
for each of 820 guaranteed
connections

$\$1,000.00 \times (1 +$
Allowable Percentage
Change in Index Number
From Date of this
Agreement to Date of
Payment of Connection
Charge)

The annual amount of any deficiency between the connection charges actually paid by Arvida Corporation or other property owner within the Arvida Land for any of the 820 guaranteed connections and the Minimum Connection Charge shall be paid to Florida Title Group, Inc., by Arvida Corporation on December 15 of each year in which the deficiency occurs. The annual amount of any excess of the connection fees actually paid by Developer or other property owners within the Arvida Land for any of the 820 guaranteed connections over the Maximum Connection Charge shall be paid to Arvida Corporation by Florida Title Group on December 15 of each year in which such excess payments are made by Developer or other property owners. The reciprocal guarantee contained in this paragraph is expressly entered into by and between Arvida Corporation and Florida Title Group, Inc., to insure that each receives the consideration bargained for in the Purchase and Sale Agreement between their subsidiaries and shall remain in effect notwithstanding any rule or regulation applicable to Utility Company and shall survive sale of the Utility Company or its assets to any person or entity including any governmental entity unless expressly modified or terminated by express written agreement of Florida Title Group, Inc., and Arvida Corporation.

Section 5. Plant Expansion. The parties to this Agreement acknowledge that the Plant Expansion should be completed prior to January 1, 1985, to allow the continued and uninterrupted growth of development on the Arvida Land. Prior to undertaking the Plant Expansion, however, it will be necessary to obtain permits from the Florida Department of Environmental Regulation and other governmental agencies and bodies (the "Permits").

Utility Company shall, immediately upon execution of the Agreement, hire Bessent, Hammack & Ruckman, Inc., or other engineers acceptable to the parties, at Utility Company's sole cost and expense, to produce all Plans and Specifications and Working Drawings necessary to construct the Plant Expansion, to undertake all necessary engineering and soil studies required to pursue and obtain the Permits, and to prepare and submit applications for the Permits as soon as possible but not later than 90 days after the date of this Agreement. Bessent, Hammack and Ruckman, Inc., shall be instructed to diligently endeavor to obtain all of the Permits necessary for the Plant Expansion as soon as possible but not later than August 1, 1984. Utility Company shall be solely responsible for the fees of Bessent, Hammack & Ruckman, Inc., and for monitoring its efforts. Nevertheless, Bessent, Hammack & Ruckman, Inc., shall be employed on behalf of both Utility Company and Developer and shall be instructed to supply Developer with copies of all plans, specifications, tests, drawings, correspondence, permit applications and other submittals made in connection with the Permits and to report to Developer on the progress of the applications at Developer's request.

Utility Company shall diligently pursue the permit applications and shall commence construction of the Plant Expansion on or before the later of September 1, 1984, or thirty (30) days after receiving the last of the Permits, shall pursue such construction continuously and diligently and shall complete construction of the Plant Expansion on or before the later of January 1, 1985, or four (4) months after receiving the last of the Permits.

In the event that the DER denies the application for the Plant Expansion but indicates that a lesser expansion would be permissible, Utility Company shall be obligated to seek such permit and to construct such lesser expansion in accordance with the terms of this Section as if such lesser expansion was the Plant Expansion. In any event, and under all circumstances Utility Company shall have a continuing obligation to diligently endeavor to provide the necessary facilities and service required to adequately serve all improvements located or to be located on the Arvida Land, and in particular to serve the existing improvements together with the 820 connections guaranteed by Developer in accordance with Section 4. Arvida Corporation shall have a continuing obligation to make the payments required under Section 4 so long as the Utility Company performs its obligations under this Utility Service Agreement notwithstanding denial of a permit for the 500,000 g/p/d plant expansion or inability of Utility Company to make connections in accordance with the development schedule outlined in Section 4 so long as such inability is due to factors beyond the control of the Utility Company by exercise of due diligence.

Because the Utility Company's agreement to construct the Plant Expansion and to provide adequate water and sewer service to the Arvida Land was central to the consideration received by Seller for conveyance of the Utility System and because the value of the Arvida Land depends upon the continued and continuous availability of water and sewer connections, the Utility Company hereby grants to Developer and Developer shall have during the term of this Agreement (until the Plant Expansion is completed) a lien (which Developer agrees to subordinate to a long-term construction loan for the Plant Expansion subject to the same terms as provided for subordination by Seller of the Mortgage in Section 3 of the Purchase and Sale Agreement) on all of the real and tangible personal property of the Utility Company constituting the Utility System to secure performance by the Utility Company of its obligation to substantially complete construction of the Plant Expansion as required under this Section. The parties shall execute and record in the Public Records of St. Johns County and in the office of Secretary of State of Florida such instruments as may be required to place subsequent purchasers or mortgagees from the Utility Company on notice of such lien rights. In addition to the foregoing lien right, if Utility Company does not commence the Plant Expansion within the time required or pursue such Plant Expansion with diligence and upon request of Developer after such failure to commence or diligently pursue the Plant Expansion, does not provide Developer with adequate assurance that the Plant Expansion will nevertheless be completed as required hereunder, or if Utility Company fails to substantially complete the Plant Expansion within the time required under this Section, then Developer shall have the right, at its sole option, after giving the Utility Company thirty (30) days notice of its intention to do so, to enter upon the Utility Site and undertake construction of the Plant Expansion. In such event, Utility Company shall provide

adequate access to its property and facilities for construction and implementation of the Plant Expansion. All costs incurred by Developer in constructing the Plant Expansion shall be immediately due and payable by Utility Company and shall be secured by the lien on the real and personal property of the Utility Company provided for above under this Section.

Section 6. Term of Agreement. This Agreement has a term of thirty (30) years, commencing the date set forth in the heading. Expiration or termination of this Agreement shall not diminish any statutory or common law rights and obligations the Utility Company may have to serve then existing customers.

Section 7. Service to be Provided. Upon the terms and subject to the conditions contained in this instrument, the Utility Company shall provide continuous potable water service and domestic sewage treatment to all improvements now existing and to all future improvements that may be constructed on the Arvida Land during the term of this Agreement. The term "domestic sewage" means all waste containing not more than three hundred (300) parts per million biochemical oxygen demand or three hundred (300) parts per million suspended solids based upon a minimum of 4 hourly grab samples made during a 24 hour period. Should Developer seek connection for waste which contains or is anticipated to contain more than these amounts, then the Utility Company and all governmental regulatory agencies having jurisdiction thereof must specifically agree to the connection. All charges and rates for any connections at variance with domestic sewage are subject to negotiation and all such connections shall provide for a suitable point for the waste to be sampled by the Utility Company or any regulatory agencies.

Section 8. Exclusive Right to Serve.

(a) During the term of this Agreement and subject to its terms and conditions, the Utility Company shall have the exclusive right to provide potable water service and domestic sewage treatment to improvements constructed on the Arvida Land.

(b) Developer shall subject that portion of the Arvida Land now owned by Arvida or its subsidiaries to covenants and restrictions that shall (i) place the public on notice that the Utility Company has the exclusive right to provide potable water and domestic sewage treatment to the Arvida Land; (ii) prohibit wells for potable water on the Arvida Land except those approved by and for the use of the Utility Company (provided, however, this provision shall not be interpreted to prohibit existing or future wells for irrigation); (iii) prohibit disposal of domestic sewage except through the Utility System; and (iv) prohibit the flow of water from air conditioning systems or swimming pools into the Utility System. Such covenants and restrictions shall be reflected in the short form of this Agreement to be recorded in Public Records of St. Johns County, Florida pursuant to Section 28 of this Agreement.

Section 9. Developer's Construction and Other Obligations.

(a) Developer shall, at its expense, install all potable water distribution and domestic sewage collection lines, pipes, manholes and lift stations and other facilities which may be required to connect future improvements on the Arvida Land to the Utility System. Such potable water distribution systems and domestic sewage collection lines, pipes, manholes and lift

stations shall conform to reasonable standards established by Utility Company in accordance with good engineering practices. Developer further agrees to convey and grant to Utility Company, without cost to the Utility Company, the following:

(i) All of the pipes, lines, manholes, joints, valves, lift stations, pumping stations, force mains, collection manholes and gravity lines that Utility Company is required to maintain under Section 12(a) that are laid and installed for the purpose of potable water and domestic sewage service to the Arvida Land by the Developer;

(ii) Easements for ingress and egress to all of the water lines up to and including the meter, lift stations and pumping stations laid and installed by Developer or by the Utility Company in the Arvida Land pursuant to this Agreement;

(iii) Ownership of all force mains, collection-manholes, gravity lines outside the boundaries of individual lots or condominium property and all gravity lines of 8" or more regardless of where located on the Arvida Land installed by Developer pursuant to this Agreement; and

(iv) The lands on which lift stations and pumping stations are installed on the Arvida Land by Developer. Utility Company shall be responsible for maintaining and repairing or replacing the water lines up to and including the meters, all sewage collection lines located outside the boundaries of individual lots or condominium property and all sewage collection lines having a diameter of 8 inches and larger, regardless of where located, and sewage force mains, including the lift stations and pumping stations. The Developer or other property owners shall be responsible for maintaining all water lines from the meter to the improvement served and all sewage collection lines located on individual lots or within condominium property and having a diameter of less than 8 inches.

(b) All Utility Improvements to be constructed and installed by Developer pursuant to Section 9(a) shall be constructed or installed by contractors approved in advance by Utility Company as being competent to perform such work and shall be constructed or installed in accordance with engineering plans and specifications that incorporate the applicable standards and specifications of the Utility Company and that have been approved in writing (or deemed approved as provided below) by Utility Company. Prior to submitting any plans and specifications of Utility Improvements to any governmental agency for approval or undertaking any construction or installation of such Utility Improvements, Developer shall submit such plans and specifications to Utility Company for its review and approval. Utility Company shall approve or disapprove of any plans and specifications or proposed contractor submitted to it by Developer for approval within ten (10) days of such submission or such plans and specifications or proposed contractor shall be deemed approved. All such submissions shall be made to:

Nick Henderson
6215 Wilson Boulevard
Jacksonville, Florida 32210

or, to such other person as Utility Company may designate in writing from time to time. Utility Company's approval of plans

and specifications or proposed contractors under this section shall not be unreasonably withheld.

During construction, the Utility Company shall have reasonable access to the work and the right, but not the obligation, to make inspections as the work progresses.

Upon requesting that the Utility Company accept the Utility Improvements and allow connection of the Utility Improvements to the Utility System, the Developer shall

(i) provide to Utility Company an accounting of the actual cost of the Utility Improvements together with copies of all paid bills and releases of liens received by Developer, or its agents, in connection with the construction of the Utility Improvements;

(ii) furnish Utility Company with a mylar sepia copy of the as-built drawings of the Utility Improvements certified by Developer's engineer and in a form acceptable to Utility Company in its reasonable discretion showing specific locations of all facilities, including all mains, valves, sewer lateral locations, manholes and fittings within the Utility Improvements;

(iii) provide Utility Company with copies of all permits and governmental approvals obtained by Developer, its contractors or agents in connection with construction or installation of the Utility Improvements;

(iv) provide Utility Company with a bill of sale with warranty of good and lien free title;

(v) provide Utility Company with the easements as required under Section 9(a);

(vi) properly mark all lot corners so that Utility Company or its engineer can, upon receipt of "as-built" drawings, verify the marked water and/or sewer services as to location and depth. In addition, for purposes of locating and protecting installed service lines, Developer or his contractor shall mark each service line and all valves with an 8 foot pressure treated wooden post in the manner shown on the plans and specifications. Developer's contractor shall be required to install curb stop, meter box and valve box on each water service and valve as shown on the plans and specifications;

(vii) Developer shall mark all water and sewer services on the street curb by etching on to the concrete or if no curbing is available, a 2 inch square metal tag is to be nailed to the street's pavement and painted as specified on the plans and specifications;

(viii) provide Utility Company with any governmental approvals or acceptances required by regulations applicable to the Arvida Land.

(ix) pay to Utility Company an inspection fee equal to \$25 per residential unit or single family lot to be served by the Utility Improvements to cover the cost of engineering review, conducting the inspection and testing of the installation of the Utility Improvements, and to defray all other administrative costs directly related to accepting the Utility Improvements.

(x) provide Utility Company with the results of hydraulic pressure tests and television camera inspections within 120 days prior to the request for acceptance.

All Utility Improvements shall be warranted by the Developer or the Developer's contractor and the Developer or the Developer's contractor shall indemnify and hold Utility Company harmless against all costs and losses which arise from any and all defects and material and workmanship which are discovered or arise within a period of one (1) year following the date of final acceptance of the Utility Improvements. Unless expressly waived in writing, as security for Developer's performance of this warranty, simultaneously with the conveyance of the Utility Improvements, said Developer shall deliver to Utility Company an executed contract bond in form and substance satisfactory to Utility Company in the amount of 25% of total cost of the construction of the Utility Improvements. The contract bond shall have as the surety thereon such surety company, acceptable to Utility Company, as is authorized to write bonds of such character and amount under the laws of the State of Florida. The attorney-in-fact, or other officer who signs a contract bond for a surety company, must file with such bond a certified copy of his power of attorney authorizing him to do so. Subject to the approval of the Utility Company, the Developer may elect to deliver to Utility Company a contract bond in compliance with all requirements herein and in form acceptable to Utility Company, from the Developer's contractors as the principal with the Developer and Utility Company as co-obligees. The contract bond shall remain in force for one (1) year following the date of final acceptance of Utility Improvements by Utility Company, as defined herein. If Developer fails to make or commence timely repairs or replacements of any defects in the Utility Improvements discovered or arising within said one year period, the Developer and its surety shall be liable to Utility Company for all costs arising therefrom. All documents referred to in or required by this paragraph shall be in form acceptable to Utility Company. The Utility Company hereby expressly waives the requirement of a contract bond for any and all Utility Improvements warranted by Arvida Corporation as provided herein.

(c) Prior to conveyance of the Utility System to the Utility Company by Seller, Developer commenced construction of Utility Improvements to serve several new subdivisions being developed within the Arvida Land. These subdivisions are described as follows:

1. North Gate I, according to the plat of North Gate I Replat recorded in Map Book 15, pages 33 through 36.
2. North Gate II, according to the plat of North Gate I Replat recorded in Map Book 15, pages 37 through 39.
3. Country Club Unit I, according to the plat thereof recorded in Map Book 15, pages 45 through 46.
4. Country Club Unit II, according to the plat thereof recorded in Map Book 15, pages 47 through 48.
5. Country Club Unit III, according to the plat thereof recorded in Map Book 15, pages 49 through 50.
6. Country Club Unit IV, according to the plat thereof recorded in Map Book 15, pages 51 through 52;

all as recorded in the public records of St. Johns County, Florida. Utility Company hereby expressly agrees that the foregoing requirements of Section 9(b) shall not apply to any of the subdivisions listed above in this Section 9(c) and that Utility Company shall accept conveyance of the Utility

Improvements constructed to serve the foregoing subdivisions provided that such Utility Improvements are constructed in accordance with good engineering practices, are certified to Utility Company as acceptable by Developer's engineer including results of pressure checks, are covered by appropriate easements given to the Utility Company and provided that Arvida Corporation or its contractor warrants such improvements against any and all defects in material and workmanship which are discovered or arise within a period of one (1) year following the date of acceptance of such Utility Improvements. Utility Company shall have the right to inspect such improvements at least 5 days prior to the connection thereof to confirm their compliance with the above.

(d) Developer shall, at its expense, install a pump on the Effluent Pump Site, shall connect such pump to the existing irrigation system for the Sawgrass Country Club, and shall expand the Effluent Disposal System as necessary to enable it to control the level of the Lake as required under Section 13 of this Agreement. All improvements constituting the Effluent Disposal System shall be owned, operated, maintained, repaired or replaced, and controlled by Developer.

(e) Developer hereby represents and warrants that, to the best of its knowledge, all of the water and sewer lines existing and constituting part of the Utility System as of September 1, 1983, lie within property covered by recorded easements and hereby indemnifies and agrees to hold Utility Company harmless for a period of five (5) years from the date of this agreement against all costs, losses, and expenses incurred by Utility Company in connection with or arising out of the fact that any such water and sewer lines existing and constituting part of the Utility System as of September 1, 1983, may not be covered by recorded easements.

Section 10. Additional Treatment Capacity. In addition to the Plant Expansion, Utility Company shall undertake and complete (subject to Section 7 of this Agreement) any and all future expansions in its water and sewer treatment capacity necessary to enable it to provide adequate water and sewer service to serve the residential units and related commercial and residential development on the Arvida Land.

Section 11. Fire Protection. If any building of more than two stories in height is to be constructed on the Arvida Land which would require the Utility Company to install additional facilities and equipment in order to provide adequate fire protection, the Developer shall advance, prior to connection, the actual cost of any such additional facilities or equipment that the Utility Company is required to construct or acquire.

Section 12. Other Obligations of the Utility Company.

(a) Utility Company shall, at its expense, maintain and repair or replace all water lines up to and including the meters, all sewer force mains and lift stations, all pumping stations, all sewage collection lines located outside the boundaries of individual lots or condominium property and all sewer collection lines having a diameter of 8 inches or more regardless of where located.

(b) The Utility Company shall, at its expense, cause all untreated domestic sewage placed in its sewer system to be pumped or otherwise delivered to its treatment plant and given primary and secondary treatment.

(c) The Utility Company shall, at its expense, cause potable water to be pumped or otherwise delivered from its water treatment plants to buildings and other improvements located on the Arvida Land.

(d) The Utility Company shall, at its expense, comply in operating its potable water and domestic sewer treatment plants and its delivery systems with all applicable laws, government regulations, government quality standards, including, without limitation, those promogated by the Florida Department of Health and Rehabilitation Services and the Florida Department of Environmental Regulation.

(e) The Utility Company shall provide continuous potable water and domestic sewage service to all improved portions of the Arvida Land and maintain an operational water pressure at all meters of not less than 35 pounds per square inch (and, at any fire hydrant, a rate of flow with normal consumption elsewhere in the system of 650 gallons per minute with a residual pressure of 20 pounds per square inch or such other high rate of flow as may be needed to provide adequate fire protection as determined by a competent professional engineer), except that it may, after giving not less than 24 hours notice (except in the case of emergency), shut off water service or reduce pressure in any portion of the Arvida Land or in any water main for such reasonable time (not exceeding 24 hours) as may be required to enable it to make repairs, to extend its lines or otherwise to achieve some purpose reasonably necessary to enable it to carry on its operations. Utility Company shall not be liable for any damages suffered on account of shut-off or reduction in water pressure permitted under this subsection or for any damages suffered on account of any other shut-off or reduction in water pressure provided that such other shut-off or reduction in water pressure does not occur because of Utility Company's failure to use due care in maintaining the Utility System and notifying customers, Developer and appropriate fire protection authorities of any such shut-off or reduction in water pressure or because of other negligence of Utility Company.

(f) The Utility Company shall inspect all future connections made to the Utility System to ensure that such connections are made in a workmanlike manner and in accordance with good engineering practice so that infiltration to the sewage collection lines or leakage from the water lines does not occur.

(g) The Utility Company shall make such inspections as it deems necessary to determine whether the Utility Improvements have been constructed in accordance with approved engineering plans and specifications and shall review all materials submitted in connection with any request by Developer for final acceptance of Utility Improvements within fifteen (15) days after Developer requests acceptance of such Utility Improvements and submits to the Utility Company all materials required under Section 9(b) of this agreement and shall accept such improvements provided they pass the tests described above and provided that the Developer has complied with the terms and conditions of Section 9(b). Provided also that all valve boxes shall be exposed at proper finish and grade. Provided that the Utility Improvement have been previously accepted by the Utility Company, the Utility Company shall permit Developer to connect the Utility Improvements to the Utility System within three (3) days after notification by Developer that Developer intends to make such connection.

Section 13. Effluent Disposal. Utility Company shall construct and maintain lined ponds on the Utility Site capable of storing an amount of treated effluent equal to the output of the sewage treatment plant during a three day period (or during such other period as DER may require). The lined ponds shall be connected to the Lake. The Utility Company shall have the right, but no obligation, to cause up to a maximum of 750,000 g/p/d of treated effluent to be pumped from the lined ponds to the Lake for distribution by developer on the effluent disposal areas of the Arvida Land. The cost of delivery of effluent to the Lake, including the cost of installing, maintaining, repairing or replacing lines and pumping, shall be borne by the Utility Company. Within the limits specified above, Utility Company shall control the rate of flow of treated effluent into the Lake. The Developer shall install, maintain, operate, repair, and if necessary, replace the distribution pump to be located on the Effluent Pump Site and shall pay all costs of distributing the effluent onto the golf courses and other irrigated areas from the Effluent Pump Site. The Developer shall control the rate at which effluent is pumped from the Lake and shall not be required to pump any minimum amount of effluent per day. However, Developer and Utility Company shall cooperate in good faith to maintain the Lake at levels during dry periods and periods of maximum irrigation so that adequate storage capacity will remain in the Lake to allow continuous effluent discharge by the Utility Plant of up to 750,000 g/p/d during rainy periods and periods of minimum irrigation without an annual average number of overflows from the Lake into the drainage system on the Arvida Land in excess of the number permitted by DER. Developer shall be entitled to consider the aesthetics and appearance of the Lake and the ability of the golf courses to accept effluent in deciding on the rate of pumping from the Lake. Although engineering studies by BH&R indicate that the golf courses and other irrigation areas on the Arvida Land are sufficient to accept an average daily flow of 750,000 g/p/d of treated effluent, Developer and Utilities Company understand that the study done by BH&R was based upon a relatively limited amount of data and that, as a result, it is possible that that level of effluent disposal will place a severe burden on the Arvida Land. Therefore, in the event the Utility System is used to serve the Florida Companies Land or the Florida Title Land, the developers of such property shall be required by the Utility Company to agree to provide land and irrigation lines for the use of the Utility Company, if necessary, to ensure that adequate effluent disposal capacity is available without unduly burdening the lands of Developer. Although the golf courses and other irrigation areas on the Arvida Land shall be the primary effluent disposal sites, the Utility Company shall act in good faith to ensure an equitable distribution of the burden of effluent disposal in the event that it becomes necessary.

Section 14. Damage. If, during and by reason of any construction work on the Arvida Land, the Developer, its agents, contractors or employees cause damage to the potable water lines or domestic sewer lines of the Utility company after they are installed and accepted, the Developer on whose land the construction work is being done shall at its expense make such repairs as may be required to restore the lines to the condition which existed before the damage occurred. If Developer does not repair and restore the lines promptly, the Utility Company shall have the right but it shall not be obligated to make any repairs that are reasonably needed. Developer shall provide the Utility

Company and its agents adequate access to enable it to make the repairs. All costs incurred by Utility Company in making the repairs shall become immediately due and payable and shall be added to the next invoice submitted by the Utility Company to the Developer and considered in all respects as if the charge had arisen in connection with the rendition of regular services by the Utility Company.

Section 15. Rates and Operating Procedures. Except with respect to connection charges, the rate and payment of which shall be governed by Sections 4 and 7 of this Agreement, the Utility Company shall have the right to charge all customers on the Arvida Land for potable water and domestic sewer services and to provide such services in accordance with Utility Company's water and sewer tariffs in force from time to time.

Section 16. Failure to Pay Charges. The Utility company may shut off the supply of water to and may refuse to accept sewage from any property owner or any other occupant or any improvement on the Arvida Land if the property owner or occupant fails to pay any sums due for water or sewer service when they become due and payable and the default is not cured within ten (10) days after the Utility Company has given notice of the default. The Utility Company shall have the right to assess a fee for the restoration of service. Nothing herein contained, however, nor any action taken Utility Company shall impair any other remedy which the Utility Company might have at law or equity, for any breach of this Agreement by Developer or any other person.

Section 17. Force Majeure. Neither the Utility Company nor Developer shall be liable under this Agreement for personal injury or for property damages suffered by Developer or Utility Company as the case may be, or by any other person because of inability to perform any obligation under this Agreement due to force majeure. The term "force majeure" means acts of God, strikes, lockouts, and other industrial disturbances, acts of public enemy, wars, blockades, riots, acts of Armed Forces, epidemics, delays by carriers, acts of public authorities or regulatory agencies, or any other cause not within the reasonable control of the Utility Company or Developer, as the case may be, and which by the exercise of due diligence the Utility Company or Developer, as the case may be, is unable to overcome. The obligation of the Developer or other owner within the Arvida Land to pay for potable water and domestic sewer services shall abate and be suspended during any period that the Utility Company does not furnish services due to force majeure. The parties shall use their best efforts to obtain all governmental approvals, licenses and permits necessary or desirable to permit construction and operation of the sewer and water systems herein contemplated, including water well permits.

Section 18. Developer's Right of First Refusal. The Utility company shall not sell any substantial portion of its facilities or assets or assign its rights under this Agreement, nor shall Florida Title Group, Inc., sell any substantial portion of the stock of Intercoastal Utilities, Inc., except in accordance with the following provisions:

(a) The Utility Company (or Florida Title Group, Inc., as the case may be) shall have given Developer written notice of its intention to sell the assets or stock of the Utility Company together with a written offer by the Utility Company to Developer offering to sell the assets or stock to Developer on the same essential terms and conditions including price, payment terms and continuing obligations to maintain or expand the Utility System as those contained in the proposed contract with the prospective purchaser and giving Developer fifteen (15) days within which to accept the offer by agreeing in writing to purchase the assets upon the same terms and conditions as those specified in the offer.

(b) Developer shall not have accepted the offer within the time allowed.

(c) The sale is made to the prospective purchaser named in the proposed contract furnished to Developer and is made on the same essential terms and conditions including price, payment terms and continuing obligations to maintain or expand the Utility System as those on which the property was offered to Developer.

(d) The sale is made expressly subject to the provisions of this Agreement and the purchaser shall have expressly assumed all obligations of the Utility Company stated in this Agreement.

Section 19. Developer's Right to Approve Purchaser. The Utility Company shall not (i) transfer any substantial portion of its assets nor shall Florida Title Group, Inc., transfer a controlling interest in its stock or (ii) its rights under this Agreement to any person or persons (except a municipality, county or other public body) without Developer's prior written consent provided its consent is not unreasonably withheld. It shall be deemed unreasonable for Developer to withhold its consent to a transfer if the prospective transferee or someone within its control is a person who has had reasonable experience in the operation of water and sewer plants, has the financial capability to perform the Utility Company's obligations under this Agreement and has agreed to assume all of the obligations of the Utility Company under this Agreement. Developer shall be deemed to have consented to a proposed transfer unless it notifies the Utility Company in writing of its disapproval within fifteen (15) days after the Utility Company has notified it of the proposed transfer and has furnished it with evidence that the proposed transferee has the required experience and financial capacity.

Section 20. Time of the Essence. Time is of the essence of this Agreement.

Section 21. Events of Default by Developer. The failure of Developer (after the Utility Company has performed all of its obligations that are conditions precedent to the Developer's obligations) to make any payments required under Section 4 hereof or to perform any other material obligation for payment or otherwise required of it hereunder or under the Purchase and Sale Agreement shall be an Event of Default by the Developer.

Section 22. Events of Default by Utility Company. The failure of the Utility Company (after the Developer has performed all of its obligations that are conditions precedent to the Utility Company's obligation) to perform, (a) its obligation under Section 5 to timely commence the construction of the Plant Expansion and continue construction diligently until completion or to provide Developer with adequate assurance that construction will nevertheless be completed with the time required under Section 5, (b) its obligations under Section 5 to substantially complete construction of the Plant Expansion with the time required thereunder, or (c) any other material obligation it is required to perform under this Agreement, shall be Events of Default by the Utility Company.

Section 23. Developer's Remedies in Case of Default by the Utility Company. If an Event of Default by the Utility Company occurs, the Developer may give Notice of Default to the Utility Company. The notice shall state the facts constituting the Event of Default, advise the Utility Company that it has not been cured and that if the Event of Default is not cured within thirty (30) days after the date of the Notice of Default given under this Section, the Utility Company will be in default under this Agreement. If an Event of Default occurs and the Utility company fails to cure it within thirty (30) days after the Developer has given the Utility Company Notice of Default, the Utility Company shall be in default under this Agreement and the Developer shall be entitled, at its election to pursue one or more of the following remedies. Developer's election to pursue one or more of the remedies shall not constitute a waiver of its right to pursue any other remedy that may be available under this Agreement or otherwise:

(a) The Developer shall be entitled to bring an action to recover damages on its own behalf and on behalf of the other property owners who may have suffered damages on account of the Utility Company's default. Any such damages shall include all foreseeable damages suffered by any property owner proximately caused by the facts constituting the default, whether the damages were suffered before or after the Notice of Default provided for in this Section was given to the Utility Company.

(b) The Developer shall be entitled to bring an equitable action against the Utility Company to compel performance of its obligations under this Agreement, to secure appointment of a receiver, to enjoin the Utility Company from engaging in any conduct that constitutes a breach or to obtain such other equitable relief as may be appropriate under the circumstances.

(c) The Developer shall be entitled to give notice to the Utility Company terminating this Agreement as it applied to such part of Developer's land as Developer reasonably determines is affected by the default.

(d) The Developer shall have the unrestricted right to enter the property of the Utility company and do such work as it reasonably deems necessary or desirable to cure the Utility Company's default, including constructing any additional facilities that the Utility Company was obligated to construct. If Developer elects to cure the default, the Utility Company shall reimburse Developer within ten (10) days after Developer notifies the Utility Company of the amount of all costs incurred by it in doing so, together with interest at the highest rate allowable by law. The amount due to Developer under this subsection shall be secured by the lien provided for in Section 5.

(e) Developer may foreclose its lien under Section 5, as if it were a mortgage and sell the Utility Company's property to satisfy its obligations.

(f) Developer may foreclose or cause Seller to foreclose the Purchase Money Mortgage and sell the Utility Company's property to satisfy its obligations.

Section 24. Utility Company's Remedies in Case of Default by Developer. If an Event of Default by the Developer occurs, the Utility Company may give Notice of Default to the Developer. The notice shall state the facts constituting the Event of Default, advise the Developer that it has not been cured and that if the Event of Default is not cured within thirty (30) days after the date of the Notice of Default given under this Section, the Developer will be in default under this Agreement. If an Event of Default occurs and the Developer fails to cure it within thirty (30) days after the Utility Company has given the Developer Notice of Default, the Developer shall be in default under this Agreement and the Utility Company may at its option terminate this Agreement (but shall not thereby be relieved of its obligation to continue to serve the then existing improvements on the Arvida Land as provided in this Agreement) and shall be entitled to all remedies available at law or in equity including without limitation an action for specific performance and/or for damages.

Section 25. Notices. All notices that may or must be given under this Agreement shall be in writing and shall be valid if mailed by United States mail, postage and charges prepaid and addressed as follows:

To Arvida:

Jim Davidson
Arvida Corporation
Sawgrass
Post Office Box 600
Ponte Vedra Beach, Florida 32082

With a copy to:

John G. Metcalf, Esq.
Pappas & Moorhouse, P.A.
1901 Independent Square
Jacksonville, Florida 32202

To Utility Company or Florida Title Group, Inc.:

H.R. James
Florida Title Group, Inc.
6215 Wilson Boulevard
Jacksonville, Florida 32210

With a copy to:

William Brannen
Florida Title Group, Inc.
Suite 600, 1300 Gulf Life Drive
Jacksonville, Florida 32207

The Developer or the Utility Company may change the place at which notice to it shall thereafter be addressed by giving notice in writing to the other party in the manner set forth above. Notices shall be effective when mailed or hand delivered. Notice to the owner of a residential unit shall be given at the address to which invoices for utilities services are sent.

Section 26. Insurance. Utility Company shall carry comprehensive general liability insurance in limits not less than \$500,000 with \$5,000,000 umbrella coverage and broad form all risk property coverage at replacement cost of the improvements. Utility Company shall provide Developer with evidence of coverage upon execution of this agreement and thereafter within thirty (30) days of each anniversary date of such coverage.

Section 27. Binding, Effect and Modification. This Agreement shall be binding upon the parties and their successors and assigns and may be amended or modified from time to time only by mutual written agreement of the Utility Company and Developer or the assignee of Developer's rights under this paragraph.

Section 28. Declaration of Covenants and Memorandum of Utility Service Agreement. The parties shall execute and record the Declaration of Covenants and Memorandum of Utility Service Agreement attached to this agreement as Exhibit G that shall subject the certain lands owned by Arvida Corporation and its subsidiaries to the covenants required by this agreement and that shall subject the real property constituting part of the Utility System to the covenants and restrictions contained therein. The Declaration of Covenants and Memorandum of Utility Service Agreement shall also serve to provide notice to third persons of the rights and obligations of the parties hereunder.

Section 29. Attorneys Fees. In the event of litigation arising under or about this Agreement, the Purchase and Sale Agreement, the Note or the Purchase Money Mortgage, the prevailing party shall be entitled to collect reasonable attorneys' fees from the other party at the trial level or on appeal.

Section 30. Third Party Beneficiary. Atlantic National Bank of Florida, as Trustee under Trust Agreement dated November 7, 1975, known as Trust No. 400-227-000 and recorded in Official Records Volume 289, page 509, of the public records of St. Johns County, Florida ("ANB"), the holder of a mortgage encumbering a portion of the Arvida Land and recorded in Official Records Book 341, beginning at page 738 of the public records of St. Johns County, Florida (the "Mortgage"), shall be a third party beneficiary of the Utility Company's obligations under Section 3, 5 and 7 of this Utility Service Agreement until the note secured by the mortgage has been paid or otherwise discharged. Notwithstanding ANB's status as a third party beneficiary under this Utility Service Agreement as provided above, this Utility Service Agreement may be modified any time and from time to time by written agreement between Intercoastal Utilities, Inc., and Arvida Corporation without the consent or approval of ANB so long as no such modification materially impairs the Utility Company's ability or obligation to provide adequate water and sewer service to the property encumbered by the mortgage.

Section 31. Related Agreements. This Agreement is made and entered into simultaneously with the Purchase and Sale Agreement defined in paragraph 1(m) hereof which Purchase and Sale Agreement is incorporated into and made a part hereof. If any provisions of this Utility Service Agreement shall conflict with the provisions of said Purchase and Sale Agreement that survive closing thereof, then this Utility Service Agreement shall govern. This Agreement supercedes that certain Utility Service Agreement dated June 18, 1977, between Atlantic National Bank as Trustee under Trust Agreement dated November 7, 1975, known as Trust Agreement No. 400-227-0000 and Sawgrass Utilities, Inc., which has been terminated this day by Arvida Corporation (as assignee of the rights of Atlantic National Bank thereunder) and Sawgrass Utilities, Inc.

Section 32. Florida Title Group, Inc. Florida Title Group, Inc., expressly agrees that it shall be bound as a party by the terms and conditions of Sections 4, 18 and 19, hereof. In addition, Florida Title Group, Inc., hereby unconditionally and irrevocably guarantees to Arvida the performance by Utility Company of all of its obligations under this agreement.

IN WITNESS WHEREOF, the parties executed this agreement.

Signed, sealed and
delivered in the
presence of:

ARVIDA CORPORATION (Developer)

Ming King Moffat
[Signature]

By: [Signature]
Its: Vice President

Ming King Moffat
[Signature]

INTERCOASTAL UTILITIES, INC.
(Utility Company)

By: [Signature]
Its: Vice President

Ming King Moffat
[Signature]

FLORIDA TITLE GROUP, INC.

By: [Signature]
Its: Vice President

EXHIBIT A
to
UTILITY SERVICE AGREEMENT
(SAWGRASS COUNTRY CLUB)

THE ARVIDA LAND

THOSE CERTAIN PARCELS OR TRACTS OF LAND SITUATE,
LYING AND BEING IN THE COUNTY OF ST. JOHNS, STATE OF
FLORIDA, TO-WIT:

Parcel A

A part of Government Lots 4, 5, 6 and 9; and all of Government Lots 7 and 8, Section 34, Township 3 South, Range 29 East, together with part of Government Lot 1, Section 35, Township 3 South, Range 29 East, and part of Government Lots 1, 2 and 3, Section 2, Township 4 South, Range 29 East; and a part of the East $\frac{1}{4}$ of the West $\frac{1}{4}$ and all of the East $\frac{1}{4}$ of Section 3, Township 4 South, Range 29 East; and part of Government Lots 2, 3, 7, 9 and 10 and all of Government Lots 1 and 8, Section 10, Township 4 South, Range 29 East; and a part of Government Lots 1, 2, 3, 4 and 5, Section 11, Township 4 South, Range 29 East; and a part of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, St. Johns County, Florida, and all being more particularly described as follows:

COMMENCE at the point common to Sections 34, 42, 46, 47, 51 and 52, Township 3 South, Range 29 East, for the point of beginning.

From the point of beginning thus described thence run North 83 deg. 30' 30" East, a distance of 1947.30 feet to the Southwest corner of Section 44, Township 3 South, Range 29 East; thence run North 84 deg. 13' 31" East along the Southerly boundary of said Section 44, a distance of 1276.64 feet to the Southeast corner of said Section 44; thence South 05 deg. 04' 37" East along the Southerly prolongation of the Easterly boundary of said Section 44, a distance of 91.18 feet to a point in the Westerly prolongation of the Northerly boundary of Lot 8, Block S-2 as shown on map of Ponte Vedra as recorded in Map Book 10, page 1 of the Public Records of said St. Johns County; thence run North 76 deg. 13' 23" East along said Westerly prolongation; a distance of 721.98 feet to an intersection with the Westerly right-of-way line of State Road 203 as now established for a width of 66 feet; thence run South 13 deg. 47' 37" East along said Westerly right-of-way line, a distance of 149.67 feet; thence continuing along said Westerly right-of-way line run South 12 deg. 25' 19" East, a distance of 3264.68 feet, more or less, to an intersection with the Southerly line of those lands described as Tract 4 in Deed recorded in Official Records Volume 195, page 420 of the Public Records of St. Johns County, Florida; thence run South 77 deg. 34' 41" West, a distance of 220 feet; thence run Southerly as follows: course 1, South 05 deg. 59' 08" East, 80.07 feet; course 2, South 36 deg. 44' 17" East, 330.89 feet; course 3, South 31 deg. 28' 46" East, 157.33 feet to the Westerly right-of-way line of said State Road 203; course 4, South 12 deg. 25' 19" East along said Westerly right-of-way line, 1069.41 feet; course 5, South 12 deg. 20' 49" East along said Westerly right-of-way line, 259.45 feet; course 6, South 53 deg. 58' 16" West, 90.45 feet; course 7, South 15 deg. 23' 13" East, 105.28 feet; course 8, South 27 deg. 31' 38" West, 318.45 feet; course 9, South 31 deg. 53' 51" East, 195.66 feet; course 10, South 00 deg. 38' 21" East, 266.07 feet; course 11, South 30 deg. 23' 30" East, 298.34 feet; course 12, South 42 deg. 01' 39" East, 242.48 feet; course 13, North 64

deg. 30' 52" East, 62.20 feet to a point on the Westerly right-of-way line of said State Road 203; course 14, South 12 deg. 29' 19" East continuing along said Westerly right-of-way line, 307.35 feet; course 15, South 12 deg. 48' 55" East continuing along said Westerly right-of-way line, 759.23 feet; course 16, South 14 deg. 27' 14" West, 357.86 feet; course 17, South 69 deg. 04' 45" West, 182.73 feet; course 18, South 05 deg. 13' 44" East, 335.06 feet; course 19, South 59 deg. 42' 06" West, 119.71 feet; course 20, South 24 deg. 42' 57" West, 244.65 feet; course 21, South 10 deg. 47' 48" West, 181.99 feet; course 22, South 07 deg. 25' 01" East, 248.04 feet; course 23, South 58 deg. 19' 30" East, 189.66 feet; course 24, South 06 deg. 32' 41" West, 412.34 feet; course 25, South 11 deg. 46' 48" East, 166.24 feet; course 26, South 05 deg. 34' 38" East, 101.55 feet; course 27, South 57 deg. 35' 07" East, 9.28 feet to the point of beginning of lands described in deed recorded in Official Record Volume 214, page 663 of said County; course 28, South 77 deg. 07' 05" West, 532.94 feet; course 29, North 31 deg. 35' 41" West, 53.79 feet; course 30, North 83 deg. 08' 51" West, 188.95 feet; course 31, South 71 deg. 37' 40" West, 236.58 feet; course 32, South 17 deg. 27' 29" East, 160.65 feet; course 33, South 47 deg. 02' 58" East, 143.59 feet; course 34, South 32 deg. 34' 28" East, 473.76 feet; course 35, North 86 deg. 23' 44" East, 176.81 feet; course 36, South 11 deg. 09' 05" East, 373.15 feet; course 37, South 23 deg. 12' 34" East, 335.25 feet; course 38, South 45 deg. 56' 14" East, 37.01 feet to a concrete monument on the line dividing Section 11 and 45, Township 4 South, Range 29 East; course 39, North 71 deg. 17' 11" East, 240.45 feet; course 40, North 74 deg. 18' 16" East, 158.09 feet; course 41, South 12 deg. 34' 56" West, 329.95 feet; course 42, North 59 deg. 50' 51" East, 222.79 feet; course 43, North 71 deg. 28' 34" East, 31.26 feet; course 44, North 64 deg. 35' 35" East, 440.88 feet; course 45, South 30 deg. 46' 30" East, 282.64 feet; course 46, South 10 deg. 54' 25" West, a distance of 141.05 feet to the South line of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, thence South 70 deg. 53' 37" West along said South line of the North 600 feet of the Moses E. Levy Grant a distance of 2415.86 feet to a point; said point lying in a curve in the Easterly right-of-way line of State Road A-1-A as now established for a width of 200 feet said curve being concave to the Southwest and having a radius of 2964.93 feet and a central angle of 12 deg. 24' 00"; thence Northwesterly along said curve an arc distance of 26.95 feet to the point of tangency, said curve being subtended by a chord bearing of North 50 deg. 38' 17" West and a chord distance of 26.95 feet; thence north 50 deg. 53' 55" West along said Easterly right-of-way line of State Road A-1-A, a distance of 1899.82 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast and having a radius of 1810.08 feet and a central angle of 25 deg. 09' 10"; thence Northwesterly along said curve an arc distance of 794.62 feet to the point of tangency, said curve being subtended by chord bearing of North 38 deg. 19' 20" West and a chord distance of 788.26 feet; thence North 25 deg. 44' 45" West along said Easterly right-of-way line, a distance of 2951.04 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast, having a radius of 2764.93 feet and a central angle of 18 deg. 34' 55"; thence run Northwesterly along said curve an arc distance of 896.71 feet to the point of tangency of said curve, said arc being subtended by a chord bearing of North 16 deg. 27' 18" West and a chord distance of 892.79 feet; thence North 07 deg. 09' 50" West along said Easterly right-of-way line, a distance of 4560.18 feet to the point of curvature of a curve to the right; said curve being concave to the East, having a radius of 2764.93 feet and a central angle of 14 deg. 19' 44".

thence Northerly along said curve an arc distance of 691.47 feet to the point of tangency, said curve being subtended by a chord bearing of North 00 deg. 00' 02" East and a chord distance of 689.67 feet; thence run North 07 deg. 09' 54" East along said Easterly right-of-way line a distance of 973.53 feet to the point of curvature of a curve to the left, said curve being concave to the Northwest, having a radius of 3919.83 feet and a central angle of 06 deg. 29' 44"; thence Northeasterly along and with the arc of said curve through a central angle of 03 deg. 54' 57", an arc distance of 267.90 feet, said arc being subtended by a chord bearing of North 05 deg. 06' 52" East and a chord distance of 267.85 feet; thence run North 83 deg. 30' 30" East, a distance of 23.25 feet to the point of beginning.

PARCEL B

A part of Government Lot 9, lying Southwest of State Road Number A-1-A, a 200 foot right-of-way as now established, lying in Section 10, Township 4 South, Range 29 East, St. Johns County, Florida, and being more particularly described as follows:

BEGINNING at the intersection of the Southeasterly line of Section 10 and Government Lot 9 with Southwesterly right-of-way line of State Road A-1-A, a 200 foot right-of-way as now established; thence North 50 deg. 53' 55" West along the Southwesterly right-of-way line of State Road A-1-A, a distance of 720.12 feet to a point in the Westerly line of said Government Lot 9; thence South 01 deg. 24' 14" East along said Westerly line of Government Lot 9, a distance of 642.50 feet to the Southwest corner of said Government Lot 9; thence North 70 deg. 53' 37" East along the aforementioned Southeasterly line of Government Lot 9 and the Southeasterly line of Section 10, a distance of 574.76 feet to the Point of Beginning.

Parcel C

A PARCEL KNOWN AS THE "EXPLORERS AND BEACH CLUB" AND DESCRIBED AS FOLLOWS:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows:

Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and said point being in a curve, said curve being concave Northeasterly and having a radius of 993.49 feet; thence Southeasterly along and around said curve an arc distance of 11.07 feet to the Point of Beginning; thence North 73 deg. 25' 04" East, 162.95 feet; thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet; thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North-77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, South 09 deg. 32' 10" East, 566.36 feet; thence South 77 deg. 34' 41" West, 368.22 feet; thence North 36 deg. 25' 19" West, 157.35 feet, to a point on the Easterly line of said Parcel C, said curve being concave Northeasterly and having a radius of 933.49 feet along and around said curve to the Point of Beginning, together with all lands lying Easterly of the foregoing described property and between the Northerly and Southerly boundary lines and the high water mark of the Atlantic Ocean.

TOGETHER WITH THE UNDEVELOPED BEACH FRONT PARCEL WHICH IS HEREBY CONVEYED:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and the Point of Beginning, said point being in a curve, said curve being concave Northeasterly and having a radius of 993.49 feet; thence Southeasterly along and around said curve an arc distance of 11.07 feet; thence North 73 deg. 25' 04" East, 162.95 feet; thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet; thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North 77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, 09 deg. 32' 10" West, 346.30 feet to an angle point in said line; thence continue along said Coastal Setback Line, North 12 deg. 14' 40" West, 689.03 feet; thence South 77 Deg. 34' 41" West, 248.03 feet; thence North 12 deg. 25' 19" West, 792.93 feet to a point of the aforementioned Easterly line of Parcel C, said point being in a curve, said curve being concave Northwesterly and having a radius of

Brown Property

A part of Section 34, a Part of the Heirs of Nicholas Sanchez Grant, Section 46, a Part of the Phillip Solano or Nicholas Sanchez Grant, Section 44, all in Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: For a point of reference commence at the corner common to Sections 27, 43, 44 and 46 in said Township and Range; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2303.20 feet to the point of beginning; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2.69 feet; thence N. 84°22'30" E. a distance of 142.16 feet; thence S. 15°37'30" E., parallel with the line dividing said Sections 44 and 46, a distance of 1244.04 feet; to the southerly line of said Section 44; thence S. 84°22'55" W., along said southerly line, a distance of 142.16 feet to the Southwesterly corner of said Section 44; thence S. 83°30'30" W. a distance of 377.43 feet; thence N. 15°37'30" W., parallel with the line dividing said Sections 44 and 46, and parallel with the line dividing said Sections 34 and 44, a distance of 1246.72 feet; thence N. 83°30'30" E. a distance of 377.43 feet to the point of beginning. Containing 14.66 acres more or less.

Northgate

A part of Section 34, Part of the Heirs of Nicholas Sanchez Grant, Section 46, a Part of the Sanchez or Hill Grant Section 47, a Part of the Hill or Fitch or Sanchez Grant, Section 52, all in Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: For a point of reference commence at the corner common to Sections 27, 43, 44 and 46 in said Township and Range; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2303.23 feet; thence S. 33°30'30" W. a distance of 377.43 feet to the point of beginning; thence S. 15°37'30" E., parallel with the line dividing said Sections 44 and 46, and parallel with the line dividing said Sections 34 and 44, a distance of 1246.72 feet; thence S. 83°30'30" W. a distance of 1591.81 feet to a point in the Easterly right of way line of State Road A-1-A (as now established as a 200 foot right of way); thence N. 0°40'10" E., along said easterly right of way line, a distance of 1240.59 feet; thence N. 83°30'30" E. a distance of 1239.26 feet to the point of beginning. Containing 40.00 acres more or less.

EXHIBIT B OF UTILITY SERVICE AGREEMENT
(SAWGRASS COUNTY CLUB)

A parcel of land approximately 20 feet square on which will be located the pump to distribute the effluent onto the golf courses. The exact location of this site shall be determined by engineers designing the disposal system.

477B2(22)

EXHIBIT C
to
UTILITY SERVICE AGREEMENT
(SAWGRASS COUNTRY CLUB)

A part of Government Lot 7, Section 36, Township 3 South, Range 29 East, together with a part of Government Lots 1, 2 and 3 and part of the Southwest end-quarter of Section 3; together with a part of Government Lot 3 and all of Government Lot 4 of Section 10; together with a part of the Christiana Hill Grant, Section 70; all in Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: For a point of beginning commence at the Southwest corner of said Section 3, Township 4 South, Range 29 East; thence run N. 1° 51' 55" W., along the westerly line of said Section 3, a distance of 3183.25 feet to the Southeastly right of way line of Palm Valley Road (State Road No. 210) as now established as a 66-foot right of way; thence run N. 50° 06' 45" E. along said Southeastly right of way line, a distance of 0.69 feet; thence run N. 63° 42' 55" E., a distance of 550.00 feet; thence run N. 1° 17' 05" W., a distance of 300.00 feet; thence run S. 85° 42' 55" W. a distance of 193.51 feet to a point on a curve in the aforesaid Southeastly right of way line of Palm Valley Road, said curve being concave Northwestly and having a radius of 1363.09 feet; thence run Northwestly along the arc of said curve, a chord bearing of N. 30° 09' 03" E. and a chord distance of 596.09 feet to the point of tangency of said curve; thence continue along said Southeastly right of way line of Palm Valley Road, N. 17° 44' 53" E. a distance of 1398.32 feet to the point of curve of a curve concave Northwestly having a radius of 2553.90 feet; thence run along the arc of said curve a chord bearing of N. 14° 05' 01" E. and a chord distance of 327.03 feet to an intersection with a curve in the Westerly right of way line of the Ponte Vedra Bypass Road, (State Road A-1-A and/or State Road No. 203), said right of way line being a curve concave Easterly having a radius of 2964.1 feet; thence run along said Westerly right of way line and along the arc of said curve a chord bearing of S. 6° 37' 20" E. and a chord distance of 56.07 feet to the point of tangency of said curve; thence continue along said Westerly right of way line of the Ponte Vedra Bypass Road, S. 7° 09' 50" E. a distance of 4560.38 feet to the point of curve of a curve concave Northeastly having a radius of 2964.93 feet; thence run along the arc of said curve, continuing along said Westerly right of way line of the Ponte Vedra Bypass Road a chord bearing of S. 16° 27' 05" E. and a chord distance of 957.01 feet to the point of tangency of said curve; thence run S. 23° 44' 20" E. along the Southwestly right of way line of said Ponte Vedra Bypass Road, a distance of 1566.57 feet to an intersection with the Southerly line of aforementioned Government Lot 3, Section 10, Township 4 South, Range 29 East; thence run S. 88° 40' 10" W., along said Southerly line of Government Lot 3 and along the Southerly line of Government Lot 4 of said Section 10, a distance of 2539.18 feet to the Southwest corner of said Government Lot 4; thence run N. 1° 32' 48" W., along the Westerly line of said Government Lot 4; Section 10, a distance of 1325.50 feet to the point of beginning.

EXHIBIT D OF UTILITY SERVICE AGREEMENT
(SAWGRASS COUNTY CLUB)

Approximately 1400 acres of land owned by Florida Title Group, Inc., in St. Johns County, Florida, lying west of S.R. 11A and north of Mickler's Road.

477B2(24)

EXHIBIT E
to
UTILITY SERVICE AGREEMENT
(SAWGRASS COUNTRY CLUB)

Lake Parcel

A part of Section 1, Township 4 South, Range 29 East, St. Johns County, Florida more particularly described as follows:

Commence at the most Westerly corner of Parcel A as shown on plat of Sawgrass 1941 1, Map Book 12, pages 3 through 18 of the public records of said county; thence South 07°09'30" East along the Easterly right-of-way line of Pioneer 1, Boulevard (State Road A1A) as established for a width of 200 feet, 310 feet; thence South 84°30'00" East 290.12 feet; thence North 20°30'00" East 403.52 feet to an intersection with the Southerly line of said Parcel A, said Southerly line being a curve concave Southerly having a radius of 330 feet; thence Easterly along and around said curve an arc distance of 43.79 feet to the point of beginning; thence continue along and around said curve an arc distance of 74.61 feet to the point of tangency of said curve; thence South 62°07'50" East along the Southerly line of said Parcel A 91.97 feet; thence continue along the Southerly line of said Parcel South 58°05'48" East 192.63 feet; thence South 08°11'42" West 238.13 feet; thence South 22°56'30" East 234.74 feet; thence South 03°41'07" West 71.38 feet; thence South 12°40'16" West 272.35 feet; thence South 42°37'17" West 74.78 feet; thence South 82°50'10" West 128.20 feet; thence North 53°54'16" West 253.60 feet; thence North 00°12'35" East 366.31 feet; thence North 06°12'41" East 422.48 feet; thence North 25°30'00" East 149.62 feet to the point of beginning, containing 8 acres more or less.

Less and except any portion thereof lying within the Utility Site as defined in Exhibit F.

EXHIBIT F
TO
UTILITY SERVICE AGREEMENT
(Sawgrass Country Club)

UTILITY SITE

A portion of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows: Commence at the intersection of the southerly right of way line of Sawgrass Drive West (Parcel "A") as shown on the plat of Sawgrass Unit One as recorded in Map Book 12 pages 1 through 18 of the public records of said county, with the Easterly right of way line of State Road No. 11A, (a 200 foot right of way as now established); thence South 07°09'50" East, along said Easterly right of way line, 344.86 feet to the POINT OF BEGINNING; thence continue South 07°09'50" East, along said Easterly right of way line, 732.71 feet; thence North 82°50'10" East, 220.00 feet; thence South 07°09'50" East, 5.00 feet; thence North 82°50'10" East, 8.46 feet; thence North 07°09'50" West, 5.00 feet; thence North 04°51'07" East, 105.51 feet; thence North 13°10'06" East, 120.48 feet; thence North 11°15'13" West, 111.70 feet; thence North 28°33'31" East, 64.71 feet; thence North 01°36'31" East, 72.63 feet; thence North 13°06'54" West, 115.45 feet; thence North 16°44'52" East, 93.08 feet; thence South 84°06'23" East, 138.60 feet; thence North 05°53'37" West, 50.00 feet; thence South 87°08'12" West, 238.62 feet to the POINT OF BEGINNING.

Containing 4.87 acres, more or less.

EX.G

DECLARATION OF COVENANTS AND MEMORANDUM OF
UTILITY SERVICE AGREEMENT

This Declaration of Covenants and Memorandum of Utility Service Agreement is made by INTERCOASTAL UTILITIES, INC. ("the Utility Company"), ARVIDA CORPORATION ("Arvida") and SAWGRASS PROPERTIES, INC. ("Properties") on September _____, 1983.

1. Background.

Arvida and the Utility Company have this day entered into a Utility Service Agreement (the "Agreement") under which the Utility Company agreed to provide potable water and domestic sewer service to the real property described on Exhibit A (the "Arvida Land"). The Arvida Land encompasses certain lands owned by Arvida as described on Exhibit B (the "Arvida Owned Land") and certain lands owned by Arvida's wholly owned subsidiary, Properties, as described on Exhibit C (the "Properties Land"). Under the terms of the Agreement, the Utility Company agreed to subject the real property owned by the Utility Company as described on Exhibit D (the "Utility Land") to certain covenants and restrictions (the "Utility Restrictions"), Arvida agreed to subject the Arvida Owned Land and to cause Properties to subject the Properties Land to certain other covenants and restrictions (the "Service Property Restrictions") and the parties agreed to record an instrument to place the public on notice of the terms and conditions of the Agreement. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Arvida, Utility Company, and Properties, the parties hereby agree as follows:

UTILITY RESTRICTIONS

2. Utility Site Restrictions.

For the benefit of Arvida and Properties, the Utility Company hereby subjects that portion of the Utility Land designated as the Utility Site on Exhibit D to the following covenants and restrictions:

(a) The Utility Site shall be used only for the purpose of constructing, maintaining and operating a water and sewer utility system in accordance with the terms and conditions of the Agreement.

(b) In the event of damage or destruction to any of the improvements located upon the Utility Site, the Utility Company shall immediately restore the Utility Site to a clean and orderly condition.

(c) All electrical and telecommunications transmission lines within the Utility Site, if any, shall be installed and maintained underground.

(d) The owner of the Utility Site shall maintain the Utility Site and all improvements located thereon in a neat, clean and orderly condition at all times at its sole cost and expense. All painted surfaces shall be repainted on a regular schedule as necessary to maintain exterior appearance. All landscaped areas shall receive regular maintenance, including trimming, mowing and replacement of diseased plant materials as necessary. The owner of the Utility Site shall maintain the berming and vegetation buffer along the western boundary of the Utility Site and the vegetation buffer along the eastern boundary of the Utility Site to screen the Utility Site from State Road 11A on the West and future residential areas on the East.

(e) The Utility Company shall not pump or otherwise remove any water from the lake system adjacent to the Utility Site or place any matter or object in such lakes except that properly treated effluent from the sewage treatment plant located on the Utility Site may be discharged into the lake located on the Lake Parcel (as defined in the Agreement) in strict accordance with the terms of the Agreement and all applicable laws and governmental regulations. The height, grade and contour of the lake embankment abutting the Utility Site shall not be changed without the prior written consent of Arvida.

(f) All chemicals, materials, and equipment necessary for the operation of the water and sewage treatment plant located on the Utility Site shall be properly stored in a safe, neat and orderly fashion and no trash, garbage, sludge, or other refuse shall be dumped or maintained on the Utility Site except for temporary storage in properly screened containers or structures and in a way that minimizes unsightly appearance, noxious odors and harmful run-off into surface waters.

(g) Nothing shall be done or maintained on the Utility Site which may be or become an annoyance or nuisance to any portion of the Country Club at Sawgrass development. No improper or unlawful use shall be made of the Utility Site and all laws, and regulations of governmental agencies having jurisdiction thereof shall be complied with. This provision shall not be construed to prohibit operation of the water and sewage treatment plant located on the Utility Site in accordance with the Agreement, applicable laws and governmental regulations, and good industry practice.

The foregoing Utility Site Restrictions shall constitute covenants running with the Utility Site and shall run with and burden title to the Utility Site and bind the Utility Company and its successors and assigns in perpetuity unless specifically released or waived in writing as provided below. Arvida and Properties shall have the sole and exclusive right to enforce or to release the foregoing covenants unless, by express written instrument duly recorded, Arvida and Properties shall assign their rights hereunder to any one person who must have an interest in the development or maintenance of the Sawgrass Country Club. That assignee and any subsequent assignee may assign its rights hereunder to only one person who must have an interest in the Sawgrass Country Club. Violation or breach of any of the foregoing restrictions, or covenants shall give Arvida and Properties (and their assignee as provided above), in addition to all other remedies, the right to proceed at law or in equity to require compliance with the terms of said

thereof; and the expenses of such litigation shall be borne by the party losing such litigation. All such costs and expenses shall constitute a lien upon the Utility Site and may be enforced by Arvida and Properties (and their assignee as provided above) in the same manner as a mechanic's lien on the Utility Site.

3. Station Site Restrictions.

For the benefit of Arvida and Properties, the Utility Company hereby subjects that portion of the Utility Land designated as the Station Sites on Exhibit D to the following covenants and restrictions:

(a) The Station Sites shall be used only for the purpose of constructing, maintaining and operating thereon pump stations and related water and sewer improvements in accordance with the terms and conditions of the Agreement and all applicable laws and governmental regulations.

(b) In the event of damage or destruction to any of the improvements located on the Station Sites the Utility Company shall immediately restore the Station Sites to clean and orderly condition.

(c) The Utility Company shall maintain the Station Sites in a neat, clean and orderly condition and shall be obligated to maintain the improvements located on the Station Sites in good condition at all times at its sole cost and expense. Any and all screening such as fences, hedges, and shrubbery existing as of the date hereof shall be maintained (and replaced when necessary) by the owner of the Station Site (or Site). The landscaped areas of the station site shall receive regular maintenance by Utility Company, including trimming, mowing and replacement of diseased plant material as required. All pump stations and other improvements having painted surfaces shall be repainted on a regular schedule as necessary to maintain exterior appearance in clean, neat and orderly manner.

(d) No fence, screen or other device designed to secure or buffer the Station Sites, other than such devices presently existing, shall be installed or erected on any Station Site without prior approval of the Architectural Review Committee of the Sawgrass Association, Inc.

The foregoing Station Site Restrictions shall constitute covenants running with the Station Site Restrictions and shall run with and burden title to the Station Sites and bind the Utility Company and its successors and assigns in perpetuity unless specifically released or waived in writing as provided below. Arvida and Properties shall have the sole and exclusive right to enforce or to release the foregoing covenants unless by express written instrument duly recorded, Arvida and Properties shall assign their rights hereunder to any one person who must have an interest in the development or maintenance of the Sawgrass Country Club. That assignee and any subsequent assignee may assign its rights hereunder to only one person who must have an interest in the Sawgrass Country Club. Violation or breach of any of the foregoing restrictions, or covenants shall give Arvida and Properties (and their assignee as provided

above), in addition to all other remedies, the right to proceed at law or in equity to require compliance with the terms of said restrictions or covenants and to prevent the violation of breach thereof; and the expenses of such litigation shall be borne by the party losing such litigation. All such costs and expenses shall constitute a lien upon the Station Sites and may be enforced by Arvida and Properties (and their assignee as provided above) in the same manner as a mechanic's lien on the Utility Site.

SERVICE PROPERTY RESTRICTIONS

4. Restrictions on Arvida Owned Land and Properties Land.

In compliance with the Agreement, Arvida and Properties hereby impose the following covenants and restrictions on the Arvida Owned Land and on the Properties Land, respectively.

So long as the Utility Company has the exclusive right to provide water and sewer service to the Arvida Owned Land and Properties Land in accordance with the terms of the Agreement;

(a) No well of any kind shall be dug or drilled on the Arvida Owned Land or the Properties Land to provide potable water for use within the structures to be built upon the Arvida Land, and no potable water shall be used within the structures to be built upon that part of the Arvida Land unless the potable water is obtained from the Utility Company exclusively, or its successors and assigns. Nothing herein shall be construed to prevent digging wells to provide water for use only in air conditioning systems, yards, gardens, and other irrigation systems so long as the flow of well water is discharged into storm sewers, lakes and drainage ditches and not into the sewer system.

(b) All domestic sewage from all buildings on the Arvida Owned Land and the Properties Land must be disposed of through the sewage lines and disposal plant owned or controlled by the Utility Company, or its successors and assigns.

(c) No water from any air conditioning system or swimming pool shall be permitted to flow into the sewage disposal lines of the Utility Company and nothing other than domestic sewage as defined in the Agreement shall be discharged into the sewage disposal lines of the Utility Company from the Arvida Owned Land or the Properties Land.

(d) The provisions of the Agreement granting the Utility Company the exclusive right to supply potable and domestic sewer service to structures shall be a reservation and condition running with the Arvida Owned Land and the Properties Land.

The foregoing Service Property Restrictions shall constitute covenants running with the Arvida Owned Land and the Properties Land and shall run with and burden title to the Arvida Owned Land and the Properties Land and bind Arvida, Properties and their successors and assigns so long as the Utility Company has the exclusive right to provide water and sewer service to the Arvida Owned Land and the Properties Land in accordance with the ~~terms~~ of the Agreement unless specifically released or waived in

writing as provided below. The Utility Company and any successor to the right of the Utility Company to provide water and sewer service to the Arvida Owned Land and the Properties shall have the sole and exclusive right to enforce or to release the foregoing restrictions. Violation or breach of any of the foregoing restrictions or covenants shall give the Utility Company, in addition to all other remedies, the right to proceed at law or in equity to require compliance with the terms of said restrictions or covenants and to prevent the violation or breach thereof; and the expenses of such litigation shall be borne by the party losing such litigation. All such costs and expenses shall constitute a lien upon that portion of the Arvida Owned Land or the Properties Land found to be in violation of the foregoing restrictions or covenants and such lien may be enforced by the Utility Company in the same manner as a mechanic's lien on such property.

MEMORANDUM OF UTILITY SERVICE AGREEMENT

5. Purpose of Memorandum.

The purpose of this memorandum is to provide notice to subsequent purchasers of the Utility Land, the Arvida Owned Land and Properties Land of certain of the terms of the Agreement that may affect them.

6. Term of Agreement.

The Agreement has a term of thirty (30) years from September _____, 1983.

7. Exclusive Right to provide Utility Service.

The Agreement states the terms upon which the Utility Company shall have the exclusive right and obligation to provide adequate potable water and domestic sewer service to the Arvida Owned Land and the Properties Land.

8. Construction of Facilities.

The Agreement specifies certain obligations of the Utility Company to construct facilities on the Utility Site and states the terms and conditions upon which the Utility Company is obligated to construct those facilities. The Agreement also specifies the facilities that must be constructed by any owner who desires to extend utility service to any portion of the Arvida Land not currently served and states the terms and conditions upon which those facilities are to be constructed.

9. Lien to Secure Performance by Utility Company.

The Agreement contains provisions giving Arvida a lien upon the Utility Land to secure performance by the Utility Company of certain of its obligations to Arvida under the Agreement, including certain obligations of the Utility Company to construct additional sewage treatment plant capacity.

10. Reservation of Capacity.

The Agreement provides that the Utility Company shall reserve the entire unused capacity of the existing 250,000 gallon per day sewage treatment plant located on the Utility Site to provide service to the Arvida Land and that Utility Company shall not serve or reserve capacity to serve any other lands until and unless a 500,000 gallon per day expansion of the

capacity of the sewage treatment plant is completed (except that the Utility Company may enter into agreements to serve other lands provided that the Utility Company's obligation to serve such other lands is expressly conditioned upon completion of the 500,000 gallon per day expansion of the capacity of the sewage treatment plant located on the Utility Site). The Agreement also provides that the Utility Company shall reserve capacity within the Utility System located on the Utility Land, when and as such capacity is constructed, sufficient to provide adequate water and sewer service for at least 820 new equivalent residential connections to be constructed on the Arvida Land on and after December 1, 1983.

11. Reservation of Right to Amend.

The Utility Company and Arvida have reserved the right to amend the Agreement, and the rights under the Agreement of any later owner of property within the Arvida Land or Properties Land are subject to any amendments the Utility Company and Arvida may make in the exercise of their right to amend.

12. Right of First Refusal.

In accordance with the terms of the Agreement, Arvida has a right of first refusal and right to approve purchasers of the Utility Land and the Utility Company, its successors and assigns shall not sell, transfer or convey all or any part of the Utility Land except in accordance with the following provisions:

(a) The Utility Company shall have given Arvida written notice of its intention to sell the Utility Land or a portion thereof together with a written offer by the Utility Company to Arvida offering to sell the Utility Land or a portion thereof to Arvida on the same essential terms and conditions including price, payment terms and continuing obligations to maintain or expand the Utility System located on such property as those contained in the proposed contract with a prospective purchaser and giving Arvida fifteen (15) days within which to accept the offer by agreeing in writing to purchase the Utility Land or portion thereof upon the same terms and conditions as those specified in the offer.

(b) Arvida shall not have accepted the offer within the time allowed.

(c) The sale is made to the prospective purchaser named in the notice and offer furnished to Arvida and is made on the same essential terms and conditions including price, payment terms and continuing obligations to maintain or expand the Utility System located on the Utility Land or portion thereof as those on which the Utility Land or portion thereof was offered to Arvida.

(d) The sale is made expressly subject to the provisions of the Agreement and the purchaser shall have expressly assumed all obligations of the Utility Company stated in the Agreement.

(e) Arvida shall have given its written consent approving the purchaser and its reasonable discretion as provided by the terms of the Agreement or Arvida shall have failed to object to the proposed purchaser within fifteen (15) days after receiving notice of the proposed conveyance.

Unless expressly waived in writing by Arvida, the Utility Land shall continue to be subject to a right of first refusal in favor of Arvida notwithstanding conveyance by the Utility Company as permitted above. Arvida shall have the sole and exclusive right to enforce or release the foregoing right of first refusal unless by express written instrument duly recorded, Arvida shall assign its rights hereunder to any one person who must have an interest in the development of the Sawgrass Country Club.

13. Complete Copy of the Agreement.

The Utility Company and Arvida each have a complete copy of the Agreement which is available for inspection at the places specified below by any subsequent owner of property within the Arvida Owned Land or the Properties Land, prospective purchaser, mortgagee or other person who may have or consider acquiring an interest in the Arvida Owned Land or the Properties Land:

Intercoastal Utilities, Inc.
1300 Gulf Life Drive
Jacksonville, Florida 32207

Arvida Corporation
Sawgrass
Post Office Box 600
Ponte Vedra Beach, Florida 32082

IN WITNESS WHEREOF, the parties have executed this Declaration of Covenants and Memorandum of Utility Service Agreement on the day and year set forth above.

Signed, sealed and
delivered in the
presence of:

INTERCOASTAL UTILITIES, INC.

By: _____
Its: _____

ARVIDA CORPORATION

By: _____
Its: _____

SAWGRASS PROPERTIES, INC.

By: _____
Its: _____

STATE OF FLORIDA)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me
this _____ day of _____, 1983, by _____
the _____ of INTERCOASTAL UTILITIES,
INC., a Florida corporation, on behalf of the corporation.

Notary Public, State of Florida
at Large.

My Commission Expires:

STATE OF FLORIDA)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me
this _____ day of _____, 1983, by _____
the _____ of ARVIDA CORPORATION, a
Delaware corporation, on behalf of the corporation.

Notary Public, State of Florida
at Large.

My Commission Expires:

STATE OF FLORIDA)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me
this _____ day of _____, 1983, by _____
the _____ of SAWGRASS PROPERTIES, INC.,
a Florida corporation, on behalf of the corporation.

Notary Public, State of Florida
at Large.

My Commission Expires:

THE ARVIDA LAND

THOSE CERTAIN PARCELS OR TRACTS OF LAND SITUATE,
LYING AND BEING IN THE COUNTY OF ST. JOHNS, STATE OF
FLORIDA, 'TO-WIT:

Parcel A

A part of Government Lots 4, 5, 6 and 9; and all of Government Lots 7 and 8, Section 34, Township 3 South, Range 29 East, together with part of Government Lot 1, Section 35, Township 3 South, Range 29 East, and part of Government Lots 1, 2 and 3, Section 2, Township 4 South, Range 29 East; and a part of the East $\frac{1}{4}$ of the West $\frac{1}{4}$ and all of the East $\frac{1}{4}$ of Section 3, Township 4 South, Range 29 East; and part of Government Lots 2, 3, 7, 9 and 10 and all of Government Lots 1 and 8, Section 10, Township 4 South, Range 29 East; and a part of Government Lots 1, 2, 3, 4 and 5, Section 11, Township 4 South, Range 29 East; and a part of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, St. Johns County, Florida, and all being more particularly described as follows:

COMMENCE at the point common to Sections 34, 42, 46, 47, 51 and 52, Township 3 South, Range 29 East, for the point of beginning.

From the point of beginning thus described thence run North 83 deg. 30' 30" East, a distance of 1947.30 feet to the Southwest corner of Section 44, Township 3 South, Range 29 East; thence run North 84 deg. 13' 31" East along the Southerly boundary of said Section 44, a distance of 1276.64 feet to the Southeast corner of said Section 44; thence South 05 deg. 04' 37" East along the Southerly prolongation of the Easterly boundary of said Section 44, a distance of 91.18 feet to a point in the Westerly prolongation of the Northerly boundary of Lot 8, Block S-2 as shown on map of Ponte Vedra as recorded in Map Book 10, page 1 of the Public Records of said St. Johns County; thence run North 76 deg. 13' 23" East along said Westerly prolongation, a distance of 721.98 feet to an intersection with the Westerly right-of-way line of State Road 203 as now established for a width of 66 feet; thence run South 13 deg. 47' 37" East along said Westerly right-of-way line, a distance of 149.67 feet; thence continuing along said Westerly right-of-way line run South 12 deg. 25' 19" East, a distance of 3264.68 feet more or less, to an intersection with the Southerly line of those lands described as Tract 4 in Deed recorded in Official Records Volume 195, page 420 of the Public Records of St. John County, Florida; thence run South 77 deg. 34' 41" West, a distance of 220 feet; thence run Southerly as follows: course 1, South 05 deg. 59' 08" East, 80.07 feet; course 2, South 36 deg. 44' 17" East, 330.89 feet; course 3, South 31 deg. 28' 46" East, 157.33 feet to the Westerly right-of-way line of said State Road 203; course 4, South 12 deg. 25' 19" East along said Westerly right-of-way line, 1069.41 feet; course 5, South 12 deg. 28' 49" East along said Westerly right-of-way line, 259.45 feet; course 6, South 53 deg. 58' 16" West, 90.45 feet; course 7, South 15 deg. 23' 13" East, 105.28 feet; course 8, South 27 deg. 31' 38" West, 318.45 feet; course 9, South 31 deg. 53' 51" East, 195.66 feet; course 10, South 00 deg. 38' 21" East, 266.07 feet; course 11, South 30 deg. 23' 30" East, 298.34 feet; course 12, South 42 deg. 01' 39" East, 242.48 feet; course 13, North 64

deg. 30' 52" East, 62.20 feet to a point on the Westerly right-of-way line of said State Road 203; course 14, South 12 deg. 29' 19" East continuing along said Westerly right-of-way line, 307.35 feet; course 15, South 12 deg. 48' 55" East continuing along said Westerly right-of-way line, 759.23 feet; course 16, South 14 deg. 27' 14" West, 357.86 feet; course 17, South 69 deg. 04' 45" West, 182.73 feet; course 18, South 05 deg. 13' 44" East, 335.06 feet; course 19, South 59 deg. 42' 06" West, 119.71 feet; course 20, South 24 deg. 42' 57" West, 244.65 feet; course 21, South 10 deg. 47' 48" West, 181.99 feet; course 22, South 07 deg. 25' 01" East, 248.04 feet; course 23, South 58 deg. 19' 30" East, 189.66 feet; course 24, South 06 deg. 32' 41" West, 412.34 feet; course 25, South 11 deg. 46' 48" East, 166.24 feet; course 26, South 05 deg. 34' 38" East, 101.55 feet; course 27, South 57 deg. 35' 07" East, 9.28 feet to the point of beginning of lands described in deed recorded in Official Record Volume 214, page 663 of said County; course 28, South 77 deg. 07' 05" West, 532.94 feet; course 29, North 31 deg. 35' 41" West, 53.79 feet; course 30, North 83 deg. 08' 51" West, 188.95 feet; course 31, South 71 deg. 37' 40" West, 236.58 feet; course 32, South 17 deg. 27' 29" East, 160.65 feet; course 33, South 47 deg. 02' 58" East, 143.59 feet; course 34, South 32 deg. 34' 28" East, 473.76 feet; course 35, North 86 deg. 23' 44" East, 176.81 feet; course 36, South 11 deg. 09' 05" East, 373.15 feet; course 37, South 23 deg. 12' 34" East, 335.25 feet; course 38, South 45 deg. 56' 14" East, 37.01 feet to a concrete monument on the line dividing Section 11 and 45, Township 4 South, Range 29 East; course 39, North 71 deg. 17' 11" East, 240.45 feet; course 40, North 74 deg. 18' 16" East, 158.09 feet; course 41, South 12 deg. 34' 56" West, 329.95 feet; course 42, North 59 deg. 50' 51" East, 222.79 feet; course 43, North 71 deg. 28' 34" East, 31.26 feet; course 44, North 64 deg. 35' 35" East, 440.88 feet; course 45, South 30 deg. 46' 30" East, 282.64 feet; course 46, South 10 deg. 54' 25" West, a distance of 141.05 feet to the South line of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, thence South 70 deg. 53' 37" West along said South line of the North 600 feet of the Moses E. Levy Grant a distance of 2415.86 feet to a point; said point lying in a curve in the Easterly right-of-way line of State Road A-1-A as now established for a width of 200 feet said curve being concave to the Southwest and having a radius of 2964.93 feet and a central angle of 12 deg. 24' 00"; thence Northwesterly along said curve an arc distance of 26.95 feet to the point of tangency, said curve being subtended by a chord bearing of North 50 deg. 30' 17" West and a chord distance of 26.95 feet; thence north 50 deg. 53' 55" West along said Easterly right-of-way line of State Road A-1-A, a distance of 1899.82 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast and having a radius of 1810.08 feet and a central angle of 25 deg. 09' 10"; thence Northwesterly along said curve an arc distance of 794.62 feet to the point of tangency, said curve being subtended by chord bearing of North 38 deg. 19' 20" West and a chord distance of 788.26 feet; thence North 25 deg. 44' 45" West along said Easterly right-of-way line, a distance of 2951.04 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast, having a radius of 2764.93 feet and a central angle of 18 deg. 34' 55"; thence run Northwesterly along said curve an arc distance of 896.71 feet to the point of tangency of said curve, said arc being subtended by a chord bearing of North 16 deg. 27' 18" West and a chord distance of 892.79 feet; thence North 07 deg. 09' 50" West along said Easterly right-of-way line, a distance of 4560.18 feet to the point of curvature of a curve to the right, said curve being concave to the East, having a radius of 2764.93 feet and a central angle of 14 deg. 19' 44".

thence Northerly along said curve an arc distance of 691.47 feet to the point of tangency, said curve being subtended by a chord bearing of North 00 deg. 00' 02" East and a chord distance of 689.67 feet; thence run North 07 deg. 09' 54" East along said Easterly right-of-way line a distance of 973.53 feet to the point of curvature of a curve to the left, said curve being concave to the Northwest, having a radius of 3919.03 feet and a central angle of 06 deg. 29' 44"; thence Northeasterly along and with the arc of said curve through a central angle of 03 deg. 54' 57", an arc distance of 267.90 feet, said arc being subtended by a chord bearing of North 05 deg. 06' 52" East and a chord distance of 267.85 feet; thence run North 83 deg. 30' 30" East, a distance of 23.25 feet to the point of beginning.

PARCEL B

A part of Government Lot 9, lying Southwest of State Road Number A-1-A, a 200 foot right-of-way as now established, lying in Section 10, Township 4 South, Range 29 East, St. Johns County, Florida, and being more particularly described as follows:

BEGINNING at the intersection of the Southeasterly line of Section 10 and Government Lot 9 with Southwesterly right-of-way line of State Road A-1-A, a 200 foot right-of-way as now established; thence North 50 deg. 53' 55" West along the Southwesterly right-of-way line of State Road A-1-A, a distance of 720.12 feet to a point in the Westerly line of said Government Lot 9; thence South 01 deg. 24' 14" East along said Westerly line of Government Lot 9, a distance of 642.50 feet to the Southwest corner of said Government Lot 9; thence North 70 deg. 53' 37" East along the aforementioned Southeasterly line of Government Lot 9 and the Southeasterly line of Section 10, a distance of 574.76 feet to the Point of Beginning.

Parcel C

A PARCEL KNOWN AS THE "EXPLORERS AND BEACH CLUB" AND DESCRIBED AS FOLLOWS:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows:

Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and said point being in a curve, said curve being concave Northeasterly and having a radius of 993.49 feet; thence Southeasterly along and around said curve an arc distance of 11.07 feet to the Point of Beginning; thence North 73 deg. 25' 04" East, 162.95 feet, thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet; thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North 77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, South 09 deg. 32' 10" East, 566.36 feet; thence South 77 deg. 34' 41" West, 368.22 feet; thence North 36 deg. 25' 19" West, 157.35 feet, to a Point on the Easterly line of said Parcel C, said curve being concave Northeasterly and having a radius of 933.49 feet along and around said curve to the Point of Beginning, together with all lands lying Easterly of the foregoing described property and between the Northerly and Southerly boundary lines and the high water mark of the Atlantic Ocean.

TOGETHER WITH THE UNDEVELOPED BEACH FRONT PARCEL WHICH IS HEREBY CONVEYED:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and the Point of Beginning, said point being in a curve, said curve being concave Northeasterly and having a radius of 993.49 feet; thence Southeasterly along and around said curve an arc distance of 11.07 feet; thence North 73 deg. 25' 04" East, 162.95 feet; thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet; thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North 77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, 09 deg. 32' 10" West, 346.30 feet to an angle point in said line; thence continue along said Coastal Setback Line, North 12 deg. 14' 40" West, 689.03 feet; thence South 77 deg. 34' 41" West, 248.03 feet; thence North 12 deg. 25' 19" West, 792.93 feet to a point of the aforementioned Easterly line of Parcel C, said point being in a curve, said curve being concave Northwesterly and having a radius of

Parcel D

Brown Property

A part of Section 34, a Part of the Heirs of Nicholas Sanchez Grant, Section 46, a Part of the Phillip Solano or Nicholas Sanchez Grant, Section 44, all in Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: For a point of reference commence at the corner common to Sections 27, 43, 44 and 46 in said Township and Range; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2303.28 feet to the point of beginning; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2.69 feet; thence N. 84°22'30" E. a distance of 142.16 feet; thence S. 15°37'30" E., parallel with the line dividing said Sections 44 and 46, a distance of 1244.04 feet; to the southerly line of said Section 44; thence S. 84°22'55" W., along said southerly line, a distance of 142.16 feet to the Southwesterly corner of said Section 44; thence S. 83°30'30" W. a distance of 377.43 feet; thence N. 15°37'30" W., parallel with the line dividing said Sections 44 and 46, and parallel with the line dividing said Sections 34 and 44, a distance of 1246.72 feet; thence N. 83°30'30" E. a distance of 377.43 feet to the point of beginning. Containing 14.66 acres more or less.

Northgate

A part of Section 34, Part of the Heirs of Nicholas Sanchez Grant, Section 46, a Part of the Sanchez or Hill Grant Section 47, a Part of the Hill or Fitch or Sanchez Grant, Section 52, all in Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: For a point of reference commence at the corner common to Sections 27, 43, 44 and 46 in said Township and Range; thence S. 15°37'30" E., along the line dividing said Sections 44 and 46, a distance of 2303.23 feet; thence S. 83°30'30" W. a distance of 377.43 feet to the point of beginning; thence S. 15°37'30" E., parallel with the line dividing said Sections 44 and 46, and parallel with the line dividing said Sections 34 and 44, a distance of 1246.72 feet; thence S. 83°30'30" W. a distance of 1591.81 feet to a point in the Easterly right of way line of State Road A-1-A (as now established as a 200 foot right of way); thence N. 0°40'10" E., along said easterly right of way line; a distance of 1240.59 feet; thence N. 83°30'30" E. a distance of 1239.26 feet to the point of beginning. Containing 40.00 acres more or less.

EXHIBIT B
TO
DECLARATION OF COVENANTS AND MEMORANDUM OF
UTILITY SERVICE AGREEMENT

ARVIDA OWNED LAND

PARCEL A:

A part of Government Lots 4, 5, 6 and 9; and all of Government Lots 7 and 8, Section 34, Township 3 South, Range 29 East, together with part of Government Lot 1, Section 35, Township 3 South, Range 29 East, and part of Government Lots 1, 2 and 3, Section 2, Township 4 South, Range 29 East; and a part of the East $\frac{1}{4}$ of the West $\frac{1}{4}$ and all of the East $\frac{1}{4}$ of Section 3, Township 4 South, Range 29 East; and part of Government Lots 2, 3, 7, 9 and 10 and all of Government Lots 1 and 8, Section 10, Township 4 South, Range 29 East; and a part of Government Lots 1, 2, 3, 4 and 5, Section 11, Township 4 South, Range 29 East; and a part of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, St. Johns County, Florida, and all being more particularly described as follows:

COMMENCE at the point common to Sections 34, 42, 46, 47, 51 and 52, Township 3 South, Range 29 East, for the point of beginning.

From the point of beginning thus described thence run North 83 deg. 30' 30" East, a distance of 1947.30 feet to the Southwest corner of Section 44, Township 3 South, Range 29 East; thence run North 84 deg. 13' 31" East along the Southerly boundary of said Section 44, a distance of 1276.64 feet to the Southeast corner of said Section 44; thence South 05 deg. 04' 37" East along the Southerly prolongation of the Easterly boundary of said Section 44, a distance of 91.18 feet to a point in the Westerly prolongation of the Northerly boundary of Lot 8, Block S-2 as shown on map of Ponte Vedra as recorded in Map Book 10, page 1 of the Public Records of said St. Johns County; thence run North 76 deg. 13' 23" East along said Westerly prolongation, a distance of 721.98 feet to an intersection with the Westerly right-of-way line of State Road 203 as now established for a width of 66 feet; thence run South 13 deg. 47' 37" East along said Westerly right-of-way line, a distance of 149.67 feet; thence continuing along said Westerly right-of-way line run South 12 deg. 25' 19" East, a distance of 3264.68 feet, more or less, to an intersection with the Southerly line of those lands described as Tract 4 in Deed recorded in Official Records Volume 195, page 420 of the Public Records of St. Johns County, Florida; thence run South 77 deg. 34' 41" West, a distance of 220 feet; thence run Southerly as follows: course 1, South 05 deg. 59' 08" East, 80.07 feet; course 2, South 36 deg. 44' 17" East, 330.89 feet; course 3, South 31 deg. 28' 46" East, 157.33 feet to the Westerly right-of-way line of said State Road 203; course 4, South 12 deg. 25' 19" East along said Westerly right-of-way line, 1069.41 feet; course 5, South 12 deg. 28' 49" East along said Westerly right-of-way line, 259.45 feet; course 6, South 53 deg. 58' 16" West, 90.45 feet; course 7, South 15 deg. 23' 13" East, 105.28 feet; course 8, South 27 deg. 31' 38" West, 318.45 feet; course 9, South 31 deg. 53' 51" East, 195.66 feet; course 10, South 00 deg. 38' 21" East, 266.07 feet; course 11, South 30 deg. 23' 30" East, 298.34 feet; course 12, South 42 deg. 01' 39" East, 242.48 feet; course 13, North 64

deg. 30' 52" East, 62.20 feet to a point on the Westerly right-of-way line of said State Road 203; course 14, South 12 deg. 29' 19" East continuing along said Westerly right-of-way line, 307.35 feet; course 15, South 12 deg. 48' 55" East continuing along said Westerly right-of-way line, 759.23 feet; course 16, South 14 deg. 27' 14" West, 357.86 feet; course 17, South 69 deg. 04' 45" West, 182.73 feet; course 18, South 05 deg. 13' 44" East, 335.06 feet; course 19, South 59 deg. 42' 06" West, 119.71 feet; course 20, South 24 deg. 42' 57" West, 244.65 feet; course 21, South 10 deg. 47' 48" West, 181.99 feet; course 22, South 07 deg. 25' 01" East, 248.04 feet; course 23, South 58 deg. 19' 30" East, 189.66 feet; course 24, South 06 deg. 32' 41" West, 412.34 feet; course 25, South 11 deg. 46' 48" East, 166.24 feet; course 26, South 05 deg. 34' 38" East, 101.55 feet; course 27, South 57 deg. 35' 07" East, 9.28 feet to the point of beginning of lands described in deed recorded in Official Record Volume 214, page 663 of said County; course 28, South 77 deg. 07' 05" West, 532.94 feet; course 29, North 31 deg. 35' 41" West, 53.79 feet; course 30, North 83 deg. 08' 51" West, 188.95 feet; course 31, South 71 deg. 37' 40" West, 236.58 feet; course 32, South 17 deg. 27' 29" East, 160.65 feet; course 33, South 47 deg. 02' 58" East, 143.59 feet; course 34, South 32 deg. 34' 28" East, 473.76 feet; course 35, North 86 deg. 23' 44" East, 176.81 feet; course 36, South 11 deg. 09' 05" East, 373.15 feet; course 37, South 23 deg. 12' 34" East, 335.25 feet; course 38, South 45 deg. 56' 14" East, 37.01 feet to a concrete monument on the line dividing Section 11 and 45, Township 4 South, Range 29 East; course 39, North 71 deg. 17' 11" East, 240.45 feet; course 40, North 74 deg. 18' 16" East, 158.09 feet; course 41, South 12 deg. 34' 56" West, 329.95 feet; course 42, North 59 deg. 50' 51" East, 222.79 feet; course 43, North 71 deg. 28' 34" East, 31.26 feet; course 44, North 64 deg. 35' 35" East, 440.88 feet; course 45, South 30 deg. 46' 30" East, 282.64 feet; course 46, South 10 deg. 54' 25" West, a distance of 141.05 feet to the South line of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, thence South 70 deg. 53' 37" West along said South line of the North 600 feet of the Moses E. Levy Grant a distance of 2415.86 feet to a point; said point lying in a curve in the Easterly right-of-way line of State Road A-1-A as now established for a width of 200 feet said curve being concave to the Southwest and having a radius of 2964.93 feet and a central angle of 12 deg. 24' 00"; thence Northwesterly along said curve an arc distance of 26.95 feet to the point of tangency, said curve being subtended by a chord bearing of North 50 deg. 38' 17" West and a chord distance of 26.95 feet; thence north 50 deg. 53' 55" West along said Easterly right-of-way line of State Road A-1-A, a distance of 1899.82 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast and having a radius of 1810.08 feet and a central angle of 25 deg. 09' 10"; thence Northwesterly along said curve an arc distance of 794.62 feet to the point of tangency, said curve being subtended by chord bearing of North 38 deg. 19' 20" West and a chord distance of 788.26 feet; thence North 25 deg. 44' 45" West along said Easterly right-of-way line, a distance of 2951.04 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast, having a radius of 2764.93 feet and a central angle of 18 deg. 34' 55"; thence run Northwesterly along said curve an arc distance of 896.71 feet to the point of tangency of said curve, said arc being subtended by a chord bearing of North 16 deg. 27' 18" West and a chord distance of 892.79 feet; thence North 07 deg. 09' 50" West along said Easterly right-of-way line, a distance of 4560.18 feet to the point of curvature of a curve to the right, said curve being concave to the East, having a radius of 2764.93 feet and a central angle of 14 deg. 19' 44";

thence Northerly along said curve an arc distance of 691.47 feet to the point of tangency, said curve being subtended by a chord bearing of North 00 deg. 00' 02" East and a chord distance of 689.67 feet; thence run North 07 deg. 09' 54" East along said Easterly right-of-way line a distance of 973.53 feet to the point of curvature of a curve to the left, said curve being concave to the Northwest, having a radius of 3919.83 feet and a central angle of 06 deg. 29' 44"; thence Northeasterly along and with the arc of said curve through a central angle of 03 deg. 54' 57", an arc distance of 267.90 feet, said arc being subtended by a chord bearing of North 05 deg. 06' 52" East and a chord distance of 267.85 feet; thence run North 83 deg. 30' 30" East, a distance of 23.25 feet to the point of beginning.

PARCEL B:

AND A PARCEL KNOWN AS THE "EXPLORERS AND BEACH CLUB" AND DESCRIBED AS FOLLOWS:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows:

Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and said point being in a curve, said curve being concave Northeasterly and having a radius of 993.49 feet; thence Southeasterly along and around said curve an arc distance of 11.07 feet to the Point of Beginning; thence North 73 deg. 25' 04" East, 162.95 feet, thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet; thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North 77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, South 09 deg. 32' 10" East, 566.36 feet; thence South 77 deg. 34' 41" West, 368.22 feet; thence North 36 deg. 25' 19" West, 157.35 feet, to a Point on the Easterly line of said Parcel C, said curve being concave Northeasterly and having a radius of 933.49 feet along and around said curve to the Point of Beginning, together with all lands lying Easterly of the foregoing described property and between the Northerly and Southerly boundary lines and the high water mark of the Atlantic Ocean.

The foregoing Parcels A and B are known as the "Amenities Package."

LESS AND EXCEPT FROM PARCELS A & B:

a. All of Blocks 1, 2 & 3 of Sawgrass Unit 1, Map Book 12 at pages 14, 15 and 16 of the public records of St. Johns County, Florida.

b. Tracts A, B & C, Sawgrass Unit 1, Map Book 12 at page 12; also known as Rough Creek Villas Condominium and is more particularly described in Declaration of Condominium Ownership recorded in Official Records Book 247, page 1, as amended in Official Records Book 247, page 360 of the public records of St. Johns County, Florida.

c. Tract E, Sawgrass Unit 1, at page 13, also known as Deer Run Villas Condominium and is more particularly described in Declaration of Condominium Ownership as recorded in Official Records Book 255, page 902 of the public records of St. Johns County, Florida.

d. The lands described in Declaration of Condominium Ownership of Bermuda Cove Condominium recorded in Official Records Book 310, page 192 of the public records of St. Johns County, Florida.

e. The following described parcel of land (known as Harbor Villas Units A, B, C and D):

A portion of the Northwest $\frac{1}{4}$ of Section 3, Township 4 South, Range 29 East also known as a part of Parcel AA, Sawgrass Unit Number 1, as described in Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida and being more particularly described as follows:

For point of reference, commence at the intersection of the centerline of Parcel A (Sawgrass Drive West) and the centerline of Parcel A (Preston Trail West).

From the point of reference thus described, run North 27 deg. 50' 10" East along the centerline of said Parcel A (Preston Trail West), a 50 foot road as shown on said Plat of Sawgrass Unit Number 1, a distance of 63.08 feet to the point of a curve to the left, said curve being concave to the West and having a radius of 350.0 feet and a central angle of 33 deg. 58' 31"; thence Northeasterly along and around said curve, an arc distance of 207.54 feet, said curve being subtended by a chord bearing of North 10 deg. 50' 54" East and a chord distance of 204.52 feet to the point of tangency of said curve; thence North 83 deg. 51' 39" East, a distance of 25.0 feet to a point in the Easterly Right of Way line of Parcel A (Preston Trail West) and the point of beginning.

From the point of beginning thus described, run North 06 deg. 08' 21" West along said East line of Parcel A (Preston Trail West), a distance of 88.19 feet to the point of a curve to the right, said curve being concave to the East and having a radius of 375.0 feet and a central angle of 06 deg. 06' 41"; thence Northwesterly along and around said curve, an arc distance of 40.0 feet, said curve being subtended by a chord bearing of North 03 deg. 05' 00" West and a chord distance of 39.98 feet; thence departing from said Easterly line of Parcel A (Preston Trail West), South 82 deg. 25' 39" East, a distance of 224.50 feet; thence South 02 deg 48' 34" West, a distance of 151.05 feet; thence North 88 deg. 44' 00" West, a distance of 201.55 feet to a point in the aforementioned Easterly line of Parcel A (Preston Trail West), said Easterly line being in a curve, said curve being concave to the West and having a radius of 375.0 feet and a central angle of 07 deg. 24' 22"; thence Northwesterly along and around said Easterly line of Parcel A (Preston Trail West), an arc distance of 48.47 feet, said curve being subtended by a chord bearing of North 02 deg. 26' 10" West and a chord distance of 48.44 feet to the point of beginning.

f. The lands conveyed to Sawgrass Utilities, Inc., by deed bearing even date herewith and recorded simultaneously with recording of this deed under Clerk's No. 77-7738, St. Johns County, Florida.

g. The lands conveyed to Sawgrass Properties, Inc., by deed bearing even date herewith and recorded simultaneously with the recording of this deed under Clerk's No. 77-7739, St. Johns County, Florida.

h. The Wildlife Preserve lying North of the East entrance and more particularly described as follows:

Commence at the Northwest corner of Parcel B, as shown on plat at Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida, thence run North 58 deg. 34' 58" East, 119.76 feet to the point of beginning, run thence North 13 deg. 54' 45" East, 209.62 feet, thence North 11 deg. 57' 15" West, 104.16 feet, thence North 18 deg. 38' 55" West, 94.62 feet, thence North 02 deg. 40' 35" East, 103.36 feet, thence North 36 deg. 21' 25" West, 128.25 feet, thence North 06 deg. 27' 14" West, 202.43 feet, thence run North 27 deg. 38' 46" East, 136.45 feet, thence North 01 deg. 56' 21" East, 327.5 feet, thence North 85 deg. 21' 40" West, 160 feet more or less to the Easterly line of Bermuda Cove Condominium, thence South 03 deg. 03' 59" East, 285.76 feet along said Easterly line to its point of terminus, thence North 76 deg. 45' 25" East, 106.51 feet, thence North 48 deg. 18' 07" East, 736.61 feet, thence North 09 deg. 49' 22" East, 222.17 feet, thence North 12 deg. 25' 19" West, 300.0 feet, thence North 87 deg. 10' 45" West, 774.31 feet, thence North 73 deg. 53' 12" West, 68.59 feet, thence North 26 deg. 40' 15" East, 33.86 feet, thence North 17 deg. 46' 45" West, 222.16 feet to the Northerly line of the property described as Parcel A in Warranty Deed to Grantor recorded in Official Records Book 289, page 509 of the public records of St. Johns County, Florida; thence Easterly along said Northerly line to its intersection with the Westerly right-of-way line of State Road 203 as now established and the Easterly boundary of said Parcel A; thence Southerly along said Westerly right-of-way line to its intersection with the Northerly line of Parcel B as shown on plat in Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida; thence Northerly along the Northerly line of said Parcel B to the Point of Beginning.

PARCEL C:

TOGETHER WITH THE UNDEVELOPED BEACH FRONT PARCEL WHICH IS HEREBY CONVEYED:

A part of Section 35, Township 3 South, Range 29 East, together with a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel B with the Westerly line of Parcel C, as shown on the map of Sawgrass, as recorded in Map Book 12, pages 3 through 18 of the Public Records of said County; thence North 77 deg. 34' 41" East, 120 feet to a point on the Easterly line of said Parcel C and the Point of Beginning, said point being in a curve, said curve being concave North-easterly and having a radius of 993.49 feet; thence South-easterly along and around said curve an arc distance of 11.07 feet; thence North 73 deg. 25' 04" East, 162.95 feet; thence North 30 deg. 29' 52" East, 20.43 feet; thence North 77 deg. 34' 41" East, 63.84 feet; thence North 12 deg. 25' 19" West, 35.77 feet, thence North 77 deg. 34' 41" East, 78.66 feet; thence South 51 deg. 00' 19" East, 43.02 feet; thence North 77 deg. 38' 01" East, 200.81 feet to a point on the Coastal Setback Line, as established by the Department of Natural Resources of the State of Florida; thence along said Coastal Setback Line, 09 deg. 32' 10" West, 346.30 feet to an angle point in said line; thence continue along said Coastal Setback Line, North 12 deg. 14' 40" West, 689.03 feet; thence South 77 deg. 34' 41" West, 248.03 feet; thence North 12 deg. 25' 19" West, 792.93 feet to a point of the aforementioned Easterly line of Parcel C, said point being in a curve, said curve being concave Northwesterly and having a radius of

1,089.99 feet; thence Southwesterly along and around said curve an arc distance of 33.05 feet to the Point of Tangency of said curve; thence continue along said Easterly line of Parcel C, South 11 deg. 34'41" West, 539.15 feet to the point of a curve to the left, said curve being concave Southeasterly and having a radius of 993.49 feet; thence Southwesterly along and around said curve an arc distance of 416.15 feet to the Point of Tangency of said curve; thence continue along said Easterly line of Parcel C, South 12 deg. 25'19" East, 918.60 feet to the Point of Beginning, Together with all lands lying Easterly of an between the Northerly and Southerly boundary lines of the foregoing property and the high water mark of the Atlantic Ocean.

LESS AND EXCEPT FROM THE FOREGOING PARCELS A, B AND C:

Lots 1 through 28 of North Gate I as shown on the North Gate I Replat recorded in Map Book 15, pages 33 through 36 of the public records of St. Johns County, Florida, and less and except

Lots 29 through 66 of North Gate II as shown on the plat of North Gate II recorded in Map Book 15, pages 37 through 39 of the public records of St. Johns County, Florida, and less and except

Lots 1 through 80 of Sawgrass Village Walk as shown on the plat of Sawgrass Village Walk recorded in Map Book 14, pages 26 through 29 and partial replat thereof recorded in Map Book 14 at page 36 of the public records of St. Johns County, Florida, and less and except

Garden Homes I as shown on the plat of Garden Homes I recorded in Map Book 13, page 60 of the public records of St. Johns County, Florida, and less and except

Garden Homes II as shown on the plat of Garden Homes II recorded in Map Book 13, pages 99 through 101 of the public records of St. Johns County, Florida, and less and except

Lots 1 through 6 of Sawgrass Unit Two as shown on the plat of Sawgrass Unit Two recorded in Map Book 15, page 14 of the public records of St. Johns County, Florida, and less and except

WESTGATE:

A portion of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

Commence at the intersection of the Northerly line of Sawgrass Drive West (Parcel A) as recorded in Sawgrass Unit One, Map Book 12, pages 3 through 18, of the public records of St. Johns County, Florida, with the Easterly right of way line of Ponce de Leon Boulevard (State Road 1A, a 200 foot right of way as now established); thence North 07°09'50" West, 410 feet along said Easterly right of way line of Ponce de Leon Boulevard to the POINT OF BEGINNING; thence continue North 07°09'50" West, along said Easterly right of way line, 1080.00 feet; thence North 82°50'10" East, 55.00 feet; thence South 53°45'16" East, 199.88 feet; thence South 18°06'56" East, 563.21 feet; thence South 31°00'00" East, 486.90 feet; thence South 59°12'20" West, 135.82 feet; thence North 30°39'13" West, 90.00 feet; thence South 59°20'47" West, 85.00 feet; thence North 30°50'02" West, 50.00 feet; thence South 86°29'04" West, 246.14 feet to the POINT OF BEGINNING, and less and except

TRACT No. 13 :

NORTH WILDLIFE PRESERVE TRACT

THE WILDLIFE PRESERVE LYING NORTH OF THE EAST ENTRANCE AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Commence at the Northwest corner of parcel B, as shown on plat at Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida, thence run North 58 deg. 34'58" East, 119.76 feet to the point of beginning, run thence North 13 deg. 54'45" East, 209.62 feet, thence North 11 deg. 57'15" West, 104.16 feet, thence North 18 deg. 38'55" West, 94.62 feet, thence North 02 deg. 40' 35" East, 103.36 feet, thence North 36 deg. 21'25" West, 128.25 feet, thence North 06 deg. 27'14" West, 202.43 feet, thence run North 27 deg. 38'46" East, 136.45 feet, thence North 01 deg. 56'21" East, 327.5 feet, thence North 85 deg. 21'40" East, 160 feet more or less to the Easterly line of Bermuda Cove Condominium, thence South 03 deg. 03'59" East, 285.76 feet along said Easterly line to its point of terminus; thence North 76 deg. 45'25" East, 106.51 feet, thence North 48 deg. 18'07" East, 736.61 feet, thence North 09 deg. 49'22" East, 222.17 feet, thence North 12 deg. 25'19" West, 300.0 feet, thence North 87 deg. 01'45" West, 774.31 feet, thence North 73 deg. 53'12" West, 68.59 feet, thence North 26 deg. 40'15" East, 33.86 feet, thence North 17 deg. 46'45" West, 222.16 feet to the Northerly line of the property described as Parcel A in Warranty Deed to Grantor recorded in Official Records Book 289, page 509 of the public records of St. Johns County, Florida; thence Easterly along said Northerly line to its intersection with the Westerly right-of-way line of State Road 203 as now established and the Easterly boundary of said Parcel A; thence Southerly along said Westerly right-of-way line to its intersection with the Northerly line of Parcel B as shown on plat in Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida, thence Northerly along the Northerly line of said Parcel B to the Point of Beginning,

AND

THAT PART OF THE FOLLOWING DESCRIBED REAL PROPERTY LYING SOUTH OF THAT PORTION OF PARCEL A DESIGNATED AS SAWGRASS DRIVE WEST, SAWGRASS DRIVE SOUTH, SAWGRASS DRIVE EAST, AND PARCEL B (EAST ENTRANCE ROAD), AS SHOWN ON THE PLAT OF SAWGRASS, UNIT ONE, MAP BOOK 12, PAGES 3 THROUGH 18, OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA.

A part of Government Lots 4, 5, 6 and 9; and all of Government Lots 7 and 8, Section 34, Township 3 South, Range 29 East; together with part of Government Lot 1, Section 35, Township 3 South, Range 29 East, and part of Government Lots 1, 2 and 3, Section 2, Township 4 South, Range 29 East; and a part of the East 1/2 of the West 1/2 and all of the East 1/2 of Section 3, Township 4 South, Range 29 East; and part of Government Lots 2, 3, 7, 9 and 10 and all of Government Lots 1 and 8, Section 10, Township 4 South, Range 29 East and a part of Government Lots 1, 2, 3, 4 and 5, Section 11, Township 4 South, Range 29 East; and a part of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, St. Johns County, Florida, and all being more particularly described as follows:

EXHIBIT C
TO
DECLARATION OF COVENANTS AND MEMORANDUM OF
UTILITY SERVICE AGREEMENT

PROPERTIES OWNED LAND

TRACT NO. 3:

A part of Parcel AA, as shown on the map of Sawgrass, as recorded in Map Book 12, Pages 3 through 18, of the Public Records of St. Johns County, Florida more particularly described as follows: Commence at the Southeasterly corner of Tract B, as shown on the said map of Sawgrass, said corner being on the Westerly right of way line of Sawgrass Drive East and being in a curve concave Easterly and having a radius of 325 feet; thence Southeasterly along the said Westerly right of way line of Sawgrass Drive East an arc distance of 142.25 feet to the Point of Beginning; thence South 71°43'40" West, 60.0 feet; thence South 06°45'00" East, 170.79 feet; thence South 43°43'00" West, 126.96 feet; thence South 15°30'30" West, 67.46 feet; thence South 83°40'30" West, 193.26 feet; thence South 14°34'20" East, 162.24 feet; thence South 03°29'15" East, 127.37 feet; thence South 24°22'47" West, 375.83 feet; thence South 15°08'23" East, 94.61 feet; thence South 80°20'14" West, 52.94 feet; thence South 15°54'06" West, 12.80 feet to a point on the Northerly right of way line of Sawgrass Drive South, said point being in a curve, said curve being concave Southwesterly and having a radius of 525 feet; thence Southeasterly along and around said curve an arc distance of 103.09 feet to the Point of Tangency of said curve; thence continue along the Northerly right of way line of Sawgrass Drive South and the Westerly right of way line of Sawgrass Drive East, the seven following courses and distances: Course No. 1: South 62°51'06" East, 131.49 feet to the point of a curve to the left, said curve being concave Northerly and having a radius of 395 feet; Course No. 2: thence Easterly along and around said curve an arc distance of 366.46 feet to the point of a compound curve, said curve being concave Northwesterly and having a radius of 348.93 feet; Course No. 3: thence along and around said curve an arc distance of 382.35 feet to the Point of Tangency of said curve; Course No. 4: North 01°12'35" East, 347.16 feet to the point of a curve to the left, said curve being concave Southwesterly and having a radius of 375 feet; Course No. 5: thence Northwesterly along and around said curve an arc distance of 252.36 feet to the Point of Tangency of said curve; Course No. 6: North 37°20'54" West, 280.22 feet to the point of a curve to the right, said curve being concave Northeasterly and having a radius of 325 feet; Course No. 7: thence Northwesterly along and around said curve an arc distance of 108.21 feet to the Point of Beginning. Containing 13.87 acres more or less.

COMMENCE at the point common to Sections 34, 42, 46, 47, 51 and 52, Township 3 South, Range 29 East, for the point of beginning.

From the point of beginning thus described thence run North 83 deg. 30' 30" East, a distance of 1947.30 feet to the Southwest corner of Section 44, Township 3 South, Range 29 East; thence run North 84 deg. 13' 31" East along the Southerly boundary of said Section 44, a distance of 1276.64 feet to the Southeast corner of said Section 44; thence South 05 deg. 04' 37" East along the Southerly prolongation of the Easterly boundary of said Section 44, a distance of 91.18 feet to a point in the Westerly prolongation of the Northerly boundary of Lot 8, Block S-2 as shown on map of Ponte Vedra as recorded in Map Book 10, page 1 of the Public Records of said St. Johns County; thence run North 76 deg. 13' 23" East along said Westerly prolongation, a distance of 721.98 feet to an intersection with the Westerly right-of-way line of State Road 203 as now established for a width of 66 feet; thence run South 13 deg. 47' 37" East along said Westerly right-of-way line, a distance of 149.67 feet; thence continuing along said Westerly right-of-way line run South 12 deg. 25' 19" East, a distance of 3264.68 feet, more or less, to an intersection with the Southerly line of those lands described as Tract 4 in Deed recorded in Official Records Volume 195, page 420 of the Public Records of St. Johns County, Florida; thence run South 77 deg. 34' 41" West, a distance of 220 feet; thence run Southerly as follows: course 1, South 05 deg. 59' 08" East, 80.07 feet; course 2, South 36 deg. 44' 17" East, 330.89 feet; course 3, South 31 deg. 28' 46" East, 157.33 feet to the Westerly right-of-way line of said State Road 203; course 4, South 12 deg. 25' 19" East along said Westerly right-of-way line, 1069.41 feet; course 5, South 12 deg. 28' 49" East along said Westerly right-of-way line, 259.45 feet; course 6, South 53 deg. 58' 16" West, 90.45 feet; course 7, South 15 deg. 23' 13" East, 105.28 feet; course 8, South 27 deg. 31' 38" West, 318.45 feet; course 9, South 31 deg. 53' 51" East, 195.66 feet; course 10, South 00 deg. 38' 21" East, 266.07 feet; course 11, South 30 deg. 23' 30" East, 298.34 feet; course 12, South 42 deg. 01' 39" East, 242.48 feet; course 13, North 64 deg. 30' 52" East, 62.20 feet to a point on the Westerly right-of-way line of said State Road 203; course 14, South 12 deg. 29' 19" East continuing along said Westerly right-of-way line, 307.35 feet; course 15, South 12 deg. 48' 55" East continuing along said Westerly right-of-way line, 759.23 feet; course 16, South 14 deg. 27' 14" West, 357.86 feet; course 17, South 69 deg. 04' 45" West, 182.73 feet; course 18, South 05 deg. 13' 44" East, 335.06 feet; course 19, South 59 deg. 42' 06" West, 119.71 feet; course 20, South 24 deg. 42' 57" West, 244.65 feet; course 21, South 10 deg. 47' 48" West, 181.99 feet; course 22, South 07 deg. 25' 01" East, 248.04 feet; course 23, South 58 deg. 19' 30" East, 189.66 feet; course 24, South 06 deg. 32' 41" West, 412.34 feet; course 25, South 11 deg. 46' 48" East, 166.24 feet;

course 26, South 05 deg. 34' 38" East, 101.55 feet; course 27, South 57 deg. 35' 07" East, 9.28 feet to the point of beginning of lands described in deed recorded in Official Record Volume 214, page 663 of said county; course 28, South 77 deg. 07' 05" West, 532.94 feet; course 29, North 31 deg. 35' 41" West, 53.79 feet; course 30, North 83 deg. 08' 51" West, 188.95 feet; course 31, South 71 deg. 37' 40" West, 236.58 feet; course 32, South 17 deg. 27' 29" East, 160.65 feet; course 33, South 47 deg. 02' 58" East, 143.59 feet; course 34, South 32 deg. 34' 28" East, 473.76 feet; course 35, North 86 deg. 23' 44" East, 176.81 feet; course 36, South 11 deg. 09' 05" East, 373.15 feet; course 37, South 23 deg. 12' 34" East, 335.25 feet; course 38, South 45 deg. 56' 14" East, 37.01 feet to a concrete monument on the line dividing Section 11 and 45, Township 4 South, Range 29 East; course 39, North 71 deg. 17' 11" East, 240.45 feet; course 40, North 74 deg. 18' 16" East, 158.09 feet; course 41, South 12 deg. 34' 56" West, 329.95 feet; course 42, North 59 deg. 50' 51" East, 222.79 feet; course 43, North 71 deg. 28' 34" East, 31.26 feet; course 44, North 64 deg. 35' 35" East, 440.88 feet; course 45, South 30 deg. 46' 30" East, 282.64 feet; course 46, South 10 deg. 54' 25" West, a distance of 141.05 feet to the South line of the North 600 feet of the Moses E. Levy Grant, Section 45, Township 4 South, Range 29 East, thence South 70 deg. 53' 37" West along said South line of the North 600 feet of the Moses E. Levy Grant a distance of 2415.86 feet to a point; said point lying in a curve in the Easterly right-of-way line of State Road A-1-A as now established for a width of 200 feet said curve being concave to the Southwest and having a radius of 2964.93 feet and a central angle of 12 deg. 24' 00"; thence Northwesterly along said curve an arc distance of 26.95 feet to the point of tangency, said curve being subtended by a chord bearing of North 50 deg. 38' 17" West and a chord distance of 26.95 feet; thence North 50 deg. 53' 55" West along said Easterly right-of-way line of State Road A-1-A, a distance of 1899.82 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast and having a radius of 1810.08 feet and a central angle of 25 deg. 09' 10"; thence Northwesterly along said curve an arc distance of 794.62 feet to the point of tangency, said curve being subtended by chord bearing of North 38 deg. 19' 20" West and a chord distance of 788.26 feet; thence North 25 deg. 44' 45" West along said Easterly right-of-way line, a distance of 2951.04 feet to the point of curvature of a curve to the right, said curve being concave to the Northeast, having a radius of 2764.93 feet and a central angle of 18 deg. 34' 55"; thence run Northwesterly along said curve an arc distance of 896.71 feet to the point of tangency of said curve, said arc being subtended by a chord bearing of North 16 deg. 27' 18" West and a chord distance of 892.79 feet; thence North 07 deg. 09' 50" West along said Easterly right-of-way line, a distance of 4560.18 feet to the point of curvature of a curve to the right, said curve being concave to the East, having a radius of 2764.93 feet and a central angle of 14 deg. 19' 44"; thence Northerly along said curve an arc distance of 691.47 feet to the point of tangency, said curve being subtended by a chord bearing of North 00 deg. 00' 02" East and a chord distance of 689.67 feet; thence run North 07 deg. 09' 54" East along said Easterly right-of-way line a distance of 973.53 feet to the point of curvature of a curve to the left, said curve being concave to the Northwest, having a radius of 3919.83 feet and a central angle of 06 deg. 29' 44"; thence Northeasterly along and with the arc of said curve through a central angle of 03 deg. 54' 57", an arc distance of 267.90 feet, said arc being subtended by a chord bearing of North 05 deg. 06' 52" East and a chord distance of 267.85 feet; thence run North 83 deg. 30' 30" East, a distance of 23.25 feet to the point of beginning.

LESS AND EXCEPT

a. All of Blocks 1, 2 & 3 of Sawgrass Unit 1, Map Book 12 at pages 14, 15 and 16 of the public records of St. Johns County, Florida.

b. Tracts A, B & C, Sawgrass Unit 1, Map Book 12 at page 12; also known as Rough Creek Villas Condominium and is more particularly described in Declaration of Condominium Ownership recorded in Official Records Book 247, page 1, as amended in Official Records Book 247, page 360 of the public records of St. Johns County, Florida.

c. Tract E, Sawgrass Unit 1, at page 13, also known as Deer Run Villas Condominium and is more particularly described in Declaration of Condominium Ownership as recorded in Official Records Book 255, page 902 of the public records of St. Johns County, Florida.

d. The lands described in Declaration of Condominium Ownership of Bermuda Cove Condominium recorded in Official Records Book 310, page 192 of the public records of St. Johns County, Florida.

e. The following described parcel of land (known as Harbor Villas Units A, B, C and D):

A portion of the Northwest 1/4 of Section 3, Township 4 South, Range 29 East also known as a part of Parcel AA, Sawgrass Unit Number 1, as described in Map Book 12, pages 3 through 18 of the public records of St. Johns County, Florida, and being more particularly described as follows:

For point of reference, commence at the intersection of the centerline of Parcel A (Sawgrass Drive West) and the centerline of Parcel A (Preston Trail West).

From the point of reference thus described, run North 27 deg. 50' 10" East along the centerline of said Parcel A (Preston Trail West), a 50 foot road as shown on said Plat of Sawgrass Unit Number 1, a distance of 63.08 feet to the point of a curve to the left, said curve being concave to the West and having a radius of 350.0 feet and a central angle of 33 deg. 58' 31"; thence Northeasterly along and around said curve, an arc distance of 207.54 feet, said curve being subtended by a chord bearing of North 10 deg. 50' 54" East and a chord distance of 204.52 feet to the point of tangency of said curve; thence North 83 deg. 51' 39" East, a distance of 25.0 feet to a point in the Easterly Right of Way line of Parcel A (Preston Trail West) and the point of beginning.

From the point of beginning thus described, run North 06 deg. 08' 21" West along said East line of Parcel A (Preston Trail West), a distance of 88.19 feet to the point of a curve to the right, said curve being concave to the East and having a radius of 375.0 feet and a central angle of 06 deg. 06' 41"; thence Northwesterly along and around said curve, an arc distance of 40.0 feet, said curve being subtended by a chord bearing of North 03 deg. 05' 00" West and a chord distance of 39.98 feet; thence departing from said Easterly line of Parcel A (Preston Trail West), South 82 deg. 25' 39" East, a distance of 224.50 feet; thence South 02 deg. 48' 34" West, a distance of 151.05 feet; thence North 88 deg. 44' 00" West, a distance of 201.55 feet to a point in the aforementioned Easterly line of Parcel A (Preston Trail West), said Easterly line being in a curve, said curve being concave to the West and having a radius of 375.0 feet and a central angle of 07 deg. 24' 22"; thence Northwesterly along and

around said Easterly line of Parcel A (Preston Trail West), an arc distance of 48.47 feet, said curve being subtended by a chord bearing of North 02 deg. 26' 10" West and a chord distance of 48.44 feet to the point of beginning.

f. The lands conveyed to Sawgrass Utilities, Inc. by deed bearing even date herewith and recorded simultaneously with recording of this deed under Clerk's No. 77-7738, St. Johns County, Florida.

g. Tract 12, as hereinabove described and conveyed.

h. The lands conveyed to Atlantic Capital Properties, Series VI, Ltd by deed dated _____ recorded under _____ Clerks No. _____ of the Public Records of St. Johns County, Florida.

i. The lands conveyed to James R. Stockton, III, by Special Warranty Deed, dated December 14, 1982 recorded in Official Records Book 572 page 531 of the Public Records of St. Johns County, Florida.

j. A portion of Government Lot 3, Section 2, Township 4 South, Range 29 East, St. Johns County, Florida; more particularly described as follows: For point of reference commence at an iron pipe located on the east boundary of the right-of-way of Florida State Road A1A (Formerly S.R. 140) at the southwest corner of a tract of land conveyed by Ponte Vedra Company to Henry S. and Norma B. Baldwin by deed dated June 10, 1939, and recorded in the Public Records of St. Johns County, Florida in Deed Book 122, page 60, and run thence S.12°41'E. along the east boundary of the right-of-way of Fla. S.R. A1A, keeping parallel to and 33 feet easterly from the center line of the pavement of said road when measured at right angles thereto, a distance of 327.3 feet to an iron pipe set at an angle point in said right-of-way line; continue thence along the easterly boundary of said right-of-way S.13°05'E. keeping parallel to and 33 feet easterly from the center line of said pavement when measured at right angles thereto, a distance of 72.7 feet; run thence S.76°55'W. and at right angles to the center line of Fla. S.R. A1A a distance of 66 feet to a point on the west boundary of the right-of-way of S.R. for the Point of Beginning. From the Point of Beginning thus described run S.13°05'E. along the west boundary of the right-of-way said S.R. parallel to and 33 feet westerly from the center line of the pavement of said road when measured at right angles thereto, a distance of 200 feet to a point; run thence S.76°55'W. and at right angles to the center line of said S.R. a distance of 100 feet; thence N.13°05'W. a distance of 200 feet; thence N.76°55'E. a distance of 100 feet more or less to the Point of Beginning.

TRACT 14

A part of Government Lot 9, lying Southwest of State Road Number A-1-A, a 200 foot right-of-way as now established, lying in Section 10, Township 4 South, Range 29 East, St. Johns County, Florida, and being more particularly described as follows:

BEGINNING at the intersection of the Southeasterly line of Section 10 and Government Lot 9 with Southwesterly right-of-way line of State Road A-1-A, a 200 foot right-of-way as now established; thence North 50 deg. 53' 55" West along the Southwesterly right-of-way line of State Road A-1-A, a distance of 720.12 feet to a point in the Westerly line of said Government Lot 9; thence South 01 deg. 24' 14" East along said Westerly line of Government Lot 9, a distance of 642.50 feet to the Southwest corner of said Government Lot 9; thence North 70 deg. 53' 37" East along the aforementioned Southeasterly line of Government Lot 9 and the Southeasterly line of Section 10, a distance of 574.76 feet to the Point of Beginning.

BEACH CLUB VILLAS/EXPLORERS:

A portion of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: COMMENCE at the intersection of the Northerly line of Parcel "B" with the Westerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12, Pages 3 through 18, of the Public Records of said County; thence North $77^{\circ}34'41''$ East, 120.00 feet, to a point on the Easterly line of said Parcel "C" (said Easterly line of said Parcel "C" being the Easterly right-of-way line of State Road 203), said point being the point of curvature of a curve concave Easterly and having a radius of 993.49 feet; thence Southerly along the arc of said curve and along said Easterly right-of-way line an arc distance of 10.92 feet, said arc being subtended by a chord bearing and distance of South $12^{\circ}44'13''$ East, 10.92 feet; thence North $73^{\circ}25'04''$ East, 162.94 feet; thence North $30^{\circ}29'52''$ East, 20.43 feet; thence North $77^{\circ}34'41''$ East, 63.84 feet; thence North $76^{\circ}24'55''$ East, 73.51 feet, to the POINT OF BEGINNING; thence continue North $76^{\circ}24'55''$ East, 32.00 feet; thence North $77^{\circ}38'01''$ East, 224.25 feet, to a point hereinafter referred to as Reference Point "A"; thence return to the POINT OF BEGINNING; thence South $13^{\circ}35'05''$ East, 16.00 feet; thence South $08^{\circ}52'57''$ West, 17.51 feet; thence South $12^{\circ}21'59''$ East, 105.00 feet; thence North $77^{\circ}38'01''$ East, 13.00 feet; thence South $12^{\circ}21'59''$ East, 70.00 feet; thence North $77^{\circ}38'01''$ East, 30.00 feet; thence South $12^{\circ}21'59''$ East, 49.84 feet; thence South $63^{\circ}51'59''$ East, 11.50 feet; thence North $77^{\circ}38'01''$ East, 76.00 feet; thence North $66^{\circ}59'00''$ East, 141.06 feet; thence North $77^{\circ}38'01''$ East, 140 feet, more or less, to the approximate Mean High Water Line of the Atlantic Ocean; thence Northerly along said approximate Mean High Water Line, 239 feet, more or less, to the intersection of a line bearing North $77^{\circ}38'01''$ East from aforesaid Reference Point "A"; thence South $77^{\circ}38'01''$ West along last said line, 141 feet, more or less, to Reference Point "A" and to close, and less and except

MINIWAREHOUSE SITE:

A portion of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the Southerly right-of-way line of Sawgrass Drive West (Parcel "A") as shown on the plat of Sawgrass Unit One as recorded in Map Book 12, pages 3 through 18, of the public records of said county, with the Easterly right-of-way line of State Road No. 1A (a 200 foot right-of-way as now established); thence South 07°09'50" East, along said Easterly right-of-way line, 344.86 feet; thence North 87°06'12" East, 45.13 feet to the POINT OF BEGINNING; thence continue North 07°06'12" East, 173.49 feet; thence South 05°53'37" East, 60.00 feet; thence North 84°06'23" East, 98.97 feet; thence North 05°43'59" East, 470.56 feet; thence South 66°00'41" West, 392.44 feet; thence South 07°09'50" East, 269.91 feet to the POINT OF BEGINNING, and less and except

WAREHOUSE SITE:

A portion of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the Southerly right-of-way line of Sawgrass Drive (Parcel "A"), as shown on the Plat of Sawgrass Unit One as recorded in Map Book 12, Pages 3 through 18, of the Public Records of said County with the Easterly right-of-way line of State Road 1A (a 200 foot right-of-way as now established); thence South 07°09'50" East along said Easterly right-of-way line, 1077.57 feet, to the POINT OF BEGINNING; thence North 82°50'10" East, 220.00 feet; thence South 07°09'50" East, 40.00 feet; thence South 49°00'00" East 85.00 feet; thence North 82°50'10" East, 83.31 feet, to a point hereinafter referred to as Reference Point "A"; thence South 07°09'50" East, 168.95 feet; thence South 37°59'10" West, 283.80 feet; thence South 82°50'10" West, 158.80 feet, to the aforesaid Easterly right-of-way line of State Road 1A; thence North 07°09'50" West along last said line, 140.00 feet; thence North 82°50'10" East, 210.00 feet; thence North 07°09'50" West, 207.43 feet; thence South 82°50'10" West, 210.00 feet, to the aforesaid Easterly right-of-way line of State Road 1A; thence North 07°09'50" West along said Easterly right-of-way line, 125.00 feet, to the POINT OF BEGINNING, and less and except

concave Easterly and having a radius of 61.02 feet; thence along and around the arc of said curve, 17.67 feet, said curve having a chord bearing and distance of South 20°32'25" East, 17.61 feet to the point of reverse curve of a curve concave Westerly and having a radius of 113 feet; thence along and around the arc of said curve, 6.69 feet, said curve having a chord bearing and distance of South 27°07'29" East, 6.68 feet to the POINT OF BEGINNING. Parcel B is subject to an oceanfront easement described as follows:

OCEAN FRONT EASEMENT:

A part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, together with a part of Section 35, Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel "B" with the Westerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12 pages 3 through 18 of the public records of said county; thence North 77°34'41" East, 120 feet to a point on the Easterly line of said Parcel "C" (said Easterly line of Parcel "C" being the Easterly right of way line of State Road 203); thence North 12°25'19" West, along said Easterly right of way line, 377.66 feet; thence North 77°45'20" East, 252.61 feet; thence South 57°14'40" East, 16.25 feet; thence North 77°45'20" East, 300 feet to the intersection of the Coastal Construction Control Line, said intersection being the POINT OF BEGINNING; thence continue North 77°45'20" East, 120 feet, more or less to the approximate Mean High Water Line of the Atlantic Ocean; thence Northerly along said Mean High Water Line, 350 feet, more or less; thence South 77°45'20" West, 135 feet, more or less to the Coastal Construction Control Line; thence South 12°14'40" East, along said Coastal Construction Control Line, 350 feet to the POINT OF BEGINNING, and less and except

QUAIL POINTE I CONDOMINIUM PROPERTY:

A part of Section 34, Township 3 South, Range 29 East, and a part of Section 3, Township 4 South, Range 29 East, all in St. Johns County, Florida, more particularly described as follows:

Commence at the most Southeasterly corner of Parcel E-E, Sawgrass, Unit One, Map Book 12, Pages 3 through 18, said most Southeasterly corner lying in the Westerly right-of-way line of Preston Trail, said Westerly right-of-way line being in a curve concave Easterly having a radius of 405 feet; thence Northerly along and around said curve an arc distance of 165 feet to the Point of Tangency of said curve; thence continue along said Westerly right-of-way line, North 00°00'00" East, 36.63 feet; thence North 90°00'00" East, 50 feet to the Easterly right-of-way line of Preston Trail and the Point of Curve of a curve concave Westerly having a radius of 525 feet (said curve having a tangent bearing of North 00°00'00" East) for the Point of Beginning; thence Northerly along and around said curve an arc distance of 467.49 feet to the Point of Tangency of said curve; thence continue along the Easterly right-of-way line of said Preston Trail, North 51°01'09" West, 54.18 feet to the Point of Curve of a curve to the right, said curve having a radius of 425 feet; thence along and around said curve an arc distance of 230.86 feet to the Point of Tangency of said curve; thence continue along said Easterly right-of-way line, North 19°53'48" West, 67.55 feet to the Point of Curve of a curve to the left, said curve having a radius of 275 feet; thence along and around said curve an arc distance of 95 feet; thence North

134.06 feet; thence North 89°30'52" East, 118.00 feet; thence North 59°38'05" East, 132.37 feet; thence North 83°50'09" East, 289.45 feet; thence South 09°04'37" West, 171.14 feet; thence South 47°47'22" West, 305.12 feet; thence South 11°48'36" West, 112.38 feet; thence South 08°33'39" East, 376.19 feet; thence South 85°45'49" West, 243.67 feet to the Point of Beginning, containing 9.19 acres more or less, and less and except

QUAIL POINTE II CONDOMINIUM PROPERTY:

A part of Section 34, Township 3 South, Range 29 East, together with a part of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the Southwesterly corner of Parcel B as shown on the map of Sawgrass Unit One as recorded in Map Book 12, pages 3 through 18 of the public records of said county, thence along the Westerly line of said Parcel B, North 14°14'08" West, 52.33 feet to the Northwesterly corner of said Parcel B and the Point of Beginning; thence along the Northerly line of Parcel A as shown on the said map of Sawgrass Unit One, South 68°08'19" West, 202.96 feet; thence North 03°25'59" East, 270 feet; thence North 06°12'43" West, 241.01 feet; thence North 02°21'00" East, 379.73 feet; thence North 40°31'24" East, 239.98 feet; thence South 14°27'43" East, 134.49 feet; thence South 06°27'14" East, 202.43 feet; thence South 36°21'25" East, 128.25 feet; thence South 02°40'35" West, 103.36 feet; thence South 18°38'55" East, 94.62 feet; thence South 11°57'15" East, 104.16 feet; thence South 13°54'45" West, 209.62 feet to an intersection with the Northerly line of said Parcel B; thence South 58°34'58" West along said Northerly line, 119.76 feet to the Point of Beginning;

LESS AND EXCEPT THE FOLLOWING DESCRIBED LAND:

A portion of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida being more particularly described as follows: Commence at the Southwesterly corner of Parcel "B" as shown on the map of Sawgrass Unit 1 as recorded in Map Book 12, pages 3 through 18 inclusive of the public records of said county; thence along the Westerly line of said Parcel "B", North 14°14'08" West, 52.33 feet to the Northwesterly corner of said Parcel "B"; thence along the Northerly line of Parcel "A" as shown on said map of Sawgrass Unit 1, South 68°08'19" West, 202.96 feet; thence North 03°25'59" East 270.0 feet; thence North 06°12'43" West 130.85 feet; thence North 75°43'23" East, 105.10 feet to the Point of Beginning; thence South 86°34'01" East, 15.0 feet; thence South 03°25'59" West, 30.0 feet; thence North 86°34'01" West, 15.0 feet; thence North 03°25'59" East, 30.0 feet to the Point of Beginning. Containing 450 square feet more or less, and less and except

right of way line of State Road 203), said point being the point of curve of a curve concave Easterly having a radius of 993.49 feet; thence along the arc of said curve and along said Easterly right of way line an arc distance of 10.92 feet, said curve having a chord bearing and distance of South 12°44'13" East, 10.92 feet; thence North 73°25'04" East, 162.94 feet; thence North 30°29'52" East, 20.43 feet; thence North 77°34'41" East, 63.84 feet; thence North 76°24'55" East, 21.51 feet to the Point of Beginning; thence continue North 76°24'55" East, 84.0 (to a point hereinafter referred to as REFERENCE POINT B); thence North 77°38'01" East, 340 feet more or less to the approximate mean high water line of the Atlantic Ocean; thence Northerly along said approximate mean high water line 345 feet more or less; thence South 77°45'20" West, 420 feet more or less; thence North 57°14'40" West, 12.36 feet; thence Southerly along a curve concave Westerly having a radius of 113.0 feet an arc distance of 60.99 feet, said curve having a chord bearing and distance of South 09°59'06" East, 60.25 feet to the point of reverse curve, said curve having a radius of 87.0 feet; thence along the arc of said curve an arc distance of 43.46 feet, said curve having a chord bearing and distance of South 08°50'08" East, 43.01 feet to the point of tangency of said curve; thence South 23°08'50" East, 66.18 feet; thence South 12°14'40" East, 189.68 feet to the Point of Beginning, containing 3.40 acres more or less, and less and except

SPINNAKERS REACH II CONDOMINIUM PROPERTY:

PARCEL "B"

A part of Section 2, Township 4 South, Range 29 East, together with a part of Section 35, Township 3 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel "B" with the Southerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12, pages 3 through 18 of the public records of said county; thence North 77°34'41" East, 120 feet, to the point on the Easterly line of said Parcel "C" (said Easterly line of Parcel "C" being the Easterly right of way line of State Road 203); thence North 12°25'19" West, along said Easterly right of way line, 377.66 feet; thence North 77°45'20" East, 252.61 feet; thence South 57°14'40" East, 3.89 feet to the POINT OF BEGINNING; thence continue South 57°14'40" East, 12.36 feet; thence North 77°45'20" East, 420 feet, more or less to the approximate Mean High Water Line of the Atlantic Ocean; thence Northerly along the said Mean High Water Line, 350 feet, more or less; thence South 77°45'20" West, 432 feet, more or less; thence South 25°48'53" East, 11.99 feet to the point of curve of a curve concave Westerly and having a radius of 113 feet; thence continue along and around the arc of said curve, 47.68 feet, said curve having a chord bearing and distance of South 13°43'38" East, 47.33 feet to the point of tangency of said curve; thence South 01°38'23" East, 94.02 feet to the point of curve of a curve concave Easterly and having a radius of 162 feet; thence continue along and around the arc of said curve, 29.98 feet said curve having a chord bearing and distance of South 06°56'31" East, 29.94 feet to the point of tangency of said curve; thence South 12°14'40" East, 136.18 feet to the point of curve of a curve

SPINNAKERS REACH I CONDOMINIUM PROPERTY:

PARCEL "A":

A part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel "B" with the Westerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12, pages 3 through 18 of the public records of said county; thence North 77°34'41" East, 120.0 feet to a point on the Easterly line of said Parcel "C" (said Easterly line of said Parcel "C" being the Easterly right of way line of State Road 203), said point being the point of curve of a curve concave Easterly having a radius of 993.49 feet and the Point of Beginning; thence Southerly along the arc of said curve and along said Easterly right of way line an arc distance of 10.92 feet, said curve having a chord bearing and distance of South 12°44'13" East, 10.92 feet; thence North 73°25'04" East, 162.94 feet; thence North 30°29'52" East, 20.43 feet; thence North 77°34'41" East, 39.34 feet; thence North 12°14'40" West, 15.01 feet to the point of curve of a curve to the right, said curve having a radius of 202.0 feet; thence along and around said curve an arc distance of 61.12 feet, said curve having a chord bearing and distance of North 03°34'36" West, 60.88 feet to the point of reverse curve, said curve having a radius of 138.0 feet thence along and around said curve an arc distance of 29.57 feet, said curve having a chord bearing and distance of North 01°02'54" West, 29.52 feet to the point of tangency of said curve; thence North 07°11'16" West, 56.37 feet (to a point hereinafter referred to as REFERENCE POINT A) to the point of curve of a curve to the left, said curve having a radius of 138.0 feet; thence along and around said curve an arc distance of 38.44 feet, said curve having a chord bearing and distance of North 15°10'03" West, 38.32 feet to the point of tangency of said curve; thence North 23°08'50" West, 52.71 feet to the point of curve of a curve to the right, said curve having a radius of 113.0 feet; thence along and around said curve an arc distance of 56.45 feet, said curve having a chord bearing and distance of North 08°50'08" West, 55.87 feet to the point of reverse curve, said curve having a radius of 87.0 feet; thence along and around said curve an arc distance of 56.0 feet, said curve having a chord bearing and distance of North 12°57'54" West, 55.04 feet; thence South 77°45'20" West, 227.53 feet to an intersection with the Easterly right of way line of said State Road 203; thence South 12°25'19" East along said Easterly right of way line 377.66 feet to the Point of Beginning, excepting from the preceding described parcel the following described lands: Commence at the hereinbefore described REFERENCE POINT A; thence South 73°15'02" West, 93.34 feet to the Point of Beginning; thence South 77°45'20" West, 15.0 feet; thence North 12°14'40" West, 30.0 feet; thence North 77°45'20" East, 15.0 feet; thence South 12°14'40" East 30.0 feet to the Point of Beginning, containing 1.96 acres more or less, and less and except

PARCEL "B":

A part of Section 3, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel "B" with the Southerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12, pages 3 through 18 of the public records of said county; thence North 77°34'41" East, 120.0 feet to a point on the Easterly line of said Parcel "C" ~~(said Easterly line of said Parcel "C" being the Easterly~~

BEACH CLUB VILLAS CONDOMINIUM PROPERTY:

A part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows:
Commence at the intersection of the Northerly line of Parcel "B" with the Westerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12 pages 3 through 18 inclusive of the public records of said county; thence North 77°34'41" East, 120.0 feet to a point on the Easterly line of said Parcel "C" (said Easterly line of said Parcel "C" being the Easterly right of way line of State Road 203), said point being the point of curvature of a curve leading Southeasterly; thence Southeasterly along the Easterly right of way line of said State Road 203 and along the arc of a curve concave Easterly and having a radius of 993.49 feet, an arc distance of 85.95 feet, said arc being subtended by a chord bearing and distance of South 14°53'51" East, 85.93 feet to the POINT OF BEGINNING; thence continue Southeasterly along said Easterly right of way line of said State Road 203 and along the arc of a curve concave Easterly and having a radius of 993.49 feet, an arc distance of 330.19 feet, said arc being subtended by a chord bearing and distance of South 26°54'03" East, 328.67 feet to the point of tangency of said curve; thence South 36°25'19" East, continuing along the Easterly right of way line of said State Road 203, 131.76 feet; thence North 36°03'54" East, 124.41 feet; thence North 21°34'24" East, 37.96 feet; thence North 55°57'15" East, 24.44 feet; thence North 34°02'45" West, 41.47 feet to the point of curvature of a curve to the right; thence Northwesterly along the arc of a curve concave Northwesterly and having a radius of 192.0 feet, an arc distance of 55.07 feet, said arc being subtended by a chord bearing and distance of North 25°49'43" West, 54.88 feet to the point of tangency of said curve; thence North 17°36'40" West, 201.64 feet to the point of curvature of a curve to the left; thence Northwesterly along and around the arc of a curve concave Southwesterly and having a radius of 40.00 feet, and arc distance of 62.11 feet, said arc being subtended by a chord bearing and distance of North 62°05'48" West, 56.06 feet to the point of tangency of said curve; thence South 73°25'04" West, 184.38 feet to the POINT OF BEGINNING.
Excepting therefrom, a part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows: Commence at the intersection of the Northerly line of Parcel "B" with the Westerly line of Parcel "C" as shown on the map of Sawgrass Unit One, Map Book 12 pages 3 through 18 inclusive of the public records of said county; thence North 77°34'41" East, 120.0 feet to a point on the Easterly line of said Parcel "C" (said Easterly line of said Parcel "C" being the Easterly right of way line of State Road 203) said point being the point of curvature of a curve leading Southeasterly along the Easterly right of way line of said State Road 203 and along the arc of a curve concave Easterly and having a radius of 993.49 feet, an arc distance of 85.95 feet, said arc being subtended by a chord bearing and distance of South 14°53'51" East, 85.93 feet; thence North 73°25'04" East, 184.38 feet to the point of curvature of a curve to the right; thence Southeasterly along and around the arc of a curve concave Southwesterly and having a radius of 40.00 feet, an arc distance of 62.11 feet, said arc being subtended by a chord bearing and distance of South 62°05'48" East, 56.06 feet to the point of tangency of said curve, also being the POINT OF BEGINNING; thence South 17°36'40" East, 15.0 feet; thence South 72°23'20" West, 5.0 feet; thence North 17°36'40" West, 15.0 feet; thence North 72°23'20" East, 5.0 feet to the POINT OF BEGINNING, and less and except

Relocated Pumping Station 19:

A part of Section 2, Township 4 South, Range 29 East, St. Johns County, Florida, more particularly described as follows:
Commence at the intersection of the Northerly right of way line of Parcel "B" with the Westerly right of way line of Parcel C, as shown on plat of Sawgrass Unit One, Map Book 12, pages 3 through 18 of the public records of said County; thence North 77° 34' 41" East, 120 feet to a point on the Easterly line of said Parcel "C" (said Easterly line of said Parcel "C" being the Easterly right of way line of State Road 203), said point being the point of curve of a curve concave Easterly having a radius of 993.49 feet and the point of beginning; thence Southerly along the arc of said curve and along said Easterly right of way line an arc distance of 10.92 feet, said curve having a chord bearing and distance of South 12° 44' 13" East, 10.92 feet; thence North 73° 25' 04" East, 162.94 feet; thence North 30° 29' 52" East, 20.43 feet; thence North 77° 34' 41" East, 39.34 feet; thence North 12° 14' 40" West, 15.01 feet to the point of curve of a curve to the right, said curve having a radius of 202.0 feet; thence along and around said curve an arc distance of 61.12 feet, said curve having a chord bearing and distance of North 03° 34' 36" West, 60.88 feet to the point of reverse curve, said curve having a radius of 138.0 feet thence along and around said curve an arc distance of 29.57 feet, said curve having a chord bearing and distance of North 01° 02' 54" West, 29.52 feet to the point of tangency of said curve; thence North 07° 11' 16" West, 56.37 feet; thence South 73° 15' 02" West, 93.34 feet to the point of beginning; thence South 77° 45' 20" West, 15.0 feet; thence North 12° 14' 40" West, 30.0 feet; thence North 77° 45' 20" East, 15.0 feet; thence South 12° 14' 40" East, 30.0 feet to the point of beginning.

The lands conveyed to Atlantic Capital Properties, Series VI, Ltd by deed dated _____ recorded under Clerks No. _____ of the Public Records of St. Johns County, Florida.

The lands conveyed to James R. Stockton, III, by Special Warranty Deed, dated December 14, 1982 recorded in Official Records Book 572 page 531 of the Public Records of St. Johns County, Florida.

A portion of Government Lot 3, Section 2, Township 4 South, Range 29 East, St. Johns County, Florida; more particularly described as follows: For point of reference commence at an iron pipe located on the east boundary of the right-of-way of Florida State Road 1A1A (Formerly S.R. 140) at the southwest corner of a tract of land conveyed by Ponte Vedra Company to Henry S. and Norma B. Baldwin by deed dated June 10, 1939, and recorded in the Public Records of St. Johns County, Florida in Deed Book 122, page 60, and run thence S.12°41'E. along the east boundary of the right-of-way of Fla. S.R. 1A1A, keeping parallel to and 33 feet easterly from the center line of the pavement of said road when measured at right angles thereto, a distance of 327.3 feet to an iron pipe set at an angle point in said right-of-way line; continue thence along the easterly boundary of said right-of-way S.13°05'E. keeping parallel to and 33 feet easterly from the center line of said pavement when measured at right angles thereto, a distance of 72.7 feet; run thence S.76°55'W. and at right angles to the center line of Fla. S.R. 1A1A a distance of 66 feet to a point on the west boundary of the right-of-way of S.R. for the Point of Beginning. From the Point of Beginning thus described run S.13°05'E. along the west boundary of the right-of-way said S.R. parallel to and 33 feet westerly from the center line of the pavement of said road when measured at right angles thereto, a distance of 200 feet to a point; run thence S.76°55'W. and at right angles to the center line of said S.R. a distance of 100 feet; thence N.13°05'W. a distance of 200 feet; thence N.76°55'E. a distance of 100 feet more or less to the Point of Beginning.

THIS INSTRUMENT WAS PREPARED BY:
THOMAS M. JENKS
PAPPAS, METCALF & JENKS, P. A.
200 W. FORSYTH STREET, SUITE 1409
JACKSONVILLE, FLORIDA 32262

Rev. 1/19/94

ASSIGNMENT OF DEVELOPER'S RIGHTS

(SAWGRASS COUNTRY CLUB)

This Assignment of Developer's Rights is made effective the
12 day of May, 1994 by ARVIDA/JMB PARTNERS, a
Florida general partnership ("Arvida/JMB"), in favor of SAWGRASS
ASSOCIATION, INC., a Florida nonprofit corporation ("Association").

R E C I T A L S:

A. Arvida/JMB is the holder of certain reserved rights more particularly described on Exhibit A attached hereto and made a part hereof (the "Developer's Rights").

B. In anticipation of Arvida/JMB's relinquishment of its voting control of the Board of Directors of Association, Association has requested that Arvida/JMB, on the terms hereinafter set forth, assign to it all of its rights, privileges, benefits and protections with respect to the Developer's Rights.

C. Arvida/JMB has agreed, and now desires to make such an assignment.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

1. All rights, privileges, benefits and protections of Arvida/JMB with respect to the Developer's Rights are hereby assigned to Association and such of its successors and assigns to which Association further assigns any of the rights, privileges, benefits and protections hereby assigned to Association.

2. Association hereby accepts the assignment of all of Arvida/JMB's rights, privileges, benefits, and protections with respect to the Developer's Rights.

EXHIBIT B

Recorded in Public Records, St. Johns County, FL
Clerk # 94023786 O.R. 1063 PG 524 11:06AM 07-12-94
Recording 17.00 Surcharge 2.50

IN WITNESS WHEREOF, Arvida/JMB and the Association have each executed this Assignment effective as of the date and year first above written.

Signed, sealed and delivered in the presence of:

ARVIDA/JMB PARTNERS, a Florida general partnership

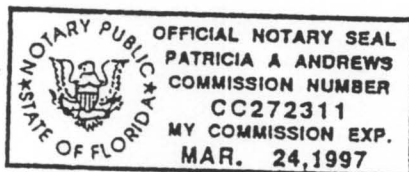
By: Arvida/JMB Managers, Inc., a Delaware corporation

P. Andrews
(Print Name P. Andrews)
Yvonne Keel
(Print Name YVONNE KEEL)

By: James D. Motta
Its: Vice President
120 International Pkwy
Suite 220
Heathrow, FL 32746

STATE OF FLORIDA)
COUNTY OF Palm Beach) SS

The foregoing instrument was acknowledged before me this 12th day of May, 1994, by James D. Motta, the Vice President of ARVIDA/JMB MANAGERS, INC., a Delaware corporation, a general partner of ARVIDA/JMB PARTNERS, a Florida general partnership, on behalf of the partnership.



Patricia A. Andrews
(Print Name Patricia A. Andrews)
NOTARY PUBLIC, State of Florida
at Large
Commission No. CC 272311
My Commission Expires: 3/24/97

Personally known ☒ or Produced I.D. ☐
[check one of the above]
Type of Identification Produced _____

Signed, sealed and
delivered in the
presence of:

Linda Carlucci
(Print Name Linda Carlucci)

Dorothy Dodson
(Print Name Dorothy Dodson)

SAWGRASS ASSOCIATION, INC., a
Florida non-profit corporation

By: Michael Dick
Michael Dick
President
P. O. Box 600
Ponte Vedra Beach, FL 32082

STATE OF FLORIDA)
COUNTY OF Summit) SS

The foregoing instrument was acknowledged before me this 12
day of May, 1994, by Michael Dick, the President
of SAWGRASS ASSOCIATION, INC., a Florida non-profit corporation, on
behalf of the corporation.

Linda Carlucci
(Print Name Linda Carlucci)
NOTARY PUBLIC, State of Florida
at Large
Commission No. NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. FEB. 12, 1995
My Commission Expires: EXPIRED THRU GENERAL INS. AND

Personally known X or Produced
I.D.
[check one of the above]
Type of Identification Produced

Rev. 2/24/94

EXHIBIT A
TO
ASSIGNMENT OF DEVELOPER'S RIGHTS

1. All rights of Arvida/JMB set forth in the Amended Sawgrass Covenants and Restrictions, Unit 1, Blocks 1, 2 and 3, recorded in Official Records Book 243 at page 375 of the current public records of St. Johns County, Florida (Sawgrass Unit 1).

2. All rights of Arvida/JMB set forth in Article II of the Special Warranty Deed between Arvida Corporation, as Grantor, and Seacoast Investors, Inc., as Grantee, recorded in Official Records Book 602 at page 139 of the current public records of St. Johns County, Florida (Willow Pond).

3. All rights of Arvida/JMB to enforce the reservations and restrictions contained in the Special Warranty Deed from Arvida Corporation, as Grantor, to 900 Spinnakers Development Associates, as Grantee, recorded in Official Records Book 650 at page 11 of the current public records of St. Johns County, Florida (Windemere).

4. All rights of Arvida/JMB set forth in the Special Warranty Deed between Arvida Corporation, as Grantor, and Walkers Ridge Associates, Ltd., as Grantee, recorded in Official Records Book 629 at page 254 of the current public records of St. Johns County, Florida (Walkers Ridge).

5. The rights of Arvida/JMB to enforce the covenants and restrictions set forth in paragraph 2 and 3 of the Declaration of Covenants and Memorandum of Utility Service Agreement, recorded in Official Records Book 602 at page 650 of the current public records of St. Johns County, Florida (Intercoastal Utilities).

EXHIBIT C

Contaminants Expected To Be In Drinking Water

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include: microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife; inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming; Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses; organic chemical contaminants, including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems; radioactive contaminants, which can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. Food and Drug Administration regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

What's In My Water?

We are pleased to report that the water delivered to your homes or businesses complies with, or does better than, all state and federal drinking water requirements. For your information, we have compiled a list in the table below showing what substances were detected in our drinking water. All of the data presented is from our last round of sampling in 1996, unless otherwise noted. (Our water is scheduled to be resampled this year and the results will be reported in our CCR next year.) Although all of these substances listed below are under the Maximum Contaminant Level (MCL) set by U.S. EPA, and therefore not expected to cause any health risks, we feel it is important that you know exactly what was detected and how much of the substance was present in the water.

REGULATED SUBSTANCES

Contaminants	MCL*	MCLG*	Plantation Water Treatment Plant Amount Detected	Sawgrass Water Treatment Plant Amount Detected	Violation	Typical Source
Alpha emitters (pCi/l)*	15	0	1.1	0.6	no	Erosion of natural deposits
Barium (ppm)*	2	2	0.02	0.02	no	Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits
Cadmium (ppb)*	5	5	0.35	0.54	no	Corrosion of galvanized pipes; Erosion of natural deposits; Discharge from metal refineries; Runoff from waste batteries and paints
Fluoride (ppm)	4	4	1.2	1.4	no	Erosion of natural deposits; Water additive which promotes strong teeth; Discharge from fertilizer and aluminum factories
Chromium (ppb)	100	100	27	0	no	Discharge from steel and pulp mills; Erosion of natural deposits
Nickel (ppb)	100	n/a	37.5	0	no	Pollution from electroplating operations
Selenium (ppb)	50	50	2.3	8.3	no	Discharge from petroleum and metal refineries; Erosion of natural deposits; Discharge from mines
Sodium (ppm)	160	n/a	17.9	20.09	no	Salt water intrusion; Leaching from soil
Turbidity (NTU)*	TT	n/a	0.75	0.93	no	Soil runoff

*n/a = not applicable

NOTE: Regulated contaminants were tested for in 1996 in accordance with all state and federal requirements.

Microbial

Bacterium (units)	MCL	MCLG	Amount Detected	Violation	Typical Source
Total Coliform (number of positive samples)	Presence of coliform bacteria in more than one monthly sample	0	4	Yes	Naturally present in the environment

NOTE: Microbial contaminants were tested for in 1998 in accordance with all state and federal requirements.

Lead and Copper

Contaminants	Action Level*	MCLG	Amount Detected	Number of homes above the Action Level	Typical Source
Lead (ppb) (Tap Water)	15	0	1.5	0 out of 20	Corrosion of household plumbing systems; Erosion of natural deposits
Copper (ppm) (Tap Water)	1.3	1.3	0.53	0 out of 20	Corrosion of household plumbing systems; Erosion of natural deposits; Leaching from wood preservatives

NOTE: Lead and copper was tested for in 1997 in accordance with all state and federal requirements.

UNREGULATED SUBSTANCES

Contaminants	Plantation Water Treatment Plant Amount Detected	Sawgrass Water Treatment Plant Amount Detected	Typical Source
Irontrichloromethane (ppb)	2.9	3.8	Disinfection by-products of chlorination
Chloroform (ppb)	5.3	4.8	Disinfection by-products of chlorination
Dibromochloromethane (ppb)	2.4	3.5	Disinfection by-products of chlorination

Table Definitions:

- Maximum Contaminant Level (MCL):** The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- Maximum Contaminant Level Goal (MCLG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- Picocuries per liter (pCi/l):** Measurement of the radioactivity in water.
- Parts per million (ppm):** One part per million (or milligrams per liter) is equivalent to one penny in \$10,000.
- Parts per billion (ppb):** One part per billion (or micrograms per liter) is equivalent to one penny in \$10,000,000.
- Nephelometric Turbidity Units (NTU):** Measurement of the clarity (i.e. turbidity) of water. Turbidity in excess of 5 NTU is just noticeable.
- Treatment Technique (TT):** A required process intended to reduce the level of a contaminant in drinking water.
- Action Level (AL):** The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.



Our Violation

In December 1998, the water supplied to the Sawgrass and Plantation areas exceeded the MCL for Total Coliform Bacteria. Total Coliform Bacteria are common in the environment and are generally not harmful themselves. The presence of this bacterial form in drinking water is a concern because they indicate that the water may be contaminated with other organisms that can cause disease. Additional tests have been conducted since December, which has shown the water supply to be free of Total Coliform. At no time did this incident pose a threat to public health and safety.

GOT QUESTIONS?

Call U.S. EPA's Safe Drinking Water Hotline at 1-800-426-4791



Recycled and Recyclable

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A Richard Olson
342 Quail Pointe
P.O. Box 11 32082

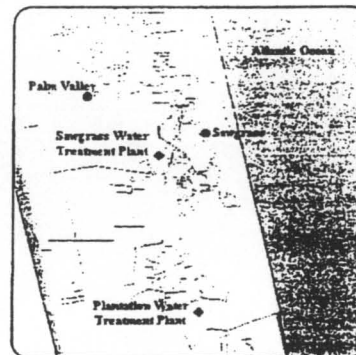
Intercoastal Utilities, Inc.
1800 Riverplace Blvd
Suite 600
Jacksonville, FL 32207

1998

INTERCOASTAL Utilities

WATER QUALITY REPORT

Intercoastal Utilities is proud to present to you our first annual 1998 Water Quality Report. In complying with recent legislation, we have developed this report to provide you with valuable information about your drinking water. From this report, you will realize what we've always known – *your water is safe!*



Where Does My Water Come From?

Our primary drinking water supply is from a groundwater source called the Floridan Aquifer System. This aquifer is one of the major sources of groundwater in the United States, covering a total area of about 100,000 square miles. It underlies all of Florida, southern Georgia, and small parts of adjacent Alabama and South Carolina. We have 3 wells placed throughout the system that are used to draw from this groundwater supply. From these wells, water is pumped to either the Sawgrass Water Treatment Plant or the Plantation Water Treatment Plant where it is tested and treated. Our groundwater supply is not exposed to air and is not subject to direct pollution and contamination like a river or a reservoir. In fact, groundwater is the safest and highest quality water available to meet the public health demand of water intended for human consumption. Demand for good, safe drinking water is high: we provide to our customers almost 2 million gallons of water every day!

Working Hard For You

Since we first opened our doors, Intercoastal Utilities' goal has been to produce the safest and highest quality drinking water for all our customers. We are proud of our history of quality service. To maintain our commitment to you, our analysts routinely collect and test water samples every step of the way – from the source waters right to your home – checking purity and resolving potential problems. Our treatment plant is constantly maintained, evaluated and upgraded to stay abreast of advancements in technology, health science and government regulations. Our water quality lab is the heart of our quality assurance program. Staffed by highly trained scientists and technicians, the state-certified lab has the latest, most sophisticated instruments, and can measure substances down to one part in a billion! Through foresight and planning, efficiency in operations, and focus on excellence in customer service, we will provide you the best quality drinking water at an economical price well into the 21st century.

Under the Safe Drinking Water Act (SDWA), EPA is responsible for setting national limits for hundreds of substances in drinking water and also specifies the treatments that water systems must use to remove these substances. This publication conforms to the new federal regulation under SDWA requiring water utilities to provide detailed water quality information to each of their customers annually. We are committed to providing you with this information about your water supply, because customers who are well informed are our best allies in supporting improvements necessary to maintain the highest drinking water standards.

For more information about our source water, or for any questions relating to this report, please call Huey James, Operations Manager, at (904) 396-7699.

Intercoastal Utilities, Inc.

P.O. Box 11111
Jacksonville, Florida 32221-0111
Telephone 904 779-9292
Fax 904 779-9292

February 4, 2000

**RESIDENT
INTERCOASTAL UTILITIES INC.**

Dear Resident,

Let me give you a brief history of what has taken place over the last few years. The St. Johns Water Management District, The Department of Environmental Protection, and the St. Johns County Health Dept. were informed that Honorable Lawton Chiles passed into law a bill (that had been lying on the shelf for years) making the Guana River a "Florida Outstanding Water"; protected by the State of Florida from any form of degradation.

I received a letter from the Department of Environmental Protection (D.E.P.) informing me that Intercoastal could no longer discharge its "effluent", (the finished water after it has been treated by a Wastewater Facility), into the Guana River because of the Governor's designation.

Initially the D.E.P. wanted the Utility Company to perform an extensive (and expensive) environmental study for discharge of that effluent to the Intracoastal Waterway, which examines water quality upstream and downstream of the discharge points and reports on animal, fish, wildlife, environment, temperature of water in all four seasons, conditions of the waterway's bottom and every other condition that you can imagine. Considering our concern for the study cost the D.E.P. informed me that a large amount of the information

that was needed was available on their computer, from their numerous studies on the Intracoastal Waterway's in past years; and, that the data could be used in our study to reduce its cost. The D.E.P. and our engineer extracted the available information and provided other necessary laboratory analyses to complete the information required by the D.E.P. for approval of the discharge into the Intracoastal Waterway with a new treatment technology described below.

- #1 The new S.B.R. "Sequencing Batch Reactor" plant is the latest technology for treatment of sewage in the United States. The treatment process consists of two Sequential Batch Reactors, followed by effluent and chlorination prior to discharge either to the Lake (holding pond) for irrigation of the Sawgrass golf course or, pumping to the Intracoastal Waterway for final discharge. No effluent will overflow from the lake to the other existing lakes, which discharge into the Guana River.
- #2 There is no way to eliminate 100% of the odor at the plant. There will be a small amount of odor because we are processing and treating human waste. However, most of the odor will be removed.
- #3 The influent pond that has been creating the odor will be eliminated before the end of January 31, 2000. The pond is presently being emptied. This will create odor and we are sorry but this sludge and sand has to be removed.
- #4 The new treatment facility will treat sewage to a 97.3% B.O.D. and T.S.S. 96.9% removal, and the effluent (finished water) that will be entering the lake and the Intracoastal Waterway will look like drinking water.

- #5 Our operation of this facility has been increased from 10 hours per day, seven days per week to 16 hours per day, seven days per week including Christmas, Thanksgiving, New Years and every other holiday on the books.
- #6 In Seven (7) separate meetings covering over thirty-five (35) hours of testimony in St. Johns County (with the County Commission and Water & Sewer Regulatory Board) covering six months, Not one of our 12,950 customers complained about our service. That is a feat in itself.

Let me apologize for the last twelve months that we have been under construction of the new plant. I am happy to report, we have completed the new plants and they are on line. We are presently trying to work out a few minor problems which normally occur. None of these minor problems effect the finish product.

The customers in Sawgrass and the Ponte Vedra area close to the Wastewater plant have been extremely patient and we do certainly appreciate your understanding. We, again apologize for the odor.

We would also like to thank the D.E.P. and St. Johns Water Management District and the St. Johns County Health Dept. for working with us on the project.


The Department of Environmental Protection has taken a lot of heat and phone calls in the last few months and we would like to give them a special "thank you" for their endurance.

Mr. Ed Cordova and Mr. Frank Watkins are executives at D.E.P. that have handled complaints they really don't deserve as a side job because it is not their primary duty.

Therefore we please ask you to call our office at (904) 779-9292. We will be happy to answer any questions, take any complaints, resolve any problems and discuss any issues that you may have. We are in constant touch with our field operators at the plant and have hired additional licensed and qualified operators. The Wastewater plant is 100% fully computerized operated with our people checking and rechecking the treatment process continuously.

Our greatest desire and goal will be for the new plant to be an asset to the Ponte Vedra Area and to operate the new facility without anyone knowing we are there. Thanks again for your patience and understanding.

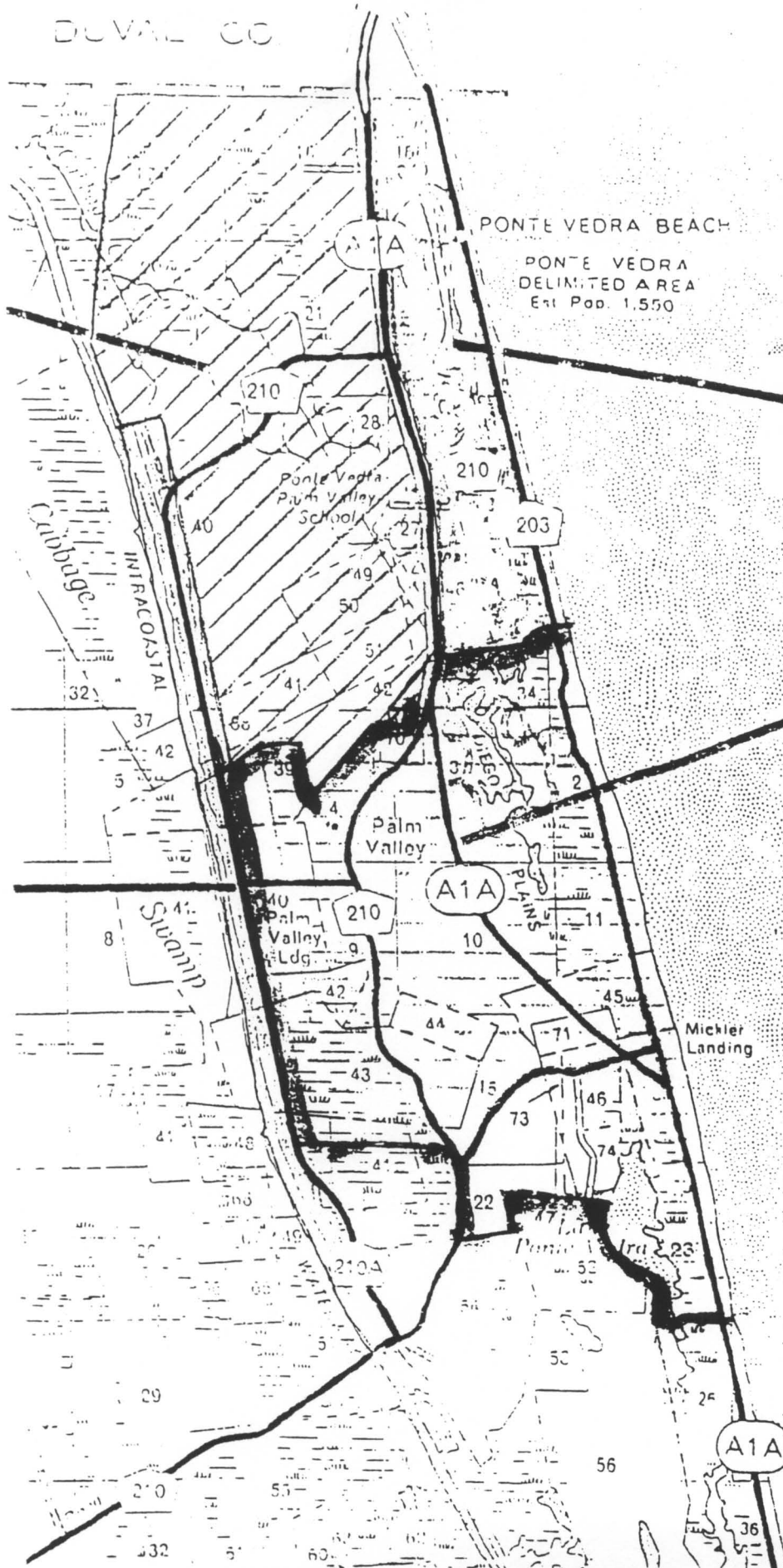
Sincerely,



H.R. James
President

cordhrjam

DUVAL CO.



PONTE VEDRA BEACH

PONTE VEDRA
DELIMITED AREA
Est. Pop. 1,550

PONTE VEDRA UTILITIES, INC
(Jax Suburban)
(904) 721-4600

INTERCOASTAL UTILITIES
(Jax Utilities)
(904) 399-8802

Mickler
Landing

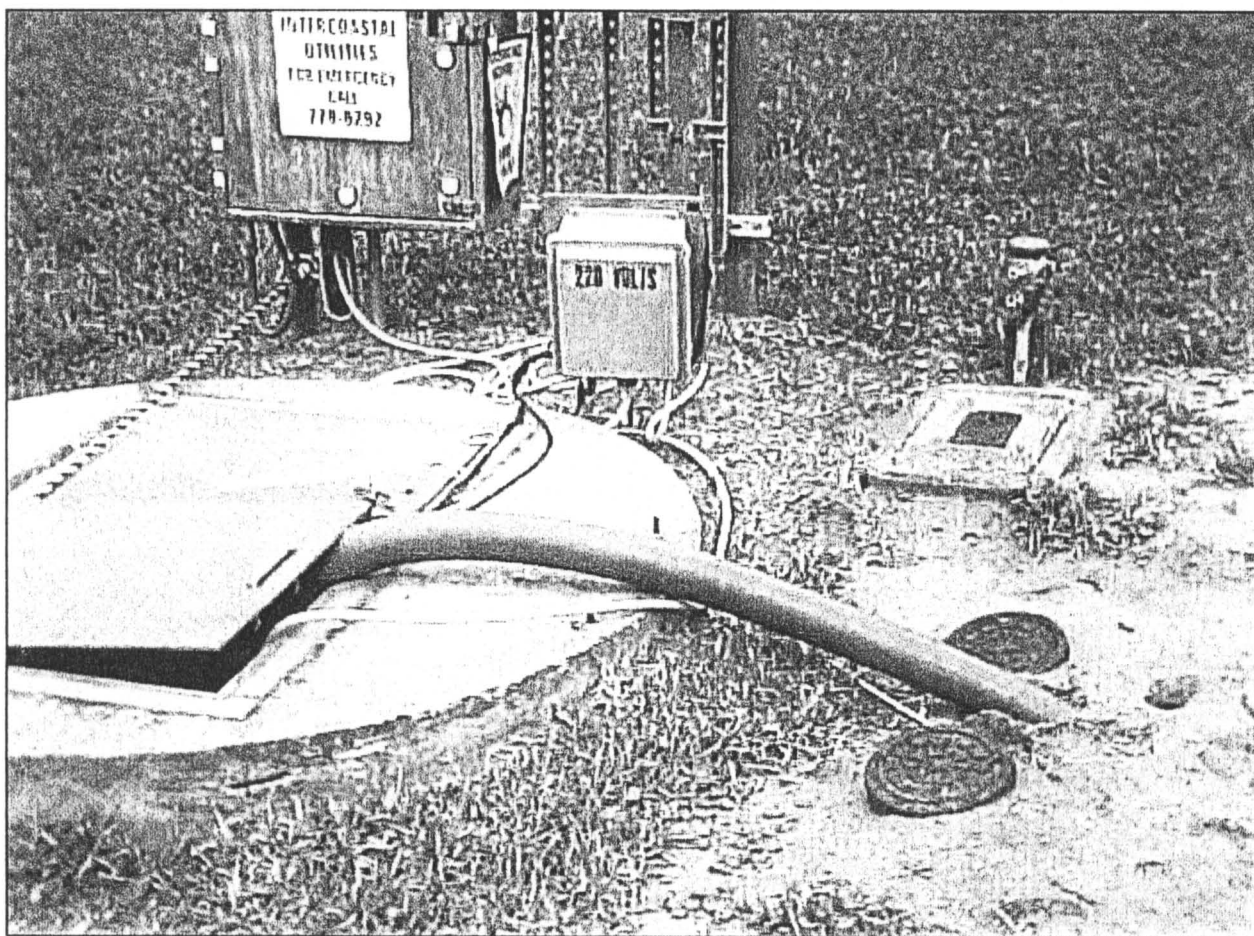


EXHIBIT E

