

MEMORANDUM

March 19, 1996

ORIGINAL
FILE COPY

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (AGARWAL) *RA*
RE: DOCKET NO. 960040-WS - APPLICATION FOR TRANSFER OF
CERTIFICATES NOS. 454-W AND 488-S IN LAKE COUNTY FROM
WATER OAK UTILITIES CO., INC. TO SUN COMMUNITIES FINANCE
LIMITED PARTNERSHIP

Please file the attached letter in the above referenced docket.

RA/dp

Attachment

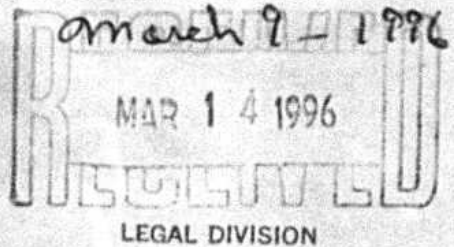
cc: Division of Water and Wastewater (Tomlinson, Brady, Redemann)

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FPSC-RECORDS/REPORTING



Public Service Commission
 Division of Legal Services
 att. Mr. Raj Agarwal

Re. Docket #960040, W.S

This memo is in response to your letter of March 1-1996, which I received to-day. Due to the fact we have been retired for 9 years, and are not financially able to retain an attorney, we leave it up to The office of Public Council to represent our interests. Sun Communities Inc, a Real Estate Trust - (REIT) from Farmington Hills, MI purchased Water Oak Estate, a retirement community in Dec - 1993.

Since that time, nobody from Sun Communities has visited and met with 625 residents of Water Oak to explain what the future holds for Water Oak residents. Prior to the purchase, Water Oak Estate was assessed at a value of \$14,500,000, due to the purchase price being

#2

\$23,500,000, water oak was reassessed
at the \$23,500,000 + an monthly
rent, increased accordingly.

Our contract or agreement calls for
annual increase in rent equal to
the L.P.I., which I understand
represents the increase in the cost
of Doing Business, which includes any
increase in tax assessment.

Without going into any further detail,
I am sure you can see why the
residents of water oak are concerned
with the transfer of water oak utilities
to what in effect is a Holding Company,
and long term may not be in
the best interest of water oak
residents.

Copy Mr. E.A. Kelly
Towers FL

Yours Truly
J.R. Lewis