

Regulatory Consultants, Inc.

405 Interstate Boulevard; #A Sarasota, Florida 34240
Telephone (941) 371-8499 Fax (941) 379-2828
RegCon401@aol.com

ORIGINAL

September 22, 2004

Ms. Bianca S. Bayo, Director
Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED FPSC
SEP 23 AM 11:21
COMMISSION CLERK

041117-WS

RE: Application for Transfer of Water Certificate No. 611-W
and Wastewater Certificate No. 527-S

Dear Ms. Bayo:

On behalf of MSM Utilities, LLC, and in accordance with Chapter 25-30, Florida Administrative Code, we are submitting the Application for Transfer of Water Certificate 611-W and Wastewater Certificate 527-S from Hunter Creek Utilities, LLC to MSM Utilities, LLC in Charlotte County, Florida.

Enclosed you will find the following:

FORWARDED
TO ECR

- 1) An original and five copies of the completed application and applicable exhibits.
- 2) An original and two copies of the proposed water and wastewater tariffs.
- 3) A check in the amount of \$1,500.00 for the proper filing fee pursuant to Rule 25-30.020.
- 4) Proposed Legal Notice.

Be advised that the Utility has obtained the appropriate list from the Commission and will be mailing notices of the transfer within seven days of the filing to the following:

- 1) the governing bodies of Charlotte County and appropriate municipalities,
- 2) the privately-owned water and wastewater utilities in Charlotte County
- 3) the S.W. Florida Regional Planning Council,
- 4) the Office of Public Counsel,
- 5) the FPSC's Division of Records and Reporting,
- 6) the appropriate regional office of the Department of Environmental Protection,
- 7) the appropriate water management district.

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.
Initials of person who forwarded check:
ABM

04 SEP 23 AM 9:52
DISTRIBUTION CENTER
DOCUMENT NUMBER-DATE
10318 SEP 23 04
FPSC-COMMISSION CLERK

Florida Public Service Commission
September 22, 2004
Page 2

Also, the Utility will be delivering, by regular mail or personal delivery, the notice of the transfer within seven days of the filing to each customer on the system, as well as publishing the notice in the local newspaper within seven days of the filing. Affidavits, along with required copies, will be submitted to the Commission within 15 days of filing the application.

As we have previously discussed with the Florida Public Service Commission, there was a possibility that there might be a sale of the utility during the time the Commission was processing the Transfer Application of Rivers Edge Utilities, LLC. This Application is being submitted in order to have the Certificate transferred to MSM Utilities, LLC rather than Rivers Edge Utilities, LLC due to the fact that MSM Utilities, LLC has a contract to purchase the utility assets once owned by Hunter Creek Utilities, LLC.

Should you have any questions or require any further information, please don't hesitate to contact me.

Sincerely,



George C. MacFarlane
President

GCM:sm
Enclosures

cc: David E. Olmsted
Olmsted & Wilson, P.A.

04 SEP 23 AM 9:52

DISTRIBUTION CENTER

LEGAL NOTICE

Notice is hereby given on _____, 2004, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of Water Certificate No. 611-W and Wastewater Certificate No. 527-S held by Hunter Creek Utilities, LLC to MSM Utilities, LLC, a Florida Limited Liability Company. This transfer does not affect the rates or charges for water or wastewater service being provided to those customers within The Oaks at Rivers Edge (formerly Hunter Creek Village). In accordance with the Certificates, Hunter Creek Utilities, LLC is authorized to provide water and wastewater service to the following described territory located in Charlotte County, Florida:

Township 40 South, Range 23 East
Section 12

The NE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

The SE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

The NW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

That portion of Government Lot 2, Section 12, Township 40 South, Range 23 East, lying South of Lee Branch Creek.

And

The Westerly 30 feet of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

Township 40 South, Range 23 East
Section 11

All of Government Lot 5, lying South of Lee Branch Creek in Section 11, Township 40 South, Range 23 East.

And

The NE 1/4 of the SE 1/4 of Section 11, Township 40 South, Range 23 East, lying East of Hunters Creek.

Any objection to the said application must be made in writing and filed with the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

MSM Utilities, LLC
9696 Bonita Beach Road, Ste. 210
Bonita Springs, Florida 34110

MSM UTILITIES, LLC

041117-WS

**Application for Transfer
of
Water Certificate 611 -W
and
Wastewater Certificate 527 - S**

September 2004

**REGULATORY CONSULTANTS, INC.
405 Interstate Blvd., Suite A
Sarasota, Florida 34240
(941) 371-8499**

DOCUMENT NUMBER-DATE

10318 SEP 23 04

**APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER
OF CERTIFICATE OR FACILITIES**

(Pursuant to Section 367.071, Florida Statutes)

**TO: Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850**

041117-WS

The undersigned hereby makes application for the sale, assignment or transfer of all of Water Certificate No. 611-W and Wastewater Certificate No. 527-S or facilities in Charlotte County, Florida, and submits the following information:

PART I APPLICANT INFORMATION

A) The full name (as it appears on the certificate), address and telephone number of the applicant:

Hunter Creek Utilities, LLC

Name of utility

(941) 637-5757

Phone No.

(941) 637-0302

Fax No.

1601 Hunter Creek Drive

Office street address

Punta Gorda,

City

Florida

State

33982

Zip Code

N/A

Mailing address if different from street address

N/A

Internet address if applicable

PSC/WAW 7 (Rev. 8/95)

DOCUMENT NUMBER-DATE

10318 SEP 23 3

FPSC-COMMISSION CLERK

B) The name, address and telephone number of the person to contact concerning this application:

George C. MacFarlane, President
Regulatory Consultants, Inc. (941) 371-8499 (941) 379-2828
Name Phone No. Fax No.

405 Interstate Boulevard – Ste. A
Street address

Sarasota Florida 34240
City State Zip Code

C) The full name (as it will appear on the certificate), address and telephone number of the buyer:

MSM Utilities, LLC
Name of utility

(239) 444-1444 (239) 444-1445
Phone No. Fax No.

9696 Bonita Beach Rd., Suite 210
Office street address

Bonita Springs, Florida 341~~30~~³⁵
City State Zip Code

N/A
Mailing address if different from street address

N/A
Internet address if applicable

D) Indicate the organizational character of the buyer: (Circle one):

Corporation Partnership Sole Proprietorship

Other: Florida Limited Liability Company
(specify)

E) The date and state of incorporation or organization of the buyer:

August 23, 2004 State of Florida

F) If the buyer is a corporation, list the names, titles and addresses of corporate officers and directors. (use additional sheet if necessary).

N/A

G) If the buyer is not a corporation, list the names, titles, and addresses of all persons owning an interest in the organization. (Use additional sheet if necessary).

Ben J. Maltese, Trustee of the Ben J. Maltese Revocable Trust Dated 9/9/97	30%
Gerald G. Mansour Trustee of the Gerald G. Mansour Revocable Trust Dated 11/18/91	15%
Gerald J. Mansour Trustee of the Gerald J. Mansour Revocable Trust Dated 10/6/83	15%
Ghassan M. Saab, Trustee of the Ghassan M. Saab Trust Dated 2/16/87	15%
Khalil Saab, Trustee of the Khalil Saab Revocable Trust Dated 10/10/94	25%

PART II FINANCIAL AND TECHNICAL INFORMATION

A) Exhibit A - A statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.

B) List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

N/A

C) Exhibit B - A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:

- (1) Purchase price and terms of payment.
- (2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities.
- (3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.

The contract for sale shall also provide for the disposition, where applicable, of the following:

- a) Customer deposits and interest thereon;
- b) Any guaranteed revenue contracts;
- c) Developer agreements;
- d) Customer advances;
- e) Debt of the utility; and
- f) Leases.

D) Exhibit C - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.

E) Exhibit D - A statement describing the financing of the purchase.

F) Exhibit E - A list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.

G) Exhibit F - The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.

- H) **Exhibit G** - A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)
- I) The full name, address and telephone number of the person who has possession of the books and records of the seller:

PRIOR TO FORECLOSURE: John Leonette
 AFTER FORECLOSURE: Janice Fader, Manager (941) 505-7416
 Name Phone No.

1601 Hunter Creek Drive
 Street address

<u>Punta Gorda</u>	<u>Florida</u>	<u>33982</u>
City	State	Zip Code

- J) **Exhibit N/A** - If the books and records of the seller are not available for inspection by the Commission or are not adequate for purposes of establishing the net book value of the system, a statement by the buyer that a good faith, extensive effort has been made to obtain such books and records for inspection by the Commission and detailing the steps taken to obtain the books and records.
- K) **Exhibit H** - A statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns.
- L) **Exhibit I** - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (DEP).

If the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violation, a copy of the Notice of Violation (s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost to make them.

PART III NOTICE OF ACTUAL APPLICATION

A) Exhibit J - An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:

- (1) **the governing body of the municipality, county, or counties in which the system or the territory proposed to be serve is located;**
- (2) **the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;**
- (3) **if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificated granted by the Commission;**
- (4) **the regional planning council;**
- (5) **the Office of Public Counsel;**
- (6) **the Public Service Commission’s Director or Records and Reporting;**
- (7) **the appropriate regional office of the Department of Environmental Protection; and**
- (8) **the appropriate water management district.**

Copies of the Notice and a list of entities noticed shall accompany the affidavit.
THIS MAY BE A LATE-FILED EXHIBIT.

B) Exhibit K - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. **THIS MAY BE A LATE-FILED EXHIBIT.**

- C) **Exhibit L** - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. **THIS MAY BE A LATE-FILED EXHIBIT.**

PART IV FILING FEE

Indicate the filing fee enclosed with the application:

 \$ 750.00 (for water) and \$ 750.00 (for wastewater).

Note: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee as follows:

- (1) For applications in which the utility to be transferred has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750.**
- (2) For applications in which the utility to be transferred has the capacity to serve up to 501 to 2,000 ERC's, the filing fee shall be **\$1,500.**
- (3) For applications in which the utility to be transferred has the capacity to serve up to 2,001 to 4,000 ERC's, the filing fee shall be **\$2,250.**
- (4) For applications in which the utility to be transferred has the capacity to serve more than 4,000 ERC's, the filing fee shall be **\$3,000.**

PART V OTHER

- A) **Exhibit M** - Evidence that the utility owns the land where the utility treatment facilities are located. Or, where the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- B) **Exhibit N** - The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems. **An original and two copies of the Water and Wastewater Tariffs are included under separate cover.**
- C) **Exhibit O** - The utility's current certificate(s) or, if not available, an explanation of the steps the applicant took to obtain the certificate(s).

PART VI AFFIDAVIT

I, Ben J. Maltese, Managing Partner, MSM Utilities, LLC, a Florida Limited Liability Company (applicant) do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

BY: Ben J. Maltese
Applicant's Signature

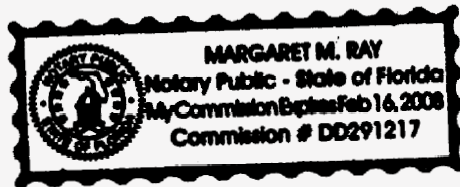
Ben J. Maltese
Applicant's Name (Typed)

Managing Partner
Applicant's Title *

Subscribed and sworn to before me this 17 day in the month of September in the year of 2004 by BEN J. MALTESE who is personally known to me or produced identification.

Type of Identification Produced

Margaret M. Ray
Notary Public's Signature



Print, Type or Stamp Commissioned
Name of Notary Public



* If the applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If the applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT A

STATEMENT INDICATING TRANSFER IS IN THE PUBLIC INTEREST

MSM Utilities, LLC is owned 30% by Ben J. Maltese, Trustee of the Ben J. Maltese Revocable Trust, dated 9/9/97, 15% by Gerald G. Mansour, Trustee of the Gerald G. Mansour Revocable Trust, dated 11/18/91, 15% by Gerald J. Mansour, Trustee of the Gerald J. Mansour Revocable Trust, dated 10/6/83, 15% by Ghassan M. Saab, Trustee of the Ghassan M. Saab Trust, dated 2/16/87 and 25% by Khalil Saab, Trustee of the Khalil Saab Revocable Trust, dated 10/10/94. The Trustees have purchased ownership of the development known as The Oaks at Rivers Edge (formerly known as Hunter Creek Village) and the water and wastewater system that serves the residents within The Oaks at Rivers Edge. The Trustees have a substantial investment in the Community. The Trustees are committed to providing quality service to the customers of the water and wastewater systems. It is in the best interest of The Trustees, as both the owners of The Oaks at Rivers Edge and the owners of MSM Utilities, LLC to have MSM Utilities, LLC continue to provide good quality service to both the residents of The Oaks at Rivers Edge and the customers of the utility system which, in the main, are the same persons. MSM Utilities, LLC will continue to provide water to its customers at the rates which have been previously approved by the Florida Public Service Commission. In addition, MSM Utilities, LLC will continue to treat and dispose of the wastewater generated by the customers of the utility system in accordance with its current Florida Department of Environmental Protection operating permit. MSM Utilities, LLC will own all of the water distribution lines, wastewater collection lines, hydrants, lift stations and the water and wastewater treatment plants along with all the appropriate easements which are necessary to continue to provide service to the customers of MSM Utilities, LLC. The Trustees will continue to employ the personnel who are familiar with the administrative and regulatory affairs for MSM Utilities, LLC, as well as those that provided the maintenance of the water and wastewater facilities. Therefore, it is the opinion of the Applicant that given the substantial economic interest of The Trustees in both the Community and the utility assets operated by MSM Utilities, LLC, and given the willingness of The Trustees to continue to provide the utility with the needed experienced regulatory and operational staff, one should conclude that a transfer of the water and wastewater certificates is in the public interest.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT B

COPY OF CONTRACT FOR SALE

SEE ATTACHMENT

Vacant Land Contract
FLORIDA ASSOCIATION OF REALTORS®

COPY

PARTIES AND DESCRIPTION OF PROPERTY

1. SALE AND PURCHASE:

Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust ("Seller"),
and MSM Land Investments, L.L.C. ("Buyer"),

agree to sell and buy on the terms and conditions specified below the property ("Property") described as:

Address: Oaks of Rivers Edge, Punta Gorda, Florida 33982

Legal Description:

See attached Addendum #1

including all improvements and the following additional property:

See attached Addendum #1

PRICE AND FINANCING

2. PURCHASE PRICE: \$4,500,000.00 payable by Buyer in U.S. funds as follows:

(a) \$ 25,000.00 Deposit received (checks are subject to clearance) _____

by _____ for Pavese Law Firm

Signature _____ Name of Company ("Escrow Agent"),

(b) \$ 225,000.00 Additional deposit to be made by see additional terms or _____ days from Effective Date.

(c) _____ Total Financing (see Paragraph 3 below) (express as a dollar amount or percentage)

(d) \$ _____ Other: _____

(e) \$ 4,250,000.00 Balance to close (not including Buyer's closing costs, prepaid items and prorations). All funds paid at closing must be paid by locally drawn cashier's check, official check or wired funds.

(f) (complete only if purchase price will be determined based on a per unit cost instead of a fixed price) The unit used to determine the purchase price is lot acre square foot other (specify: _____) prorating areas of less than a full unit. The purchase price will be \$ _____ per unit based on a calculation of total area of the Property as certified to Buyer and Seller by a Florida-licensed surveyor in accordance with Paragraph 8(c) of this Contract. The following rights of way and other areas will be excluded from the calculation: _____

3. CASH/FINANCING: (Check as applicable) (a) Buyer will pay cash for the Property with no financing contingency.

(b) This Contract is contingent on Buyer qualifying and obtaining the commitment(s) or approval(s) specified below (the "Financing") within _____ days from Effective Date (if left blank then Closing Date or 30 days from Effective Date, whichever occurs first) (the "Financing Period"). Buyer will apply for Financing within _____ days from Effective Date (5 days if left blank) and will timely provide any and all credit, employment, financial and other information required by the lender. If Buyer, after using diligence and good faith, cannot obtain the Financing within the Financing Period, either party may cancel this Contract. Upon cancellation, Buyer will return to Seller all title evidence, surveys and association documents provided by Seller, and Buyer's deposit(s) will be returned after Escrow Agent receives proper authorization from all interested parties. Buyer will pay all loan expenses, including the lender's title insurance policy.

(1) New Financing: Buyer will secure a commitment for new third party financing for \$ _____ or _____ % of the purchase price at the prevailing interest rate and loan costs. Buyer will keep Seller and Broker fully informed of the loan application status and progress and authorizes the lender or mortgage broker to disclose all such information to Seller and Broker.

Buyer MSM and Seller Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust acknowledge receipt of a copy of this page, which is Page 1 of 6 Pages.
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(2) **Seller Financing:** Buyer will execute a first second purchase money note and mortgage to Seller in the amount of \$ _____, bearing annual interest at _____% and payable as follows: _____. The mortgage, note, and any security agreement will be in a form acceptable to Seller and will follow forms generally accepted in the county where the Property is located; will provide for a late payment fee and acceleration at the mortgagee's option if Buyer defaults; will give Buyer the right to prepay without penalty all or part of the principal at any time(s) with interest only to date of payment; will be due on conveyance or sale; will provide for release of contiguous parcels, if applicable; and will require Buyer to keep liability insurance on the Property, with Seller as additional named insured. Buyer authorizes Seller to obtain credit, employment and other necessary information to determine creditworthiness for the financing. Seller will, within 10 days from Effective Date, give Buyer written notice of whether or not Seller will make the loan.

(3) **Mortgage Assumption:** Buyer will take title subject to and assume and pay existing first mortgage to _____ LN# _____ in the approximate amount of \$ _____ currently payable at \$ _____ per month including principal, interest, taxes and insurance and having a fixed other (describe) _____ interest rate of _____% which will will not escalate upon assumption. Any variance in the mortgage will be adjusted in the balance due at closing with no adjustment to purchase price. Buyer will purchase Seller's escrow account dollar for dollar. If the lender disapproves Buyer, or the interest rate upon transfer exceeds _____% or the assumption/transfer fee exceeds \$ _____, either party may elect to pay the excess, failing which this agreement will terminate and Buyer's deposit(s) will be returned.

CLOSING

4. CLOSING DATE; OCCUPANCY: This Contract will be closed and the deed and possession delivered on or before October 15, 2004, unless extended by other provisions of this Contract. If on Closing Date insurance underwriting is suspended, Buyer may postpone closing up to 5 days after the insurance suspension is lifted.

5. CLOSING PROCEDURE; COSTS: Closing will take place in the county where the Property is located and may be conducted by electronic means. If title insurance insures Buyer for title defects arising between the title binder effective date and recording of Buyer's deed, closing agent will disburse at closing the net sale proceeds to Seller and brokerage fees to Broker as per Paragraph 17. In addition to other expenses provided in this Contract, Seller and Buyer will pay the costs indicated below.

(a) **Seller Costs:** Seller will pay taxes on the deed and recording fees for documents needed to cure title; certified, confirmed and ratified special assessment liens; title evidence (if applicable under Paragraph 8); Other: _____

(b) **Buyer Costs:** Buyer will pay taxes and recording fees on notes and mortgages and recording fees on the deed and financing statements; loan expenses; pending special assessment liens; lender's title policy at the simultaneous issue rate; inspections; survey and sketch; insurance; Other: _____

(c) **Title Evidence and Insurance: Check (1) or (2):**

(1) Seller will provide a Paragraph 8(a)(1) owner's title insurance commitment as title evidence. Seller Buyer will select the title agent. Seller Buyer will pay for the owner's title policy, search, examination and related charges. Each party will pay its own closing fees.

(2) Seller will provide title evidence as specified in Paragraph 8(a)(2). Seller Buyer will pay for the owner's title policy and select the title agent. Seller will pay fees for title searches prior to closing, including tax search and lien search fees, and Buyer will pay fees for title searches after closing (if any), title examination fees and closing fees.

(d) **Prorations:** The following items will be made current and prorated as of the day before Closing Date: real estate taxes, interest, bonds, assessments, leases and other Property expenses and revenues. If taxes and assessments for the current year cannot be determined, the previous year's rates will be used with adjustment for any exemptions.

(e) **Tax Withholding:** Buyer and Seller will comply with the Foreign Investment in Real Property Tax Act, which may require Seller to provide additional cash at closing if Seller is a "foreign person" as defined by federal law.

PROPERTY CONDITION

6. LAND USE: Seller will deliver the Property to Buyer at the time agreed in its present "as is" condition, with conditions resulting from Buyer's inspections and casualty damage, if any, excepted. Seller will maintain the landscaping and grounds in a comparable condition and will not engage in or permit any activity that would materially alter the Property's condition without the Buyer's prior written consent.

(a) **Flood Zone:** Buyer is advised to verify by survey, with the lender and with appropriate government agencies which flood zone the Property is in, whether flood insurance is required and what restrictions apply to improving the Property and rebuilding in the event of casualty.

(b) **Government Regulation:** Buyer is advised that changes in government regulations and levels of service which affect Buyer's intended use of the Property will not be grounds for canceling this Contract if the Feasibility Study Period has expired or if Buyer has checked choice (c)(2) below.

Buyer (Signature) and Seller (Signature) (LMM) acknowledge receipt of a copy of this page, which is Page 2 of 6 Pages
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(c) Inspections: (check (1) or (2) below)

(1) Feasibility Study: Buyer will, at Buyer's expense and within 90 days from Effective Date ("Feasibility Study Period"), determine whether the Property is suitable, in Buyer's sole and absolute discretion, for Residential/Commercial use.

During the Feasibility Study Period, Buyer may conduct a Phase I environmental assessment and any other tests, analyses, surveys and investigations ("Inspections") that Buyer deems necessary to determine to Buyer's satisfaction the Property's engineering, architectural and environmental properties; zoning and zoning restrictions; subdivision statutes; soil and grade; availability of access to public roads, water, and other utilities; consistency with local, state and regional growth management plans; availability of permits, government approvals, and licenses; and other inspections that Buyer deems appropriate to determine the Property's suitability for the Buyer's intended use. If the Property must be rezoned, Buyer will obtain the rezoning from the appropriate government agencies. Seller will sign all documents Buyer is required to file in connection with development or rezoning approvals.

Seller gives Buyer, its agents, contractors and assigns, the right to enter the Property at any time during the Feasibility Study Period for the purpose of conducting inspections; provided, however, that Buyer, its agents, contractors and assigns enter the Property and conduct inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including attorneys' fees, from expenses and liability incurred in application for rezoning or related proceedings, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Buyer will not engage in any activity that could result in a construction lien being filed against the Property without Seller's prior written consent. If this transaction does not close, Buyer will, at Buyer's expense, (1) repair all damages to the Property resulting from the inspections and return the Property to the condition it was in prior to conduct of the inspections, and (2) release to Seller all reports and other work generated as a result of the inspections.

Buyer will deliver written notice to Seller prior to the expiration of the Feasibility Study Period of Buyer's determination of whether or not the Property is acceptable. Buyer's failure to comply with this notice requirement will constitute acceptance of the Property as suitable for Buyer's intended use in its "as is" condition. If the Property is unacceptable to Buyer and written notice of this fact is timely delivered to Seller, this Contract will be deemed terminated as of the day after the Feasibility Study period ends and Buyer's deposit(s) will be returned after Escrow Agent receives proper authorization from all interested parties.

(2) No Feasibility Study: Buyer is satisfied that the Property is suitable for Buyer's purposes, including being satisfied that either public sewerage and water are available to the Property or the Property will be approved for the installation of a well and/or private sewerage disposal system and that existing zoning and other pertinent regulations and restrictions, such as subdivision or deed restrictions, concurrency, growth management and environmental conditions, are acceptable to Buyer. This Contract is not contingent on Buyer conducting any further investigations.

(d) Subdivided Lands: If this Contract is for the purchase of subdivided lands, defined by Florida Law as "(a) Any contiguous land which is divided or is proposed to be divided for the purpose of disposition into 50 or more lots, parcels, units, or interests; or (b) Any land, whether contiguous or not, which is divided or proposed to be divided into 50 or more lots, parcels, units, or interests which are offered as a part of a common promotional plan.", Buyer may cancel this Contract for any reason whatsoever for a period of 7 business days from the date on which Buyer executes this Contract. If Buyer elects to cancel within the period provided, all funds or other property paid by Buyer will be refunded without penalty or obligation within 20 days of the receipt of the notice of cancellation by the developer.

7. RISK OF LOSS; EMINENT DOMAIN: If any portion of the Property is materially damaged by casualty before closing, or Seller negotiates with a governmental authority to transfer all or part of the Property in lieu of eminent domain proceedings, or if an eminent domain proceeding is initiated, Seller will promptly inform Buyer. Either party may cancel this Contract by written notice to the other within 10 days from Buyer's receipt of Seller's notification, failing which Buyer will close in accordance with this Contract and receive all payments made by the government authority or insurance company, if any.

TITLE

8. TITLE: Seller will convey marketable title to the Property by statutory warranty deed or trustee, personal representative or guardian deed as appropriate to Seller's status.

(a) Title Evidence: Title evidence will show legal access to the Property and marketable title of record in Seller in accordance with current title standards adopted by the Florida Bar, subject only to the following title exceptions, none of which prevent Buyer's intended use of the Property as Residential/Commercial: covenants, easements and restrictions of record; matters of plat; existing zoning and government regulations; oil, gas and mineral rights of record if there is no right of entry; current taxes; mortgages that Buyer will assume; and encumbrances that Seller will discharge at or before closing. Seller will, prior to closing, deliver to Buyer Seller's choice of one of the following types of title evidence, which must be generally accepted in the county where the Property is located (specify in Paragraph 5(c) the selected type). Seller will use option (1) in Palm Beach County and option (2) in Dade County.

(1) A title insurance commitment issued by a Florida-licensed title insurer in the amount of the purchase price and subject only to title exceptions set forth in this Contract.

Buyer (BM) and Seller (J.M.M.) acknowledge receipt of a copy of this page, which is Page 3 of 6 Pages. VAC-6 10/00 © 2000 Florida Association of Realtors®. All rights reserved. Licensed to Alta Star Software. User Reg#: S1449381ABC. Software and Added Formatting Copyright 2000 Alta Star Software, Inc. All Rights Reserved. (305) 279-8898

(2) An existing abstract of title from a reputable and existing abstract firm (if firm is not existing, then abstract must be certified as correct by an existing firm) purporting to be an accurate synopsis of the instruments affecting title to the Property recorded in the public records of the county where the Property is located and certified to Effective Date. However if such an abstract is not available to Seller, then a prior owner's title policy acceptable to the proposed insurer as a base for reissuance of coverage. Seller will pay for copies of all policy exceptions and an update in a format acceptable to Buyer's closing agent from the policy effective date and certified to Buyer or Buyer's closing agent, together with copies of all documents recited in the prior policy and in the update. If a prior policy is not available to Seller then (1) above will be the title evidence. Title evidence will be delivered no later than 10 days before Closing Date.

(b) **Title Examination:** Buyer will examine the title evidence and deliver written notice to Seller, within 5 days from receipt of title evidence but no later than closing, of any defects that make the title unmarketable. Seller will have 30 days from receipt of Buyer's notice of defects ("Curative Period") to cure the defects at Seller's expense. If Seller cures the defects within the Curative Period, Seller will deliver written notice to Buyer and the parties will close the transaction on Closing Date or within 10 days from Buyer's receipt of Seller's notice if Closing Date has passed. If Seller is unable to cure the defects within the Curative Period, Seller will deliver written notice to Buyer and Buyer will, within 10 days from receipt of Seller's notice, either cancel this Contract or accept title with existing defects and close the transaction.

(c) **Survey:** Buyer may, prior to Closing Date and at Buyer's expense, have the Property surveyed and deliver written notice to Seller, within 5 days from receipt of survey but no later than closing, of any encroachments on the Property, encroachments by the Property's improvements on other lands or deed restriction or zoning violations. Any such encroachment or violation will be treated in the same manner as a title defect and Buyer's and Seller's obligations will be determined in accordance with subparagraph (b) above. If any part of the Property lies seaward of the coastal construction control line, Seller will provide Buyer with an affidavit or survey as required by law delineating the line's location on the property, unless Buyer waives this requirement in writing.

MISCELLANEOUS

9. EFFECTIVE DATE; TIME: The "Effective Date" of this Contract is the date on which the last of the parties initials or signs the latest offer. Time is of the essence for all provisions of this Contract. All time periods expressed as days will be computed in business days (a "business day" is every calendar day except Saturday, Sunday and national legal holidays), except for time periods greater than 60 days, which will be computed in calendar days. If any deadline falls on a Saturday, Sunday or national legal holiday, performance will be due the next business day. All time periods will end at 5:00 p.m. local time (meaning in the county where the Property is located) of the appropriate day.

10. NOTICES: All notices will be made to the parties and Broker by mail, personal delivery or electronic media. Buyer's failure to deliver timely written notice to Seller, when such notice is required by this Contract, regarding any contingencies will render that contingency null and void and the Contract will be construed as if the contingency did not exist.

11. COMPLETE AGREEMENT: This Contract is the entire agreement between Buyer and Seller. Except for brokerage agreements, no prior or present agreements will bind Buyer, Seller or Broker unless incorporated into this Contract. Modifications of this Contract will not be binding unless in writing, signed and delivered by the party to be bound. Signatures, initials, documents referenced in this Contract, counterparts and written modifications communicated electronically or on paper will be acceptable for all purposes, including delivery, and will be binding. Handwritten or typewritten terms inserted in or attached to this Contract prevail over preprinted terms. If any provision of this Contract is or becomes invalid or unenforceable, all remaining provisions will continue to be fully effective. This Contract will not be recorded in any public records.

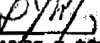

12. ASSIGNABILITY; PERSONS BOUND: Buyer may not assign this Contract without Seller's written consent. The terms "Buyer", "Seller", and "Broker" may be singular or plural. This Contract is binding on the heirs, administrators, executors, personal representatives and assigns (if permitted) of Buyer, Seller and Broker.

DEFAULT AND DISPUTE RESOLUTION

13. DEFAULT: (a) **Seller Default:** If for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, refuses or neglects to perform this Contract, Buyer may choose to receive a return of Buyer's deposit without waiving the right to seek damages or to seek specific performance as per Paragraph 16. Seller will also be liable to Broker for the full amount of the brokerage fee. (b) **Buyer Default:** If Buyer fails to perform this Contract within the time specified, including timely payment of all deposits, Seller may choose to retain and collect all deposits paid and agreed to be paid as liquidated damages or to seek specific performance as per Paragraph 16; and Broker will, upon demand, receive 50% of all deposits paid and agreed to be paid (to be split equally among cooperating brokers) up to the full amount of the brokerage fee.

14. DISPUTE RESOLUTION: This Contract will be construed under Florida law. All controversies, claims, and other matters in question arising out of or relating to this transaction or this Contract or its breach will be settled as follows:

(a) **Disputes concerning entitlement to deposits made and agreed to be made:** Buyer and Seller will have 30 days from the date conflicting demands are made to attempt to resolve the dispute through mediation. If that fails, Escrow Agent will submit the dispute, if so required by Florida law, to Escrow Agent's choice of arbitration, a Florida court or the Florida Real Estate Commission. Buyer and Seller will be bound by any resulting settlement or order.

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(b) All other disputes: Buyer and Seller will have 30 days from the date a dispute arises between them to attempt to resolve the matter through mediation, failing which the parties will resolve the dispute through neutral binding arbitration in the county where the Property is located. The arbitrator may not alter the Contract terms or award any remedy not provided for in this Contract. The award will be based on the greater weight of the evidence and will state findings of fact and the contractual authority on which it is based. If the parties agree to use discovery, it will be in accordance with the Florida Rules of Civil Procedure and the arbitrator will resolve all discovery-related disputes. Any disputes with a real estate licensee named in Paragraph 17 will be submitted to arbitration only if the licensee's broker consents in writing to become a party to the proceeding. This clause will survive closing.

(c) Mediation and Arbitration; Expenses: "Mediation" is a process in which parties attempt to resolve a dispute by submitting it to an impartial mediator who facilitates the resolution of the dispute but who is not empowered to impose a settlement on the parties. Mediation will be in accordance with the rules of the American Arbitration Association ("AAA") or other mediator agreed on by the parties. The parties will equally divide the mediation fee, if any. "Arbitration" is a process in which the parties resolve a dispute by a hearing before a neutral person who decides the matter and whose decision is binding on the parties. Arbitration will be in accordance with the rules of the AAA or other arbitrator agreed on by the parties. Each party to any arbitration will pay its own fees, costs and expenses, including attorneys' fees, and will equally split the arbitrators' fees and administrative fees of arbitration. In a civil action to enforce an arbitration award, the prevailing party to the arbitration shall be entitled to recover from the nonprevailing party reasonable attorneys' fees, costs and expenses.

ESCROW AGENT AND BROKER

15. ESCROW AGENT: Buyer and Seller authorize Escrow Agent to receive, deposit and hold funds and other items in escrow and, subject to clearance, disburse them upon proper authorization and in accordance with the terms of this Contract, including disbursing brokerage fees. The parties agree that Escrow Agent will not be liable to any person for misdelivery of escrowed items to Buyer or Seller, unless the misdelivery is due to Escrow Agent's willful breach of this Contract or gross negligence. If Escrow Agent interpleads the subject matter of the escrow, Escrow Agent will pay the filing fees and costs from the deposit and will recover reasonable attorneys' fees and costs to be paid from the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. All claims against Escrow Agent will be arbitrated, so long as Escrow Agent consents to arbitrate.

16. PROFESSIONAL ADVICE; BROKER LIABILITY: Broker advises Buyer and Seller to verify all facts and representations that are important to them and to consult an appropriate professional for legal advice (for example, interpreting contracts, determining the effect of laws on the Property and transaction, status of title, foreign investor reporting requirements, etc.) and for tax, property condition, environmental and other specialized advice. Buyer acknowledges that Broker does not reside in the Property and that all representations (oral, written or otherwise) by Broker are based on Seller representations or public records unless Broker indicates personal verification of the representation. Buyer agrees to rely solely on Seller, professional inspectors and governmental agencies for verification of the Property condition and facts that materially affect Property value. Buyer and Seller respectively will pay all costs and expenses, including reasonable attorneys' fees at all levels, incurred by Broker and Broker's officers, directors, agents and employees in connection with or arising from Buyer's or Seller's misstatement or failure to perform contractual obligations. Buyer and Seller hold harmless and release Broker and Broker's officers, directors, agents and employees from all liability for loss or damage based on (1) Buyer's or Seller's misstatement or failure to perform contractual obligations; (2) Broker's performance, at Buyer's and/or Seller's request, of any task beyond the scope of services regulated by Chapter 475, F.S., as amended, including Broker's referral, recommendation or retention of any vendor; (3) products or services provided by any vendor; and (4) expenses incurred by any vendor. Buyer and Seller each assume full responsibility for selecting and compensating their respective vendors. This paragraph will not relieve Broker of statutory obligations. For purposes of this paragraph, Broker will be treated as a party to this Contract. This paragraph will survive closing.

17. BROKERS: The licensee(s) and brokerage(s) named below are collectively referred to as "Broker." Seller and Buyer acknowledge that the brokerage(s) named below are the procuring cause of this transaction. Instruction to Closing Agent: Seller and Buyer direct closing agent to disburse at closing the full amount of the brokerage fees as specified in separate brokerage agreements with the parties and cooperative agreements between the brokers, unless Broker has retained such fees from the escrowed funds. In the absence of such brokerage agreements, closing agent will disburse brokerage fees as indicated below.

Utopia Commercial Realty, Inc.
Real Estate Licensee

Real Estate Licensee

Broker/Brokerage fee: (\$ or % of Purchase Price) 7 % per

Broker/Brokerage fee: (\$ or % of Purchase Price):

listing agreement

Buyer [Signature] and Seller [Signature] acknowledge receipt of a copy of this page, which is Page 5 of 6 Pages.
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ADDITIONAL TERMS

18. ADDITIONAL TERMS:

Within five (5) days following the end of the inspection period, Buyer shall deposit an additional \$225,000.00 earnest money which shall be non-refundable except in the case of Seller's default.

Within twenty (20) days of the execution of a formal contract, Seller shall provide Buyer with all development applications (including denied applications), engineering studies, environmental studies, surveys, title policies, deeds, riparian grants, riparian leases, and riparian deeds regarding the parcels for sale.

The parties agree that the water and sewer treatment plant will be included in the purchase price. Buyer and Seller agree that parcel P1 on Highway 17 is included in the sale price and that Buyer will have the first right of refusal on parcel p1-1.

Buyer acknowledges that Outparcel 1 (home of Zola Malachlan) is not included in the sale price. The parties agree that Buyer shall have the first right of refusal to purchase the property. Sellers agree to renovate the exterior facade of the home so that it will blend in with the fascades of the new development in a manner acceptable to the developer.

Parties agree to negotiate in good faith to execute an Addendum to this Contract within fourteen (14) days after executing this Contract regarding: an access easement to Outparcel 1 (mother's house); utility lines and reserving tap-ins to Outparcel 1; the Corless lot; the Orangewood Street easement; Buyer's first right of refusal on Mother's properties (including Parcel 2A); Buyer's first right of refusal on Parcel P1-1; and clubhouse ownership and use.

This is intended to be a legally binding contract. If not fully understood, seek the advice of an attorney prior to signing.

OFFER AND ACCEPTANCE

(Check if applicable: Buyer received a written real property disclosure statement from Seller before making this Offer.)

Buyer offers to purchase the Property on the above terms and conditions. Unless this Contract is signed by Seller and a copy delivered to Buyer no later than 5:00 a.m. p.m. on April 16, 2004 this offer will be revoked and Buyer's deposit refunded subject to clearance of funds.

Date: 4/15/04 Buyer: [Signature] Tax ID/SSN: Print name: MSM Land Investments, L.L.C.

Date: Buyer: Tax ID/SSN: Print name: Address: Phone: Fax:

Date: 4-16-04 Seller: [Signature] Tax ID/SSN: Print name: Zola M. Maclachlan Rev. Trust

Date: 4-16-04 Seller: [Signature] Tax ID/SSN: Print name: Ernest E. Maclachlan Rev. Trust Address: Phone: Fax:

Seller counters Buyer's offer (to accept the counter offer, Buyer must sign or initial the counter offered terms and deliver a copy of the acceptance to Seller by 5:00 p.m. on _____). Seller rejects Buyer's offer.

Effective Date: _____ (The date on which the last party signed or initialed acceptance of the final offer.)

Buyer [Signature] and Seller [Signature] (MSM) acknowledge receipt of a copy of this page, which is Page 6 of 6 Pages.

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**Commercial Contract: Optional Clauses
FLORIDA ASSOCIATION OF REALTORS®**

Addendum to the Commercial Contract between
Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust ("Seller"),
and MSM Land Investments, L.L.C. ("Buyer"),
concerning the sale and purchase of the Property described as: See attached Addendum #1

The clauses below shall be incorporated into the Contract referenced above only if initialed by all parties:

Seller Initials Buyer Initials

(E) Z.M. Maclachlan; E.E. Maclachlan SELLER WARRANTY: Seller warrants that Seller has no knowledge of (1) notice of city, county, state, federal, building, zoning, fire, or health codes, regulations or ordinances filed or issued against the Property, (2) current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) or the right to use and occupy the Property, (3) unsatisfied construction liens, (4) incompatibility of property with land use plans (5) tenants in bankruptcy, or (6) special assessments, condemnation, eminent domain, change in grade of public streets affecting the Property or similar proceedings affecting the Property. If Seller is notified of any of the above matters prior to closing, Seller shall notify Buyer in writing within 5 days. If Buyer requires the matter to be corrected prior to closing, Buyer shall notify Seller in writing within 5 days from receipt of Seller's notice. Buyer's failure to provide timely notice shall be deemed acceptance of the Property with the matter as it then exists. If Seller is unable or unwilling to correct the matter prior to closing, Buyer may terminate this Contract. Seller warrants that, as of Effective Date, execution of this Contract and delivery of title is not a violation or breach of any agreement or judgment to which Seller is a party.

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Commercial Contract: Optional Clauses
FLORIDA ASSOCIATION OF REALTORS®

Addendum to the Commercial Contract between
Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust ("Seller"),
and MSM Land Investments, L.L.C. ("Buyer"),
concerning the sale and purchase of the Property described as: See attached Addendum #1

The clauses below shall be incorporated into the Contract referenced above only if initialed by all parties:

Seller Initials Buyer Initials

(C) Z.M.M. EMM **PROPERTY INSPECTION AND REPAIR:** Paragraph 7 of the Contract is deleted. Seller shall grant reasonable access to the Property to Buyer, its agents, contractors and assigns for the purpose of conducting the inspections described below; provided, however, that all such persons enter the Property and conduct the inspections at their own risk. Buyer shall indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including attorneys' fees, and from liability to any person, arising from the conduct of any and all inspections or work authorized by Buyer. Buyer shall not engage in any activity that could result in a mechanics lien being filed against the Property without Seller's prior written consent. In the event this transaction does not close, Buyer shall, at Buyer's expense, (1) repair all damages to the Property resulting from the inspections and return the Property to its present condition, and (2) release to Seller copies of all reports and other work generated as a result of the inspections. Seller has no duty to make repairs except to those defects and conditions reported by Buyer in writing prior to 5:00 p.m. on the date the applicable Inspection Period expires. Seller makes no warranties other than marketability of title. (Check if applicable):

(1) **Structure and Systems:** Within 90 days from Effective Date ("Inspection Period"), Buyer shall, at Buyer's expense, have a certified general contractor or engineer make inspections which Buyer deems necessary to determine the condition of all structures and systems, including roof, exterior walls, foundation, major appliances, electrical, HVAC, plumbing, and sewer, septic and well systems; pool and pool equipment; parking lot; fences; and seawall or other retaining structures on the Property except _____

Seller shall have 10 days from the date Seller receives Buyer's written report to obtain repair or replacement estimates from a licensed building or general contractor. If the cost to correct the defects does not exceed _____ % of the purchase price ("Structural Repair Limit"), Seller shall have the defects repaired in a workmanlike manner by an appropriately licensed contractor. If the cost to correct the defects exceeds the Structural Repair Limit, either party may elect to pay the excess, failing which either party may terminate this Contract.

(2) **Environmental Hazards:** Within 90 days from Effective Date ("Inspection Period"), Buyer shall, at Buyer's Seller's expense, apply for a Phase I inspection to be conducted by an environmental engineer. Buyer shall deliver to Seller a copy of all resulting environmental reports. If a lender requires a Phase II or III investigation, Buyer shall deliver written notice of the requirement to Seller and Seller may elect, within 5 days from receipt of the notice, to conduct the investigation at (check one) Seller's Buyer's expense. If Seller elects not to conduct the investigation, either party may terminate this Contract. If Seller elects to conduct the investigation, Seller will pay for and make corrective measures required by law. If remediation is necessary, Seller shall have 30 days to complete the cleanup ("Cleanup Period"). If remediation is completed within Cleanup Period, then Seller shall deliver written notice to Buyer within 3 days after cleanup completion, and the parties will close the transaction on Closing Date, or, if Closing Date has passed within 10 days from Buyer's receipt of Seller's notice. If Seller is unable to complete remediation within Cleanup Period, Seller will deliver written notice to Buyer within 3 days after this determination is made and Buyer will within 10 days from receipt of Seller's notice either cancel this Contract or accept the property in current condition and shall close on Closing Date, or, if Closing Date has passed within 10 days from Buyer's receipt of Seller's notice with costs of completing the remediation being held in escrow at closing.

(3) **Wood Destroying Organism Inspection:** "Wood destroying organism" means arthropod or plant life which may damage the wood in a structure, as defined in F.S. 482.021(26). Within _____ days from Effective Date ("Inspection Period"), Buyer shall, at Buyer's expense, have the Property inspected by a Florida-licensed pest control business to determine the presence in the improvements of past or present infestation and damage caused by infestation. Seller shall have _____ days from receipt of Buyer's written report to obtain repair estimates from a licensed building or general contractor and treatment estimates from a licensed pest control business. Seller shall treat and repair the Property if the cost to do so does not exceed _____ % of the purchase price ("Termite Repair Limit"). If the cost of treatment and repair exceeds the Termite Repair Limit, either party may elect to pay the excess, failing which either party may terminate this Contract. If there is no evidence of live infestation and the Property is covered by a full treatment warranty, Seller shall transfer the warranty to Buyer at closing and shall not be obligated to treat the Property.

Seller shall deliver the Property to Buyer at the time agreed in its present condition, ordinary wear and tear and repairs made pursuant to this Paragraph excepted, and shall maintain the landscaping and grounds in a comparable condition. Walk-through Inspection: Buyer may, on the day prior to closing or any other time mutually agreeable to the parties, conduct a final "walk-through" inspection of the Property to determine compliance with this paragraph and to ensure that all Property is on the premises. No new issues may be raised as a result of the walk through. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Energy Efficiency: Buyer may have determined the energy efficiency rating of the building, if any is located on the Real Property.

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**Commercial Contract: Optional Clauses
FLORIDA ASSOCIATION OF REALTORS®**

Addendum to the Commercial Contract between
Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust ("Seller"),
and MSM Land Investments, L.L.C. ("Buyer"),
concerning the sale and purchase of the Property described as: See attached Addendum #1

The clauses below shall be incorporated into the Contract referenced above only if initialed by all parties:

Seller Initials	Buyer Initials
(F) <i>ZMM</i>	<i>BM</i>

COASTAL CONSTRUCTION CONTROL LINE: All or part of the Property is located seaward of the Coastal Construction Control Line as defined in Florida Statute 161.053, and is therefore subject to government regulation. Florida law requires Seller to provide Buyer with an affidavit, or a survey meeting the requirements of chapter 472 of the Florida Statutes, delineating the location of the CCCL on the Property at or prior to closing, unless Buyer waives this requirement in writing. Buyer waives the right to receive a CCCL affidavit or survey. requests a CCCL affidavit or survey within the time allowed for Seller to deliver title evidence.

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**ADDENDUM TO SALES CONTRACT #1
MACLACHLAN REV. TRUST**

This addendum is attached to and a part of the Sales Contract between Earnest E. Maclachlan Revocable Trust and Zola M. Maclachlan Revocable Trust, Sellers, and MSM Land Investment, LLC, Buyers, of the property known as the Oaks at Rivers Edge.

The following properties, indicated by short legal description and parcel number, are included in this Sales Contract.

	Short Legal	Parcel Number
1.	ZZZ 134023 p 1	0070981-000500-1
2.	HNC 001 0000 00TB	0086591-000380-4
3.	ZZZ 124023 T 3	0070966-000100-4
4.	ZZZ 124023 P8-1	0070972-000100-6
5.	ZZZ 124023 P9	0070973-000000-6
6.	HNC 001 0000 lak 2	0086591-000384-0
7.	ZZZ 124023 P7-4	0070966-000000-5
8.	ZZZ 124023 p7 -1	0070967-000000-4
9.	ZZZ 114023 P2	0070873-000500-2
10.	ZZZ 124023 P4-1	0070893-001000-1
11.	ZZZ 124023 P4 -2	0070893-001500-6
12.	PHU 000 0000 0018	0090841 000500 9

It is also agreed between all parties that should either Buyers or Sellers enter into a 1031 Tax Deferred Exchange that all parties will sign documents necessary to effectuate the exchange.

<u><i>Ernest E. Maclachlan</i></u> Seller	<u>4-16-04</u> Date
<u><i>Zola M. Maclachlan</i></u> Seller	<u>4-16-04</u> Date
<u><i>MSM Land Investment, LLC</i></u> Buyer	<u>4-16-04</u> Date

07-09-04 15:53 UTOPIA/PEACE RIVER CLUB
Jul-09-04 12:19P robert fitzpatrick

ID#94
724 745

P.02
P.02

**FIRST AMENDMENT TO THE SALES CONTRACT DATED APRIL 15, 2004
BETWEEN MSM LAND INVESTMENTS, L.L.C., BUYER, AND ZOLA M.
MACLACHLAN REV. TRUST AND ERNEST E. MACLACHLAN REV TRUST,
SELLERS, FOR THE PROPERTY KNOWN AS THE OAKS AT RIVERS EDGE**

In consideration of Buyer's payment of Ten and NO/100 Dollars (\$10.00) to Seller, and Buyer's and Sellers' mutual promises to proceed to closing and to fulfill all terms of the above referenced Contract, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. The Contract shall be amended as follows:
 - a. The due date for the additional earnest money deposit of \$225,000.00 shall be extended from July 22, 2004 until July 31, 2004.
 - b. On or before July 20, 2004, Buyer shall deposit \$50,000.00 of the additional earnest money deposit with escrow agent.
 - c. The remaining balance of the additional earnest money deposit, \$175,000.00, shall be deposited with escrow agent on or before July 31, 2004.
2. Buyer hereby acknowledges that, as of the date hereof, Seller is not in default of any of the terms or provisions of the Contract.
3. Seller hereby acknowledges that, as of the date hereof, Buyer is not in default of any of the terms or provisions of the Contract.
4. Sellers hereby acknowledge that they are diligently pursuing the renewal of the water and waste water certificates, Certificate Nos. 611-W and 527-S, held by Hunter Creek Utilities, LLC currently up for renewal with the Florida Public Service Commission. Sellers also hereby acknowledge that they are diligently pursuing the transfer of said Certificates from Hunter Creek Utilities, LLC to Rivers Edge Utilities, LLC in Charlotte County, Florida.
5. Buyer and Seller hereby acknowledge that all other terms and provisions of the Contract, not inconsistent herewith, are hereby confirmed and are in full force and effect.

MSM Land Investments, L.L.C. 7/12/04
Date

Zola M. MacLachlan Trust 7/9/04
Date

Ernest E. MacLachlan Trust 7/9/04
Date

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**THIRD ADDENDUM TO
VACANT LAND PURCHASE CONTRACT
BETWEEN
ZOLA M. MACLACHLAN REV. TRUST AND
ERNEST E. MACLACHLAN REV. TRUST, SELLERS,
AND MSM LAND INVESTMENTS, L.L.C., BUYER**

This Third Addendum to the Vacant Land Purchase Contract between Zola M. Maclachlan Rev. Trust and Ernest E. Maclachlan Rev. Trust, Sellers and MSM Land Investments, L.L.C., Buyer, dated April 16, 2004 ("Contract") is entered into between the parties this _____ day of September, 2004.

WHEREAS, the parties desire to clarify the \$4,500,000.00 Contract purchase price as it relates to the land and to the utility; and

WHEREAS, the parties desire to extend the Contract closing date until the Florida Public Service Commission approves the transfer of Certificates Nos. 611-W and 527-S from Hunter Creek Utilities, L.L.C. to MSM Utilities, L.L.C.

NOW THEREFORE, the parties hereby agree as follows:

1. Two Hundred Twenty-Nine Thousand Dollars (\$229,000.00) of the Four Million, Five Hundred Thousand Dollar (\$4,500,000.00) Contract purchase price is apportioned to the purchase of the Utility and Four Million, Two Hundred Seventy-One Thousand and No/100 Dollars (\$4,271,000.00) is apportioned to the purchase of the land and other improvements.
2. Both parties recognize and understand that closing shall occur when the Florida Public Service Commission ("PSC") approves certification of the Utility. Therefore, both parties hereby agree to extend the Contract closing date from October 15, 2004 until a date no later than thirty (30) days after PSC grants approval of the transfer of Certificates Nos. 611-W and 527-S from Hunter Creek Utilities, L.L.C. to MSM Utilities, L.L.C.
3. That all other terms and provisions of the Contract, not inconsistent herewith, are hereby confirmed and are in full force and effect.

SELLERS:

BY: _____
Zola M. Maclachlan Rev. Trust
Printed Name: _____
ITS: _____

BY: _____
Ernest E. Maclachlan Rev. Trust
Printed Name: _____
ITS: _____

BUYER:

**MSM LAND INVESTMENTS, L.L.C.,
a Florida Limited Liability Corporation**
BY: _____
Ben J. Maltese
ITS: Managing Partner

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**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT C

**STATEMENT REGARDING OUTSTANDING
REGULATORY ASSESSMENT FEES**

All regulatory assessment fees for the year ended December 31, 2003, including any other amounts related thereto, are the obligation of Rivers Edge Utilities, LLC and they will be paid to the Florida Public Service Commission prior to September 30, 2004.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT D

STATEMENT DESCRIBING THE FINANCING OF THE PURCHASE

All the necessary financing to complete the sale of the utility assets has been provided as equity capital contributions to MSM Utilities, LLC (MSM) by the various Trusts as set forth in Exhibit E of the Application for Sale, Assignment or Transfer of Certificate or Facilities (Application). The initial capitalization of the MSM was in the amount of \$300,000 and the equity capital contributions from the various Trusts were established by the percentages of ownership as outlined in Part I, Question G of the Application.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT E

LIST OF ALL ENTITIES PROVIDING FUNDING TO BUYER

Ben J. Maltese, Trustee of the Ben J. Maltese Revocable Trust Dated 9/9/97	\$60,000	30%
Gerald G. Mansour Trustee of the Gerald G. Mansour Revocable Trust Dated 11/18/91	\$60,000	15%
Gerald J. Mansour Trustee of the Gerald J. Mansour Revocable Trust Dated 5/19/93	\$60,000	15%
Ghassan M. Saab, Trustee of the Ghassan M. Saab Trust Dated February 16, 1987	\$60,000	15%
Khalil Saab, Trustee of the Khalil Saab Revocable Trust Dated 10/10/94	\$60,000	25%

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT F

NET BOOK VALUE/RATE BASE

Hunter Creek Utilities, LLC (Hunter Creek) was granted the original Water and Wastewater Certificates pursuant to Order No. PSC-99-0756-FOF-WS, issued April 19, 1999. In 2002, the owners of Rivers Edge Utilities, LLC (Rivers Edge) reacquired ownership of the development known as The Oaks at Rivers Edge (formerly known as Hunter Creek Village) and the water and wastewater system that serves the residents within the development as a result of a foreclosure action initiated by the owners of Rivers Edge and a subsequent bankruptcy action initiated by the owner of Hunter Creek.

Attached hereto is a schedule that sets forth the original cost for the water assets and a schedule that sets forth the original cost of the wastewater assets of Hunter Creek. The schedules include accumulated depreciation on the water and wastewater assets based on 40-year depreciable lives. Furthermore, each schedule reflects certain amounts that have been accounted for as contributions in aid of construction (CIAC). Finally, the schedules reflect accumulated amortization of CIAC based on the depreciation lives of the related utility asset. At October 31, 2004, based on the determination of rate base schedule attached, the utilities' assets had a net asset value of \$188,179 for the water assets and \$40,721 for the wastewater assets for a combined total net asset value of \$228,900.

MSM Utilities, LLC is contracting to pay \$229,000 for all of the utilities' assets versus a combined net asset value as set forth above of \$228,900. Therefore, MSM Utilities, LLC is not seeking the approval of any acquisition adjustment in this proceeding.

RIVERS EDGE UTILITIES, LLC
HUNTER CREEK UTILITIES, LLC (RIVERS EDGE UTILITIES, LLC)
WATER UTILITY PLANT-IN-SERVICE SCHEDULE
AND CONTRIBUTIONS IN AID OF CONSTRUCTION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	
LINE NO.	NARUC A/C #	DESCRIPTION	SERVICE YEAR	ORIGINAL COST	LIFE	LIFE AS A %	ACCUM. DEPREC. AT 12/31/03	ANNUAL DEPREC. EXPENSE	TEN MONTHS DEPREC. EXPENSE	ACCUM. DEPREC. AT 10/30/04	ORIGINAL COST CIAC	ACCUM. AMORT. AT 10/30/04
1	353	LAND (STATE EASEMENT)	1990	12,698	N/A							
2	304	STRUCTURES & IMPROV. (BUILDING)	1982	105,120	40	2.50%	56,502	2,628	2,190	58,692		
3	304	STRUCTURES & IMPROV.(ELECTRICAL)	1982	26,600	40	2.50%	14,298	665	554	14,852		
4	307	WELLS	1982	13,070	40	2.50%	7,026	327	273	7,299		
5	309	SUPPLY MAINS - PIPING	1982	10,025	40	2.50%	5,389	251	209	5,598		
6	309	SUPPLY MAINS - FLOW METERS	1982	1,550	40	2.50%	834	39	33	867		
7	311	HIGH SERVICE PUMPING EQUIPMENT	1982	4,000	40	2.50%	2,150	100	83	2,233		
8	320	WATER TREATMENT EQUIPMENT	1982	110,780	40	2.50%	59,545	2,770	2,308	61,853		
9	320	WATER TRMT EQUIP. (Retired 2000-75%)	1982	(64,487)	40	2.50%	(64,487)	0	0	(64,487)		
10	320	WATER TREATMENT EQUIPMENT	2000	85,983	40	2.50%	7,524	2,150	1,792	9,316	(35,895)	3,889
11	330	DISTRIBUTION RESERVOIRS	1982	23,500	40	2.50%	12,632	588	490	13,122		
12	331	TRANSMISSION & DISTRIBUTION LINES	1982	35,107	40	2.50%	18,871	878	732	19,603	(35,107)*	19,603
13	333	SERVICES	1982	11,425	40	2.50%	6,142	286	238	6,380	(11,425)*	6,380
14	335	HYDRANTS	1982	2,800	40	2.50%	1,505	70	58	1,563	(2,800)*	1,563
15	339	MISC. EQUIPMENT (2-30gpm Port. Pumps)	1992	1,000	40	2.50%	288	25	21	309		
16				<u>379,171</u>			<u>128,219</u>	<u>10,777</u>	<u>8,981</u>	<u>137,200</u>	<u>(85,227)</u>	<u>31,435</u>
17		RECAP										
18		LAND		<u>12,698</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19		STRUCTURES & IMPROVMENTS		<u>131,720</u>			<u>70,800</u>	<u>3,293</u>	<u>2,744</u>	<u>73,544</u>	<u>0</u>	<u>0</u>
20		WELLS		<u>13,070</u>			<u>7,026</u>	<u>327</u>	<u>273</u>	<u>7,299</u>	<u>0</u>	<u>0</u>
21		SUPPLY MAINS		<u>11,575</u>			<u>6,223</u>	<u>290</u>	<u>242</u>	<u>6,465</u>	<u>0</u>	<u>0</u>
22		HIGH SERVICE PUMPING EQUIPMENT		<u>4,000</u>			<u>2,150</u>	<u>100</u>	<u>83</u>	<u>2,233</u>	<u>0</u>	<u>0</u>
23		WATER TREATMENT EQUIPMENT		<u>132,276</u>			<u>2,582</u>	<u>4,920</u>	<u>4,100</u>	<u>6,682</u>	<u>(35,895)</u>	<u>3,889</u>
24		DISTRIBUTION RESERVOIRS		<u>23,500</u>			<u>12,632</u>	<u>588</u>	<u>490</u>	<u>13,122</u>	<u>0</u>	<u>0</u>
25		TRANSMISSION & DISTRIBUTION LINES		<u>35,107</u>			<u>18,871</u>	<u>878</u>	<u>732</u>	<u>19,603</u>	<u>(35,107)</u>	<u>19,603</u>
26		SERVICES		<u>11,425</u>			<u>6,142</u>	<u>286</u>	<u>238</u>	<u>6,380</u>	<u>(11,425)</u>	<u>6,380</u>
27		HYDRANTS		<u>2,800</u>			<u>1,505</u>	<u>70</u>	<u>58</u>	<u>1,563</u>	<u>(2,800)</u>	<u>1,563</u>
28		OTHER PLANT & MISC. EQUIPMENT		<u>1,000</u>			<u>288</u>	<u>25</u>	<u>21</u>	<u>309</u>	<u>0</u>	<u>0</u>
29												
30												

*NOTE: THE CIAC AMOUNT SHOWN ABOVE IS IMPUTED TO THE EXTENT OF THE WATER DISTRIBUTION SYSTEM

RIVERS EDGE UTILITIES, LLC
HUNTER CREEK UTILITIES, LLC (RIVERS EDGE UTILITIES, LLC)
WASTEWATER UTILITY PLANT-IN-SERVICE SCHEDULE
AND CONTRIBUTIONS IN AID OF CONSTRUCTION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	
LINE NO.	NARUC A/C #	DESCRIPTION	SERVICE YEAR	ORIGINAL COST	PER PSC NEW LIFE	PSC LIFE AS A %	ACCUM. DEPREC. AT 12/31/03	ANNUAL DEPREC. EXPENSE	TEN MONTHS DEPREC. EXPENSE	ACCUM. DEPREC. AT 10/30/04	ORIGINAL COST CIAC	ACCUM. AMORT. AT 10/30/04
1	361	COLLECTION SEWERS - GRAVITY	1982	62,241	40	2.50%	33,454	1,556	1,297	34,751	(62,241)*	34,751
2	362	COLLECTION SEWERS - MANHOLES	1982	16,915	40	2.50%	9,092	423	353	9,445	(16,915)*	9,445
3	363	COLLECTION SEWERS - SERVICES	1982	17,010	40	2.50%	9,142	425	354	9,496	(17,010)*	9,496
4	371	RECEIVING WELLS	1982	25,000	40	2.50%	13,438	625	521	13,959		
5	380	TREATMENT & DISPOSAL EQUIPMENT	1982	30,000	40	2.50%	16,125	750	625	16,750		
6	380	TREATMENT & DISPOSAL PONDS	1982	37,200	40	2.50%	19,995	930	775	20,770		
7	381	OUTFALL SEWER LINES	1982	0	40	2.50%	0	0	0	0		
8	389	OTHER PLANT & MISC. EQUIPMENT	1982	0	40	2.50%	0	0	0	0		
9				<u>188,366</u>			<u>101,246</u>	<u>4,709</u>	<u>3,925</u>	<u>105,171</u>	<u>(96,166)</u>	<u>53,692</u>
10		RECAP										
11		COLLECTION SEWERS - GRAVITY		<u>62,241</u>			<u>33,454</u>	<u>1,556</u>	<u>1,297</u>	<u>34,751</u>	<u>(62,241)</u>	<u>34,751</u>
12		COLLECTION SEWERS - MANHOLES		<u>16,915</u>			<u>9,092</u>	<u>423</u>	<u>353</u>	<u>9,445</u>	<u>(16,915)</u>	<u>9,445</u>
13		COLLECTION SEWERS - SERVICES		<u>17,010</u>			<u>9,142</u>	<u>425</u>	<u>354</u>	<u>9,496</u>	<u>(17,010)</u>	<u>9,496</u>
14		RECEIVING WELLS		<u>25,000</u>			<u>13,438</u>	<u>625</u>	<u>521</u>	<u>13,959</u>	<u>0</u>	<u>0</u>
15		TREATMENT & DISPOSAL EQUIPMENT		<u>67,200</u>			<u>36,120</u>	<u>1,680</u>	<u>1,400</u>	<u>37,520</u>	<u>0</u>	<u>0</u>
16		OUTFALL SEWER LINES		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
17		OTHER PLANT & MISC. EQUIPMENT		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

*NOTE: THE CIAC AMOUNT SHOWN ABOVE IS IMPUTED TO THE EXTENT OF THE WASTEWATER COLLECTION

RIVERS EDGE UTILITIES, LLC
HUNTER CREEK UTILITIES, LLC (RIVERS EDGE UTILITIES, LLC)
DETERMINATION OF RATE BASE

LINE NO.	(A)	(B) <u>WATER</u>	(C) <u>WASTE WATER</u>	(D) <u>TOTAL</u>
1	ORIGINAL COST OF UTILITY PLANT-IN-SERVICE (UPIS) AT 10/31/04			
2	WATER	379,171		379,171
3	WASTEWATER		188,366	188,366
4	TOTAL	<u>379,171</u>	<u>188,366</u>	<u>567,537</u>
5				
6	ACCUMULATED DEPRECIATION OF UPIS AT 10/31/04			
7	WATER	(137,200)		(137,200)
8	WASTEWATER		(105,171)	(105,171)
9	TOTAL	<u>(137,200)</u>	<u>(105,171)</u>	<u>(242,371)</u>
10				
11	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AT 10/31/04			
12	WATER	(85,227)		(85,227)
13	WASTEWATER		(96,166)	(96,166)
14	TOTAL	<u>(85,227)</u>	<u>(96,166)</u>	<u>(181,393)</u>
15				
16	ACCUMULATED AMORTIZATION OF CIAC AT 10/31/04			
17	WATER	31,435		31,435
18	WASTEWATER		53,692	53,692
19	TOTAL	<u>31,435</u>	<u>53,692</u>	<u>85,127</u>
20				
21	NET UPIS LESS NET CIAC AT 10/31/04	<u>188,179</u>	<u>40,721</u>	<u>228,900</u>

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT G

STATEMENT REGARDING ACQUISITION ADJUSTMENT

As stated at the bottom of Exhibit F, MSM Utilities, LLC is contracting to pay \$229,000 for all of the utilities' assets formerly owned by Hunter Creek Utilities, LLC. The \$229,000 purchase price is nearly equal to the combined net asset value of \$228,900 at October 31, 2004 as set forth in the Determination of Rate Base schedule attached to Exhibit F. Therefore, MSM Utilities, LLC is not seeking the approval of any acquisition adjustment in this proceeding.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT H

**STATEMENT THAT BUYER WILL OBTAIN FEDERAL INCOME TAX
RETURNS OF SELLER FROM DATE THE UTILITY WAS FIRST
ESTABLISHED**

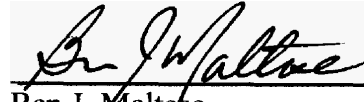
Rivers Edge Utilities, LLC, the current owner of the utilities' assets, has attempted to obtain copies of federal income tax returns and other documents related to Hunter Creek Utilities, LLC. Due to the foreclosure action and the outcome of the subsequent bankruptcy filing the previous owner is unwilling to provide any tax return documents for the period of time of his ownership.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT I

STATEMENT OF CONDITION AND COMPLIANCE

I, Ben J. Maltese, Managing Partner of MSM Utilities, LLC, do hereby state that Hunter Creek Utilities, LLC appears to be in satisfactory condition and, to the best of my knowledge, is in compliance with all applicable standards set by the Department of Environmental Protection (DEP).



Ben J. Maltese
Managing Partner

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT J

**PART III, A
NOTICE OF ACTUAL APPLICATION**

TO BE FILED AS A LATE FILED EXHIBIT

Affidavit that notice of actual application will be given by regular mail in accordance with Section 367.045(1)(a), Florida Statutes and Rule 35-30.030, Florida Administrative Code, to all required governmental agencies, appropriate certificated utilities and requisite state officials.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT K

**PART III, B
NOTICE OF ACTUAL APPLICATION**

TO BE FILED AS A LATE FILED EXHIBIT

Affidavit that notice of actual application will be given, in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer on the system being transferred.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT L

PART III, C
NOTICE OF ACTUAL APPLICATION

TO BE FILED AS A LATE FILED EXHIBIT

Affidavit that a notice of actual application will be published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT M

**PART V, A
EVIDENCE OF OWNERSHIP**

A 99-year lease agreement for the continuous use of the land is attached.

me
55/50

★ #209
OLMSTED
& WILSON



FILE 1088604 OR BK 02307 PG 0331 RECD 09/18/2003 03:36:01 PM BARBARA T. SCOTT, CLERK, CHARLOTTE CO
REC 55.50 Index 3.00

**99-YEAR LEASE AGREEMENT
FOR
WATER AND WASTEWATER TREATMENT FACILITIES**

This 99-Year Lease for water and wastewater treatment facilities (the "Lease") is made and entered into between Zola MacLachlan and Janice Fader, successor Trustees of the Ernest E. MacLachlan Revocable Trust and Zola M. MacLachlan, Trustee of the Zola M. MacLachlan Revocable Trust (the "Lessor") and Rivers Edge Utilities, LLC (the Lessee), dated as of the 28th day of August, 2003.

RECITALS

1. Lessor is the owner of the real property in Charlotte County, Florida operated as The Oaks at Rivers Edge located at 1601 Hunter Creek Drive, Punta Gorda, Florida 33982.
2. Lessee is the owner of certain water facilities including a water treatment plant, two water wells, six storage tanks, a transmission and distribution system (the "Water Plant") and certain wastewater facilities including wastewater collection mains, transmission facilities, pumping stations, a treatment plant and disposal system (the "Wastewater Treatment Plant"). The Water Plant and the Wastewater Treatment Plant are sometimes hereafter collectively referred to as the "Systems". The Systems are located within the boundaries of the water and wastewater certificated area granted by the Florida Public Service Commission and service. Lessee's service area is more particularly described as Township 40 South, Range 23 East, Section 12, The NE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East. And The SE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East. And The NW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East. And That portion of Government Lot 2, Section 12, Township 40 South, Range 23 East, lying South of Lee Branch Creek. And The Westerly 30 feet of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East. And Township 40 South, Range 23 East, Section 11, All of Government Lot 5, lying South of Lee Branch Creek in Section 11, Township 40 South, Range 23 East. And The NE 1/4 of the SE 1/4 of Section 11, Township 40 South, Range 23 East, lying East of Hunters Creek.
3. The Leased Premises upon which the water and wastewater treatment facilities, the well, the effluent pond and the spray fields are located within The Oaks at Rivers Edge are more particularly described as the NE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4, lying and being in Section 12, Township 40 South, Range 23 East, Charlotte County, Florida (WATER AND SEWER PLANT, Parcel I.D. Number 0070972-000100-6, 2.5 acres more or less);

THIS INSTRUMENT PREPARED BY
REGULATORY CONSULTANTS, INC.
C/O OLMSTED & WILSON, P.A.
18501 MURDOCK CIRCLE, SUITE 101
PORT CHARLOTTE, FL 33948

**IMAGED
MC**

12

And The SE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4, lying and being in Section 12, Township 40 South, Range 23 East, Charlotte County, Florida (POND, Parcel I.D. Number 0070973-000000-6, 2.5 acres more or less);

And TRACT 3 of unrecorded Plat of PUNTA GORDA RANCHES, being more particularly described as: Commence at the NE Corner of the NW 1/4 of Section 13, Township 40 South, Range 23 East, Charlotte County, Florida; thence North 88°25'30" West along the North line of said Section 13, 293.0 feet; thence North 3°04'30" East along the Westerly right of way of A.C.L.R.R., 1573.36 feet for a Point of Beginning; thence continue North 3°04'30" East 360.32 feet; thence North 88°25'30" West 606.14 feet; thence South 0°16'35" West 360.0 feet; thence South 88°25'30" East 588.45 feet to the Point of Beginning. All lying in Section 12, Township 40 South, Range 23 East, Charlotte County, Florida (SPRAYFIELD, Parcel I.D. Number 0070966-000100-4, 4.94 acres more or less);

And TRACT 4 of unrecorded Plat of PUNTA GORDA RANCHES, being more particularly described as: Commence at the NE corner of the NW 1/4 of Section 13, Township 40 South, Range 23 East, Charlotte County, Florida; thence North 88°25'30" West along the North line of said Section 13, 293.0 feet; thence North 03°04'40" East, along the Westerly right of way of A.C.L.R.R., 1203.04 feet for a point of Beginning; thence continue North 3°04'30" East, 370.32 feet; thence North 88°25'30" West, 588.45 feet; thence South 0°16'35" West, 370.0 feet; thence South 88°25'30" East, 570.27 feet to the Point of Beginning. All lying in Section 12, Township 40 South, Range 23 East, Charlotte County, Florida (SPRAYFIELD, Parcel I.D. Number 0070966-000000-5, 4.92 acres more or less)

4. Lessor has agreed to lease the Leased Premises to Lessee pursuant to a Lease Agreement, the terms of which grant Lessee the right to lease the Leased Premises from Lessor; to grant a separate non-exclusive perpetual easement and rights of way through, under, over, on and across The Oaks to patrol, inspect, alter, improve, repair, rebuild, remove, replace, construct, reconstruct, operate and maintain Systems and other attachment, fixtures, equipment, and accessories desirable in connection therewith over, under, through, upon and across The Oaks at such places, streets, parcels and lots as may be necessary for efficient delivery of utility services to all occupants in The Oaks, and to assign such existing easements to Lessee as may be necessary for the foregoing purposes.
5. Lessor acknowledges that Lessee is the sole and exclusive provider of water and wastewater utility service to The Oaks and Lessee acknowledges that it is capable of providing utility services to the residents and the common areas of The Oaks.
6. Lessor and Lessee desire to set forth herein the terms and conditions under which the Lessee shall be granted the sole and exclusive right to use the Leased Premises to operate and maintain the Systems so that Lessee can continue to provide water and wastewater utility services to the residents of The Oaks.

7. The Parties have negotiated in good faith and are empowered to be bound by the terms and conditions set forth in this Agreement.

ACCORDINGLY, for and in consideration of the sum of Ten (\$10.00) Dollars, the above Recitals and benefits to be derived from the mutual observation of the covenants contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. **AGREEMENT TO LEASE**. Subject to the terms and conditions hereinafter set forth, Lessor hereby demises and leases the Leased Premises exclusively to Lessee and Lessee does hereby hire and take the Leased Premises from Lessor.
2. **TERM**. To have and to hold for a term of ninety-nine (99) years, unless sooner terminated, as provided hereinbelow. The term of this lease shall commence on the date on which the last of the parties executes the Agreement below ("Effective Date") and shall expire ninety-nine (99) years from that date.
3. **RENTAL**. The rent reserved under this Agreement shall be as follows:
 - (a) Annual rental of \$3,600.00 per year, payable in equal monthly installments of \$300.00 per month, payable the first day of each month.
 - (b) The annual rental amounts in subparagraph (a) above shall increase based upon the Consumer Price Index (as hereinafter defined) commencing on the thirty-seventh (37) month from the date of this Agreement. Every three (3) years thereafter, rental amounts shall be increased to an amount equal to the increase in the Consumer Price Index which shall be determined every three (3) years and paid at the new rental rate adjusted by the cumulative increase over the prior three (3) years. "Consumer Price Index" shall mean the Consumer Price Index which is presently designed as the United States City Average for All Urban Consumers, All Items, with a base period equaling 100 in 1982-84. In the event the statistics are not available or in the event that publication of the Consumer Price Index is modified or discontinued in its entirety, the adjustment provided for herein shall be made on the basis of an index chosen by Lessor as a comparable and recognized index of the purchasing power of the United States consumer dollar published the United States Department of Labor or other governmental agency.
 - (c) Real estate taxes (both ad valorem taxes and non ad valorem taxes) and special assessments, if any, shall be paid by Lessee.
 - (d) Personal property taxes on the Systems, and necessary license and occupational fees, insurance, repair, maintenance and compliance costs for the Systems shall be paid by Lessee.

4. **CONDITION OF PREMISES.** The Premises are leased subject to any and all conditions that an accurate examination of the Premises would disclose, Lessee agreeing to indemnify Lessor against any and all claims for personal injury or property damage to Lessee's property caused by any defects in the Premises.
5. **SUBORDINATION.** This Lease shall be subject and subordinate at all times to the lien of any mortgage or mortgages, now encumbering the Premises, or which Lessor may at any time place against the Premises. Lessee agrees to execute such documents as may be requested by any mortgagee to evidence the subordination contained herein; provided, however, that as a condition of such subordination, the holder of such mortgage shall be required to agree with Lessee that, notwithstanding the foreclosure of such mortgage, Lessee's occupancy of the Premises shall not be disturbed so long as Lessee is not in default hereunder and attorns to such Mortgagee and agrees to perform all obligations owed to Lessor hereunder for the benefit of such Mortgagee.
6. **REPAIR OF PREMISES.** Lessee will keep the Premises in a clean and sanitary condition during the term of this Lease and any renewal terms, at Lessee's expense, and will comply with all governmental ordinances and directions of proper public officers in connection with such maintenance during the term of this Lease.
7. **NET LEASE.** It is the intent of Lessor and Lessee that this Lease be a "Triple Net Lease", meaning that Lessee shall be responsible for the payment of all insurance, utilities, repairs, maintenance, replacement, sales and use taxes, property taxes and charges and impositions relative to the Premises and/or Lessee's use and occupancy thereof, except that Lessee shall not be responsible for the payment of any mortgages or other liens placed upon the premises by Lessor nor for the payment of any income taxes of Lessor.
8. **ALTERATIONS BY LESSEE.** Lessor agrees that Lessee may make, at its own expense, any alterations, repairs, replacements or additions to the improvements on the Premises, provided:
 - (a) Lessee shall perform such alterations, repairs, replacements or additions, in accordance with the statutes, ordinances, rules, regulations and orders of all public or quasi-public authorities having jurisdiction thereof and in accordance with the rules and regulations of the local board of Fire Insurance Underwriters; and,
 - (b) The Premises shall at all times be kept free and clear of all mechanic's, materialmen's, labor or other liens or claims of liens, and Lessee agrees to indemnify and save harmless Lessor from all claims, demands and liability, including damage to person or property arising out of or in connection with any such work; and,

Nothing in this Lease shall be construed as in any way constituting a consent or request by Lessor, expressed or implied, by inference or otherwise, to any contractor, sub-contractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for any specific or general improvement, alteration or repair of or to the Premises or to any buildings or improvements thereon or to any part thereof. Pursuant to Florida Statute §713.10, it is the intent of the parties hereto that Lessor's interest in the Premises shall not be subject to any liens filed because of Lessee's failure to make payments in connection with any buildings or improvements installed or constructed on the Premises.

9. **UTILITIES.** Lessee shall pay for all utility services supplied to the Premises for the benefit of Lessee and shall pay all charges for the collection of refuse from the Premises.
10. **LICENSES, FEES AND TAXES.** Lessee shall pay all state, county, municipal, occupational or other licenses, fees and taxes which may be imposed upon the business or occupation of Lessee conducted on or from the Premises and shall pay any tax imposed by the State of Florida on rentals. Lessee covenants to promptly pay when due all real property taxes and tangible personal property taxes relating to the Premises. If the term hereof shall end before rendition of a tax bill for such year, Lessee will pay to Lessor Lessee's pro-rata portion of such taxes based upon the assessments for the prior year.
11. **USE.** The Premises may be used for any and all legal purposes so long as such use does not change the character of the Premises. Except as hereinafter provided, Lessee shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances, in or upon, or connected with, Lessee's use of the Premises. Lessee will not permit the Premises to be used for any purpose or in any manner which would render the insurance thereon void.

In the event Lessee contaminates the Premises or any adjacent property with hazardous waste in connection with its use of the Premises, Lessee agrees to hold harmless and indemnify Lessor, and Lessor's successors and assigns from any and all claims, suits, actions, debts, damages, costs, charges, and expenses, including attorneys' fees, paralegals' fees, legal assistants' fees and costs, and against all liability, losses and damages of any nature whatsoever, that Lessor may at any time sustain by reason of any such contamination.

12. **REPRESENTATIONS OF LESSOR.** Lessor represents that as of the Commencement Date, the Premises complies with all applicable laws, ordinances, statutes, regulations, orders, rules and restrictions relating thereto (the "Applicable Laws"), and that the Premises and the existing and prior uses thereof (including any uses by its former Lessees) has not prior to the Commencement Date and does not currently violate the provisions of any Applicable Laws relating thereto. If the Premises at any time fails to be in compliance with the Applicable Laws based upon the actions or inactions of Lessor prior to the Commencement Date, Lessee shall notify Lessor of such lack of compliance

and, within seven (7) days of such notice, Lessor shall take all necessary measures to bring the Premises into compliance with the Applicable Laws.

13. **INSURANCE.** At all times subsequent to the commencement date of the term of this Lease and during the full term, Lessee shall keep the Premises covered, at Lessee's sole cost and expense against claims for personal injury or property damage under a policy of general public liability insurance.

All insurance required to be maintained by Lessee shall be effected by valid and enforceable policies issued by insurers licensed to do business in the State of Florida, countersigned by an agent licensed to do business in Florida and of recognized responsibility satisfactory to Lessor. Within fifteen (15) days after the commencement of the term of this Lease, Lessee shall promptly deliver to Lessor the original policies as specified above and within fifteen (15) days after the premium of each such policy shall become due and payable, such premium shall be paid by Lessee and Lessor shall be furnished with satisfactory evidence of such payment.

All policies of insurance required to be maintained by Lessee shall name Lessee and Lessor as the insureds as their respective interests may appear.

14. **DESTRUCTION BY CASUALTY.** In the event of damage or destruction to the Premises, or any portion thereof, by fire or other cause, Lessee shall have the option to repair or restore the same, as the case may be, at Lessee's expense, or to terminate this Lease. If termination is elected, the provisions of Section 29 hereof shall become applicable.
15. **CONDEMNATION.** In the event that any portion of the Premises or all of the Premises are taken under condemnation proceedings, or by sale under threat of condemnation, Lessee shall have no right to any portion of the condemnation award, except for Lessee's utility property (as discussed herein). If the portion of the Premises taken is such that Lessee is not materially affected in the conduct of Lessee's business, then this Lease shall continue in full force and effect with no abatement of the obligations of Lessee hereunder as though such property was not taken. If, on the other hand, the taking of a portion of the Premises is such as to materially affect the conduct of Lessee's business, then and in that event, Lessee shall have the right to terminate this Lease, subject to the provisions of an equitable abatement of rent hereunder.
16. **ENTRY UPON PREMISES.** Lessee agrees that Lessor may at any reasonable time or times during the business hours of Lessee, enter upon the Premises for the purpose of inspecting the same, or to make necessary repairs where Lessor is obligated to make such repairs or where Lessee is delinquent in making repairs it is obligated to make.
17. **ASSIGNMENTS AND SUBLETTING.** Lessee shall not sublet the Premises or assign this Lease without the written consent of Lessor, which shall not be unreasonably withheld.

Notwithstanding anything stated above, Lessee shall at all times during the term hereof have the right without having to obtain Lessor's prior approval therefor to assign this Lease or to sublease all or any portion of the Premises to (I) any Affiliate (defined below) of Lessee, any successor entities or persons by virtue of merger, consolidation, liquidation, reorganization or other operation of law; (ii) to the purchaser (or an Affiliate of the purchaser) of any material portion of the assets of Lessee, or any portion of the business conducted by Lessee at the Premises (however, Lessee shall at all times remain responsible for the payment of the Rent hereunder); (iii) any partnership or joint venture in which Lessee or an Affiliate of Lessee is a partner or a joint venturer that actively participates in the business thereof; and (iv) any entity occupying space in the Premises principally for the purpose of providing services to Lessee or its Affiliates. As used in this Lease, the Term "Affiliate" shall mean (I) any person or entity controlling, controlled by or under common control with Lessee, or (ii) any person or entity controlling, controlled by or under common control with Lessee's parent or any subsidiary of any tier of Lessee's parent. "Control" as used herein means the power, directly or indirectly, to direct or cause the direction of the management and policies of the controlled person or entity. The ownership, directly or indirectly, of at least 51% of the voting securities of, or the possession of the right to vote in the ordinary direction of its affairs at least 51% of the voting interest in, any person or entity shall be presumed to constitute such control.

18. **COVENANTS AS TO BREACH AND REMEDIES.** In addition to default by Lessee in any of Lessee's promises or covenants hereunder, either, (a) the appointment of a receiver to take possession of all, or substantially all, of Lessee's property, or (b) a general assignment by Lessee for the benefit of creditors, or (c) any action taken or suffered by Lessee under any insolvency or bankruptcy act, shall also constitute a breach of this Lease by Lessee.

In the event of breach of this Lease by Lessee, if Lessee has not cured such default within 14 days of Lessee's receipt of written notice from Lessor describing such default, or in the event of renunciation of this Lease by Lessee before the expiration of the term hereof, Lessor may:

- (a) Treat this Lease as terminated and resume possession of the Premises, having immediate right of reentry, and may remove all persons and property from the Premises, and may store such property in a public warehouse or elsewhere at the cost of and for the account of Lessee; or
- (b) Lessor may retake possession of the Premises for the account of Lessee and relet the Premises; or,
- (c) Lessor may stand by and do nothing and shall have the right to sue Lessee for any sums or obligations due hereunder.

No such re-entry or taking possession of the Premises by Lessor shall be construed as an election on its part to terminate this Lease, unless written notice of such intention be given to Lessee, or unless the termination thereof be decreed by a court of competent jurisdiction.

In the event Lessee defaults or breaches any of the terms, conditions or promises of Lessee herein contained, and Lessor is put to the necessity of employing an attorney in order to collect any sum or sums of money which may be due by reason of such default, or otherwise take such steps or legal action as may be necessary to enforce such terms, conditions or promises, then Lessee agrees to pay reasonable attorneys' fees, paralegals' fees, legal assistants' fees and court costs and expenses in connection therewith.

19. **PERFORMANCE BY LESSOR OF LESSEE'S OBLIGATIONS.** In the event Lessor shall pay or be compelled to pay a sum of money, or to do any act which requires the payment of any money, by reason of the failure of Lessee to perform one or more of the covenants herein contained to be kept and performed by Lessee, then in such event, the sum or sums so paid by Lessor, together with all interest, expense or obligations incurred by Lessor, shall be considered as additional rent and shall be due and payable from Lessee to Lessor.
20. **NOTICES.** All notices to be given to Lessee shall be given in writing, personally, or by depositing the same in the United States Mails, certified or registered, return receipt requested, postage prepaid and addressed to Lessee at 1601 Hunter Creek Drive, Punta Gorda, FL 33982. Notices and rental payments hereunder to be given to Lessor shall be given in a like manner and addressed to Lessor at 29000 Tamayo Drive, Punta Gorda, FL 33982 or such other address as Lessor shall hereafter designate in writing. Notice shall be deemed to have been given upon receipt if given by personal delivery or three (3) days after deposit in the mail if mailed.
21. **WAIVER.** In the event Lessor does not insist on a strict performance of any of the terms and conditions hereof, such shall not be deemed a waiver of the rights or remedies that Lessor shall have to insist upon strict performance of any such terms or conditions in the future or any other conditions and terms of this Lease.
22. **SUCCESSORS AND ASSIGNS.** The conditions and covenants herein contained shall apply to and bind the heirs, successors, personal representatives and assigns, where allowed, of the parties hereto.
23. **INVALIDITY OF ANY PROVISIONS.** If any term, covenant, condition or provision of this Lease shall be held to any extent to be invalid or unenforceable under applicable law, the remaining terms, covenants, conditions and provisions of this Lease shall not be affected thereby but shall remain in full force and effect.
24. **MISCELLANEOUS.** The masculine, feminine or neuter gender, wherever used herein, shall be deemed to include the masculine, feminine and neuter whenever and wherever

applicable herein. Whenever the singular is used it shall be deemed to include the plural whenever and wherever applicable herein.

25. **HAZARDOUS SUBSTANCES.** Lessee shall indemnify, protect and hold harmless Lessor and each of its respective subsidiaries from and against all costs and damages incurred by Lessor in connection with the presence, emanation, migration, disposal, release or threatened release of any oil or other petroleum products or hazardous materials or substances on, within, or to or from the Premises as a result of (i) the operations of the Lessee after the Commencement Date and (ii) the activities of third parties affiliated with Lessee or invited on the Premises by Lessee. Lessor shall indemnify, protect and hold harmless Lessee and each of its respective subsidiaries from and against all costs and damages incurred by Lessee in connection with the presence, emanation, migration, disposal, release or threatened release of any oil or other petroleum products or hazardous materials or substances on, within, or to or from the Premises as a result of (i) any activity or action by any party prior to the Commencement Date, (ii) the condition of the Premises prior to the Commencement Date, including any future manifestations of such conditions, or (iii) the activities of Lessor or the activities of any third party not affiliated with Lessee and not invited on the Premises by Lessee. Each party agrees that such party will promptly give written notice to the other party of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Premises and any hazardous substance or environmental law of which such party has actual notice.
26. **REQUIRED STATEMENT.** Florida Statute §404.056(7) requires the following statement to be included in this Lease: RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.
27. **WAIVER OF JURY TRIAL.** Lessor and Lessee hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other or any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Lessor and Lessee, Lessee's use or occupancy of the Premises, and/or claim of injury or damage.
28. **RELATIONSHIP OF THE PARTIES.** Nothing herein contained shall be deemed or construed as creating the relationship of principal and agent or of partnership or joint venture between Lessor and Lessee; it being understood and agreed that neither the method of computing rent nor any other provision contained herein nor any acts of Lessor and Lessee shall be deemed to create any relationship between the parties other than that of Lessor and Lessee.

29. **OBLIGATIONS OF LESSEE ON TERMINATION.** Lessee agrees that upon the termination of this Lease for whatever reason, either upon the completion of the term hereof or otherwise, it will, at its sole cost and expense, (i) cause the water and wastewater treatment plants situated on the Premises and all percolation ponds, drainfields and other components of the utility system situated on the Premises (but exclusive of lines and laterals which are underground) to be decommissioned in accordance with all applicable regulations of the Florida Department of Environmental Protection, Sarasota County and any other state or federal agency having jurisdiction; (ii) remove all equipment, fixtures and personalty from any structures on the Premises.
30. **QUIET ENJOYMENT.** Lessor covenants that it now has good title to the Premises, free and clear of all liens and encumbrances. Lessor represents and warrants that it has full right and authority to enter into this Lease and that Lessee, upon paying the rental herein set forth and performing its other covenants and agreements herein set forth, shall peaceably and quietly have, hold and enjoy the Premises for the term hereof without hindrance or molestation from Lessor, subject to the terms and provisions of this Lease.
31. **LIABILITY.**
- (a) Lessee shall be liable to Lessor for and shall indemnify and hold harmless Lessor and Lessor's partners, venturers, directors, officers, agents, employees, invitees, visitors and contractors from all claims, losses, costs, damages or expenses (including but not limited to attorney's fees) resulting or arising or alleged to result or arise from any and all injuries to or death of any person or damage to or loss of any property caused by any negligence or intentional misconduct of Lessee or Lessee's partners, venturers, directors, officers, agents, employees, or by any breach, violation or non-performance of any covenant of Lessee under this Lease other than any injury or damage arising (or alleged to arise) out of any negligence, intentional misconduct or breach of the term of this Lease by Lessor or Lessor's partners, venturers, directors, officers, agents, or employees. If any action or proceeding should be brought by or against Lessor in connection with any such liability or claim, Lessee, on notice from Lessor, shall defend such action or proceeding, at Lessee's expense, by or through attorneys reasonably satisfactory to Lessor.
- (b) Lessor shall be liable to Lessee for and shall indemnify and hold harmless Lessee and Lessee's partners, venturers, directors, officers, agents, employees, invitees, visitors and contractors from all claims, losses, costs, damages or expenses (including but not limited to attorney's fees) resulting or arising or alleged to result or arise from any and all injuries to or death of any person or damage to or loss of any property caused by any negligence or intentional misconduct of Lessor or Lessor's partners, venturers, directors, officers, agents, or employees, or by any breach, violation or non-performance of any covenant of Lessor under this Lease other than any injury or damage arising (or alleged to arise) out of any negligence, intentional misconduct or breach of the term of this

GUARANTY OF PERFORMANCE

For valuable consideration, the undersigned irrevocably and unconditionally guarantees to Lessor the full, faithful and punctual performance by Lessee of all of Lessee's covenants and agreements contained in this Lease, or any extensions or renewals thereof, and agrees that any extensions, postponements, either of payment or enforcement, waivers, releases of any rights against any party, or releases of any security shall not affect the undersigned's absolute and unconditional liability hereunder. Demand, notice of default or of nonpayment, and all suretyship defenses whatsoever are hereby waived.

Dated, signed, sealed, and delivered as of the date set forth below.

WITNESSES:

[Handwritten Signature]
[Handwritten Signature]

Zola MacLachlan and Janice Fader,
successor Trustees of the Ernest E.
MacLachlan Revocable Trust and
Zola M. MacLachlan, Trustee of the
Zola M. MacLachlan Revocable Trust

By: Zola M. MacLachlan
As its: Trustee

BY: Janice Fader Trustee
JANICE FADER, TRUSTEE

Date of Execution: 8/28/03

Rivers Edge Utilities, LLC

WITNESSES:

[Handwritten Signature]
[Handwritten Signature]


By: Janice Fader
As its: Member Manager

Date of Execution: 12/03

STATE OF FLORIDA
COUNTY OF CHARLOTTE

THE FOREGOING instrument was sworn to and subscribed before me this 28th day of August, 2003, by ZOLA M. MacLACHLAN, and JANICE FADER, successor Trustees of the ERNEST E. MacLACHLAN REVOABLE TRUST, and ZOLA M. MacLACHLAN, Trustee of the ZOLA M. MacLACHLAN REVOCABLE TRUST, to me personally known.

WITNESS my hand and seal this 28th day of August, 2003.



Notary Public




Ida Jaye Spencer
Commission # DD 025250
Expires June 25, 2006
Bonded Thru
Atlantic Bonding Co., Inc.

STATE OF FLORIDA
COUNTY OF CHARLOTTE

THE FOREGOING instrument was sworn to and subscribed before me this 2nd day of September, 2003, by JANICE FADER, as a Member/Manager of HUNTER CREEK UTILITIES, LLC., to me personally known.

WITNESS my hand and seal this 2nd day of September, 2003.



Notary Public



Ida Jaye Spencer
Commission # DD 025250
Expires June 25, 2006
Bonded Thru
Atlantic Bonding Co., Inc.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT N

PART V, B

**ORIGINAL AND TWO COPIES OF
WATER AND WASTEWATER TARIFF SHEETS**

PROVIDED UNDER SEPARATE COVER

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE
NO. 611-W AND WASTEWATER CERTIFICATE NO. 527-S
MSM UTILITIES, LLC**

EXHIBIT O

PART V, C

THE UTILITY'S CURRENT WATER AND WASTEWATER CERTIFICATES

Due to the complex nature of the foreclosure and bankruptcy proceedings, Rivers Edge Utilities, LLC has been unable to secure the current water and wastewater certificates from the previous owner, Hunter Creek Utilities, LLC. Therefore, MSM Utilities, LLC cannot provide the current water and wastewater certificates issued in the name of Hunter Creek Utilities, LLC to the Florida Public Service Commission (FPSC). It is our understanding that the FPSC is aware of this circumstance and will provide new certificates upon approval of this Transfer Application.

WATER TARIFF

MSM UTILITIES, LLC
NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

WATER TARIFF

MSM UTILITIES, LLC
NAME OF COMPANY

9696 Bonita Beach Road, Ste. 210

Bonita Springs, Florida 34110
(ADDRESS OF COMPANY LOCATION)

(239) 444-1444
(Business & Emergency Telephone Number)

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

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Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER - 611-W

COUNTY - Charlotte

COMMISSION ORDER(S) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-99-0756-FOF-WS	04/19/99	980731-WS	Original Certificate

(Continued to Sheet No. 3.1)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

Commission PSC-99-0756-FOF-WS

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED
WATER AND WASTEWATER SERVICE AREA

The Oaks at Rivers Edge (formerly Hunter Creek Village)

The following described lands located in Charlotte County, Florida:

Township 40 South, Range 23 East
Section 12

The NE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

The SE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

The NW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

That portion of Government Lot 2, Section 12, Township 40 South, Range 23 East, lying South of Lee Branch Creek.

And

The Westerly 30 feet of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

Township 40 South, Range 23 East
Section 11

All of Government Lot 5, lying South of Lee Branch Creek in Section 11, Township 40 South, Range 23 East.

And

The NE 1/4 of the SE 1/4 of Section 11, Township 40 South, Range 23 East, lying East of Hunters Creek.

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

COMMUNITIES SERVED LISTING

<u>County</u> <u>Name</u>	<u>Development</u> <u>Name</u>	<u>Rate</u> <u>Schedule(s)</u> <u>Available</u>	<u>Sheet No.</u>
Charlotte	The Oaks at Rivers Edge	RS	11.0 (formerly Hunter Creek Village)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is MSM UTILITIES, LLC.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 **"SERVICE CONNECTION"** - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 **"SERVICE LINES"** - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 **"TERRITORY"** - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Rule Number:</u>	<u>Number:</u>
Access to Premises	9.0	14.0
Adjustment of Bills	10.0	22.0
Adjustment of Bills for Meter Error	10.0	23.0
All Water Through Meter	10.0	21.0
Application	7.0	3.0
Applications by Agents	7.0	4.0
Change of Customer's Installation	8.0	11.0
Continuity of Service	8.0	9.0
Customer Billing	9.0	16.0
Delinquent Bills	7.0	8.0
Extensions	7.0	6.0
Filing of Contracts	10.0	25.0
General Information	7.0	1.0
Inspection of Customer's Installation	9.0	13.0
Limitation of Use	8.0	10.0
Meter Accuracy Requirements	10.0	24.0
Meters	10.0	20.0
Payment of Water and Wastewater Service Bills Concurrently	10.0	18.0

(Continued to Sheet No. 6.1)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Policy Dispute	7.0	2.0
Protection of Company's Property	8.0	12.0
Refusal or Discontinuance of Service	7.0	5.0
Right-of-way or Easements	9.0	15.0
Termination of Service	9.0	17.0
Type and Maintenance	7.0	7.0
Unauthorized Connections - Water	10.0	19.0

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

6/20/14
10:11 AM

MSM UTILITIES, LLC

WATER TARIFF

RULES AND REGULATIONS

1.0 **GENERAL INFORMATION** - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders water service.

The Company shall provide water service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.

2.0 **POLICY DISPUTE** - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.

3.0 **APPLICATION** - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.

4.0 **APPLICATIONS BY AGENTS** - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.

5.0 **REFUSAL OR DISCONTINUANCE OF SERVICE** - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.

6.0 **EXTENSIONS** - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.

7.0 **TYPE AND MAINTENANCE** - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.

8.0 **DELINQUENT BILLS** - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued on Sheet No. 8.0)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 7.0)

- 9.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous water service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous water service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

- 10.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the Customer only for the purposes specified in the application for water service. Water service shall be rendered to the Customer for the Customer's own use and the Customer shall not sell or otherwise dispose of such water service supplied by the Company.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 11.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any charge resulting from a violation of this Rule.

- 12.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

(Continued on Sheet No. 9.0)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 8.0)

- 13.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

- 14.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 15.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.
- 16.0 CUSTOMER BILLING - Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public Company shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a Company utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

- 17.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code

(Continued on Sheet No. 10.0)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

(Continued from Sheet No. 9.0)

- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 UNAUTHORIZED CONNECTIONS - WATER - Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.
- 22.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be refunded or billed to the Customer as the case may be pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 23.0 ADJUSTMENT OF BILLS FOR METER ERROR - When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 METER ACCURACY REQUIREMENTS - All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

Ben J. Maltese
 Ben J. Maltese
 TITLE

Ben J. Maltese
 ISSUING OFFICER
Managing Partner
 TITLE

MSM UTILITIES, LLC

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits	N/A
General Service, GS.....	N/A
Meter Test Deposit.....	15.0
Miscellaneous Service Charges.....	16.0
Residential Service, RS.....	13.0
Service Availability Fees and Charges.....	N/A

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

NOT APPLICABLE AT THIS TIME

EFFECTIVE DATE -

TYPE OF FILING -

Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE - Per 1,000 gallons or any portion thereof:

0 – 5,000 gallons	\$3.25
5,001 – 8,000 gallons	\$4.88
Over 8,000 gallons	\$7.32

MINIMUM CHARGE - Applicable Base Facility Charge (BFC) - \$10.50

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

BASE FACILITY CHARGE - Any customer who requests that service be interrupted for any length of time will pay the Base Facility Charge (BFC) during that period of interruption. Any customer who attempts to circumvent this charge by closing his account (and requesting deposit refund) at the time of temporary departure and then returning several months later as a new customer will be held liable for the BFC during the disconnected months. The payment of the BFC will be made monthly.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	<u>N/A</u>	<u>N/A</u>
1"	<u>N/A</u>	<u>N/A</u>
1 1/2"	<u>N/A</u>	<u>N/A</u>
Over 2"	<u>N/A</u>	<u>N/A</u>

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customer's account during the month of N/A each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

METER TEST DEPOSIT

METER BENCH TEST REQUEST - If any Customer requests a bench test of his or her water meter, in accordance with Rule 25-30.266, Florida Administrative Code, the Company may require a deposit to defray the cost of testing; such deposit shall not exceed the schedule of fees found in Rule 25-30.266, Florida Administrative Code.

<u>METER SIZE</u>	<u>FEE</u>
5/8" x 3/4"	\$20.00
1" and 1 1/2"	\$25.00
2" and over	Actual Cost

REFUND OF METER BENCH TEST DEPOSIT - The Company may refund the meter bench test deposit in accordance with Rule 25-30.266, Florida Administrative Code.

METER FIELD TEST REQUEST - A Customer may request a no-charge field test of the accuracy of a meter in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>15.00</u>
Normal Reconnection Fee	\$ <u>15.00</u>
Violation Reconnection Fee	\$ <u>15.00</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>10.00</u>

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service.....	\$	
1" metered service.....	\$	
1 1/2" metered service.....	\$	
2" metered service.....	\$	
Over 2" metered service.....	\$ ¹	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
<u>Inspection Fee</u>	\$¹	
<u>Main Extension Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	
or		
Residential-per lot (__ foot frontage).....	\$	
All others-per front foot.....	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Plan Review Charge</u>	\$¹	
<u>Plant Capacity Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	
<u>System Capacity Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

INDEX OF STANDARD FORMS

<u>Description</u>	<u>Sheet No.</u>
APPLICATION FOR METER INSTALLATION	N/A
APPLICATION FOR WATER SERVICE	20.0
COPY OF CUSTOMER'S BILL	22.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT	N/A

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

ORIGINAL SHEET NO. 19.0

MSM UTILITIES, LLC

WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

NO DEPOSIT CHARGED

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

APPLICATION FOR WATER OR WASTEWATER SERVICE

Name _____ Telephone Number _____

Billing Address _____

_____ City State Zip

Service Address _____

_____ City State Zip

Date service should begin _____

Service requested: Water _____ Wastewater _____ Both _____

By signing this agreement, the Customer agrees to the following:

1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
4. Bills for water serviced will be rendered Monthly as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
5. When a Customer wishes to terminate service on any premises where water or wastewater service is supplied by the Company, the Company may require a 24-hour written notice prior to the date the Customer desires to terminate service.

Signature

Date

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

APPLICATION FOR METER INSTALLATION

NOT APPLICABLE

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

COPY OF CUSTOMER'S BILL

MSM UTILITIES, LLC
9696 Bonita Beach Road, Ste. 210
Bonita Springs, Florida 34110

Water and Sewer Bill

Date _____

Name _____

Account Number _____

Current Reading _____

Last Reading _____

Gallons Used (x 1000) _____

Base Rate..... Water\$ 10.50

Usage: _____

Base Rate:..... Sewer\$ 6.50

Usage: _____

Current Balance:..... _____

Past Due: _____

TOTAL DUE: _____

Billing Period _____ to _____

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>
Schedule of Fees and Charges.....	N/A
Service Availability Policy	24.0

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WATER TARIFF

SERVICE AVAILABILITY POLICY

The utility provides service to The Oaks at Rivers Edge (formerly Hunter Creek Village). The owner of the utility is also the land developer. As the land developer, the owner intends to contribute any necessary capital improvements to the water and wastewater plants. Also as the land developer, the owner intends to install the water distribution and wastewater collection lines to the boundary of each new lot and provide for hookups as the lots are developed and offered for sale.

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

WASTEWATER TARIFF

MSM UTILITIES, LLC
NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

WASTEWATER TARIFF

MSM UTILITIES, LLC
NAME OF COMPANY

9696 Bonita Beach Road, Ste. 210

Bonita Springs, Florida 34110
(ADDRESS OF COMPANY LOCATION)

(239) 444-1444
(Business & Emergency Telephone Number)

FILED WITH

FLORIDA PUBLIC SERVICE COMMISSION

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

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Description of Territory Served	3.1
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Rates and Charges Schedules	11.0
Rules and Regulations	6.0-6.1
Service Availability Policy.....	21.0
Standard Forms	17.0
Technical Terms and Abbreviations	5.0-5.1
Territory Authority	3.0

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER - 527-S

COUNTY - Charlotte

COMMISSION ORDER(S) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-99-0756-FOF-WS	04/19/99	980731-WS	Original Certificate

(Continued to Sheet No. 3.1)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED
WATER AND WASTEWATER SERVICE AREA

The Oaks at Rivers Edge (formerly Hunter Creek Village)

The following described lands located in Charlotte County, Florida:

Township 40 South, Range 23 East
Section 12

The NE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

The SE 1/4 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.
And

The NW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

And

That portion of Government Lot 2, Section 12, Township 40 South, Range 23 East, lying South of Lee Branch Creek.

And

The Westerly 30 feet of the SW 1/4 of the SW 1/4 of Section 12, Township 40 South, Range 23 East.

Township 40 South, Range 23 East
Section 11

All of Government Lot 5, lying South of Lee Branch Creek in Section 11, Township 40 South, Range 23 East.

And

The NE 1/4 of the SE 1/4 of Section 11, Township 40 South, Range 23 East, lying East of Hunters Creek.

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

COMMUNITIES SERVED LISTING

<u>County</u> <u>Name</u>	<u>Development</u> <u>Name</u>	<u>Rate</u> <u>Schedule(s)</u> <u>Available</u>	<u>Sheet No.</u>
Charlotte	The Oaks at Rivers Edge (formerly Hunter Creek Village)	RS	11.0

Ben J. Maltese
ISSUING OFFICER
Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for wastewater consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide wastewater service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive wastewater service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is MSM UTILITIES, LLC.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive wastewater service from the Company and who is liable for the payment of that wastewater service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for disposing of wastewater located on the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey wastewater service from individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for wastewater service which is applied to the Customer's water consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all wastewater service required by the Customer, the readiness and ability on the part of the Company to furnish wastewater service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 **"SERVICE CONNECTION"** - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 **"SERVICE LINES"** - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 **"TERRITORY"** - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

Ben J. Maltese
ISSUING OFFICER

TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Rule Number:</u>	<u>Number:</u>
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Adjustment of Bills	10.0	20.0
Application	7.0	3.0
Applications by Agents	7.0	4.0
Change of Customer's Installation.....	8.0	10.0
Continuity of Service.....	8.0	8.0
Customer Billing	9.0	15.0
Delinquent Bills.....	10.0	17.0
Evidence of Consumption	10.0	22.0
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Filing of Contracts.....	10.0	21.0
General Information	7.0	1.0
Inspection of Customer's Installation	8.0	11.0
Limitation of Use	8.0	9.0
Payment of Water and Wastewater Service Bills Concurrently	9.0	16.0
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Protection of Company's Property.....	9.0	13.0
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(Continued to Sheet No. 6.1)

Ben J. Maltese
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Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Right-of-way or Easements	9.0	14.0
Termination of Service	10.0	18.0
Type and Maintenance	7.0	7.0
Unauthorized Connections - Wastewater	10.0	19.0

Ben J. Maltese
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Managing Partner
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MSM UTILITIES, LLC

WASTEWATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders wastewater service.

The Company shall provide wastewater service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.

- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.

- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.

- 4.0 APPLICATIONS BY AGENTS - Applications for wastewater service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.

- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.

- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.

- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service. The Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.

(Continued on Sheet No. 8.0)

Ben J. Maltese
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Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 7.0)

- 8.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous wastewater service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous wastewater service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

- 9.0 LIMITATION OF USE - Wastewater service purchased from the Company shall be used by the Customer only for the purposes specified in the application for wastewater service. Wastewater service shall be rendered to the Customer for the Customer's own use and shall be collected directly into the Company's main wastewater lines.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish wastewater service to the adjacent property even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's wastewater service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for wastewater service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 10.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any change resulting from a violation of this Rule.

- 11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's wastewater service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render wastewater service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering wastewater service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

(Continued on Sheet No. 9.0)

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 8.0)

- 12.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 13.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code. In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.
- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 CUSTOMER BILLING - Bills for wastewater service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public utility shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

- 16.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company.

(Continued on Sheet No. 10.0)

Ben J. Maltese
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Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 9.0)

- 17.0 **DELINQUENT BILLS** - When it has been determined that a Customer is delinquent in paying any bill, wastewater service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 18.0 **TERMINATION OF SERVICE** - When a Customer wishes to terminate service on any premises where wastewater service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 19.0 **UNAUTHORIZED CONNECTIONS - WASTEWATER** - Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 **ADJUSTMENT OF BILLS** - When a Customer has been undercharged as a result of incorrect application of the rate schedule or, if wastewater service is measured by water consumption and a meter error is determined, the amount may be credited or billed to the Customer as the case may be, pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 21.0 **FILING OF CONTRACTS** - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.
- 22.0 **EVIDENCE OF CONSUMPTION** - The initiation or continuation or resumption of water service to the Customer's premises shall constitute the initiation or continuation or resumption of wastewater service to the Customer's premises regardless of occupancy.

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Managing Partner
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MSM UTILITIES, LLC

WASTEWATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits	N/A
General Service, GS	N/A
Miscellaneous Service Charges.....	15.0
Residential Service, RS.....	13.0
Service Availability Fees and Charges.....	N/A

Ben J. Maltese
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MSM UTILITIES, LLC

WASTEWATER TARIFF

GENERAL SERVICE

NOT APPLICABLE AT THIS TIME

EFFECTIVE DATE -

TYPE OF FILING -

Transfer Application

Ben J. Maltese
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Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE:
0 – 10,000 gallons \$ 2.50
Maximum monthly charge \$31.50

MINIMUM CHARGE - Applicable Base Facility Charge (BFC) - \$6.50

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for wastewater service, service may then be discontinued.

BASE FACILITY CHARGE - Any customer who requests that service be interrupted for any length of time will pay the Base Facility Charge (BFC) during that period of interruption. Any customer who attempts to circumvent this charge by closing his account (and requesting deposit refund) at the time of temporary departure and then returning several months later as a new customer will be held liable for the BFC during the disconnected months. The payment of the BFC will be made monthly.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
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TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF



CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering wastewater service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	<u>N/A</u>	<u>N/A</u>
1"	<u>N/A</u>	<u>N/A</u>
1 1/2"	<u>N/A</u>	<u>N/A</u>
Over 2"	<u>N/A</u>	<u>N/A</u>

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rule 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customer's account during the month of N/A each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rule 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
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TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms state herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>15.00</u>
Normal Reconnection Fee	\$ <u>15.00</u>
Violation Reconnection Fee	\$ <u>Actual Cost (1)</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>10.00</u>

(1) Actual Cost is equal to the total cost incurred for services.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

Ben J. Maltese
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Managing Partner
TITLE

MSM UTILITIES, LLC
WASTEWATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy</u> <u>Sheet No./Rule No.</u>
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service.....	\$	
1" metered service.....	\$	
1 1/2" metered service.....	\$	
2" metered service	\$	
Over 2" metered service	\$ ¹	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (__)GPD.....	\$	
All others-per gallon/month.....	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (__)GPD.....	\$	
All others-per gallon/month	\$	
<u>Inspection Fee</u>	\$¹	
<u>Main Extension Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	
or		
Residential-per lot (__ foot frontage).....	\$	
All others-per front foot	\$	
<u>Plan Review Charge</u>	\$¹	
<u>Plant Capacity Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	
<u>System Capacity Charge</u>		
Residential-per ERC (__ GPD).....	\$	
All others-per gallon	\$	

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING - Transfer Application

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MSM UTILITIES, LLC

WASTEWATER TARIFF

INDEX OF STANDARD FORMS

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APPLICATION FOR WASTEWATER SERVICE	19.0
COPY OF CUSTOMER'S BILL	20.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPTN/A

Ben J. Maltese
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TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

NO DEPOSIT CHARGED

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TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

APPLICATION FOR WATER OR WASTEWATER SERVICE

Name _____ Telephone Number _____

Billing Address _____

_____ City _____ State _____ Zip _____

Service Address _____

_____ City _____ State _____ Zip _____

Date service should begin _____

Service requested: Water _____ Wastewater _____ Both _____

By signing this agreement, the Customer agrees to the following:

- 6. The Company shall not be responsible for the maintenance and operation of the Customer’s pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 7. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer’s water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 8. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure “Your Water and Wastewater Service” produced by the Florida Public Service Commission.
- 9. Bills for water serviced will be rendered Monthly as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
- 10. When a Customer wishes to terminate service on any premises where water or wastewater service is supplied by the Company, the Company may require a 24-hour written notice prior to the date the Customer desires to terminate service.

Signature

Date

Ben J. Maltese
ISSUING OFFICER

Managing Partner
TITLE

MSM UTILITIES, LLC

WASTEWATER TARIFF

COPY OF CUSTOMER'S BILL

MSM UTILITIES, LLC
9696 Bonita Beach Road, Ste. 210
Bonita Springs, Florida 34110

Water and Sewer Bill

Date _____

Name _____

Account Number _____

Current Reading _____

Last Reading _____

Gallons Used (x 1000) _____

Base Rate..... **Water** \$ 10.50

Usage: _____

Base Rate:..... **Sewer** \$ 6.50

Usage: _____

Current Balance:..... _____

Past Due: _____

TOTAL DUE: _____

Billing Period _____ to _____

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MSM UTILITIES, LLC

WASTEWATER TARIFF

INDEX OF SERVICE AVAILABILITY POLICY

	<u>Sheet Number</u>
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Service Availability Policy	22.0

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MSM UTILITIES, LLC

WASTEWATER TARIFF

SERVICE AVAILABILITY POLICY

The utility provides service to The Oaks at Rivers Edge (formerly Hunter Creek Village). The owner of the utility is also the land developer. As the land developer, the owner intends to contribute any necessary capital improvements to the water and wastewater plants. Also as the land developer, the owner intends to install the water distribution and wastewater collection lines to the boundary of each new lot and provide for hookups as the lots are developed and offered for sale.

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TITLE