

Eric Fryson

120066-WU

From: Fred Brown [Fred@raintreeutilities.com]
Sent: Thursday, March 29, 2012 1:52 PM
To: Filings@psc.state.fl.us
Subject: Application for transfer of the Bentwood water facilities from Raintree Utilities, Inc. in Lake County to Bentwood Homeowners Association, Inc., and for cancellation of Certificate No. 539-W
Attachments: Application for transfer of the Bentwood wter facilities to Bentwood HOA.pdf

Good afternoon,

This is an electronic filing of the original Application for transfer of the Bentwood water facilities from Raintree Utilities, Inc. in Lake County to Bentwood Homeowners Association, Inc., and for cancellation of Certificate No. 539-W. The only late filed exhibit will be for publication of notice which we expect to be published on March 30, 2012. We will file that as a late filed exhibit when proof of publication is received.

The application fee of \$750 was mailed today to the Commission Clerk's office. Let me know if you have any questions.

Fred Brown
 Vice President
 Raintree Utilities, Inc.
 C/O Keith Shamrock
 P.O. Box 1840
 Eustis, FL 32727-1840

352-461-4246 or 706-896-1504

COM _____
 APA _____
 ECR _____
 GCL _____
 RAD _____
 SRC _____
 ADM _____
 OPC _____
 CLK NG

DOCUMENT NUMBER-DATE

01844 MAR 29 2012

FPSC-COMMISSION CLERK

3/29/2012

APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER
OF CERTIFICATE OR FACILITIES

(Pursuant to Section 367.071, Florida Statutes)

TO: Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

120066-WU

The undersigned hereby makes application for the sale,
assignment or transfer of ~~(all or part) of Water Certificate No.~~
~~_____ and/or Wastewater Certificate No. _____~~ the Bentwood water
Lake or facilities in _____ 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:

RAINTREE UTILITIES, INC
Name of utility

(352) 461-4246 ()
Phone No. Fax No.

2044 E. ORANGE AVE
Office street address

EUSTIS FL 32726
City State Zip Code

C/O KEITH SHAMROCK, PO BOX 1840, EUSTIS, FL 32727-1840
Mailing address if different from street address

Internet address if applicable

✓ B)

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

FRED BROWN (352) 461-4246
 Name Phone No.
C/O KEITH STAMROCK
PO BOX 1840
 Street address
LEUSTIS FL 32727-1840
 City State Zip Code

✓ C)

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

BENTWOOD HOMEOWNERS ASSOCIATION, INC.
 Name of utility
 () ()
 Phone No. Fax No.
REGISTERED AGENT
C/O LESLIE CAMPIONE 342 E. FIFTH AVE.
 Office street address
MT. DORA FL 32757
 City State Zip Code

Mailing address if different from street address

Internet address if applicable

✓ D)

Indicate the organizational character of the buyer: (circle one)

Corporation Partnership Sole Proprietorship
 Other: TAX EXEMPT RESIDENTIAL REAL ESTATE ASSOCIATION
 (specify)

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

4/18/2006 FLORIDA

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

KEITH SHAMROCK, PRES PO BOX 1840 EUSTIS, FL 32727-1840
LESLIE CAMPIONE, VP 342 E FIFTH AVE MT DORA, FL 32757
PATRICIA SHAMROCK, SECY, PO BOX 1840 EUSTIS, FL 32727-1840

✓ 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.)

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.

BUYER DOES NOT OWN ANY OTHER WATER UTILITIES

✓

C)

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

✓

E)

Exhibit E - A statement describing the financing the purchase.

✓

F)

Exhibit F - 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.

~~N.A.~~

Exhibit _____ - 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.

~~N.A.~~

Exhibit _____ - 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.)

~~N.A.~~

The full name, address and telephone number of the person who has possession of the books and records of the seller:

_____		()
Name		Phone No.

Street address		

City	State	Zip Code

~~N.A.~~

Exhibit _____ - 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.

~~N.A.~~

Exhibit _____ - A statement from the buyer that is 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 G - 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)

Call me
for list
when you
are ready
to notice

Exhibit H - 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 served 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 certificate granted by the Commission;
- (4) the regional planning council;
- (5) the Office of Public Counsel;
- (6) the Public Service Commission's Office of Commission Clerk;
- (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 I - 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 J - 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 (for water) and _____ (for wastewater).

MAILED TO CLERK'S OFFICE 3/29/2012

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 from 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 from 2,001 ERC's 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

N.A. ~~A~~

Exhibit _____ - 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.

N.A. ~~B~~

Exhibit _____ - 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. **Sample tariff(s) are attached.**

N.A. ~~C~~

Exhibit _____ - 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**

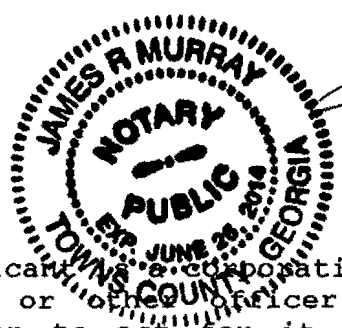
I FRED BROWN (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

BY: *Fred Brown*
Applicant's Signature

FRED BROWN
Applicant's Name (Typed)

VICE PRESIDENT
Applicant's Title *

Subscribed and sworn to before me this 29 day in the month of March in the year of 2012 by FRED BROWN who is personally known to me ✓ or produced identification Florida Drivers License.
Type of Identification Produced



James R. Murray
Notary Public's Signature

JAMES R. MURRAY
Print, Type or Stamp Commissioned Name of Notary Public

* If 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 applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

**EXHIBIT A TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

1. **Public Interest:** The transfer of the Bentwood water system from Raintree Utilities, Inc. to the Bentwood Homeowners Association is in the best interest of the public, specifically the residents of the Bentwood subdivision, as the transfer will give the residents of the Bentwood subdivision control over the system that provides their potable water. They will be able to set their own water rates and utilize any profits to establish reserves for maintaining the system.
2. **Summary of Buyers Experience:** While the buyer (Bentwood Homeowners Association, Inc.) has no formal experience in water utility operations, the existing licensed operator of the system (General Utilities) will continue to operate the system. Utility Technicians, Inc. will continue to maintain the system. Keith Shamrock, through ownership of the successor developer corporation, Bentwood and Yale, Inc., will continue to fund operations of the system, just as he has done for Raintree Utilities, Inc.
3. **Bentwood Homeowners Association, Inc. agrees to fulfill the commitments, obligations, and representations of the seller with regard to utility matters. Bentwood Homeowners Association, Inc. has the financial ability to provide service through the obligations of the successor developer, Bentwood and Yale, Inc., whose President is Keith Shamrock.**

**EXHIBIT B TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Summary of Contract

Purchase Price: \$369,873

Terms: Financing to be provided by Raintree Utilities, Inc. which will simultaneously be assigned to Keith Shamrock. Payments will be 75% of the new connections charge of \$2,600 and 10% of each months water collections. Interest will be at the rate of 3% on the loan until paid.

Assets Purchased: The assets purchased total \$369,873 net book value as of 12/31/2011. The assets are being sold at the net book value as specified on the Annual Report to the Public Service Commission.

Consideration: There are no promised salaries, retainer fees, stock options, stock, or assumption of obligations between the parties other than described above.

Customer Deposits: No customer deposits are held.

Guaranteed Revenue Contracts: There are no guaranteed revenue contracts between the parties.

Developer Agreements: Exhibit C, Successor Developer, is attached.

**EXHIBIT B (Continued) TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Summary of Contract (continued)

- Debt of Utility:** The debt of the utility will be cleared by Keith Shamrock, the sole stockholder of the utility. The utility will be liquidated following the sale of both the Bentwood and Raintree Harbor water systems, and the existing certificate 539-W will be surrendered to the Public Service Commission for cancellation or transfer.
- Leases:** No leases will be assumed.
- Contract:** Complete executed Asset Purchase Agreement attached.

UTILITY ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is dated this 28th day of March, 2012, by and between RAINTREE UTILITIES, INC., a Florida corporation ("SELLER"), and BENTWOOD HOMEOWNERS ASSOCIATION, INC., a Florida corporation ("BUYER").

RECITALS

- A. SELLER owns, maintains and operates a water production and distribution system (the "System") that provides water service to the residents of the Bentwood Subdivision within Lake County, Florida (the "Service Area").
- B. SELLER desires to sell, and BUYER desires to purchase the property and rights of SELLER owned and used in connection with its System, all upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. SALE AND PURCHASE OF THE SELLER'S WATER SYSTEM ASSETS

Subject to the terms and conditions hereinafter set forth, BUYER shall purchase from SELLER, and SELLER shall sell, assign, transfer, grant, convey and deliver to BUYER at Closing (hereinafter defined), all of the System assets, property and rights of SELLER (whether tangible or intangible, real, personal or mixed) which are held, used or useful in connection with the production, treatment and distribution of water within the Service Area (the "Assets").

The Assets are being sold subject to any mortgages, liens, pledges, security interest, charges, taxes, claims, restrictions and encumbrances. BUYER shall take the Assets subject to the indebtedness owed to SELLER and its assigns.

1.1 Assets Further Defined

The Assets shall include all the land, buildings, pipes, pipelines, wells, treatment equipment and facilities, pumping stations, storage tanks and facilities, improvements, fixtures, rights-of-way, rights, uses, licenses and easements owned by SELLER, or in which SELLER has an interest, and all tenements and appurtenances belonging or appertaining thereto.

1.2 Excluded Assets

Notwithstanding the foregoing, the Assets shall not include any of the following:

- (a) any and all customer service lines that run from beyond the meter to each individual residence, commercial or industrial structure served by the Assets;
- (b) all piping and fixtures internal to each individual customer's structure;
- (c) SELLER's cash and accounts receivables as of the date of Closing.

1.3 Consideration

The total purchase price ("Purchase Price") for the assets attributable to the water system is

UTILITY ASSET PURCHASE AGREEMENT

Three Hundred Sixty Nine Thousand Eight Hundred Seventy Three dollars and no/100 (\$369,873.00) paid upon Closing. The date of the Closing is referred to herein as the "Closing Date". BUYER and SELLER agree that if the FPSC disapproves the Transfer of Assets for any reason, then either SELLER or BUYER can unwind and terminate this Agreement. Prior to Closing, BUYER will perform a final due diligence of all facilities and assets. The due diligence is to ensure all assets are in the same working condition, that all permits are valid, current and that there are no compliance infractions in force at the time of the date of this final completion of this Agreement. Buyer's acceptance of the Assets is "AS IS."

1.4 Financing

SELLER shall hold an assignable Purchase Money Mortgage for BUYER in the amount of Three Hundred Sixty Nine Thousand Eight Hundred Seventy Three and no/100 dollars (\$369,873.00) which will be payable at an interest rate of 3% over 15 years. Payments shall be 75% of each connection fee of \$2,600 currently charged by the Association to new customers or 75% of each such increased connection fee charged by the Association. Additionally, payments shall be 10% of all monthly receipts for water billed. Payments shall continue until paid in full.

1.5 Assumption of Liabilities

BUYER shall assume and shall be liable for any liabilities or obligations of SELLER concerning the System or Assets of any nature whatsoever, whether expressed or implied, fixed or contingent and will assume all obligations to run the system and comply with permit and regulatory requirements of any and all governmental entities, including, but not limited to, St. Johns Water Management District and the Department of Environmental Protection, as well as Lake County Health Department requirements.

2. CLOSING

Subject to the provisions of Sections 4 and 5, the Closing hereunder (the "Closing") shall take place, on or before a date thirty (30) days after the receipt of final regulatory approvals. The effective time of the legal transfer hereunder shall be 12:01 a.m. on the day following the Closing Date. Seller will pay all closing costs, fees and expenses associated with the transfer.

2.1 Items to be delivered at Closing

At the Closing and subject to the terms and conditions herein contained:

- (a) SELLER shall deliver to BUYER, the Assets, including, without limitation, the following:
 - (i) instruments and documents of conveyance and transfer including title insurance at SELLER's expense;
 - (ii) a complete and accurate list of the names and addresses of all customers of SELLER, both in paper form and in electronic form on a diskette or computer file that can be downloaded to a computer, along with a billing history for each customer;
 - (iii) keys to any and all cabinets containing the System.

2.2 Transfer of Utilities

SELLER and BUYER will cooperate to transfer utility service to any of the Assets as of the Closing

UTILITY ASSET PURCHASE AGREEMENT

Date.

2.3 Regulatory Commission Expense and PSC Annual Report

SELLER and BUYER agree that, SELLER will file the PSC Annual report for 2011 and pay the associated Regulatory Assessment Fee for 2011. SELLER will pay all Regulatory Assessment Fees associated with the approval of transfer associated with this sale. SELLER and BUYER agree to cooperate with each other for the filing of the 2012 PSC Annual Report if the PSC requires one. SELLER agrees to file the 2012 Annual Report and pay the associated 2012 Regulatory Assessment Fees if one is required.

3. REPRESENTATIONS AND DISCLAIMER OF ALL WARRANTIES OF SELLER

3.1 SELLER hereby represents to BUYER as follows:

- (a) Organization. Raintree Utilities, Inc., is duly organized, validly existing corporation and in good standing under the laws of the State of Florida.
- (b) Disclaimer of Warranties and "AS IS" Purchase. SELLER makes no warranties of any kind to BUYER. SELLER EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES. SELLER is selling and BUYER is buying the System and Assets "AS IS."

4. REPRESENTATIONS AND WARRANTIES OF BUYER

4.1 BUYER hereby represents and warrants to SELLER as follows:

- (a) Organization. BUYER is a corporation duly organized and validly existing and in good standing under the laws of the State of Florida.
- (b) Due Authorization; Valid and Binding. BUYER has the full power and lawful authority to execute this Agreement and to consummate and perform the transactions contemplated hereby and has duly and validly authorized the execution of this Agreement by all necessary proceedings. This Agreement constitutes the valid and binding obligations of BUYER.
- (c) Financial Wherewithal. BUYER has the financial wherewithal to complete the purchase of the Assets as contemplated hereunder and upon completion of Closing, to operate and manage the Assets at, or exceeding, the level of service provided by the SELLER prior to Closing.

5. INDEMNIFICATION AND RELEASE

5.1 Indemnification and Release of SELLER

From and after the Closing, BUYER will reimburse, indemnify and hold SELLER and its officials, officers, including, but not limited to, Keith Shamrock, and employees harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees and Court costs resulting from, relating to, or arising out of:

- (a) the System, Assets or any user of the System;

UTILITY ASSET PURCHASE AGREEMENT

- (b) issues of regulatory compliance and claims by third parties or any other person or entity, governmental or otherwise regarding the System or Assets;
- (c) the enforcement of this Section 5. The prevailing party in enforcing this Section 5 shall recover all reasonable attorney's fees and costs prior to litigation, during litigation, appeal and bankruptcy.

Upon closing, BUYER hereby releases SELLER and its officials, officers, including, but not limited to, Keith Shamrock, and employees (hereinafter "released parties") from any and all suits, causes of action, claims, liens, demands, and costs, of any nature whatsoever, whether based in contract, tort or any theory of recovery, whether compensatory or punitive, for attorneys' fees or costs, whether known or unknown, suspected or unsuspected, foreseen or unforeseen, liquidated or unliquidated, which were or could have been asserted, now or in the future, by BUYER against the released parties, which arise or could have arisen out of this Matter, including but not limited to those claims that were brought or could have been brought concerning the System or Assets.

6. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

All representations, warranties and agreements made by the parties in this Agreement or in any agreement, document, statement or certificate furnished hereunder or in connection with the negotiation, execution and performance of this Agreement shall survive the Closing. Notwithstanding any investigation or audit conducted before or after the Closing Date or the decision of any party to complete the Closing, each party shall be entitled to rely upon the representations, warranties and agreements set forth herein and therein.

7. MISCELLANEOUS

7.1 Contents of Agreement; Parties in Interest; etc.

This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto.

7.2 Binding Effect

All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the legal representatives, successors and assigns of SELLER or BUYER.

7.3 Notices

Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally or by registered or certified mail, postage prepaid, return receipt requested, as follows:

If to BUYER: Keith Shamrock, President
 P.O. Box 1840
 Eustis, FL 32727

If to SELLER: Fred Brown, Vice President
 c/o Keith Shamrock
 Raintree Utilities, Inc.

UTILITY ASSET PURCHASE AGREEMENT

P.O. Box 1840
Eustis, FL 32727

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered, telegraphed or mailed.

7.5 Florida Law to Govern

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Florida, without giving effect to any conflicts of law provisions.

7.6 No Benefit to Others

The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto, and their legal representatives, officers, including Keith Shamrock, successors and assigns, and they shall not be construed as conferring any rights on any other persons.

7.7 Headings, Gender, etc.

All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

7.8 Severability

Any provision of this Agreement that is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction or under any circumstance shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstance, unless, in either event, the involved or unenforceable provision causes this Agreement to fail of its essential purpose.

7.9 Counterparts

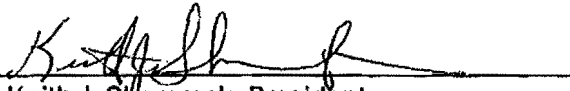
This Agreement may be executed in any number of counterparts and any signatory hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts taken together shall have been executed and delivered by all signatories. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

In Agreement:

SELLER:


Raintree Utilities, Inc.

UTILITY ASSET PURCHASE AGREEMENT

By: 
Keith J. Shamrock, President

BUYER

Bentwood Homeowners Association, Inc.

By: 
Keith J. Shamrock, President

This instrument was prepared by/Return to:
Leslie Campione, Esq.
Leslie Campione, P.A.
342 East Fifth Avenue
Mount Dora, Florida 32757

DESIGNATION OF SUCCESSOR DEVELOPER

M/I HOMES OF LAKE COUNTY, LLC, a Florida limited liability company, whose post office address is: 300 Colonial Center Parkway, Suite 200, Lake Mary, Florida 32746, hereby designates BENTWOOD & YALE, INC., a Florida corporation, whose address is 342 East Fifth Avenue, Mount Dora, Florida 32757, as its successor developer with regard to the following subdivision located in Lake County, Florida:

BENTWOOD, according to the plat thereof as recorded in Plat Book 61, page(s) 49 and 50, Public Records of Lake County, Florida; subject to Declaration of Easements, Covenants, Conditions and Restrictions of Bentwood, recorded on May 23, 2007 in Official Records Book 3437, page 1925, Public Records of Lake County, Florida.

Witnesses:

DEVELOPER:

Diane M. Triana
Witness Signature
Diane M. Triana
Print Name of Witness
Kristie Stiefeld
Witness Signature
Kristie Stiefeld
Print Name of Witness

M/I HOMES OF LAKE COUNTY, LLC, a Florida limited liability company
By: [Signature] 11/29/07

STATE OF FLORIDA
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this 29th day of November, 2007, by Gay A. Lewis as Area President of M/I HOMES OF LAKE COUNTY, LLC, a Florida limited liability company, who is personally known to me; or has produced _____ as identification.

NOTARY PUBLIC **Sandra M. Ceballos**
Commission # DD815176
Expires December 28, 2010
Bonded They Fall (800) 999-1111, Inc. 800-265-7016

[Signature]
Notary Public

**EXHIBIT D TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Outstanding Regulatory Agency Fees and Refunds

All outstanding Regulatory Agency Fees will be paid by Raintree Utilities, Inc. prior to liquidation.

**EXHIBIT E TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Financing of Purchase

Seller shall hold an assignable Purchase Money Mortgage for Buyer in the amount of \$339,873, the full purchase price, which will be payable at an interest rate of 3% over 15 years. Payments shall be 75% of each connection fee of \$2,600 to be currently charged by the Association to new customers or 75% of each such increased connection fee charged by the Association. Additionally, payments shall be 10% of all monthly receipts for water billed. Payments shall continue until paid in full.

**EXHIBIT F TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Funding

The funding of the purchase will be through owner financing provided by Raintree Utilities, Inc. simultaneously assigned to Bentwood and Yale, Inc., the Successor Developer.

**EXHIBIT G TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Buyers Assessment of System

The Buyer has performed a reasonable investigation of the system, and the system being acquired appears to be in satisfactory condition and in compliance with applicable standards set by the Department of Environmental Protection and the Lake County Health Department, who has current environmental regulation of the system. The system is also in compliance with the current St. Johns Water Management Area permit.

**EXHIBIT H TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Notice of Actual Application

A copy of the Legal Notice of actual application, the list of agencies to whom it was sent, and an affidavit certifying that the notice was actually mailed on March 29, 2012 to those agencies is attached.

LEGAL NOTICE

Notice is hereby given on April 29, 2012, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of THE BENTWOOD WATER FACILITIES held by RAIN TREE UTILITIES, INC., from RAIN TREE UTILITIES, INC. to BENTWOOD HOMEOWNERS ASSOCIATION, INC., providing service to the following described territory in Lake County, Florida.

The Southwest 1/4 of the Southeast 1/4 of Section 2, Township 19 South, Range 25 East, and the East 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 2, Township 19 South, Range 25 East, Lake County, Florida, more particularly described as follows:

Begin at a point on the East line of the Southwest 1/4 of the Southeast 1/4 of Section 2, Township 19 South, Range 25 East, Lake County, Florida, said point being 5 feet North of the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 2, said point being the Point of Beginning; thence run Northerly along the East line of said Section a distance 25 feet; thence run Westerly and parallel to the South line of the Southwest 1/4 of the Southeast 1/4 of said Section 2 a distance of 223.59 feet; thence South a distance of 30 feet more or less to the South line of the Southwest 1/4 of the Southeast 1/4 of said Section 2, said line also being the North line of the Northwest 1/4 of the Northeast 1/4 of Section 11, Township 19 South, Range 25 East; thence East along the South line of the Southwest 1/4 of the Southeast 1/4 of Section 2 a distance of 25 feet; thence North a distance of 5 feet; thence East and parallel to the South line of the Southwest 1/4 of the Southeast 1/4 of said Section 2 to the Point of Beginning.

Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, 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.

Raintree Utilities, Inc.
C/O Keith Shamrock
P.O. Box 1840
Eustis, FL 32727-1840

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
03/28/2012 - 05/26/2012**

<u>UTILITY NAME</u>	<u>MANAGER</u>
<u>LAKE COUNTY</u>	
AQUA UTILITIES FLORIDA, INC. (WS881) 2228 CAPITAL CIRCLE N.E., SUITE 1A TALLAHASSEE, FL 32308-4306	TROY RENDELL (850) 575-8500
BLACK BEAR RESERVE WATER CORPORATION (WU940) P. O. BOX 13 MOUNT DORA, FL 32757-0013	DEB SPICER (321) 947-4300
BRENDENWOOD UTILITIES, LLC. (WU951) P. O. BOX 350065 GRAND ISLAND, FL 32735-0065	GERARD P. CONNOLLY, JR. (352) 602-4170
CENTURY ESTATES UTILITIES, INC. (WU725) 114 EUCLID AVENUE LEESBURG, FL 34748-7509	JOSEPH LINARTAS (352) 450-1450
COL UTILITY SYSTEMS, L.L.C. (WS946) 5100 WEST LEMON STREET, SUITE 308 TAMPA, FL 33609-1129	JORDAN RUBEN (813) 282-6754
COLINA BAY WATER COMPANY, LLC (WU900) 161 EGLINTON AVENUE EAST, SUITE 600 TORONTO, ONTARIO M4P 1J5 CANADA,	SHELDON FENTON (416) 440-2904 EXT 220
CWS COMMUNITIES LP (WU839) 14 CORAL STREET EUSTIS, FL 32726-6710	MICHAEL MATHISEN (352) 589-1190
HARBOR HILLS UTILITIES, L.P. (WU727) 6538 LAKE GRIFFIN ROAD LADY LAKE, FL 32159-2900	ADAM RICH (352) 753-7000
HIDDEN VALLEY SPE LLC D/B/A ORANGE LAKE (WS892) 15840 STATE ROAD 50, LOT 32 CLERMONT, FL 34711-8715	GARY MORSE (352) 382-3414
LAKE UTILITY SERVICES, INC. (WU553) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	PATRICK C. FLYNN (407) 869-1919 EXT 1359
LAKE UTILITY SERVICES, INC. (WS641) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	PATRICK C. FLYNN (407) 869-1919 EXT 1359

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
03/28/2012 - 05/26/2012**

UTILITY NAME

MANAGER

LAKE COUNTY

LAKE YALE TREATMENT ASSOCIATES, INC. (WS823)
38141 MAYWOOD BAY DRIVE
LEESBURG, FL 34788-8134

DANNY ELLIS
(352) 589-9214

MFL UTILITY SYSTEMS, L.L.C. (WS948)
5100 WEST LEMON STREET, SUITE 308
TAMPA, FL 33609-1129

JORDAN RUBEN
(813) 282-6754

OAK SPRINGS, LLC (WU875)
1886 CANOVA STREET S.
PALM BAY, FL 32909-2931

MICHAEL CAMPBELL
(321) 837-0565

PINE HARBOUR WATER UTILITIES, LLC (WU921)
P. O. BOX 447
FRUITLAND PARK, FL 34731-0447

SANDRA S. WESSON
(352) 787-2944

RAINTREE UTILITIES, INC. (WU663)
P. O. BOX 1840
EUSTIS, FL 32727-1840

KEITH J. SHAMROCK
(352) 357-0250

SHANGRI-LA BY THE LAKE UTILITIES, INC. (WS728)
1214 WEST IL ROUTE 72
LEAF RIVER, IL 61047-9614

JAY E. WERNER
(815) 738-2508

SOUTHLAKE UTILITIES, INC. (WS638)
2215 RIVER BLVD.
JACKSONVILLE, FL 32204-4647

WILLIAM J. DEAS
(904) 387-9292

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY (WS755)
THE AMERICAN CENTER
27777 FRANKLIN ROAD, SUITE 200
SOUTHFIELD, MI 48034-8205

JIM HOEKSTRA
(248) 208-2554

TLP WATER, INC. (WU924)
12315 U.S. HIGHWAY 441
TAVARES, FL 32778-4515

WILLIAM CAREY
(352) 450-1706

UTILITIES, INC. OF PENNBROOKE (WS861)
200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FL 32714-4027

PATRICK C. FLYNN
(407) 869-1919 EXT 1359

W.B.B. UTILITIES, INC. (WU639)
4223 BAIR AVENUE
FRUITLAND PARK, FL 34731-5618

RICHARD S. BAIR
(352) 787-3107

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
03/28/2012 - 05/26/2012**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

ADMINISTRATOR, CITY OF UMATILLA
P. O. BOX 2286
UMATILLA, FL 32784-2286

CLERK, BOARD OF COUNTY COMMISSIONERS, LAKE COUNTY
P. O. BOX 7800
TAVARES, FL 32778-7800

DEP CENTRAL DISTRICT
3319 MAGUIRE BLVD., SUITE 232
ORLANDO, FL 32803-3767

DEP SOUTHWEST DISTRICT
13051 N. TELECOM PARKWAY
TEMPLE TERRACE, FL 33637-0926

EAST CENTRAL FLORIDA PLANNING COUNCIL
631 NORTH WYMORE ROAD, SUITE 100
MAITLAND, FL 32751

MAYOR, CITY OF CLERMONT
P. O. BOX 120219
CLERMONT, FL 32712-0219

MAYOR, CITY OF EUSTIS
P. O. DRAWER 68
EUSTIS, FL 32727-0068

MAYOR, CITY OF FRUITLAND PARK
506 WEST BERCKMAN STREET
FRUITLAND PARK, FL 34731-3200

MAYOR, CITY OF GROVELAND
156 SOUTH LAKE AVENUE
GROVELAND, FL 34736-2597

MAYOR, CITY OF LEESBURG
P. O. BOX 490630
LEESBURG, FL 32749-0630

MAYOR, CITY OF MASCOTTE
P. O. BOX 56
MASCOTTE, FL 34753-0056

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
03/28/2012 - 05/26/2012**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

MAYOR, CITY OF MINNEOLA
P. O. BOX 678
MINNEOLA, FL 34755-0678

MAYOR, CITY OF MOUNT DORA
P. O. BOX 176
MOUNT DORA, FL 32756-0176

MAYOR, CITY OF TAVARES
P. O. BOX 1068
TAVARES, FL 32778-1068

MAYOR, TOWN OF ASTATULA
P. O. BOX 609
ASTATULA, FL 34705-0609

MAYOR, TOWN OF HOWEY-IN-THE-HILLS
P. O. BOX 128
HOWEY-IN-THE-HILLS, FL 34737-0128

MAYOR, TOWN OF LADY LAKE
409 FENNELL BLVD.
LADY LAKE, FL 32159-3159

MAYOR, TOWN OF MONTVERDE
P. O. BOX 560008
MONTVERDE, FL 34729-0008

ST. JOHNS RIVER UTILITY, INC.
P.O. BOX 77
ASTOR, FL 32102

ST. JOHNS RIVER WTR MANAGEMENT DISTRICT
P.O. BOX 1429
PALATKA, FL 32178-1429

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
03/28/2012 - 05/26/2012**

UTILITY NAME

STATE OFFICIALS

MANAGER

OFFICE OF PUBLIC COUNSEL
111 WEST MADISON STREET
SUITE 812
TALLAHASSEE, FL 32399-1400

OFFICE OF COMMISSION CLERK
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

I FRED BROWN (applicant)* do solemnly swear or affirm that the facts stated in the forgoing 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, the certification that the Notice of Actual Application was mailed on March 29, 2012 to the list of companies, agencies and customers listed in the Application.

By: *Fred Brown*
Applicants Signature

FRED BROWN
Applicants Name (Typed)

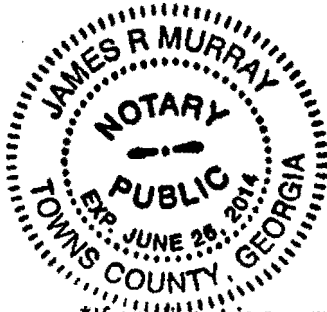
VICE PRESIDENT
Applicants Title

Subscribed and sworn to before me this 29 day in the month of

March in the year of 2012 by FRED BROWN

Who is personally know to me _____ or produced identification X

Florida Drivers License
Type of Identification Produced



James R. Murray
Notary Public Signature

JAMES R. MURRAY
Print Name of Notary Public

*If 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 applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

**EXHIBIT I TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

LIST OF CUSTOMERS TO WHOM NOTICE WAS SENT

**Mr. and Mrs. Todd Rowley
P.O. Box 895383
Leesburg, FL 34789**

**Street Address:
35102 Sweet Leaf Lane**

The above is the only customer on the Bentwood system.

LEGAL NOTICE

Notice is hereby given on April 29, 2012, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of THE BENTWOOD WATER FACILITIES held by RAINTREE UTILITIES, INC., from RAINTREE UTILITIES, INC. to BENTWOOD HOMEOWNERS ASSOCIATION, INC., providing service to the following described territory in Lake County, Florida.

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Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, 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.

Raintree Utilities, Inc.
C/O Keith Shamrock
P.O. Box 1840
Eustis, FL 32727-1840

I FRED BROWN (applicant)* do solemnly swear or affirm that the facts stated in the forgoing 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, the certification that the Notice of Actual Application was mailed on March 29, 2012 to the list of customers listed in the Application.

By: 
Applicants Signature

FRED BROWN
Applicants Name (Typed)

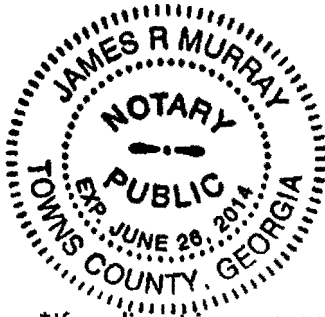
VICE PRESIDENT
Applicants Title

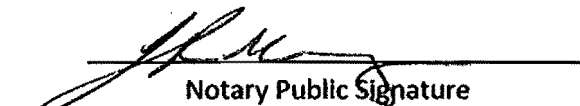
Subscribed and sworn to before me this 29 day in the month of

MARCH in the year of 2012 by FRED BROWN

Who is personally know to me _____ or produced identification X

Florida Drivers License
Type of Identification Produced




Notary Public Signature

James R. Murray
Print Name of Notary Public

*If 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 applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

**EXHIBIT J TO APPLICATION FOR SALE OF FACILITIES
RAINTREE UTILITIES, INC., BENTWOOD WATER SYSTEM TO BENTWOOD**

Notice of Publication

Late Filed Exhibit