

CLASS "B"

WATER and/or SEWER UTILITIES

(Gross Revenue of \$150,000 or More but Less Than \$750,000 Each)

ANNUAL REPORT

OF

Chateau Communities, Inc.

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
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MAY 10 1999

Florida Public Service Commission
Division of Water and Wastewater

FOR THE

YEAR ENDED DECEMBER 31, 1998

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ADMINISTRATION
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Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

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May 6, 1999

Officers and Directors
Chateau Communities, Inc.

We have compiled the 1998 Annual Report of Chateau Communities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Chateau Communities, Inc. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Cronin, Jackson, Nixon & Wilson
CRONIN, JACKSON, NIXON & WILSON

TABLE OF CONTENTS

Schedule	Page	Schedule	Page
Executive Summary			
Certification	E-1	Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers and Directors	E-8
Directory of Personnel Who Contact the Fla. Public Service Commission	E-3	Businesses Which Are A Byproduct, Coproduct or Joint Product of Providing Service	E-9
Company Profile	E-4	Business Transactions With Related Parties	
Parent/Affiliate Organization Chart	E-5	- Part I and II	E-10
Compensation of Officers & Directors	E-6	Composite of Statistics	E-11
Business Contracts With Officers,			
Financial Section			
Comparative Balance Sheet - Assets And Other Debits	F-1	Companies	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Capital Stock	F-14
Comparative Operating Statement	F-3	Long Term Debt	F-14
Schedule of Year End Rate Base	F-4	Statement of Retained Earnings	F-15
Utility Plant	F-5	Bonds	F-16
Utility Plant Acquisition Adjustments	F-5	Advances From Associated Companies	F-16
Accumulated Depreciation	F-6	Accrued Taxes	F-17
Accumulated Amortization	F-6	Accrued Interest	F-18
Nonutility Property	F-7	Regulatory Commission Expense - Amortization of Rate Case Expense	F-18
Special Deposits	F-7	Misc. Current and Accrued Liabilities	F-19
Investments and Special Funds	F-8	Advances for Construction	F-19
Accounts and Notes Receivable - Net	F-9	Contributions In Aid Of Construction	F-20
Accounts Receivable From Associated Companies	F-10	Additions to CIAC Received from Capacity, Main Extension and Customer Connection Charges	F-21
Notes Receivable From Associated Co.	F-10	Accum. Amortization of C.I.A.C.	F-21
Prepayments	F-11	Additions to CIAC Received from All Developers or Contractors Agreements	F-22
Miscellaneous Deferred Debits	F-11	Reconciliation of Reported Net Income With Taxable Income For	
Unamortized Debt Discount and Expense and Premium on Debt	F-12	Federal Income Taxes	F-23
Extraordinary Property Losses	F-13	AFUDC Calculation	F-24
Notes Payable	F-13	AFUDC Capital Structure Adjustments	F-25
Accounts Payable to Associated	F-13		
Water Operation Section			
Water Utility Plant Accounts	W-1	Statistics	W-6
Water Utility Expense Accounts	W-2	Water Treatment Plant, Mains, Services and Meters	W-7
Water Operating Revenue	W-3	Wells and Well Pumps, Reservoirs, and High Service Pumping	W-8
Basis for Water Depreciation Charges	W-4	Other Water System Information	W-9
Analysis of Entries in Water Depreciation Reserve	W-5	Calculation of ERC's	W-10
Pumping and Purchased Water			
Sewer Operation Section			
Sewer Utility Plant Accounts	S-1	Pumping Equipment and Service Connections	S-6
Sewer Utility Expense Accounts	S-2	Collecting and Force Mains	S-7
Sewer Operating Revenue	S-3	Other Sewer System Information	S-8
Basis for Sewer Depreciation Charges	S-4	Calculation of ERC's	S-9
Analysis of Entries in Sewer Depreciation Reserve	S-5		

EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT
December 31, 1998

UTILITY NAME: Chateau Communities, Inc.

I HEREBY CERTIFY, to the best of my knowledge and belief:

- YES NO
(X) () 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.
- YES NO
(X) () 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
(See attached statement)
- YES NO
(X) () 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.
- YES NO
(X) () 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1. 2. 3. 4.
(X) (X) (X) (X)

[Signature]

(signature of the chief executive officer of the utility)

1. 2. 3. 4.
() () () ()

N/A

(signature of the chief financial officer of the utility)

*Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

Chateau Communities, Inc.
(Exact Name of Utility)

County: Lee

List below the exact mailing address of the utility for which normal correspondence should be sent:

6160 S. Syracuse Way
Greenwood Village, CO 80111

Telephone: (303) 741-3707

Name and address of person to whom correspondence concerning this report should be addressed:

Robert C. Nixon, CPA
Cronin, Jackson, Nixon and Wilson, CPA's
2560 Gulf-to-Bay Blvd.
Clearwater, Florida 34625

Telephone: (727) 791-4020

List below the address of where the utility's books and records are located:

c/o Chateau Properties, Inc.
6160 S. Syracuse Way
Greenwood Village, CO 80111

Telephone: (303) 741-3707

List below any groups auditing or reviewing the records and operations:

Price Waterhouse Coopers
Denver, CO

Date of original organization of the utility: 8 / 31 / 81

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

Name	Percent Ownership	%
1. Fairways	100	%
2.		%
3. Note: The Utility is an operating division of Fairways,		%
4. a Florida partnership.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		%

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)(2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
James Brasier	Regional Manager	Chateau Communities, Inc	Various utility matters
Lori Palazzolo	Orlando Region Senior Vice President & Controller	Chateau Communities, Inc	Various utility matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon and Wilson, CPA's	Accounting & rate matters
Ken Hoffman	Attorney	Rutledge, Ecenia and Underwood	Legal matters
Robert Munro	Utilities Director	Chateau Communities, Inc	Various utility matters

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME: Chateau Communities, Inc.

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

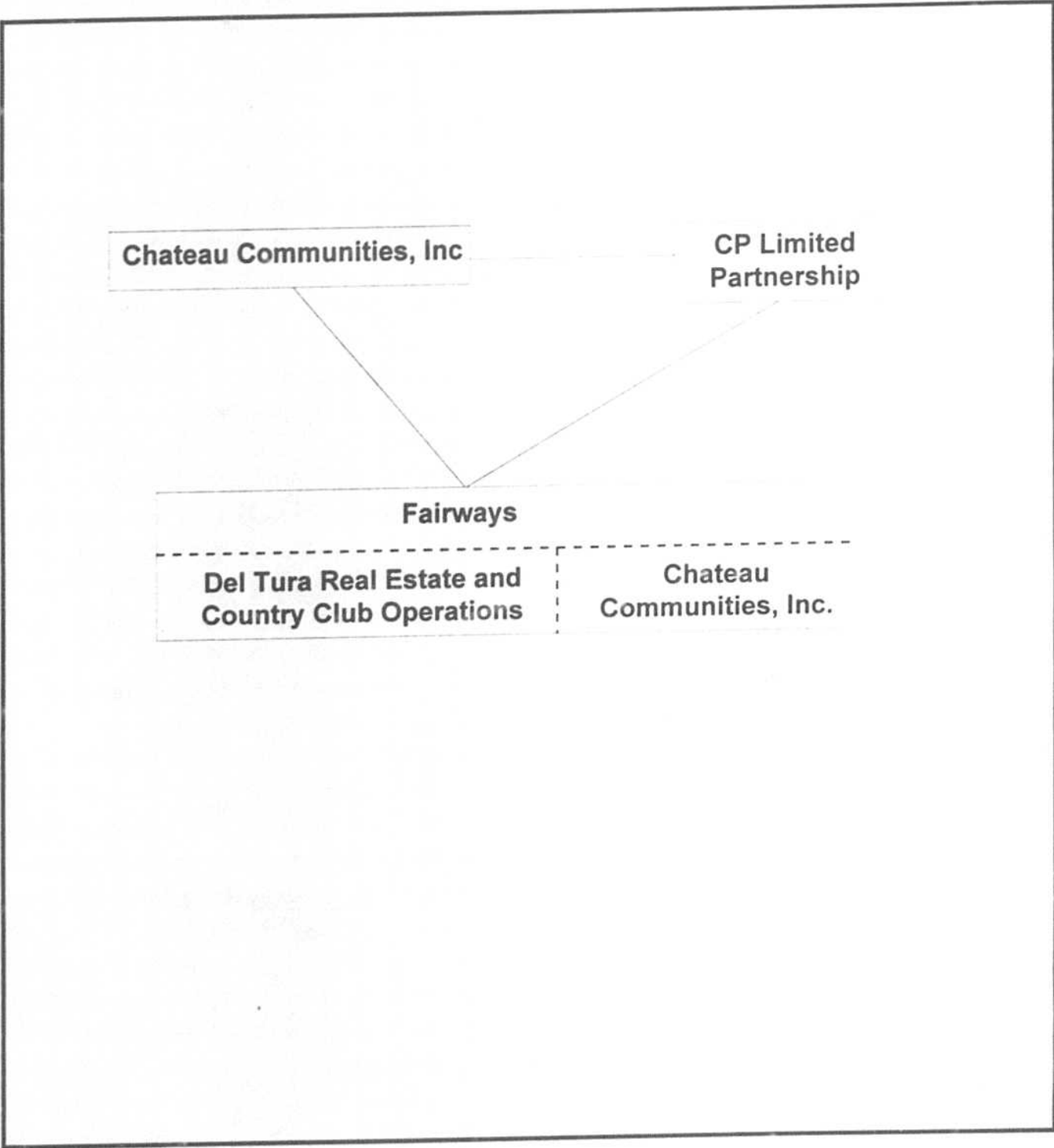
- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

- (A) The utility division was formed in 1981 to supply central wastewater treatment facilities to Del Tura Country Club. Pursuant to Order No. PSC-96-0770-FOF-WS, issued June 17, 1996, the utility name was changed from North Trail Utilities to Chateau Communities, Inc.
- (B) Wastewater treatment and disposal facilities only
- (C) Provide adequate wastewater treatment and disposal service and a fair rate of return to the Company's investors.
- (D) Wastewater only, water is supplied by Lee County.
- (E) None - Service area is built-out
- (F) None

UTILITY NAME: Chateau Communities, Inc.

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/98

Complete below an organizational chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E-7, E-10(a) and E-10(b).



YEAR OF REPORT
December 31, 1998

UTILITY NAME: Chateau Communities, Inc.

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
N/A			\$ \$ \$ \$ \$ \$ \$ \$ \$ \$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
N/A			\$ \$ \$ \$ \$ \$ \$ \$ \$ \$

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT December 31, 1998
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BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None			

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Chateau Communities, Inc.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
N/A			

UTILITY NAME: Chateau Communities, Inc.

BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None	\$		\$		\$	

UTILITY NAME: Chateau Communities, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - material and supplies furnished
 - leasing of structures, land and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Fairways	Management, accounting tax, rent, phone, electricity, and other indirect overhead	Open	Allocated \$	15,323

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment.
 - purchase, sale or transfer of land and structures.
 - purchase, sale or transfer of securities.
 - noncash transfers of assets.
 - noncash dividends other than stock dividends.
 - writeoff of bad debts or loans.
3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item (column (c) - column (d)).
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
None		\$	\$	\$	\$

UTILITY NAME: Chateau Communities, Inc.

**COMPOSITE STATISTICS FOR ALL
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION**

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate Only)(000's Omitted):		
Plant in Service _____	\$ N/A	\$ 2,054
Construction Work In Progress _____		
Plant Acquisition Adjustment _____		
Plant Held For Future Use _____		
Materials and Supplies _____		
Less:		
Accumulated Depreciation and Accumulated Amortization _____		826
Contributions In Aid Of Construction (Net) _____		
Net Book Cost _____	\$	\$ 1,228
REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):		
Operating Revenues _____	\$	\$ 306
Depreciation and Amortization Expense _____	\$	\$ 71
Income Tax Expense _____		14
Taxes Other Than Income _____		141
Other Operating Expenses _____		
Total Operating Expenses _____	\$	\$ 226
Net Operating Income _____	\$	\$ 80
Other Income _____	\$	
Other Income Deductions _____		
Net Income _____	\$	\$ 80
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average _____		1,182
Commercial - Yearly Average _____		
Industrial - Yearly Average _____		
Others - Yearly Average _____		
Total _____		1,182
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons _____		25
Average Annual Residential Cost Per 1,000 Gallons _____	\$	\$ 7.76
Average Residential Monthly Bill _____	\$	\$ 21.57
Gross Plant Investment Per Customer _____	\$	\$ 1,738

FINANCIAL

SECTION

UTILITY NAME: Chateau Communities, Inc.

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-105	Utility Plant _____	F-5	\$ 2,054,313	\$ 2,036,783
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	(825,664)	(754,288)
	Net Plant _____		1,228,649	1,282,495
114-115	Utility Plant Acquisition Adjustments (Net) _____	F-5		
	Other Plant Adjustments (specify) _____			
	Total Net Utility Plant _____		1,228,649	1,282,495
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property _____	F-7		
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____			
123	Investment in Associated Companies _____	F-8		
124	Utility Investments _____	F-8		
125	Other Investments _____	F-8		
127	Special Funds _____	F-8		
	Total Other Property and Investments _____			
CURRENT AND ACCRUED ASSETS				
131	Cash _____			
132	Special Deposits _____	F-7		
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts _____	F-9	76,791	77,466
145	Accounts Receivable from Associated Companies _____	F-10	511,575	376,665
146	Notes Receivable from Associated Companies _____	F-10		
151	Materials and Supplies _____			
162	Prepayments _____	F-11		
171	Accrued Interest and Dividends Receivable _____			
174	Misc. Current and Accrued Assets _____			
	Total Current and Accrued Assets _____		588,366	454,131

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT December 31, 1998
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COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense _____	F-12	_____	_____
182	Extraordinary Property Losses _____	F-12	_____	_____
186	Misc. Deferred Debits _____	F-11	_____	_____
190	Accumulated Deferred Income Taxes _____		_____	_____
	Total Deferred Debits _____		_____	_____
	TOTAL ASSETS AND OTHER DEBITS _____		\$ 1,817,015	\$ 1,736,626

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

UTILITY NAME: Chateau Communities, Inc.
COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued _____	F-14		\$ _____
204	Preferred Stock Issued _____	F-14		_____
211	Other Paid-in Capital _____			_____
212	Discount on Capital Stock _____			_____
213	Capital Stock Expense _____			_____
214-215	Retained Earnings (Deficit) _____	F-15		_____
216	Reacquired Capital Stock _____			_____
218	Proprietary Capital (Proprietorship and Partnership Only) _____		1,803,170	1,723,028
	Total Equity Capital _____		1,803,170	1,723,028
LONG TERM DEBT				
221	Bonds _____	F-16		_____
223	Advances from Associated Companies _____	F-16		_____
224	Other Long Term Debt _____	F-14		_____
	Total Long Term Debt _____			_____
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable _____		54	54
232	Notes Payable _____	F-13		_____
233	Accounts Payable to Associated Co. _____	F-13		_____
234	Notes Payable to Associated Co. _____	F-13		_____
235	Customer Deposits _____			_____
236	Accrued Taxes _____	F-17	13,791	13,544
237	Accrued Interest _____	F-18		_____
238	Accrued Dividends _____			_____
239	Matured Long Term Debt _____			_____
240	Matured Interest _____			_____
241	Miscellaneous Current and Accrued Liabilities _____	F-19		_____
	Total Current and Accrued Liabilities _____		13,845	13,598

UTILITY NAME: Chateau Communities, Inc.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED CREDITS			
251	Unamortized Premium on Debt _____	F-12		\$ _____
252	Advances for Construction _____	F-19		_____
253	Other Deferred Credits _____			_____
255	Accumulated Deferred Investment Tax Credits _____			_____
	Total Deferred Credits _____			_____
	OPERATING RESERVES			
261	Property Insurance Reserve _____			_____
262	Injuries and Damages Reserve _____			_____
263	Pensions and Benefits Reserve _____			_____
265	Miscellaneous Operating Reserves _____			_____
	Total Operating Reserves _____			_____
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction _____	F-20		_____
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21		_____
	Total Net C.I.A.C. _____			_____
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____			_____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____			_____
283	Accumulated Deferred Income Taxes - Other _____			_____
	Total Accum. Deferred Income Taxes _____			_____
	TOTAL EQUITY CAPITAL AND LIABILITIES _____		\$ <u>1,817,015</u>	\$ <u>1,736,626</u>

UTILITY NAME: Chateau Communities, Inc.

COMPARATIVE OPERATING INCOME

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 300,983	F-3(b)	\$ 306,458
401	Operating Expenses _____	124,593	F-3(b)	141,149
403	Depreciation Expense _____	70,889	F-6	71,376
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense _____			
408.1	Taxes Other Than Income _____	13,544	F-17	13,791
409.1	Income Taxes _____		F-17	
410.10	Deferred Federal Income Taxes _____			
411.10	Provision for Deferred Income Taxes - Credit _____			
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	209,026		226,316
	Utility Operating Income _____	91,957		80,142
413	Income From Utility Plant Leased To Others _____			
414	Gains (Losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	91,957		80,142

COMPARATIVE OPERATING INCOME

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-3	\$ N/A	S-3	\$ 306,458	\$ N/A
W-2 F-6		S-2 F-6	141,149 71,376	
F-6 F-17 F-17		F-6 F-17 F-17	13,791	
			226,316	
	N/A		80,142	
	\$ N/A		\$ 80,142	\$ N/A

UTILITY NAME: Chateau Communities, Inc.

COMPARATIVE OPERATING INCOME (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income (From Page F-3(a))	91,957		80,142
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			
420	Allowance for Funds Used During Construction			
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions			
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income		F-17	
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable to Other Income			
	INTEREST EXPENSE			
427	Interest Expense		F-18	
428	Amortization of Debt Discount & Expense		F-12	
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense			
	EXTRAORDINARY ITEMS			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	NET INCOME	\$ 91,957		\$ 80,142

UTILITY NAME: Chateau Communities, Inc.
SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service _____	F-5	\$ N/A	\$ 2,054,313
	Less:			
	Nonused and Useful Plant (1) _____			
108.1	Accumulated Depreciation _____	F-6		825,664
110.1	Accumulated Amortization _____	F-6		
271	Contributions in Aid of Construction _____	F-20		
252	Advances for Construction _____	F-19		
	Subtotal _____			1,228,649
	Additions:			
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21		
	Subtotal _____			1,228,649
	Plus or Minus:			
114	Acquisition Adjustments (2) _____	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5		
	Working Capital Allowance (3) _____			17,644
	Other (Specify): _____			

	RATE BASE _____		\$ _____	\$ 1,246,293
	UTILITY OPERATING INCOME _____		\$ _____	\$ 80,142
	ACHIEVED RATE OF RETURN _____		__ %	6.43 %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the 1/8th of O & M method.

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ N/A	\$ 2,054,313	\$ N/A	\$ 2,054,313
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
	Total Utility Plant	\$	\$ 2,054,313	\$	\$ 2,054,313

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$	\$	\$	\$
Total Plant Acquisition Adjs.				
ACCUMULATED AMORTIZATION (115):				
Total Accumulated Amortization				
Net Acquisition Adjustments	\$ N/A	\$ N/A	\$ N/A	\$ N/A

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ N/A	\$ 754,288	\$ N/A	\$ 754,288
Credits during year:				
Accruals charged: to Account 108		71,376		71,376
Accruals charged other accounts (specify)				
Salvage				
Other Credits (specify)				
Total credits		71,376		71,376
Debits during year:				
Book cost of plant retired				
Cost of removal				
Other debits (specify)				
Total debits				
Balance end of year	\$	\$ 825,664	\$ N/A	\$ 825,664

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ N/A	\$	\$	\$
Credits during year:				
Accruals charged: to Account 110				
Accruals charged other accounts (specify)				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total debits				
Balance end of year	\$	\$	\$	\$

UTILITY NAME: Chateau Communities, Inc.

NONUTILITY PROPERTY (ACCT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR BALANCE (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
N/A	\$ _____	\$ _____	\$ _____	\$ _____
Total Nonutility Property _____	\$ _____	\$ _____	\$ _____	\$ _____

SPECIAL DEPOSITS (ACCTS. 132 - 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (ACCT. 132): N/A	\$ _____
Total Special Deposits _____	\$ _____

UTILITY NAME: Chateau Communities, Inc.

INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A _____ _____ _____ _____ _____ _____ Total Investment In Associated Companies _____	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ \$ _____
UTILITY INVESTMENTS (ACCT. 124): N/A _____ _____ _____ _____ _____ _____ Total Utility Investments _____	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ \$ _____
OTHER INVESTMENTS (ACCT. 125): N/A _____ _____ _____ _____ _____ _____ Total Other Investments _____	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ \$ _____
SPECIAL FUNDS (ACCTS. 126 & 127) N/A _____ _____ _____ _____ _____ _____ Total Special Funds _____	_____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ \$ _____

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water _____	\$ 76,791
Sewer _____	
Other _____	
Total Customer Accounts Receivable _____	76,791
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
_____	\$ _____

Total Other Accounts Receivable _____	
NOTES RECEIVABLE (Acct. 144):	
_____	\$ _____

Total Notes Receivable _____	
Total Accounts and Notes Receivable _____	76,791
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):	
Balance First of Year _____ N/A _____	\$ _____
Add: Provision for uncollectables for current year _____	
Collections of accounts previously written off _____	
Utility accounts _____	
Others _____	
Total Additions _____	
Deduct accounts written off during year:	
Utility accounts _____	
Others _____	
Total accounts written off _____	
Balance end of year _____	
Total Accounts and Notes Receivable - Net _____	\$ 76,791

YEAR OF REPORT
December 31, 1998

UTILITY NAME: Chateau Communities, Inc.

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
<u>Due from Fairways</u>	\$ 511,575
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total _____	\$ 511,575

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
N/A	_____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total _____	_____	\$ _____

UTILITY NAME: Chateau Communities, Inc.

PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____ N/A	\$ _____
Prepaid Rents _____	\$ _____
Prepaid Interest _____	\$ _____
Prepaid Taxes _____	\$ _____
Other Prepayments (Specify): _____	\$ _____
_____	\$ _____
Total Prepayments _____	\$ _____

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) _____	\$ _____
Other Deferred Debits (Acct 186.2) _____	\$ _____
_____	\$ _____
Total Miscellaneous Deferred Debits _____	\$ NONE

UTILITY NAME: Chateau Communities, Inc.

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense _____	\$	\$
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt _____	\$	\$

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$
_____	_____
_____	_____
_____	_____
Total Extraordinary Property Losses _____	\$

UTILITY NAME: Chateau Communities, Inc.

NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 232					\$
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 234					\$

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$
Total	\$

UTILITY NAME: Chateau Communities, Inc.

CAPITAL STOCK (ACCTS. 201 and 204)

DESCRIPTION (a)	COMMON STOCK (b)	PREFERRED STOCK (c)
Par or stated value per share _____	\$ N/A	\$ N/A
Shares authorized _____		
Shares issued and outstanding _____		
Total par value of stock issued _____	\$	\$
Dividends declared per share for year _____	\$	\$

LONG TERM DEBT (ACCT. 224)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
	RATE (d)	FREQUENCY OF PAYMENT (e)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total _____			\$ NONE

UTILITY NAME: Chateau Communities, Inc.

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.
Show amounts of dividends per share.
2. Show separately the state and federal income tax effect of items shown in
Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year _____ N/A _____	\$ _____
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____ Total Credits _____ Debits: _____ _____ Total Debits _____	
435	Balance transferred from Income _____	
436	Appropriations of Retained Earnings: _____ _____	
	Total appropriations of Retained Earnings _____	
437	Dividends declared: Preferred stock dividends declared _____	
438	Common stock dividends declared _____ _____	
	Total Dividends Declared _____	
	Balance end of year _____	
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ Total Appropriated Retained Earnings _____	
	Total Retained Earnings _____	\$ _____

Notes to Statement of Retained Earnings:

The Company is a partnership, part of Suncoast Investment Group, Ltd.

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT December 31, 1998

BONDS (ACCT. 221)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total -----			\$

ADVANCES FROM ASSOCIATED COMPANIES (ACCT. 223)

Report each account payable separately.	
DESCRIPTION (a)	TOTAL (b)
N/A	\$
Total -----	\$

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year -----	\$	\$ 13,544	\$ N/A	\$ 13,544
	Accruals Charged:				
408.10	Utility Regulatory Assessment Fees -----		13,791		13,791
408.11	Property Taxes -----				
408.12	Payroll Taxes -----				
408.13	Other Taxes & Licenses -----				
409.10	Federal Income Taxes -----				
409.11	State Income Taxes -----				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) -----				
	Total Taxes Accrued -----		13,791		13,791
	Taxes Paid During Year:				
408.10	Utility Regulatory Assessment Fees -----		13,544		13,544
408.11	Property Taxes -----				
408.12	Payroll Taxes -----				
408.13	Other Taxes & Licenses -----				
409.10	Federal Income Taxes -----				
409.11	State Income Taxes -----				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) -----				
	Total Taxes Paid -----		13,544		13,544
	Balance End of Year -----	\$ N/A	\$ 13,791	\$ N/A	\$ 13,791

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT December 31, 1998
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ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT: N/A	\$ _____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account No. 237.1	_____	_____	_____	_____	_____
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES: N/A	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account 237.2	_____	_____	_____	_____	_____
Total Account 237	\$ _____	_____	\$ _____	\$ _____	\$ _____

**REGULATORY COMMISSION EXPENSE - AMORTIZATION
OF RATE CASE EXPENSE (ACCTS. 666 and 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
N/A	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	_____	\$ _____

· **UTILITY NAME:** Chateau Communities, Inc.

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCT. 241)

DESCRIPTION (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities -----	\$ NONE

ADVANCES FOR CONSTRUCTION (ACCT. 252)

NAME OF PAYOR (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS ACCT.		CREDITS (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	AMOUNT (d)		
N/A	\$ _____		\$ _____	\$ _____	\$ _____
Total -----	\$ _____		\$ _____	\$ _____	\$ _____

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ N/A	\$ N/A	\$ N/A	\$ _____
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____				
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B") _____				
Total Credits _____				
Less debits charged during the year (All debits charged during year must be explained below) _____				
Total Contributions In Aid of Construction _____	\$ N/A	\$ N/A	\$ N/A	\$ N/A

Explain all debits charged to Account 271 below:

UTILITY NAME: Chateau Communities, Inc.

SCHEDULE "A"
**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY, MAIN
EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR**

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	WATER (d)	SEWER (e)
N/A		\$	\$	\$
Total Credits			\$	\$

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 272)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$	\$	\$ N/A	\$
Debits during year:				
Accruals charged to Account				
272				
Other debits (specify):				
Total debits				
Credits during year (specify):				
Total Credits				
Balance end of year	\$	\$	\$ N/A	\$

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)	SEWER (d)
N/A		\$	\$
Total Credits _____		\$	\$

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES
(UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year _____		\$ _____
Reconciling items for the year:		
Taxable income not reported on the books:		

Deductions recorded on books not deducted for return:		

Income recorded on books not deducted for return:		

Deduction on return not charged against book income:		

Federal tax net income _____		\$ _____
Computation of tax:		
The Company is a partnership; therefore, this schedule is not applicable.		

**** COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR ****

YEAR OF REPORT December 31, 1998
--

UTILITY NAME: Chateau Communities, Inc.

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ N/A	%	%	%
Preferred Stock		%	%	%
Long Term Debt		%	%	%
Customer Deposits		%	%	%
Tax Credits - Zero Cost		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes		%	%	%
Other (Explain)		%	%	%
Total	\$ <u>N/A</u>	%		%

- (1) Should equal amounts on Schedule B, Column (f), page F-25.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ % Commission order approving AFUDC rate: _____

**** COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT December 31, 1998
--

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$ N/A	\$	\$	\$	\$
Preferred Stock					
Long Term Debt					
Customer Deposits					
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes					
Other (Explain)					
Total	\$ <u>N/A</u>	\$ _____	\$ _____	\$ _____	\$ _____

(1) Explain below all adjustments made in Column (e):

WATER OPERATION SECTION

Note: Chateau Communities, Inc. provides sewer service only; therefore, pages W-1 through W-10 have been omitted from this report.

**SEWER
OPERATION
SECTION**

UTILITY NAME: Chateau Communities, Inc.

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	_____	_____
353	Land and Land Rights _____	16,685	_____	_____
354	Structure and Improvements _____	_____	_____	_____
360	Collection Sewers - Force _____	32,173	_____	_____
361	Collection Sewers - Gravity _____	1,180,087	_____	_____
362	Special Collecting Structures _____	_____	_____	_____
363	Services to Customers _____	110,520	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____
371	Pumping Equipment _____	167,445	_____	_____
380	Treatment and Disposal Equipment _____	527,896	17,530	_____
381	Plant Sewers _____	_____	_____	_____
382	Outfall Sewer Lines _____	1,977	_____	_____
389	Other Plant and Miscellaneous Equipment _____	_____	_____	_____
390	Office Furniture and Equipment _____	_____	_____	_____
391	Transportation Equipment _____	_____	_____	_____
392	Stores Equipment _____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	_____	_____	_____
394	Laboratory Equipment _____	_____	_____	_____
395	Power Operated Equipment _____	_____	_____	_____
396	Communication Equipment _____	_____	_____	_____
397	Miscellaneous Equipment _____	_____	_____	_____
398	Other Tangible Plant _____	_____	_____	_____
	Total Sewer Plant _____	\$ 2,036,783	\$ 17,530	\$ _____

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

SEWER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
16,685		\$ _____	\$ _____	\$ 16,685	\$ _____
32,173		32,173			
1,180,087		1,180,087			
110,520		110,520			
167,445			167,445		
545,426				545,426	
1,977				1,977	
\$ 2,054,313	\$ _____	\$ 1,322,780	\$ 167,445	\$ 564,088	\$ _____

UTILITY NAME: Chateau Communities, Inc.

SEWER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1	.2
			COLLECTION EXPENSES - OPERATIONS (d)	COLLECTION EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees _____	\$ 50,469	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders _____			
704	Employee Pensions and Benefits _____			
710	Purchased Sewage Treatment _____			
711	Sludge Removal Expense _____	12,748		
715	Purchased Power _____	36,201		
716	Fuel for Power Purchased _____			
718	Chemicals _____	4,816		
720	Materials and Supplies _____	8,027		
731	Contractual Services - Engineering _____			
732	Contractual Services - Accounting _____	2,552		
733	Contractual Services - Legal _____			
734	Contractual Services - Management Fees _____	15,323		
735	Contractual Services - Other _____	6,452		
741	Rental of Building/Real Property _____			
742	Rental of Equipment _____			
750	Transportation Expense _____	1,029		
756	Insurance - Vehicle _____	3,398		
757	Insurance - General Liability _____			
758	Insurance - Workmens Compensation _____			
759	Insurance - Other _____			
760	Advertising Expense _____			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense _____			
767	Regulatory Commission Expenses Other _____			
770	Bad Debt Expense _____			
775	Miscellaneous Expenses _____	134		
	Total Sewer Utility Expenses _____	\$ 141,149	\$	\$

SEWER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 TREATMENT CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ 7,149	\$ _____	\$ _____	\$ 43,320
		12,748			
		36,201			
		4,816			
			6,200		1,827
					2,552
					15,323
		1,029			
		3,398			
					134
\$ _____	\$ _____	\$ 65,341	\$ 12,652	\$ _____	\$ 63,156

UTILITY NAME: Chateau Communities, Inc.

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____	1,182	1,181	\$ 306,458
521.2	Commercial Revenues _____			
521.3	Industrial Revenues _____			
521.4	Revenues From Public Authorities _____			
521.5	Multiple Family Dwelling Revenues _____			
521.6	Other Revenues _____			
	Total Flat Rate Revenues _____	1,182	1,181	306,458
	Measured Revenues:			
522.1	Residential Revenues _____			
522.2	Commercial Revenues _____			
522.3	Industrial Revenues _____			
522.4	Revenues From Public Authorities _____			
522.5	Multiple Family Dwelling Revenues _____			
	Total Measured Revenues _____			
523	Revenues From Public Authorities _____			
524	Revenues From Other Systems _____			
525	Interdepartmental Revenues _____			
	Totals _____	1,182	1,181	306,458
	Other Sewer Revenues:			
530	Guarenteed Revenues _____			
531	Sale of Sludge _____			
532	Forfeited Discounts _____			
534	Rents From Sewer Property _____			
535	Interdepartmental Rents _____			
536	Other Sewer Revenues _____			
	Total Other Sewer Revenues _____			
	Total Sewer Operating Revenues _____			\$ 306,458

UTILITY NAME: Chateau Communities, Inc.

BASIS FOR SEWER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
351	Organization_____		%	%
352	Franchises_____		%	%
354	Structure and Improvements_____		%	%
360	Collection Sewers - Force_____	27	%	3.70 %
361	Collection Sewers - Gravity_____	40	%	2.50 %
362	Special Collecting Structures_____		%	%
363	Services to Customers_____	35	%	2.86 %
364	Flow Measuring Devices_____		%	%
365	Flow Measuring Installations_____		%	%
370	Receiving Wells_____		%	%
371	Pumping Equipment_____	22	%	4.55 %
380	Treatment and Disposal Equipment_____	18	%	5.56 %
381	Plant Sewers_____		%	%
382	Outfall Sewer Lines_____	30	%	3.33 %
389	Other Plant and Miscellaneous Equipment_____		%	%
390	Office Furniture and Equipment_____		%	%
391	Transportation Equipment_____		%	%
392	Stores Equipment_____		%	%
393	Tools, Shop and Garage Equipment_____		%	%
394	Laboratory Equipment_____		%	%
395	Power Operated Equipment_____		%	%
396	Communication Equipment_____		%	%
397	Miscellaneous Equipment_____		%	%
398	Other Tangible Plant_____		%	%
	Sewer Plant Composite Depreciation Rate_____		%	%

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: Chateau Communities, Inc.

YEAR OF REPORT
December 31, 1998

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$	\$	\$	\$
352	Franchises				
354	Structure and Improvements				
360	Collection Sewers - Force	16,417	1,190		1,190
361	Collection Sewers - Gravity	336,139	29,502		29,502
362	Special Collecting Structures				
363	Services to Customers	39,407	3,161		3,161
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	80,944	7,619		7,619
380	Treatment and Disposal Equipment	280,363	29,838		29,838
381	Plant Sewers				
382	Outfall Sewer Lines	1,018	66		66
389	Other Plant and Miscellaneous Equipment				
390	Office Furniture and Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Depreciable Sewer Plant In Service	\$ 754,288	\$ 71,376	\$	\$ 71,376

* Specify nature of transaction.
Use () to denote reversal entries.

UTILITY NAME: Chateau Communities, Inc.
 SYSTEM NAME: Same

YEAR OF REPORT
 December 31, 1998

PUMPING EQUIPMENT

	1	2	3	4	5	6
Lift station number _____						
Make or type and nameplate data of pump _____	Wetwell Smith Lovelace	Wetwell Barnes	Wetwell Flyght	Wetwell Flyght	Wetwell Flyght	Wetwell Flyght
Year installed _____	1996	1983	1988	1988	1989	1989
Rated capacity_ (GPM) _____	240	180	320	180	320	180
Size _____	8"	8"	8"	8"	8"	8"
Power:						
Electric _____	X	X	X	X	X	X
Mechanical _____						
Nameplate data of motor _____	5 HP	3 1/2 HP	5 HP	3 1/2 HP	7 1/2 HP	3 1/2 HP

	7					
Lift station number _____						
Make or type and nameplate data of pump _____	Wetwell Flyght					
Year installed _____	1990					
Rated capacity_ (GPM) _____	180					
Size _____	8"					
Power:						
Electric _____	X					
Mechanical _____						
Nameplate data of motor _____	3 1/2 HP					

SERVICE CONNECTIONS

Size (inches) _____	6"					
Type (PVC, VCP, etc) _____	PVC					
Average length _____	20'					
Number of active service connections _____	1,181					
Beginning of year _____	1,182					
Added during year _____	(1)					
Retired during year _____						
End of year _____	1,181					
Give full particulars concerning inactive connections _____						
Vacant home _____	1					

UTILITY NAME: Chateau Communities, Inc.
SYSTEM NAME: Same

COLLECTING MAINS

COLLECTING MAINS:						
Size (inches) _____	8"					
Type of main _____	PVC					
Length of main (nearest foot):						
Beginning of year _____	46,481					
Added during year _____						
Retired during year _____						
End of year _____	46,481					
MANHOLES:						
Size (inches) _____	4'					
(Brick Concrete) _____	Concrete					
Number:						
Beginning of year _____	45					
Added during year _____						
Retired during year _____						
End of year _____	45					

FORCE MAINS

FORCE MAINS:						
Size (inches) _____	4"	3"				
Type of main _____	PVC	PVC				
Length of main (nearest foot):						
Beginning of year _____	2,000	1,500				
Added during year _____						
Retired during year _____						
End of year _____	2,000	1,500				

UTILITY NAME: Chateau Communities, Inc.
SYSTEM NAME: Same

TREATMENT PLANT

Manufacturer _____	Marloff		
Type _____	Extended Air		
"Steel" or "Concrete" _____	Steel		
Total Capacity _____	200,000 GPD		
Average Daily Flow _____	79,803		
Effluent Disposal _____	Pond/Spray Irrigation		
Total Gallons of Sewage Treated _____	29,128,000		

MASTER LIFT STATION PUMPS

See Lift Stations No. 1, Page S-6

Manufacturer _____					
Capacity _____ (GPM) _____					
Motor: Mfr. _____					
Horsepower _____					
Power (Electric or Mechanical) _____					

OTHER SEWER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Maximum number of ERC's * which can be served. 1187
- Estimated annual increase in ERC's * . None- Company is built-out
- List permit numbers required by Chapter 14-17, Rules of the Department of Environmental Regulation (DER) for systems in operation. CS36-13911
- State any plans and estimated completion dates for any enlargements of this system. None
- If the present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DER? N/A
 - Do they concur?
 - When will construction begin?
- In what percent of your certificated area have service connections been installed? 100 %

* ERC = (Total Gallons Treated / 365 Days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment.

UTILITY NAME: Chateau Communities, Inc.
SYSTEM NAME: Same

CALCULON OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,181	1,181
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total SEWER System Meter Equivalents -----				1,181

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{29,128,000}{365 \text{ days}} \right) / 275 \text{ gpd} = \underline{\underline{290}}$$

(total gallons treated)