

Regulatory Consultants, Inc.

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ORIGINAL
FILED

June 20, 1997

Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

970762-WU

RE Application for Transfer of Certificate No. 573-W

Dear Director,

In behalf of Harbor Lakes Water Systems, Inc. and in accordance with Chapter 25-30 of the Rules of the Florida Public Service Commission, we are submitting the Application for Transfer of Certificate No. 573-W. The transfer is from Harbor Lakes Water Systems, Inc. to NHC Utilities, Inc. in Charlotte County, Florida.

Enclosed you will find the following:

- 1) An original and five copies of the completed application and applicable exhibits
- 2) An original and two copies of the proposed tariff sheets
- 3) Harbor Lakes Water Systems, Inc.'s check #1014 in the amount of \$750.00 for the proper filing fee pursuant to Rule 25-30.020
- 4) The original Certificate No. 573-W

Be advised that the Utility has obtained the list from the Commission and will be mailing notices of the transfer within 7 days of the filing to the following:

- 1) the municipalities,
- 2) the county,
- 3) the regional planning council,
- 4) the Office of Public Counsel,
- 5) the Commission's Director of Records and Reporting,
- 6) the appropriate regional office of the Department of Environmental Protection,
- 7) the appropriate water management district
- 8) the privately-owned water and wastewater utilities in Charlotte County

Check received with filing and
forwarded to Fiscal for deposit.
Fiscal to forward a copy of check
to RAR with proof of deposit.

Initials of person who forwarded check:

D. J. [Signature]

DOCUMENT NO. DATE

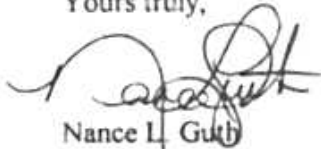
06302 JUN 24 5

Florida Public Service Commission
June 20, 1997
Page 2

Also, the Utility will be mailing the notice of the transfer within 7 days of the filing to each customer on the system, as well as publishing the notice in the local newspaper withing 7 days of the filing. Affidavits along with copies of the notice will be submitted to the Commission within 15 days of filing the application.

Should you have any questions or require any further information, please call

Yours truly,

A handwritten signature in cursive script, appearing to read "Nance L. Guth".

Nance L. Guth
Associate

cc: Marie Maslanka
Michael McKinley
David Napp
Susan Sturgell

970762-WU

PROPOSED WATER TARIFF SHEETS

Application for Transfer of
Water Certificate No. 573-W and
Facilities in Charlotte County
from
HARBOR LAKES WATER SYSTEMS, INC.
to
NHC UTILITIES, INC.

June, 1997

WATER TARIFF

NHC Utilities, Inc.
NAME OF COMPANY

3737 El JoBean Road
Port Charlotte, Florida 33927
(ADDRESS OF COMPANY)

(941) 624-4511
(Business & Emergency Telephone Numbers)

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

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SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

TERRITORY SERVED

CERTIFICATE NUMBER - 573-W

COUNTY - Charlotte

COMMISSION ORDER(S) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-95-0867-FOF-WU	July 18, 1995	941345-WU	Grandfather

(Continued to Sheet No. 3.1)

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

A portion of Plan No. 1 of a part of Ward Seven El Jobean, as recorded in Plat Book 2, Page 37, of the Public Records of Charlotte County, Florida, and a portion of Plan No. 2 of a part of Ward Seven El Jobean, as recorded in Plat Book 2, Page 48, of the Public Records of Charlotte County, Florida, all being more particularly described as follows:

Beginning at the intersection of the Northerly right of way line of Russell Avenue and the centerline of the C.H. & N. Railroad; thence South 72° 11' 23" West along the Northerly right of way line of said Russell Avenue, a distance of 1257.07 feet to a point on the arc of a curve whose radius point bears South 67° 00' 19" West from said point, and being the right of way line of Seminole Circle; thence, Northerly and Westerly, along the arc of said curve, having a radius of 332 feet and a central angle of 49° 37' 52", an arc distance of 287.59 feet, to the Easterly right of way line of Southland Avenue; thence North 12° 11' 23" East, along said Easterly right of way line, a distance of 2024.95 feet; thence North 77° 48' 37" West, a distance of 1390.0 feet, to the center of Lincoln Park; thence North 17° 22' 27" East radially a distance of 331.97 feet to the intersection of Lincoln Circle with the Easterly right of way line of Hamner Avenue; thence North 12° 11' 23" East along the Easterly right of way line of Hamner Avenue, a distance of 1222.32 feet to the intersection with the Southeasterly right of way line of Colonial Avenue; thence North 72° 11' 23" East along the Southeasterly right of way line of Colonial Avenue, a distance of 605.01 feet to the Southwesterly extension of the Southeasterly right of way line of Ward Road; thence North 12° 11' 23" East along the Southeasterly right of way line of Ward Road, a distance of 417.62 feet to a point on the North line of Section 21, Township 41 South, Range 21 East, Charlotte County, Florida; thence South 89° 32' 10" East along the North line of said Section 21, a distance of 2212.21 feet to the intersection with the centerline of the C.H. & N. Railroad; thence South 12° 11' 23" West along said centerline, a distance of 4258.40 feet to the Point of Beginning, containing 202.5285 acres, more or less.

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WATER TARIFF

COMMUNITIES SERVED LISTING

<u>County Name</u>	<u>Development Name</u>	<u>Rate Schedule(s) Available Sheet No.</u>
Charlotte	Harbor Lakes R.V. and Mobile Home Park	RS, GS
Charlotte	Stonebridge Dev. residents; Hospitality Center and Discovery Center	RS, GS
Charlotte	Riverwood Dev. Irrigation meter located in Stonebridge Development to serve Stonebridge residents	RS, GS

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - "BFC" is the abbreviation for "Base Facility Charge" which is the minimum amount the utility may charge to the Company's customers and is separate from the amount billed for water consumption on the utility's bills to its customers.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - "Commission" refers to the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of customers who receive water service from the Company and who's service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - NHC Utilities, Inc.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature which are located on the customer's side of the "Point of Delivery," and used in connection with or forming a part of the installation necessary for rendering water service to the customer's premises regardless of whether such installation is owned by the customer or used by the consumer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or facility used for conveying water service through individual services or through other mains.
- 9.0 "POINT OF DELIVERY" - For water systems, "point of delivery" shall mean the outlet connection of the meter for metered service or the point at which the company's piping, fittings and valves connect with the customer's piping, fittings and valves for non-metered service.
- 10.0 "RATE" - Amount which the utility may charge for water service which is applied to the customer's actual consumption.
- 11.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 "SERVICE" - Service, as mentioned in this tariff and in agreement with customers, shall be construed to include, in addition to all water service required by the customer the readiness and ability on the part of the Company to furnish water service to the customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 13.0 "SERVICE LINES" - The pipe between the Company's mains and the point of delivery and shall include all of the pipe, fittings and valves necessary to make the connection to the customer's premises excluding the meter.
- 14.0 "TERRITORY" - The geographical area described by metes and bounds with township, range and section in a certificate, which may be within or without the boundaries of an incorporated municipality and, may include areas in more than one county.

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

INDEX OF RULES AND REGULATIONS

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(Continued to Sheet No. 6.1)

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
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TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every customer to whom the Company renders water service.
- The Company shall provide water service to all customers requiring such service within its certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 POLICY DISPUTE - Any dispute between the Company and the customer or prospective customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service.
- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the customer only for the purposes specified in the application for water service and the customer shall not sell or otherwise dispose of such water service supplied by the company.

In no case shall a customer, except with the written consent of the company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement in full is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections.

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 7.0)

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

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

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

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

- 11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local Laws and Governmental Regulations. Where Municipal or other Governmental inspection is required by local Rules and Ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

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

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

SUSAN STURGELL
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ASST. V.P. / SECR.
 TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 8.0)

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

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

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

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

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

- 16.0 DELINQUENT BILLS - When it has been determined that a customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 17.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 18.0 TERMINATION OF SERVICE - When a customer wishes to terminate service on any premises where water service is supplied by the Company with water service, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

(Continued from Sheet No. 9.0)

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

SUSAN STURGELL
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ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

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SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

GENERAL SERVICERATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service to all customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE -
- | <u>Meter Size</u> | <u>Base Facilities Charge</u> |
|-------------------------------------|-------------------------------|
| 5/8" x 3/4" | \$ 16.85 |
| 3/4" | \$ 25.27 |
| 1" | \$ 42.11 |
| 1 1/4" | \$ 84.23 |
| 2" | \$ 134.75 |
| 3" | \$ 269.51 |
| Gallage Charge
per 1,000 gallons | \$ 4.84 |
- MINIMUM CHARGE - Base Facilities Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.
- EFFECTIVE DATE - May 31, 1996
- TYPE OF FILING - 1996 Price Index and Pass Through Adjustment

SUSAN STURGELL
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ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

RESIDENTIAL SERVICERATE SCHEDULE BS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE -
- | <u>Meter Size</u> | <u>Base Facilities Charge</u> |
|-------------------------------------|-------------------------------|
| 5/8" x 3/4" | \$ 16.85 |
| 3/4" | \$ 25.27 |
| 1" | \$ 42.11 |
| 1 1/4" | \$ 84.23 |
| 2" | \$ 134.75 |
| 3" | \$ 269.51 |
| Gallage Charge
per 1,000 gallons | \$ 4.84 |
- MINIMUM CHARGE - Base Facilities Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.
- EFFECTIVE DATE - May 31, 1996
- TYPE OF FILING - 1996 Price Index and Pass Through Adjustment

SUSAN STURGELL
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TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

MULTI-RESIDENTIAL SERVICERATE SCHEDULE MS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service to all master-metered residential customers including, but not limited to, Condominiums, Apartments, and Mobile Home Parks.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE Meter Size ALL METER SIZES
BASE FACILITY CHARGE- \$16.85
- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.
- EFFECTIVE DATE - May 31, 1996
- TYPE OF FILING - 1996 Price Index and Pass Through Adjustment

SUSAN STURGELL
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ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

SCHEDULE OF CUSTOMER DEPOSITS

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

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

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	<u>\$100.00</u>	<u>\$100.00</u>
1"	<u>\$150.00</u>	<u>\$150.00</u>
1 1/2"	<u>\$500.00</u>	<u>\$500.00</u>
Over 2"	<u>\$800.00</u>	<u>\$800.00</u>

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

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

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

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

EFFECTIVE DATE -TYPE OF FILING - Grandfather

SUSAN STURGELL
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 TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

METER TEST DEPOSITS

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

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

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

METER FIELD TEST REQUEST - A customer may request a field test in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE - February 28, 1996

TYPE OF FILING - Grandfather

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

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

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

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

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

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

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>0.00</u>
Normal Reconnection Fee	\$ <u>35.00</u>
Violation Reconnection Fee	\$ <u>52.00</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>35.00</u>

EFFECTIVE DATE - February 28, 1996

TYPE OF FILING - Grandfather

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 TITLE

NAME OF COMPANY NHC Utilities, Inc.
 WATER TARIFF

SERVICE AVAILABILITY SCHEDULE OF FEES AND CHARGES

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFER TO SERVICE AVAIL. POLICY SHEET NO./RULE NO.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	Actual Cost [1]	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service	\$ 430.00	
1" metered service	\$ 480.00	
1 1/2" metered service	\$ 864.00	
2" metered service	\$1056.00	
Over 2" metered service	Actual Cost [1]	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (___GPD).....	\$	
All others-per gallon/month	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (___GPD).....	\$	
All others-per gallon/month	\$	
<u>Inspection Fee</u>	Actual Cost [1]	
<u>Main Extension Charge</u>		
Residential-per ERC (___GPD).....	\$	
All others-per gallon	\$	
or		
Residential-per lot (___foot frontage).....	\$	
All others-per front foot	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4"	\$ 100.00	
1"	\$ 100.00	
1 1/2"	\$ 100.00	
2"	\$ 100.00	
Over 2"	Actual Cost [1]	
<u>Plan Review Charge</u>	Actual Cost [1]	
<u>Plant Capacity Charge</u>		
Residential-per ERC (___GPD).....	\$	
All others-per gallon:	\$	
<u>System Capacity Charge:</u>		
Residential-per ERC (___GPD).....	\$	
All others-per gallon	\$	

[1] Actual Cost is equal to the total cost incurred for services rendered by a customer.

EFFECTIVE DATE - February 8, 1996
TYPE OF FILING - Grandfather

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

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TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPTCustomer's Deposit Receipt and Service Agreement

Name _____ Date _____

Mailing Address _____

Service Location _____

Plat/Subdivision Section _____ Lot _____ Block _____

Water Deposit \$ _____ Total Deposit \$ _____ and ___/100 dollars

This payment is to guarantee any and all indebtedness for water service which may become due to NHC Utilities, Inc. (hereinafter called "Utility") by said customer. Customer agrees that this deposit or any portion thereof may be applied in discharge of any indebtedness of customer to utility. Upon discontinuance of service covered by this deposit and the presentation of this receipt and proper identification, utility agrees to refund to customer the deposit, less any amounts due utility.

This deposit shall not preclude utility from discontinuing service for nonpayment of service covered by this deposit regardless of the sufficiency of said deposit to cover any indebtedness of such service.

By the signing of this Customer's Deposit Receipt and Service Agreement, customer recognizes and agrees to abide by all existing reasonable rules and regulations of utility and any amendments thereto. Copies of said rules and regulations are available for inspection at the billing office of utility.

Customer agrees that utility, its agents or employees shall at all times have access to utility's lines and meters and the areas where such facilities are located will be kept free of shrubbery, trees, fences, interference from pets, and other obstructions. Customer agrees that it shall hold utility, its agents or employees harmless and utility shall not be liable for any damage or injury alleged to have occurred through utility, its agents or employees conducting inspections and repairs to utility's lines or meters, whether such damage shall have occurred through negligence or otherwise, and whether such damage or injury shall occur to real property, persons or pets.

Customer further agrees that all bills for water service will be paid within twenty (20) days of mailing and after five (5) days written notice if not so paid, utility will have the right to disconnect service and charge a reasonable fee for reconnecting.

It is further understood and agreed that the sale of water to the customer occurs at the meter, and utility has no responsibility relative to service or supply of water after said water passes through the meter.

_____ NHC Utilities, Inc. Date _____

_____ Customer Date _____

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TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

APPLICATION FOR WATER SERVICE

NHC Utilities, Inc.
(813) 624-4511

Account No. _____

REQUEST FOR RESIDENTIAL WATER SERVICE

Name _____
 Mailing Address _____
 Service Location _____
 Property Titleholder _____
 Phone (Home) _____ Phone (Office) _____
 Estimated Date Service Required _____
 Plat/Subdivision Service _____ Lot _____ Block _____

Charges:

Water Plant Capacity		
Single Family	5/8" x 3/4"	\$ _____
	1"	\$ _____
	1-1/2"	\$ _____
Water Main Line Extension		
		\$ _____
Water Meter Connection Charge		
Single Family	5/8" x 3/4"	\$ _____
	1"	\$ _____
	1-1/2"	\$ _____
Meter Setting Charge		
		\$ _____
Accrued Guaranteed Revenue Fee		
		\$ _____
Credit		
		\$ _____
Total Water Connection Charge		
		\$ _____

AGREEMENT

Utility will provide service upon payment of the above charges (\$ _____) in accordance with Service Availability Policy as approved by appropriate local regulatory authority. This policy includes the allowable gallons per day equivalent residential connection by meter size. The utility is not obligated to provide capacity or service in excess of that allocation and may require consumers to curtail use which exceeds such allocated capacity.

Customer Signature _____ Date _____
 Payment received \$ _____ Date _____ By _____
 Service Approval By _____

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.
 WATER TARIFF

APPLICATION FOR METER INSTALLATION

APPLICATION FOR COMMERCIAL SERVICE:

NHC Utilities, Inc.
 3737 El JoBean Road
 Port Charlotte, Florida 33953

Application for Commercial Service

SUBJECT NAME: _____
 PROJECT LOCATION _____ LOT _____ BLOCK _____ FLAT _____
 PROJECT STREET ADDRESS _____ COUNTY _____
 MAILING ADDRESS: _____ CITY _____ STATE _____ ZIP _____

APPLICATION WILL NOT BE PROCESSED WITHOUT THE FOLLOWING INFORMATION:

SIZE OF REQUIRED WATER METERS:	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	OTHER

U S A G E:	COUNT		
APARTMENT BUILDING	_____	NUMBER OF UNITS	_____
MOBILE HOMES PARK	_____	NUMBER OF UNITS	_____
HOSPITAL, W/LAUNDRY	_____	NUMBER OF BEDS	_____
HOSPITAL, NO LAUNDRY	_____	NUMBER OF BEDS	_____
NURSING HOME	_____	NUMBER OF BEDS	_____
HOTEL OR MOTEL	_____	NUMBER OF UNITS	_____
RESTAURANT	_____	NUMBER OF SEATS	_____
FACTORY, W/SHOWERS	_____	NUMBER OF EMPLOYEES	_____
LAUNDRYMAT	_____	NUMBER OF MACHINES	_____
OFFICE BUILDING	_____	SQUARE FEET	_____
WAREHOUSE	_____	SQUARE FEET	_____
STORES, NO KITCHEN	_____	SQUARE FEET	_____
Other	_____	SQUARE FEET	_____
TOTAL ESTIMATED GALLONS PER DAY THIS PROJECT	_____		
DATE SERVICE IS REQUIRED:	_____		

REMARKS: _____

- REQUIRED ATTACHMENTS:
- LEGAL DESCRIPTION OF PROPERTY AS RECORDED WITH COUNTY.
 - SITE PLAN (INCLUDING LOCATION OF STRUCTURES AND UTILITY CONNECTION POINTS).
 - BUILDING FLOOR PLANS
 - UTILITY LINE DESIGN PLANS (IF APPLICABLE*).
- * - IF SYSTEM IS TO BE DESIGNED AND CONSTRUCTED BY DEVELOPER, FOUR (4) SETS OF PRINTS MUST BE SUBMITTED TO UTILITIES FOR APPROVAL.

NOTES: WILL RESPOND WITHIN 30 DAYS OF YOUR APPLICATION, ADVISING WHETHER SERVICE IS OR NOT AVAILABLE. IF SERVICE IS AVAILABLE, THE COST OF CONNECTING TO THE SYSTEM (S) WILL FORTHCOMING. ADDITIONAL INFORMATION MAY BE REQUIRED BEFORE ESTIMATED COST FIGURES CAN PROVIDED. UTILITY SPEC SHEETS WILL BE SUPPLIED UPON RETURN OF A COMPLETED APPLICATION FORM A PAYMENT OF A PROCESSING FEE. ANY REPRESENTATION ON THE AVAILABILITY OF UTILITY SERVICE WILL GOOD ONLY FOR A PERIOD OF THIRTY (30) DAYS FROM THE DATE OF NOTIFICATION THAT SERVICE AVAILABLE.

AGREEMENT TO BE IN THE NAME OF: _____

TITLE HOLDER OF PROPERTY/
 PROJECT: _____ BUSINESS STRUCTURE (CHECK ONE): _____
 ADDRESS: _____ 1) CORPORATION _____ OF STATE OF _____
 CITY _____ STATE _____ ZIP _____ 2) CORPORATION SOLE (CHURCH): _____
 PHONE: _____ 3) PARTNERSHIP () GENERAL
 PROJECT ENGINEER/MANAGER: _____ 4) TRUST _____ () LIMITED
 ADDRESS: _____ 5) OTHER: _____ () JOINT VENTURE
 CITY _____ STATE _____ ZIP _____

PLEASE TYPE OR PRINT THE ABOVE INFORMATION

SIGNATURE OF OWNER OR REPRESENTATIVE: _____

 (TITLE)
 DATE: _____

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARRIF

APPLICATION FOR METER INSTALLATION

APPLICATION FOR RESIDENTIAL SERVICE:

NHC Utilities, Inc.
3737 El JoBean Road
Port Charlotte, Florida 33953

OWNER AND/OR CONTRACTOR
POTABLE WATER AFFIDAVIT

FOR ADDRESS: _____ PERMIT NO: _____
LPT: _____ SUBDIVISION _____
CROSS: _____
ADDRESS: _____
TELEPHONE: _____

I, the undersigned an OWNER of record for the above described property and have investigated and determined that potable water (IS) (IS NOT) available at the building site. (Circle one).

TO BE FILLED OUT AND SIGNED BY THE RESPONSIBLE UTILITY
RESPONSIBLE UTILITY _____
APPROXIMATE DISTANCE FROM EXISTING WATER LINES _____

IS AN EXTENSION REQUIRED? YES ___ NO ___ IF YES, APPROXIMATE FEET _____
WATER SERVICE LOCATING LAMP/LIGHT (FACING THE BUILDING) _____

RESPONSIBLE UTILITY Signature _____

ANY UNAUTHORIZED CONNECTIONS TO THE CUSTOMER'S WATER SERVICE SHALL BE SUBJECT TO IMMEDIATE DISCONTINUANCE WITHOUT NOTICE, IN ACCORDANCE WITH RULE 25-30.330, FLORIDA ADMINISTRATIVE CODE.

THE UNDERSIGNED, BY SIGNATURE BELOW, CONFIRMS THAT HE/SHE HAS READ AND UNDERSTANDS THE ABOVE. I AGREE TO HAVE A LEGAL CONNECTION MADE BEFORE FINAL INSPECTIONS ARE MADE.

Signature of Owner _____
(Must be signed before a Notary Public)

State of Florida _____

County of _____

The foregoing statement was acknowledged before me this _____ (Date)

by _____, who is personally known to me or who has produced

_____ (Type of Identification as Identification and who did [did not] take an oath)

Signature of Person taking Acknowledgement _____
Name of Acknowledger Typed, Printed or Stamped _____
Title or Rank _____
Serial Number if any _____

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TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

COPY OF CUSTOMER'S BILL

NHC UTILITIES, INC. PO BOX 27088 EL JOBEAN, FL 33927 941-624-4511				ACCOUNT: 000000		NHC UTILITIES, INC.	
PREV.	12345600	PREV. BAL.			0.00		
CURR.	12345600	PAYMENTS			0.00		
USE	0	BAL. FWD.			0.00		
CD	DESCRIPTION			AMOUNT			
	USAGE 01			0.00		CUSTOMER NAME	
	BASE FC CG			0.00		ADDRESS LINE 1	
	FIRE HY CG			0.00		ADDRESS LINE 2	
						CITY, STATE 99999	
BILL DATE: XX/XX/XX				PAY THIS AMT --		0.00	
SERVICE AT: SERVICE ADDRESS							
XX/XX/XX to XX/XX/XX							

AMOUNT	DATE
0.00	XX/XX/XX
AFTER	ACCOUNT

RETURN THIS STUB

SUSAN STURGELL
 ISSUING OFFICER
ASST. V.P. / SECR.
 TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

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Adjustment Provisions	35.0	22.0
Alteration of existing off site facilities	32.0	14.0
Application and Deposit	24.0	2.0
Calculation of fees for existing facilities	32.0	16.0
Definitions	35.0	23.0
Developer/Applicant Response	27.0	5.0
Developer Warranty	31.0	12.0
Enlargement of facilities	30.0	11.0
Guaranteed Revenues	29.0	8.0
Length of Extension	32.0	15.0
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Off-site facilities	31.0	13.0
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Ordinance	34.0	21.0
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Purpose and scope	24.0	1.0
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Time allotment for engineers	33.0	19.0
Utility ownership	32.0	17.0
Utility response	25.0	4.0

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WATER TARIFF

SERVICE AVAILABILITY POLICY1. PURPOSE AND SCOPE

This Service Availability Policy is to insure a uniform, consistent and non-discriminatory apportionment to the costs of construction/expansion between persons who wish to obtain service from the utility's water system whether in existence or to be constructed. Expansions of the distributions system owned or operated by the utility, which are made to extend service to additional customers and which require payment of one or more of the following charges, advance, tap fee, extension fee, contributions in aid of construction, and other related charges are subject to the Service Availability Policy.

2. APPLICATION AND DEPOSIT

Application for all types of water extension shall be made in writing on forms provided by the utility. The Developer/Applicant will furnish the utility a deposit sufficient to cover expenses, as determined by the utility, of the cost of the initial investigation. The application forms shall require a minimum of the following information:

- A. A legal description of the property including reference to section, range, and township boundaries.
- B. A boundary survey of the property.
- C. The present zoning classification of the property; a preliminary plat map and development plan including stages where appropriate.
- D. The intended land use of the development, including densities, types, commercials, etc.
- E. Statement of the nature of title or interest held by the applicant in the described property.
- F. Name and mailing address of the corporation, firm, or individuals making the application for service.

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SERVICE AVAILABILITY POLICY - cont.

- G. The estimated date service will be needed.
- H. Financial statement for corporation.
- I. The number of potential living units for residential developers and an estimate of flow requirements for general service customers. Flow requirements should include any estimate for fire flow and details of how estimated flows were determined.

3. NON-QUALIFIED APPLICATION

The utility will not be obligated to respond to applications as follows:

- A. General verbal types of inquiries.
- B. Applications initiated by corporations, firms, or persons not having a title interest in the property involved in the application.

4. UTILITY RESPONSE

The utility will respond to Developer/Applicant within thirty (30) days as to whether it will be able to serve the area covered in the application.

- A. If the response of the utility is negative, the utility shall provide the applicant with the reasons therefore, along with the estimate of the time when service might become available to the property that is subject to the application along with the reminder of the unused application deposit.

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NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

SERVICE AVAILABILITY POLICY - cont.

- B. When utility's response is positive, the utility will, within sixty (60) additional days from the time of required response, furnish Developer/Applicant, at cost of the Developer/Applicant, the required information from the following list in the form of a proposed Developer's Agreement or Service Contract:
1. Preliminary sketch of facilities to be installed.
 2. General specifications such as the size and type of materials to be used.
 3. Estimate of the revenue to be immediately realized from the construction.
 4. Estimate of the cost to be borne by Developer/Applicant.
 - a. Water plant capacity fees, as shown in the tariff sheets.
 - b. Refundable advances and extension fees where applicable as stated in paragraph 7.0 and 8.0 of this policy.
 - c. Contribution in aid of construction for oversized existing facilities as stated in paragraph 17.0 of this policy.
 - d. Meter and meter installation fees where they are to be paid by Developer/Applicant as shown in the tariff sheets.
 - e. Inspection and review fees as stated in paragraph 8.0 of this policy.

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- f. Guarantee revenue and special fees as stated in paragraph 9.0 and 10.0 of this policy.
- g. The amount, if applicable, for service outside of certificated area as stated in paragraph 21.0 of this policy.
- h. Cost of facilities including engineering and legal.

The written response of the utility will clearly indicate the following statement: "Utility shall be obligated to furnish water service to an applicant only as a result of and under the terms of a properly executed Developer's Agreement or contract."

5. DEVELOPER/APPLICANT RESPONSE

The applicant will have thirty (30) days to either accept or reject the proposal furnished by the utility in accordance with paragraph 4.0 of this policy. Should the applicant accept the proposal and estimates of the utility, the standard contract hereinafter termed "Developer's Agreement", shall be drawn by the utility and executed by both parties and shall contain the obligations and requirements of each party to the agreement. Where the Developer/Applicant does not plan to respond, the utility shall refund any unused deposits.

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6. MAIN EXTENSION

Developer will be required to pay all cost of main extensions and upgrading of the utility's distribution system, which may be deemed necessary by the utility to furnish service in compliance with all regulatory authorities to developer's property. Any possible refund of these costs will be per developer's agreement. Any advance for construction required of the developer for the purpose of capacity available to future third party developers, shall provide for refunds to the original developer as provided for in the developer's agreement.

7. REFUNDABLE ADVANCES FOR EXTENSIONS

The utility may require that the developer advance the cost of the facilities to be installed pursuant to the developer's agreement. The sums advanced will be either in the form of money or facilities. The utility will collect advances and/or contributions in aid of construction from customers or other developments connecting to the facilities installed pursuant to the developer's agreement. These sums so collected will be refunded to the developer provided that no refund will be due for fees collected after an eight (8) year period from date of agreement and further that the maximum to be refunded will not exceed the advance made by the developer.

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8. GUARANTEED REVENUES

Not less than ten days before the day upon which a developer's on-site water system is accepted by the utility or 12 months from date of developer's agreement and each month thereafter until all capacity reserved for the developer is serving a customer, developer or owner of lots shall pay to the utility the sum of money which is equal to 100% of the minimum rate of water service for each equivalent residential connection to be served which is not active. As customers, as defined by the Rules and Regulations of the tariff, are added to the system, the said monthly minimum charges to be paid by the developer will be reduced by each customer so added.

Should the developer refuse or fail to pay the money required by this paragraph, the agreement for reservation by the utility for the developer shall be void, and no capacity shall be reserved for such developer.

9. SPECIAL CONTRACTS

If the prospective revenue from a proposed system extension appears to be inadequate to defray the costs of operation relative thereto, the utility and the party or parties

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requesting the extension may enter into special contract, for revenue guarantees or other such arrangements as will make the extension self supporting. Such contracts will be approved by the Florida Public Service Commission.

10. ON-SITE FACILITIES

On-site water facility shall be provided through utility investment or by the developer through refundable advance or contributions in aid of construction in accordance with this policy and the master plan of the utility. To the extent the utility requests the same, this facility shall be conveyed to the utility by a bill of sale, free and clear of all liens and encumbrances. Necessary maintenance and replacement easements, rights-of-way, as built drawings of the facilities and accurate cost records establishing the construction costs of the facilities (including material, labor, engineering, administrative and other related costs) shall be turned over to the utility prior to acceptance of facilities by the utility. Service will be withheld by the utility until the above items are received in a form acceptable to the utility.

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11. ENLARGEMENT OF FACILITIES

In the event that the utility decides to install facilities for its future benefit which are larger than normally required in the requested extensions, appropriate adjustment shall be made based on the relative costs with the costs attributable to excess capacity covered by utility investment or refundable advance agreement as defined in the contract between utility and developer.

12. DEVELOPER WARRANTY

Upon conveyance of title to the aforesaid system by developer to utility and upon acceptance thereof by utility, utility may require a one year maintenance bond from developer (either cash or a surety company acceptable to utility) in an amount equal to 30% of the actual cost of construction of said system.

13. OFF-SITE FACILITIES

Off-site water facility shall be provided through utility investment or by the developer through refundable advance or contributions in aid of construction in accordance with this policy and the master plan of the utility. This facility, to the extent requested by the utility,

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shall be conveyed to the utility by a bill of sale free and clear of all liens and encumbrances. Necessary maintenance and replacement easements, right-of-ways, as built drawings of the facilities and accurate cost records establishing the construction cost of the facilities (including material, labor, engineering, administrative, and other related costs) shall be turned over to the utility prior to acceptance of facilities by the utility. Service will be withheld by the utility until the above items are received in a form acceptable to the utility.

14. ALTERATION OF EXISTING OFF-SITE FACILITIES

The costs of any necessary expansions and/or alteration of the existing systems in order to supply the demands of the developer, as determined by the utility, will be born by the developer or through utility investment.

15. LENGTH OF EXTENSION

In arriving at the length of a water main extension necessary to render service to any point, the distance from such point to the nearest existing water main shall be considered along lines of proper construction in accordance with utility approved engineering standards.

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upon establishment of final grades. Any excess of the deposit over actual costs of relocating the facilities shall be refunded to the developer without interest.

19. TIME ALLOTMENT FOR ENGINEERING AND CONSTRUCTION

Upon receipt of the executed developer's agreement, the utility and the developer shall proceed with the final engineering plans and specifications that each will be responsible for and shall submit such plans and specifications after receiving approval of the utility to the appropriate regulatory agencies for final approval. The utility will be allowed a reasonable period of time from the date of the receipt of the developer's agreement to complete the final engineering plans and construct the facilities where necessary to serve the developer. The developer will provide, without cost to the utility, all information required by the utility to design and/or otherwise prepare the noted engineering.

20. SERVICE OUTSIDE TERRITORY

Providing service outside of the utility's territory requires formal proceedings before the Florida Public Service Commission. Therefore, it entails engineering, administrative, and legal expenses in addition to costs incurred by the utility to provide service within its territory.

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The utility, therefore, will not be obligated to provide service outside the territory unless the developer agrees in advance to defray those initial expenses and to pay the estimated costs thereof and the services approved by the Florida Public Service Commission. The advancement will be adjusted to conform with actual expenses after proceedings have been completed. The utility will further make such extensions outside the territory only if the extension or expansion to serve such extensions are economically feasible.

21. ORDINANCE

Where an extension must comply with an ordinance, regulation or specification of a public authority, the cost or estimated cost of said extension shall be based upon costs required to comply therewith.

22. ADJUSTMENT PROVISIONS

The charges set forth in this policy and contracts drawn pursuant thereto are subject to prospective adjustment by appropriate action of the governmental agency having jurisdiction of this policy, whether upon the initiative of the governmental agency or by request of the utility.

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23. DEFINITIONS

Terms not specifically defined herein or elsewhere in this policy are considered to have their commonly understood meaning. Otherwise for the purpose of this policy, the following shall apply:

- A. ACTIVE CONNECTION - a connection to the utility's system at the point of delivery of service, whether or not service is currently being provided for which the application has been made to the utility and/or a (membership) service deposit posted by a customer.
- B. CONTRIBUTION-IN-AID-OF-CONSTRUCTION (CIAC) - shall include any amount of money, services or property received by a utility from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents a donation or contribution to the capital of the utility and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or

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equipment used to provide utility services to the public.

- C. HYDRAULIC SHARE - the pro-rata share of the capabilities of the utility's facilities to be made available for service to the developer. The pro-rata share is multiplied by the unit cost (per gallon) of providing the facilities to determine the proportional share of the cost thereof to be borne by the developer.
- D. UNUSED CONNECTION - a water service that terminates at the point of delivery of service and is available for connection by the customer, but the proposed customer's water line has never been connected at the point of delivery of service.
- E. REFUNDABLE ADVANCE - means money paid for the installation of or property transferred to the utility by the developer/applicant for facilities, which may or may not be used and useful for a period of time. The advance is made so that the proposed extension may be rendered economically feasible. The advance is returned to the developer over a specified period of time in accordance with a developer's agreement as additional users connect to the system. The purpose of the refundable advance is to reduce the cash burden upon the utility by providing a source of funds for the utility, when such funds may not otherwise be available and thus minimize the cost of capital expenditures to existing customers.

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F. TYPES OF PROPERTIES

1. RESIDENTIAL AND MULTI-RESIDENTIAL - all property devoted to one family dwelling units, duplexes, triplexes, townhouses, multi-family, and mobile homes.
2. GENERAL SERVICE - all property devoted to industrial, business, educational, or other categories not covered by the above.

- G. EQUIVALENT RESIDENTIAL CONNECTION (ERC) - for the purpose of this policy means the utilization of a building's space in such a manner as to have the potential of using two hundred twenty five (225) gallons of potable water per day. Equivalent residential connections for the usages set forth herein shall be as follows:

Types of Building Usage

Apartments	155 gpd (1)
Bars and cocktail lounges	5 pgd/seat
Boarding schools (student and staff)	75 gpcd (2)
Bowling alleys (toilet wastes only, per lane)	100 gpd
County clubs (per member)	25 gpcd
Day schools (students and staff)	10 gpcd
Drive-in theatres (per car space)	5 gpd
Factories (with showers)	30 gpcd
Factories (without showers)	10 gpcd/100 sq. ft.
Hospitals (with laundry)	250 gpd/bed
Hospitals (without laundry)	200 gpd/bed
Hotels and Motels (no restaurants or laundry)*	150 gpd/room or unit
Laundromats	225 gpd/washer
Mobile home parks	185 gpd/trailer

SUSAN STURGELL
 ISSUING OFFICER
ASST. V.P. / SECR.
 TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

Types of Building Usage - cont.

Movie theatres, auditoriums, churches (per seat)	3 gpd
Nursing homes	100 gpd/bed
Office buildings	10 gpd/100 sq. ft.
Public institutions (other than those listed herein)	75 gpcd
Restaurants (per seat)	50 gpd/seat
Restaurants (fast food) (per seat)	30 gpd/seat
Single-family residence:	
Water: 5/8" x 3/4" meter	225 gpd
1" meter	315 gpd
1-1/2" meter	410 gpd
Sewer	190 gpd
Townhouse residences (3)	155 gpd
Stadiums, frontons, ballparks, etc. (per seat)	3 gpd
Stores (without kitchen wastes)	5 gpd/100 sq. ft.
Speculative buildings	30 gpd plus 10 gpd/100 sq. ft.
Warehouses	30 gpd plus 10 gpd/1000 sq. ft.

gpd - gallons per day

gpcd - gallons per capita per day

Condominiums shall be rated in accordance with the type (apartments, townhouses, etc.)

* Hotels and motels with other facilities to be qualified as per schedule (that is, with laundry, add 50 gpd, with restaurant, add gpd per seat).

- H. OFF-SITE FACILITIES - the water transmission mains and facilities, the purpose of which is to provide water service to properties within the service territory of the utility.
- I. ON-SITE FACILITIES - the portion of the water distribution system that has been, or is to be, located wholly within the property to which service is to be extended. If off-site

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

facilities cross the property of the customer via an easement, the on-site facilities shall mean the water distribution that is located on the customer's property, exclusive of the off-site facilities.

25. CAPTIONS

The use of captions herein is for convenience only and shall not be utilized in construction of the contents of paragraphs.

26. CONFLICT

In the event of any conflict between the service availability policy and any portion of any order issued by the Florida Public Service Commission, then the order shall in all instances prevail.

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

NAME OF COMPANY NHC Utilities, Inc.

WATER TARIFF

Applicant to NHC Utilities, Inc. will be required to submit plans for expansion of water service and will be responsible for costs involved in plan review and construction inspection based on the following rates:

ENGINEERING RATES

Engineer	\$65.00/hour
Technician	\$52.00/hour
Inspector	\$52.00/hour
Surveyor	\$60.00/hour
2 man survey crew	\$70.00/hour
Draftsman	\$35.00/hour

Construction shall be in accordance with General Development Utilities specifications and details.

SUSAN STURGELL
ISSUING OFFICER
ASST. V.P. / SECR.
TITLE

FILE COPY

190702 wo

**Application for Transfer
of
Water Certificate No. 573-W
and
Facilities in Charlotte County**

from

**HARBOR LAKES
WATER SYSTEMS, INC.**

to

NHC UTILITIES, INC.

June, 1997

REGULATORY CONSULTANTS, INC.

401 Interstate Blvd
Sarasota, Florida 34240
(941) 371-8499

DOCUMENT # DATE

06302 JUN 24 97

ORIGINAL COPY

REC-RECORD

**Application for Transfer
of
Water Certificate No. 573-W
and
Facilities in Charlotte County
from**

***HARBOR LAKES
WATER SYSTEMS, INC.***

to

NHC UTILITIES, INC.

June, 1997

REGULATORY CONSULTANTS, INC.

401 Interstate Blvd
Sarasota, Florida 34240
(941) 371-8499

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

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

401 Interstate Blvd.
Street address

Sarasota, Florida 34240
City State Zip Code

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

NHC Utilities, Inc.
Name of utility

(941) 624-4511 (941) 624-5238
Phone No. Fax No.

3737 El Jobean Road (SR 776)
Office street address

Port Charlotte, Florida 33953
City State Zip Code

N/A
Mailing address if different from street address

N/A
Internet address if applicable

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

Corporation Partnership Sole Proprietorship
Other: _____
(specify)

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

February 26, 1997 State of Florida

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

See attached sheet

- 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).

N/A

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.

None

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

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

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

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

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

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

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

G) **Exhibit F** - The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued Not applicable. Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.

H) **Exhibit G** - A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)

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

Susan Sturgell (941) 624-4511
Name Phone No

3737 El Jobean Road (SR 776)
Street address

Port Charlotte, Florida 33953
City State Zip Code

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

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

PART III NOTICE OF ACTUAL APPLICATION

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

- (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be 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 Director or Records and Reporting,
- (7) the appropriate regional office of the Department of Environmental Protection, and
- (8) the appropriate water management district.

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

- B) **Exhibit K** - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT
- C) **Exhibit L** - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

PART IV FILING FEE

Indicate the filing fee enclosed with the application \$ 750.00 (for water) and _____ (for wastewater).

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

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

PART V OTHER

- A) **Exhibit N/A** - Evidence that the utility owns the land where the utility treatment facilities are located. Or, where the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- B) **Exhibit M** - 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.**
- C) **Exhibit N** - 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

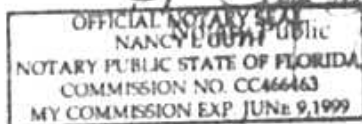
I, Susan Sturgell, Assistant Vice President and Secretary (applicant) do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitute a complete statement of the matter to which it relates

BY Susan Sturgell
Applicant's Signature

Susan Sturgell
Applicant's Name (Typed)

Assistant Vice President and Secretary
Applicant's Title *

Subscribed and sworn to before me this 20th day of June, 1997



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

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

ATTACHMENT

PART I. QUESTION E. OFFICERS AND DIRECTORS

<u>Directors</u>	<u>Address</u>
David Napp, Director	4141 North Scottsdale Road, Suite 100 Scottsdale, Arizona 85251
Grant Stokes, Director	4141 North Scottsdale Road, Suite 100 Scottsdale, Arizona 85251

<u>Officers</u>	<u>Address</u>
David Napp, President	4141 North Scottsdale Road, Suite 100 Scottsdale, Arizona 85251
Grant Stokes, Vice President	4141 North Scottsdale Road, Suite 100 Scottsdale, Arizona 85251
Barry Chemers, Treasurer	4141 North Scottsdale Road, Suite 100 Scottsdale, Arizona 85251
Susan Sturgell, Assistant V.P./Secretary	3737 El Jobean Road (S R 776) Port Charlotte, Florida 33953

INDEX OF EXHIBITS

EXHIBIT	DESCRIPTION	PAGE NO.
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D	Financing of the Purchase Statement	E - 53
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APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT A

STATEMENT TRANSFER IS IN THE PUBLIC INTEREST

The stock in NHC Utilities, Inc. (NHC) is owned 100% by LEMB, L.P., a Delaware limited partnership. LEMB, L.P. purchased the development known as the Harbor Lakes Mobile Home & R.V. Park (Park) and the water system that serves the residents within the Park and an adjacent 59 lot single-family subdivision known as Riverwood. LEMB, L.P. has a substantial investment in the Park. NHC Utilities, Inc. is committed to provide the same quality of service to the customers of the water system as the former owner provided during its years of ownership. It is in the best interest of LEMB, L.P. as both the owner of the Park and the sole stockholder of NHC to have NHC continue to provide good quality service to both the residents of the Park and the customers of the utility system which, in the main, are the same persons. NHC will continue to purchase bulk potable water from Charlotte County Utilities and resell the water to its customers at the rates which have been previously approved by the Florida Public Service Commission. NHC will own all of the water distribution lines, hydrants and services along with all the appropriate easements which are necessary to continue to provide service to the former customers of Harbor Lakes Water System, Inc. NHC will continue to utilize the same personnel who handled both the administrative and regulatory affairs for Harbor Lakes Water Systems, Inc. as well as those that provided the maintenance of the water facilities. Therefore, it is the opinion of the Applicant that the substantial economic interest of NHC's sole stockholder in both the Park and the utility system, the ownership of the utility assets by NHC Utilities, Inc., and the continuing regulatory and operational experience of the administrative staff would lead one to the conclusion that a transfer of the water certificate is in the public interest.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.**

EXHIBIT B

**COPY OF CONTRACT FOR SALE
AND ALL AUXILIARY AND
SUPPLEMENTAL AGREEMENTS**

NOTES:

- 1) NHC is purchasing the jurisdictional water utility assets for \$302,163, the net invested cost of the water assets acquired.
- 2) The purchase price is for cash with \$250,000 remaining in escrow until the transfer is complete. All non-jurisdictional assets have been acquired by LEMB, L.P., a Delaware limited partnership.
- 3) No other consideration is being paid for the jurisdictional water utility assets.
- 4) There are two water deposits for \$100.00 each which will be refunded to the original application before the transfer is complete. There are no other contracts, agreements or advances outstanding.

Attached is a copy of the Escrow Agreement for Harbor Lakes Water System, Inc. and a copy of the unexecuted Assignment of Contracts. The Assignment of Contracts has been sent to the concerned parties for their signatures. A copy of the executed Assignment of Contracts will be included with the late filed exhibits.

ESCROW AGREEMENT FOR
HARBOR LAKES WATER SYSTEM, INC.

THIS ESCROW AGREEMENT is made this 2nd day of December, 1996, by and among Edward and Marie Maslanka and Harbor Lakes Water System, Inc., a Florida corporation (hereinafter collectively referred to as "Seller"), LEMB, L.P., a Delaware limited partnership (hereinafter "Buyer"), and Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A. (hereinafter "Escrow Agent").

W I T N E S S E T H

WHEREAS, Seller and Buyer have closed on a Contract to purchase certain Real Property located in Charlotte County, Florida, as more fully described in Exhibit "A" and by this reference made a part hereof (the "Contract");

WHEREAS, the Buyer and Seller have agreed pursuant to the Contract to transfer all of the assets and improvements of Harbor Lakes Water System, Inc. (hereinafter "HLWS") to Buyer; and

WHEREAS, the Escrow Agent has agreed to hold an escrow deposit in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) pursuant to the conditions of the Contract; and

WHEREAS, the approval of the Florida Public Service Commission (hereinafter the "PSC") is necessary to transfer the assets of HLWS to Buyer; and

WHEREAS, pursuant to the Contract, Buyer and Seller have agreed that Buyer will operate and manage HLWS during the interval between the date of this Escrow Agreement and final approval by the PSC of the transfer of assets, subject to the matters specified in the Contract; and

WHEREAS, pursuant to the Contract, the parties have agreed that Escrow Agent will hold the escrow deposit pursuant to the terms and conditions of the Contract and this Escrow Agreement.

NOW, THEREFORE, in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the parties agree as follows:

1. The parties agree that the recitals set forth above are true and accurate as of the date of this Agreement, and by this reference are hereby republished and restated.
2. The Escrow Agent shall hold the entire escrow deposit pending the happening of one of the following events:
 - 1) Final approval of the PSC of the transfer of assets of HLWS to Buyer and the subsequent transfer of the assets of HLWS by Bill of Sale in form substantially similar to that attached to the Contract.
 - 2) A default under Paragraphs 2.C.(2) and (3) of the Third Amendment to the Contract by the Buyer and a written request from the Seller for the payment of the deposit specifying the Buyer's default.
 - 3) If, after using its best efforts, Buyer has not obtained the approval of the PSC for the transfer of the assets of HLWS, funds shall be returned to Buyer, as provided in the aforesaid Third Amendment.
 - 4) Written instructions from both the Buyer and the Seller specifying how the deposit is to be disposed of.

Upon the occurrence of item 2) above, the Escrow Agent shall promptly notify the Buyer and the Buyer shall have ten (10) days to cure the default or commence a cure; if the Buyer fails to cure or commence a cure within a ten (10) day period, the Escrow Agent is authorized to deliver the deposit to the Seller. If the Buyer denies default within ten (10) days of such notice, the Escrow Agent shall continue to hold the deposit for distribution in accordance with the dispute provisions.

Upon the occurrence of item 1) above, the Escrow Agent is irrevocably authorized and instructed to deliver the deposit to the Seller at closing of the assets of HLWS unless prior to the disbursement the Escrow Agent receives from the Buyer and is served written notice of a dispute between the Buyer and the Seller.

3. It is agreed that the duties of the Escrow Agent are only such as are herein specifically provided, being purely ministerial in nature, and that the Escrow Agent shall incur no liability whatever except for willful misconduct or gross negligence as long as the Escrow Agent is acting in good faith. The Buyer and Seller hereby release Escrow Agent from any act done or omitted to be done by the Escrow Agent in good faith in the performance of the Escrow Agent's duties hereunder.
4. The Escrow Agent shall be under no responsibility in respect to any of the monies deposited with it other than faithfully to follow the instructions herein contained. The Escrow Agent may consult with counsel and shall be fully protected in any action taken in good faith, in accordance with such advice. The Escrow Agent shall not be required to defend any legal proceedings which may be instituted against the Escrow Agent in respect to the subject matter of these instructions unless requested to do so by the Buyer and Seller and indemnified to the satisfaction of the Escrow Agent against the cost and expense of such defense. The Escrow Agent shall not be required to institute legal proceedings of any kind, the Escrow Agent shall have no responsibility for the genuineness or validity of any document or other item deposited with the Escrow Agent, and shall be fully protected in acting in accordance with any written instructions given to the Escrow Agent hereunder and believed by the Escrow Agent to have been signed by the proper parties.
5. The Escrow Agent assumes no liability under the Purchase Agreement except that of a stakeholder. If there is any dispute as to whether the Escrow Agent is obligated to deliver the escrow money or as to whom the sum is to be delivered, the Escrow Agent will not be obligated to make any delivery of the sum but in such event may hold the sum until receipt of the Escrow Agent of an authorization in writing signed by all the persons having interest in such dispute, directing the disposition of sums or the absence of such authorization the Escrow Agent may hold the sum until the final determination of the rights of the parties in an appropriate proceeding. In making delivery of the monies in the manner provided for in this Agreement, the Escrow Agent shall have no further liability in the matter.
6. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine; assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and assure that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable for the sufficiency or correctness as to form, manner of execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same. The duties of Escrow Agent shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described above.
7. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein. Upon the Escrow Agent disbursing the deposit of a purchaser in accordance with the

provisions hereof, the escrow shall terminate with regard to the deposit of that particular purchaser. Escrow Agent shall thereafter be released of all liability hereunder pertaining to that deposit.

8. In the event of a disagreement about the interpretation of this Agreement or about the rights and obligations or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, file an action in interpleader to resolve the disagreement. Escrow Agent shall be indemnified by prevailing party for all reasonable court costs, reasonable attorneys' fees, in connection with such interpleader action.
9. All notices, demands and requests which may be given or which are required to be given by either party to the other under this Agreement, and any exercise of a right or termination provided by this Agreement, shall be in writing and shall be deemed effective when either:
 - A. personally delivered to the intended recipient;
 - B. three (3) business days after having been sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address stated above;
 - C. delivered in person to the address set forth above for the party to whom the notice was given;
 - D. at noon of the business day next following after having been deposited into the custody of a nationally recognized overnight delivery service such as Federal Express Corporation, Emery, or Purolator, addressed to such party at the address above; or
 - E. immediately if sent during regular business hours or at 8:30 a.m. local time on the next business day following an after-hours, weekend or holiday notice sent by facsimile, telegram or telex, provided that receipt for such facsimile, telegram or telex is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Notices shall be effective on the date of delivery or receipt, or, if delivery is not accepted, on the earlier of the date that delivery is refused or three (3) days after the date the notice is mailed.

Notice shall be deemed properly given hereunder when made in writing and hand delivered, telecopied or deposited in the United States mail, with sufficient postage prepaid thereon to carry it to its addressed destination; and the said notices shall be addressed as follows:

If to Seller:

Edward and Marie Maslanka
3737 El Jobean Road
Port Charlotte, Florida 33948

With a copy to:

Michael R. McKinley, Esquire
Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A.
18401 Murdock Circle
Port Charlotte, Florida 33948

If to Purchaser:

LEMB, L.P., a Delaware limited partnership
4141 North Scottsdale Road, Suite 100
Scottsdale, Arizona 85251

With a copy to:

Sandy Broadfoot, Esquire
Gallagher & Kennedy
2600 North Central Avenue
Phoenix, Arizona 85004-3020

Nothing herein contained shall be construed as prohibiting the parties respectively from changing the place at which notice is henceforth to be given, but no such change shall be effective unless and until it has been accomplished by written notice given in the manner set forth in this paragraph.

10. Escrow Agent may resign upon the giving of thirty (30) days written notice to the parties. If a successor Escrow Agent is not appointed within thirty (30) days after notice of resignation or termination, Escrow Agent may petition any court of competent jurisdiction to name a successor Escrow Agent. Escrow Agent shall be relieved of all liability under this Agreement upon the transfer of the escrow deposits to the successor Escrow Agent.
11. The parties agree that Escrow Agent shall not be liable for the failure of any condition of this Agreement, or for any reason except gross negligence or willful or wanton misconduct on the part of the Escrow Agent, the parties further agree that in the absence of such gross negligence or willful or wanton misconduct on the part of the Escrow Agent, to hold the Escrow Agent harmless and to indemnify and defend the Escrow Agent for all loss cost, damages, expenses and liability, including reasonable attorneys' fees and appeals and other expenses that may be incurred, sustained or asserted against it in connection with this Agreement, or any court action ensuing therefrom, including any claims by third parties.
12. General Provisions.
 - A. The parties agree that the provisions of the Florida Statutes, and as they may from time to time be amended, shall be applicable to any and all matters dealing with any provisions of this Escrow Agreement in conflict with any such statute.
 - B. This Agreement shall be construed and endorsed according to the laws of the State of Florida.
 - C. This Agreement shall be incorporated by reference expressly in all contracts between Buyer and Seller.
 - D. This Agreement shall inure to the benefit of and be obligatory upon, the parties, hereto, their heirs, executors, administrators, successors and assigns.
 - E. The invalidity or unenforceability of any provision of this Agreement shall not effect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
 - F. This Agreement may not be modified, except by an Agreement in writing signed by the parties hereto. The parties acknowledge that they have voluntarily and

knowingly entered into this Agreement and that this Agreement encompasses the full and complete Agreement between the parties. The parties may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such conditions or obligations.

G. This Agreement may be executed in any number of counterparts, each of which shall be considered a duplicate original and all of which taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year first above written.

Signed, sealed and delivered in the presence of:

Witness
Printed Name: Kimberly A Taylor

Witness
Printed Name: James W. Singleton, IV

Witness
Printed Name: JAMES B COWDE

Witness
Printed Name: ALEXANDER GEORGOPOULOS

Witness as to both
Printed Name: Michael R McKinley

Witness as to both
Printed Name: Kimberly A Taylor

Witness
Printed Name: Michael R McKinley

Witness
Printed Name: Kimberly A Taylor

ESCROW AGENT

BATSEL, MCKINLEY, ITTERSAGEN, GUNDERSON & BERTSSON, P.A.

BY: [Signature]
Michael R. McKinley
Vice President

BUYER

LEMB, L.P., a Delaware limited partnership, by its general partner, LEMB-GP, a Delaware limited partnership, by its general partner, IUHQ, INC., an Arizona corporation,

BY: [Signature]
Printed name: David A. Napp
As its: President

SELLER

[Signature]
Edward Maslanka

[Signature]
Marie Maslanka

Harbor Lakes Water System, Inc., a Florida corporation,

BY: [Signature]
Edward Maslanka, President
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THIRD AMENDMENT TO AND ASSIGNMENT
AND ASSUMPTION OF PURCHASE AND SALE
AGREEMENT BETWEEN EDWARD AND MARIE
MASLANKA AND HARBOR LAKES WATER SYSTEM,
INC., A FLORIDA CORPORATION, AS SELLER, AND
SUNLIFE RV RESORTS, L.L.C., A DELAWARE LIMITED
LIABILITY COMPANY, AS BUYER, JOINED BY LEMB, L.P.
A DELAWARE LIMITED PARTNERSHIP, AS ASSIGNEE,
HEREINAFTER COLLECTIVELY REFERRED TO AS BUYER

This Third Amendment to Purchase and Sale Agreement and Assignment and Assumption of Purchase and Sale Agreement ("Amendment") is made as of this 2nd day of December 1996 and is attached to, and expressly made a part of, that certain Purchase and Sale Agreement dated August 15, 1996 by and between the captioned Buyer and Seller (the "Agreement"), as amended.

Buyer and Seller hereby further agree as follows:

1. INTERPRETATION. This Amendment is incorporated by reference into the Agreement and forms a part thereof, and shall expressly supersede and control conflicting provisions in the Agreement form itself to the extent of such conflict.

2. SALE OF THE ASSETS OF HARBOR LAKES WATER SYSTEM, INC.

A. The transfer of the assets of Harbor Lakes Water System, Inc. (the "Water System") is contingent upon the approval of the Florida Public Service Commission (the "PSC") within one (1) calendar year of the date of closing on the real property pursuant to the Agreement.

B. Buyer agrees to use its best efforts and due diligence, at its sole expense, to obtain approval of the PSC of the transfer of the Water System assets within the foregoing one year period. Seller shall reasonably cooperate with Buyer in obtaining such approval. It is expected that the PSC approval period will be approximately nine calendar months.

C. During such approval period:

(1) the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) from the purchase price shall be placed in an interest bearing escrow account with Escrow Agent. The interest earned by the escrowed funds shall be paid to the party to whom the principal amount is ultimately due pursuant to the provisions of this paragraph.

(2) Buyer shall manage, operate and maintain the Water System. If, after using its best efforts and due diligence, Buyer is unable to obtain the approval of the PSC for the transfer of the Water System utility franchise, then the escrowed funds shall be

refunded to Buyer and Seller shall resume operation, control, maintenance and management of the Water System. In such event, Seller shall continue to serve the customers of the Water System in compliance with all applicable governmental regulations, including the tariff or rate schedule approved by the Public Service Commission. Upon the approval of the transfer of the utility franchise by the PSC, the escrowed funds shall be paid to Seller and legal title to the assets of Harbor Lakes Water System, Inc., a Florida corporation, shall be conveyed to Buyer via a Bill of Sale.

(3) Buyer will be fully responsible for the management and operation of the Water System, and shall be entitled to any profits from the operation of the Water System, and similarly, shall indemnify Seller for any expenses, taxes, losses, deficiencies or liabilities, including personal injuries and property damage, arising from or connected with the operation of the Water System subsequent to the date of closing. Buyer shall comply with any and all governmental regulations pertaining to the operation of the Water System, including but not limited to, rules and regulations promulgated by the Florida Department of Environmental Protection and the Florida Public Service Commission, FDEP Permit Numbers DS08-128163 dated December 11, 1986, and DS08-121002 dated June 6, 1986 (water certification) and FDEP Permit Number CS08-111219 dated November 8, 1995 (wastewater collection certification), SWFWMD Permit Numbers MSW 400758 and SWM E02571 (surface water management) and Florida Public Service Commission Certificate 573-W.

D. The agreements of Seller and Buyer set forth herein shall survive the Closing.

3. ASSIGNMENT AND ASSUMPTION:

A. SunLife RV Resorts, L.L.C., a Delaware limited liability company ("Assignor") hereby assigns, transfers, sets over and conveys to LEMB, L.P., a Delaware limited partnership ("Assignee") all of Assignor's rights, title and interest in, to and under the Agreement, subject to each and every provision thereof, and hereby further grants and delegates to Assignee all of the duties and obligations of Assignor under the Agreement.

B. Assignee hereby accepts the assignment of the Agreement made above and hereby assumes and agrees to keep, perform and fulfill all of the terms, covenants, obligations and conditions required to be kept, performed or fulfilled by Assignor under the Agreement.

C. Upon consummation of this Assignment, Assignee shall be substituted in all respects for Assignor under the Agreement; provided, however, that nothing contained herein shall be deemed to release Assignor from the obligations of the "Buyer" under the Agreement.

D. Sellers consent to the Assignment of the Agreement herein, but do not release SunLife from any liability under the Agreement.

4. CAPTIONS: The captions of this Amendment are for convenience and reference only and in no way define, describe, extend or limit the scope, meaning or intent of the Agreement.

5. SEVERABILITY: The invalidation or unenforceability in any particular circumstance of any of the provisions of this Amendment shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

6. DUPLICATE ORIGINALS: This Amendment may be executed in any number of counterparts, each of which shall be considered a duplicate original and all of which taken together shall constitute one and the same document.

7. SIGNATURES BY FACSIMILE: It is the intent and agreement of the parties hereto that the signatures, initials and handwritten or typewritten modifications to this Amendment shall be as legally valid and binding upon the parties as if the original signatures, initials and modifications were present on the documents in the hands of each party. Neither party shall assert the statute of frauds nor unenforceability or invalidity of this Amendment because of use of fax copies and not originals in any litigation, and both parties specifically waive and relinquish any such defenses.

IN WITNESS WHEREOF, the parties have executed this Amendment the day and year first above written.

"SELLER"

Edward Maslanka
Edward Maslanka

Marie Maslanka
Marie Maslanka

Dated: 12-2-96

HARBOR LAKES WATER SYSTEMS, INC.,
a Florida corporation,

Edward Maslanka
Edward Maslanka, as President

Dated: 12-2-96

"BUYER - ASSIGNOR"

SunLife RV Resorts, L.L.C., a Delaware
limited liability company,

By: [Signature]
Printed Name: David A. Napp
As its: Managing Member
Dated: 12/2/96

"BUYER - ASSIGNEE"

LEMB, L.P., a Delaware limited
partnership, by its general partner,
LEMB-GP, a Delaware limited partnership,
by its general partner, IUHQ, INC.,
an Arizona corporation,

By: [Signature]
Printed Name: David A. Napp
As its: President
Dated: 12/2/96

**SECOND AMENDMENT TO PURCHASE AND
SALE AGREEMENT BETWEEN EDWARD AND MARIE
MASLANKA AND HARBOR LAKES WATER SYSTEM, INC.,
A FLORIDA CORPORATION, AS SELLER, AND SUNLIFE RV
RESORTS, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, AS BUYER**

This Second Amendment to Purchase and Sale Agreement ("Amendment" is made as of this 16th day of October, 1996 and is attached to, and expressly made a part of, that certain Purchase and Sale Agreement dated August 15, 1996 by and between the captioned Buyer and Seller (the "Agreement").

Buyer and Seller hereby further agree as follows:

1. **INTERPRETATION.** This Amendment is incorporated by reference into the Agreement and forms a part thereof, and shall expressly supersede and control conflicting provisions in the Agreement from itself to the extent of such conflict.
2. **INSPECTION PERIOD.** Supplementing Paragraph IV, Item 2 of the Agreement, and Paragraph 2 of the first Amendment, Buyer acknowledges and agrees that Inspection Period terminated as of October 15, 1996
3. **EARNEST MONEY DEPOSIT.** Seller acknowledges receipt of the sum of \$65,000.00 representing the balance of the Earnest Money Deposit, subject to clearance of funds.
4. **CLOSING DATE.** Supplementing Paragraph V of the Agreement and Paragraph 3 of the first Amendment, this transaction shall be closed and the deed and other closing papers delivered on or before December 2, 1996, unless extended by other provisions of Agreement. Buyer may, at Buyer's option, close earlier upon ten (10) days written notice to Seller, care of Seller's attorney, Michael R. McKinley, Esquire, Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A., 18401 Murdock Circle, Port Charlotte, Florida, 33948.
5. **CAPTIONS:** The captions of this Amendment are for convenience and reference only and in no way define, describe, extend or limit the scope, meaning or intent of the Agreement.
6. **SEVERABILITY:** The invalidation or unenforceability in any particular circumstance of any of the provisions of this Amendment shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.
7. **DUPLICATE ORIGINALS:** This Amendment may be executed in any number of counterparts, each of which shall be considered a duplicate original and all of which taken together shall constitute one and the same document.

8. SIGNATURES BY FACSIMILE: It is the intent and agreement of the parties hereto that the signatures, initials and handwritten or typewritten modifications to this Amendment shall be as legally valid and binding upon the parties as if the original signatures, initials and modifications were present on the documents in the hands of each party. Neither party shall assert the statute of frauds nor unenforceability or invalidity of this Amendment because of use of fax copies and not originals in any litigation, and both parties specifically waive and relinquish any such defenses.

IN WITNESS WHEREOF, the parties have executed this Amendment the date and year first above written.

"SELLER"

"BUYER:"

Edward Maslanka
Edward Maslanka

SunLife RV Resorts, L.L.C., a Delaware limited liability company,

Marie Maslanka
Marie Maslanka

By. [Signature]
Printed Name: David A. Nopp
As its: Principal

Dated: 10-17-96

Dated: 10/16/96

HARBOR LAKES WATER SYSTEMS, INC.,
a Florida corporation,

Edward Maslanka Pres
Edward Maslanka, as President

Dated: 10-17-96

**AMENDMENT TO PURCHASE AND SALE
AGREEMENT BETWEEN EDWARD AND MARIE
MASLANKA AND HARBOR LAKES WATER SYSTEM, INC.,
A FLORIDA CORPORATION, AS SELLER, AND SUNLIFE RV
RESORTS, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, AS BUYER**

This Amendment to Purchase and Sale Agreement ("Amendment") is made as of this _____ day of _____, 1996 and is attached to, and expressly made a part of, that certain Purchase and Sale Agreement dated August 15, 1996 by and between the captioned Buyer and Seller (the "Agreement").

Buyer and Seller hereby further agree as follows:

1. **INTERPRETATION.** This Amendment is incorporated by reference into the Agreement and forms a part thereof, and shall expressly supersede and control conflicting provisions in the Agreement form itself to the extent of such conflict.

2. **INSPECTION PERIOD.** Supplementing Paragraph IV, item 2 of the Agreement, Buyer may inspect the Property at any reasonable time on or before sixty (60) days from the Effective Date of the Agreement. The Effective Date of the Agreement is August 15, 1996.

3. **CLOSING DATE.** Supplementing Paragraph V of the Agreement, this transaction shall be closed and the deed and other closing papers delivered on or before October 30, 1996, unless extended by other provisions of Agreement. Buyer may, at Buyer's option, close earlier upon ten (10) days written notice to Seller, care of Seller's attorney, Michael R. McKinley, Esquire, Batsel, McKinley, Ittersagen, Gunderson & Bertsson, P.A., 18401 Murdock Circle, Port Charlotte, Florida, 33948.

4. **CAPTIONS:** The captions of this Amendment are for convenience and reference only and in no way define, describe, extend or limit the scope, meaning or intent of the Agreement.

5. **SEVERABILITY:** The invalidation or unenforceability in any particular circumstance of any of the provisions of this Amendment shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

6. **DUPLICATE ORIGINALS:** This Amendment may be executed in any number of counterparts, each of which shall be considered a duplicate original and all of which taken together shall constitute one and the same document.

7. **SIGNATURES BY FACSIMILE:** It is the intent and agreement of the parties hereto that the signatures, initials and handwritten or typewritten modifications to this Amendment shall be as legally valid and binding upon the parties as if the original signatures, initials and modifications were present on the documents in the hands of each

party. Neither party shall assert the statute of frauds nor unenforceability or invalidity of this Amendment because of use of fax copies and not originals in any litigation, and both parties specifically waive and relinquish any such defenses.

IN WITNESS WHEREOF, the parties have executed this Amendment the day and year first above written.

"SELLER"

"BUYER:"

Edward Maslanka
Edward Maslanka
Taxpayer Identification No. _____

SunLife RV Resorts, L.L.C., a Delaware limited liability company,

Marie Maslanka
Marie Maslanka
Taxpayer Identification No. _____

By: [Signature]
Printed Name: JAMES W. Singleton
As its: DIRECTOR OF ACQUISITIONS

Dated: Sept 11 1996

Dated: Sept 12, 1996

HARBOR LAKES WATER SYSTEMS, INC.,
a Florida corporation,

Edward Maslanka
Edward Maslanka, as President

Dated: Sept 11 - 1996

C:\WP\DOCS\DOCS\MASLANKA.MD
September 11, 1996 (9:35am)

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made between Edward and Marie Maslanka and Harbor Lakes Water System, Inc., a Florida corporation (hereinafter collectively referred to as "Seller") and SunLife RV Resorts, L.L.C., a Delaware limited liability company (hereinafter referred to as "Buyer").

In consideration of the mutual covenants and representations herein contained, Seller and Buyer agree as follows:

I. PURCHASE AND SALE

Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller, the following described property (herein collectively called the "Property"):

1. Land. That certain tract of land (the "Land") located in Charlotte County, Florida, being more particularly described in Exhibit "A", attached hereto and incorporated herein by reference together with all improvements, if any, located thereon;
2. Easements. All easements, if any, benefitting the Land;
3. Rights and Appurtenances. All rights and appurtenances pertaining to the foregoing including any right, title and interest of Seller in and to the adjacent streets, alleys or rights-of-way;
4. Improvements. All improvements, consisting of a mobile home and recreational vehicle park known as Harbor Lakes Mobile Home and RV Park and Harbor Lakes Waters Systems, Inc. (the "Improvements") in and on the Land;
5. Rental Agreements. All of Seller's right, title and interest in and to all rental agreements (the "Rental Agreements") affecting the Property, and all tenant security deposits held by Seller;
6. Tangible Personal Property. All of the Seller's right, title and interest in all appliances, fixtures, equipment, machinery, furniture, carpet, drapes and other personal property, if any, located on or about the Land and the Improvements or used exclusively in the operation and maintenance thereof (the "Tangible Personal Property");
7. Intangible Property. All of Seller's right, title and interest in all intangible property (the "Intangible Property"), if any, pertaining to the Land, the

Improvements, or the Tangible Personal Property or the use thereof, including, without limitation, transferable utility contracts, transferable telephone exchange numbers, plans and specifications, engineering plans and studies, floor plans and landscaping plans.

II. PURCHASE PRICE

The purchase price (the "Purchase Price") for the Property shall be Five Million One Hundred Thousand Dollars (\$5,100,000.00) and shall be paid by Buyer to Seller at the Closing in United States currency as provided hereinbelow.

III. EARNEST MONEY

Buyer has delivered to Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A., (hereinafter "Escrow Agent"), the sum of Ten Thousand Dollars (\$10,000.00) in cash (such amount, together with all interest, if any, earned thereon being referred to as the "Earnest Money"), to be held by the Escrow Agent in an account in accordance with the terms of the Escrow Agreement described hereinbelow. Seller shall have the option of terminating this Agreement if the Earnest Money is not delivered to the Escrow Agent within such time. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be paid to Seller and applied to the payment of the Purchase Price. If Buyer terminates this Agreement in accordance with any right to terminate that Buyer is granted by the terms of this Agreement, the Earnest Money shall be immediately returned to Buyer, and no party hereto shall have any further obligations except as contained in this Agreement. Buyer and Seller shall enter into with Escrow Agent an Escrow Agreement in the form attached hereto as Exhibit "B", with regard to the rights and obligations of Escrow Agent, Buyer and Seller with regard to the Earnest Money.

IV. CONDITIONS TO CLOSING

1. Delivery of Title Commitment and Survey.
 - a. Seller shall provide a Commitment for an Owner's Policy of Title Insurance (the "Title Commitment"); such Policy to name the Buyer as insured, in the amount of the Purchase Price, insuring indefeasible fee simple title to the Property, subject only to the Permitted Exceptions, as hereinafter defined. Seller shall also provide, at Seller's expense, a current survey of the Property (the "Survey"), prepared by a licensed surveyor.
 - b. Buyer shall have twenty (20) days after the receipt of said Title Commitment (the "Approval Period") within which to approve or disapprove the Title Commitment and the Survey, including the

information reflected therein, such approvals or disapprovals to be within the Buyer's sole discretion. If Buyer fails to disapprove any item by written notice to Seller within the Approval Period, Buyer shall be deemed to have approved such item. If Buyer disapproves any such item by written notice to Seller during the Approval Period, Seller shall have the right (without any obligation to do so) to cure or attempt to cure Buyer's objections to such item within ten (10) days after Buyer's notice of disapproval, or, if sooner, by the Closing Date (as hereinafter defined). In the event Seller is unable to or elects not to cure any one or more of the Buyer's objections pursuant to this Agreement, Seller may notify Buyer in writing of such election and request that Buyer waive Buyer's right to terminate this Agreement due to such objection(s) (the "Election Notice"). Unless Seller receives a notice from Buyer within ten (10) days after such Election Notice (the "Response Notice") waiving Buyer's objections to the items specified in the Election Notice, either party shall have the option to terminate this Agreement by notice in writing to the other party.

- c. Seller represents that, to the best of Seller's knowledge, there are no encroachments of the Improvements on neighboring properties, nor are there encroachments of improvements on the Land by neighboring properties which have not been identified to Buyer.
- d. Seller warrants that Seller has not received, nor is Seller aware of, any notification from any governmental agency having jurisdiction requiring any work to be completed on the Land or its Improvements in order to comply with any and all applicable building codes for the City and State in which the Land is situated. Seller further warrants that in the event any such notice is received by Seller prior to Closing, Seller will promptly notify Buyer of same.
- e. The term "Permitted Exceptions", as used herein, shall mean
 - (1) the title exceptions listed in Schedule B of the Title Commitment which Buyer approves or is deemed to approved pursuant to this Section;
 - (2) any general exceptions and exclusions contained in the standard owner's policy of the Title Company; and
 - (3) the exceptions listed on the Warranty Deed attached as Exhibit "C" hereto.

2. Inspection. Buyer may inspect the Property at any reasonable time on or before forty-five (45) days from the date of full execution of this Agreement (the "Inspection Period"). If such inspection reveals any fact or condition unacceptable to Buyer, Buyer may notify Seller in writing prior to the expiration of the Inspection Period of such unacceptable fact or condition and Buyer may, in its sole and absolute discretion, terminate this Agreement. In the event that Buyer does not give such notification to Seller in writing prior to the expiration of the Inspection Period, said inspection of the Property shall be deemed satisfactory to Buyer, and Buyer shall be deemed conclusively to have waived its termination rights under this Section, and Buyer shall thereupon deliver to Escrow Agent on or before the termination of the Inspection Period an additional sum of Sixty-five Thousand Dollars (\$65,000.00) in cash to be held in escrow until Closing, and applied to the Purchase Price at Closing, or otherwise in accordance with the terms of this Agreement, and such amount, together with all interest, if any, earned thereon shall be included in the definition of "Earnest Money" and shall be held in the same account with the original Earnest Money deposit described above. If this Agreement is not terminated in accordance with the terms of this Section, then Buyer understands and agrees that the entire Earnest Money deposit, in the amount of Seventy-five Thousand Dollars (\$75,000.00), together with all interest, if any, earned thereon shall be absolutely non-refundable as to Buyer upon expiration of the Inspection Period in the event Buyer fails to close this transaction for any reason other than as specifically permitted in this Agreement.
3. Subsurface or Environmental Investigations. With respect to any subsurface or environmental investigations (excepting only a Phase I Environmental Audit), Buyer shall notify Seller in writing of its intention or the intention of its agents or representatives to undertake any such investigations at least 48 hours prior to such intended investigations and obtain Seller's written consent to any such investigations to be conducted. At Seller's option, Seller or Seller's agents may be present for any such investigations. Buyer shall bear the cost of all such investigations.
4. Other Inspections. In addition to Property inspections, Buyer may request inspections of any books, records, and other information pertaining to the property in the custody or control of Seller. Buyer's right to make objections, as provided herein, to any fact or condition may relate to any matter whether dealing with a Property inspection or books, records or other information pertaining to the Property that the Buyer may deem unacceptable.
5. Inspection Indemnity. Buyer shall be liable for all costs and expenses, and/or damage or injury to any person or property resulting from any such inspection, whether occasioned by acts of Buyer or any of its employees, agents, or

representatives, and Buyer shall indemnify and hold harmless Seller from any liability, claims or expenses (including, without limitation, mechanic's liens and/or reasonable attorney's fees) resulting therefrom. **The obligations of Buyer set forth in this Section shall survive the Closing or the termination of this Agreement, as applicable.** Additionally, Buyer grants Seller a security interest in the Earnest Money as security for Buyer's indemnification provided in this paragraph.

6. Document Review. Seller shall make available to Buyer, for Buyer's review, the Review Documents, provided that (A) Buyer provided Seller with written notice three (3) business days prior to the day Buyer intends to conduct such review, and (B) Buyer conducts such review within the Inspection Period. As used herein, the term "Review Documents" shall mean and refer to the following:
- a. Rent Roll. A rent roll describing all Rental Agreements that affect the Property as of the date of this Agreement together with photocopies of all Rental Agreements in possession of Seller.
 - b. Contracts. Copies of all contracts in the possession of Seller pertaining to the Property (the "Contracts") as of the date of this Agreement, including, but not limited to, management contracts, service contracts, equipment leases and maintenance contracts.
 - c. Warranties. Copies of all warranties regarding the Property as of the date of this Agreement.
 - d. Plans, Specifications and Surveys. Copies of the as-built plans and specifications for the Property, surveys, and engineering and architectural renderings.
 - e. Certificates of Occupancy, Permits and Licenses. Copies of all permits or licenses issued by any governmental authorities or utility companies in connection with the occupancy and use of the Improvements (including Certificates of Occupancy).
 - f. Operating Statements. Any cash-flow, income, expense or operating statements for the previous three (3) years, including all current information in possession of Seller.
 - g. A list of all personal property (tangible and intangible) currently used in connection with the operation of the Property and included in the transaction contemplated by this Agreement. Personal property shall be transferred by Bill of Sale.

- h. Environmental (Phase I) Audit, if available.
 - i. Boundary survey, if available.
 - j. Water quality reports, including monthly coliform, lead and copper tests, as well as such test results as may be required for the operation of the Water System.
7. Termination. If this Agreement is terminated in accordance with the terms herein, the Earnest Money will be immediately refunded to Buyer and neither party shall have any further obligations except as otherwise contained in this Agreement. Buyer shall, within ten (10) days of such termination, deliver to Seller copies of all surveys, engineering reports and all other information obtained by Buyer from Seller with respect to the Property as a condition precedent to the refund of the Earnest Money Deposit.

V. CLOSING

1. Closing. The closing (the "Closing") shall be held at the office of the Seller's counsel at 2:00 p.m. on or before fifteen (15) days from the expiration of the Inspection Period (the "Closing Date"), unless the parties mutually agree upon another place, time or date.
2. Title Insurer and Closing Agent. Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A. shall act as title insurer and closing agent in this transaction.
3. Possession. Possession of the Property shall be delivered to Buyer at the Closing, subject to the Permitted Exceptions.
4. Proration; Taxes. At Closing, pro-rations of income and expense and the apportionment of taxes shall be as follows:
 - a. All rents, income, utilities, and all other operating expenses with respect to the Property, if any, for the month in which the Closing occurs, and real estate and personal property taxes and other assessments with respect to the Property for the year in which the Closing occurs, shall be prorated as of the date of Closing. If the Closing shall occur before any rents from the Property have actually been paid for the month in which the Closing occurs, the apportionment of any such rent shall be upon basis of such rents actually received by the Seller. Subsequent to the Closing, if any such rents are actually received by Buyer, immediately upon its receipt of such rents, Buyer shall pay to the Seller its proportionate share thereof for such month. Buyer shall make a good faith effort and attempt to

collect any such rents not apportioned at the Closing, for benefit of Seller.

- b. If the Closing shall occur before the tax rate or the assessed valuation of the Property is fixed for the then current year, the apportionment of taxes shall be upon the basis of the tax rate and the assessed valuation of the Property is fixed for the year in which the Closing occurs, the parties agree to adjust the proration of taxes and, if necessary, to refund or repay such sums as shall be necessary to effect such adjustment.
 - c. **The agreements of Seller and Buyer set forth herein shall survive the Closing.**
5. **Closing Costs.** Except as otherwise expressly provided herein, Seller shall pay on the Closing Date the cost of the title insurance premium for the Owner's Policy (as hereinafter defined), the cost of preparation of the deed, any documentary stamps on the deed, certified and pending municipal special assessment liens for which the work has been substantially completed, and other customary charges and costs of closing customarily paid by sellers, and Buyer shall pay on the Closing Date all recording costs, pending special assessment liens for which work has not been substantially completed, the cost of any inspections and other customary charges and costs of closing customarily paid by buyers. Except as otherwise provided herein, each party shall pay its own attorneys' fees.
6. **Seller's Obligations at the Closing.** At the Closing, Seller shall deliver to Buyer the following documents:
- a. **Deed.** Warranty Deed (the "Deed") conveying the Land and the Improvements located thereon to Buyer subject to no exceptions other than the Permitted Exceptions, in the form attached to this Agreement as Exhibit "C".
 - b. **Evidence of Authority.** Copy of such documents and resolutions as may be acceptable to the Title Company, so as to evidence the authority of the person signing the Deed and other documents to be executed by Seller at the Closing and the power and authority of Seller to convey the Property to Buyer in accordance with this Agreement.
 - c. **Foreign Person.** An affidavit of Seller certifying that Seller is not a "foreign person," as defined in the Federal foreign Investment in Real Property Tax Act of 1980, and that 1984 Tax Reform Act, as amended, in accordance with Section 1445 of the Internal Revenue Code.

- d. Owner's Affidavit. In the event Buyer purchases an Owner's Policy of Title Insurance, an executed affidavit or other documents acceptable to Seller and the Title Company in issuing the Owner's Policy without exception for possible lien claims of mechanics, laborers and materialmen.
 - e. Bill of Sale and Assignment. Bill of Sale and Assignment (the "Bill of Sale") assigning to Buyer the Tangible Personal Property and the Intangible Property, in the form attached to this Agreement as Exhibit "D".
 - f. Rental Agreements. The originals of all of the Rental Agreements, and a schedule of all security deposits, and Seller shall have no liability to Buyer for any tenant security deposit not actually paid to Seller and the Assignment and Assumption of Rental Agreements (the "Assignment and Assumption of Rental Agreements") executed by Seller assigning to Buyer the Rental Agreements, in the form attached to this Agreement as Exhibit "E".
 - g. Contracts. The originals of all of the Contracts, if any, in the possession of Seller.
 - h. Warranties. The originals of all warranties regarding the Property, if any, in the possession of the Seller.
 - i. Closing Statement. A closing statement setting forth the allocation of closing costs, purchase proceeds, etc.
7. Buyer's Obligations at the Closing. At Closing, Buyer shall deliver to Seller the following:
- a. Purchase Price. The Purchase Price by wire transfer, cashier's check drawn on a Florida bank or savings and loan institution, or other immediately available funds payable to Batsel, McKinley Trust Account;
 - b. Evidence of Authority. Such consents and authorizations as Seller may reasonably deem necessary to evidence authorizations of Buyer for the purchase of the Property, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by the Buyer in connection with Closing; and
 - c. Other Documentation. Such other documents as may be reasonable and necessary in the opinion of Seller or its counsel to

consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions of this Agreement, including any of the documents set forth above which provide for Buyer's signature.

VI. RISK OF LOSS

1. Condemnation. If, prior to the Closing, action is initiated to take any material portion of the Property by eminent domain proceedings or by deed in lieu of thereof, Buyer may either (a) terminate this Agreement, or (b) consummate the Closing, in which latter event the award of the condemning authority shall be assigned to Buyer at the Closing.
2. Casualty. Seller assumes all risks and liability for damage to or injury occurring to the Property by fire, storm, accident, or any other casualty or cause until the Closing has been consummated. If the Property, or any part thereof, suffers any damage in excess of \$25,000.00 prior to the Closing from fire or other casualty, which Seller, at its sole option, does not repair, Buyer may either (a) terminate this Agreement, or (b) consummate the Closing, in which latter event the proceeds of any insurance not exceeding the Purchase Price and covering such damage shall be assigned to Buyer at the Closing. If the Property, or any part thereof, suffers any damage less than \$25,000.00 prior to the Closing, Buyer agrees that it will consummate the Closing and accept assignment of the proceeds of any insurance covering such at the Closing.

VII. DEFAULT

1. Breach by Seller. If Seller breaches this Agreement, Buyer may, as Buyer's sole and exclusive remedy hereunder, either (a) terminate this Agreement and thereupon shall be entitled to the immediate return of the Earnest Money, or (b) enforce specific performance of this Agreement. In no event shall Seller be liable to Buyer for any actual, punitive, speculative, consequential or other damages of any kind.
2. Breach of Buyer. If Buyer breaches this Agreement, Seller may, as Seller's sole remedy and relief hereunder, terminate this Agreement and thereupon be entitled to receive the entire Earnest Money as liquidated damages (and not as a penalty). Seller and Buyer have made the above provision for liquidated damages because it would be difficult to calculate, on the date hereof, the amount of actual damages for such breach, and that these sums represent reasonable compensation to Seller for such breach.
3. Return/Delivery of Earnest Money. In the event the Earnest Money is returned to the Buyer, as provided above, or delivered to the Seller, as

System. The agreements of Seller and Buyer set forth herein shall survive the Closing.

XI. MISCELLANEOUS

1. Notices. All notices, demands and requests which may be given or which are required to be given by either party to the other under this Agreement, and any exercise of a right or termination provided by this Agreement, shall be in writing and shall be deemed effective when either:
 - a. personally delivered to the intended recipient;
 - b. three (3) business days after having been sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address specified below;
 - c. delivered in person to the address set forth below for the party to whom the notice was given;
 - d. at noon of the business day next following after having been deposited into the custody of a nationally recognized overnight delivery service such as Federal Express Corporation, Emery, or Purolator, addressed to such party at the address specified below; or
 - e. immediately if sent during regular business hours or at 8:30 a.m. local time on the next business day following an after-hours, weekend or holiday notice sent by facsimile, telegram or telex, provided that receipt for such facsimile, telegram or telex is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Notices shall be effective on the date of delivery or receipt, or, if delivery is not accepted, on the earlier of the date that delivery is refused or three (3) days after the date the notice is mailed.

For purposes of this Section, the addresses of the parties for all notices are as follows (unless changed by similar notice in writing given by the particular person whose address is to be changed):

If to Seller:

Mr. and Mrs. Edward Maslanka
3737 El Jobean Road
Port Charlotte, Florida 33948

13. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts which, taken together, shall constitute collectively one (1) agreement; but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
14. Date of this Agreement. This Agreement shall be null and void unless the Buyer, no later than _____, delivers three (3) executed copies of this Agreement to Seller at the address set forth above. As used in this Agreement, the terms "date of this Agreement" or "date hereof" shall mean and refer to the date of execution of this Agreement by Seller.
15. Exhibits. The following exhibits are attached to this Agreement and are incorporated into this Agreement and made a part hereof:
- a. Exhibit "A" - Legal Description of the Land;
 - b. Exhibit "B" - Escrow Agreement;
 - c. Exhibit "C" - Warranty Deed;
 - d. Exhibit "D" - Bill of Sale;
 - e. Exhibit "E" - Assignment and Assumption of Rental Agreements;
 - f. Exhibit "F" - Park Model Inventory; and
 - g. Exhibit "G" - Exchange Trust Agreement.
16. Authority. Each party hereto represents and warrants to the other that the execution of this Agreement and any other documents required or necessary to be executed pursuant to the provisions hereof are valid, binding obligations and are enforceable in accordance with their terms.
17. Recordation. Neither this Agreement nor any memorandum or other summary of this Agreement shall be placed of public record under any circumstances except with the prior written consent of the Seller and the Buyer.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal by persons duly empowered to bind the parties to perform their respective obligations hereunder the day and year set forth beside their respective signatures.

"SELLER"

"BUYER:"

Edward Maslanka
Edward Maslanka
Taxpayer Identification No. 382-63-2433

SunLife RV Resorts, L.L.C., a Delaware limited liability company,

Marie Maslanka
Marie Maslanka
Taxpayer Identification No. 382-20-2431

David A. Napp
Printed Name: David A. Napp
As its: Director

Dated: Aug 15, 1996

Dated: August 19, 1996

HARBOR LAKES WATER SYSTEMS, INC.,
a Florida corporation,

Edward Maslanka, as President
Edward Maslanka, as President

Dated: Aug 15, 1996

C:\WPDOCS\DOCS\MASLANKA.PSA
August 13, 1996 (2:33pm)

With a copy to:

Michael R. McKinley, Esquire
Batsel, McKinley, Ittersagen, Gunderson & Berntsson, P.A.
18401 Murdock Circle
Port Charlotte, Florida 33948

If to Buyer:

Mr. James W. Singleton, IV
English Morgan & Blake, Inc.
4141 North Scottsdale Road, Suite 100
Scottsdale, Arizona 85251

With a copy to:

David Eastman, Esquire
Skelding, Labasky, Corry, Eastman, Hauser & Jolly, P.A.
318 North Monroe Street
Tallahassee, Florida 32301

2. Real Estate Commission. Except as stated in this paragraph, neither Seller nor Buyer has contacted any real estate broker, finder or similar person in connection with the transaction contemplated hereby and that neither party is obligated to pay any brokerage fee or commission in connection with this sale. Seller agrees to pay to the real estate brokers set forth below upon the closing of this transaction contemplated hereby, and not otherwise, a cash commission in the aggregate amount of five percent (5%) of the Purchase Price, as follows:

Ted Naumann Ted Naumann Realty	2%
James W. Singleton, IV English Morgan & Blake, Inc.	1.5%
Allyn Maycumber Ann Cross Real Estate	1.5%

3. Other Brokers. To the actual knowledge of Seller and of Buyer, except for the real estate broker(s) listed above, no Acquisition Fees (as hereinafter defined) have been paid or are due and owing to any person or entity by the Seller and the Buyer. As used herein, "Acquisition Fees" shall mean all fees paid to any person or entity in connection with the selection and purchase of the

Property including real estate commissions, selection fees, nonrecurring management and start-up fees, development fees or any other fee of similar nature. Seller and Buyer, each hereby agrees to indemnify and hold harmless the other from and against any and all claims for Acquisition Fees or similar charges with respect to this transaction, arising by, through or under the indemnifying party, and each further agrees to indemnify and hold harmless the other from any loss or damage resulting from an inaccuracy in the representations contained in this Section. **This indemnification agreement of the parties shall survive the Closing.**

4. 1031 Exchange. Seller intends that this contract be part of a Section 1031 Tax Free Exchange. Buyer agrees to cooperate with Seller in such exchange, provided, however, that the same shall be without cost and expense to Buyer. Notwithstanding the above, this contract is not contingent upon Seller obtaining tax free exchange treatment and no cooperation of Buyer or assignments of contract by Seller shall release Seller of any liability hereunder nor shall the same be grounds for extending closing. Buyer and Seller shall enter into with AmSouth Bank of Florida ("Trustee") an Exchange Trust Agreement in the form attached hereto as Exhibit "G", with regard to the rights and obligations of Trustee, Buyer and Seller with regard to the 1031 Exchange.
5. Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties, nor any representations made by either party relative to the subject matter hereof, which are not expressly set forth herein.
6. Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.
7. Headings. The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.
8. Time of Essence. Time is of the essence of this Agreement; however, if the final date of any period which is set out in any provision of this Agreement falls on Saturday, Sunday or legal holiday under the laws of the United States or the State of Florida, then, in such event, the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.
9. Governing Law. This Agreement shall be governed by the laws of the State of Florida and the laws of the United States pertaining to transactions in such State. All of the parties to this Agreement have participated freely in the

negotiation and preparation hereof; accordingly, this Contract shall not be more strictly construed against any one of the parties hereto.

10. Successors and Assigns; Assignment. This Agreement shall bind and inure to the benefit of Seller and Buyer and their respective heirs, executors, administrators, personal and legal representatives, successors and assigns. Buyer shall not assign Buyer's rights under this Agreement without the prior written consent of Seller which consent shall not be unreasonably withheld, provided, however, that any potential Assignee must expressly assume all of the terms, conditions and obligations of this Agreement in writing and execute a confidentiality agreement in the form and substance acceptable to Seller, and provided, further, upon such assumption, Buyer shall not be released from the provisions hereof. It is agreed that if an Assignee is purchasing less than all of the Land, the assumption agreement shall be limited, to the extent practical, on a pro rata basis based on the portion of the Land being acquired by such Assignee. Notwithstanding the foregoing, Buyer shall have the right, after giving written notice to Seller, to assign this Agreement to a corporation or partnership which is affiliated with and controlled by Buyer. For the purpose of the preceding sentence, "controlled" shall mean an ownership or equity interest of greater than fifty percent (50%). Such written notice shall include the name and address of such entity and shall set forth all shareholders and officers, in the event such assignee is a corporation, or all partners, both general and limited, in the event such assignee is a partnership, and the percentage of ownership of each of such shareholders or partners, and Buyer shall also be obligated to provide such other information or documentation as Seller may deem appropriate in connection with any such assignment.
11. Invalid Provision. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such illegal, invalid or unenforceable provision or by its severance from this Agreement.
12. Attorneys' Fees. In the event it becomes necessary for either party hereto to file suit to enforce this Agreement or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages, as provided herein, reasonable attorneys' fees, paralegal fees and cost incurred in such suit at trial, appellate, bankruptcy and/or administrative proceedings.

Part 2.A. - Exhibit 1

Sun Coast Utility is a firm that manages and operates water and wastewater systems in the Jacksonville area.

Our firm does all the repairs both on the distribution system as well as the treatment plant itself. We also do the billing and have certified operators to take care of the facility therefore, very little has to be subcontracted out.

The officers with our firm have a combined experience of 60 years in the water and wastewater field and have operated the McRae system since it was built in 1977. Some of the firms we have worked for in the past are:

1. City of Jacksonville
2. Southern States Utility
3. Clay Utility Company
4. Duval Utility Company
5. Beauclere Utility

Sun Coast Utility will operate the McRae water system with receivables brought in from the system. Please see last year's (PSC) report, also marked Part 2.A - Exhibit 1.

Part 2.C. - Exhibit 2

1. No monies changed hands during the transaction at this time. Please see exhibit marked Part 2.C. - Exhibit 2-1.
2. On exhibit marked Part 2.C. - Exhibit 2-2, you will see the excerpt taken from page W-1 of the 1995 (PSC) report.
3. On August 1, 1995, Sun Coast Utility entered into an agreement between Duval and Sun Coast Utility. This is marked Part 2.C. - Exhibit 2-3.
 - 3a. Deposits were already on file at Sun Coast Utility.
 - 3b. None.
 - 3c. None.
 - 3d. None.
 - 3e. None.
 - 3f. None.

EXHIBIT "A"

to

PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

LEGAL DESCRIPTION OF THE LAND



"Exhibit A"

A portion of Plan No. 1 of a part of Ward Seven, El Jobean, as recorded in Plat Book 2, Page 37, of the Public Records of Charlotte County, Florida, and a portion of Plan No. 2. of a part of Ward 7, El Jobean, as recorded in Plat Book 2, Page 48, of the Public Records of Charlotte County, Florida, all being more particularly described as follows:

Beginning at the intersection of the Northerly right-of-way line of Russell Avenue and the centerline of the C.H. & N. Railroad; Thence South $72^{\circ}11'23''$ West, along the Northerly right-of-way line of said Russell Avenue, a distance of 1,257.07 feet to a point on the arc of a curve whose radius point bears South $67^{\circ}00'19''$ West, from said point, and being the right-of-way line of Seminole Circle; Thence, Northerly and Westerly, along the arc of said curve, having a radius of 332 feet and a central angle of $49^{\circ}37'52''$, an arc distance of 287.59 feet, to the Easterly right-of-way line of Southland Avenue; Thence North, $12^{\circ}11'23''$ East, along said Easterly right-of-way line, a distance of 2,024.95 feet; Thence North $77^{\circ}48'37''$ West, a distance of 1,390.0 feet, to the center of Lincoln Park; Thence North $77^{\circ}22'27''$ East, a distance of 332.0 feet, to a point on the Southerly right-of-way line of Dade Avenue; Thence North $72^{\circ}11'23''$ East, along said Southerly right-of-way line, a distance of 1,222.43 feet, to the intersection of the Southerly right-of-way line of said Dade Avenue and the Southerly right-of-way line of Rowe Avenue; Thence South $47^{\circ}48'37''$ East, along the Southerly right-of-way line of said Rowe Avenue, a distance of 1,323.02 feet, to a point on the arc of a circular curve whose radius point bears South $55^{\circ}14'24''$ East, from said point, said point being on the boundary of Lee Park; Thence Northerly and Easterly, along the arc of said curve, having a radius of 232 feet and a central angle of $67^{\circ}25'47''$, an arc distance of 273.03 feet, to the centerline of said C.H. & N. Railroad; Thence South $12^{\circ}11'23''$ West, along said centerline, a distance of 1,767.75 feet to the Point of Beginning.

EXHIBIT "B"

to

PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

ESCROW AGREEMENT



"Exhibit A"

A portion of Plan No. 1 of a part of Ward Seven, El Jobean, as recorded in Plat Book 2, Page 37, of the Public Records of Charlotte County, Florida, and a portion of Plan No. 2. of a part of Ward 7, El Jobean, as recorded in Plat Book 2, Page 48, of the Public Records of Charlotte County, Florida, all being more particularly described as follows:

Beginning at the intersection of the Northerly right-of-way line of Russell Avenue and the centerline of the C.H. & N. Railroad; Thence South $72^{\circ}11'23''$ West, along the Northerly right-of-way line of said Russell Avenue, a distance of 1,257.07 feet to a point on the arc of a curve whose radius point bears South $67^{\circ}00'19''$ West, from said point, and being the right-of-way line of Seminole Circle; Thence, Northerly and Westerly, along the arc of said curve, having a radius of 332 feet and a central angle of $49^{\circ}37'52''$, an arc distance of 287.59 feet, to the Easterly right-of-way line of Southland Avenue; Thence North, $12^{\circ}11'23''$ East, along said Easterly right-of-way line, a distance of 2,024.95 feet; Thence North $77^{\circ}48'37''$ West, a distance of 1,390.0 feet, to the center of Lincoln Park; Thence North $77^{\circ}22'27''$ East, a distance of 332.0 feet, to a point on the Southerly right-of-way line of Dade Avenue; Thence North $72^{\circ}11'23''$ East, along said Southerly right-of-way line, a distance of 1,222.43 feet, to the intersection of the Southerly right-of-way line of said Dade Avenue and the Southerly right-of-way line of Rowe Avenue; Thence South $47^{\circ}48'37''$ East, along the Southerly right-of-way line of said Rowe Avenue, a distance of 1,323.02 feet, to a point on the arc of a circular curve whose radius point bears South $55^{\circ}14'24''$ East, from said point, said point being on the boundary of Lee Park; Thence Northerly and Easterly, along the arc of said curve, having a radius of 232 feet and a central angle of $67^{\circ}25'47''$, an arc distance of 273.03 feet, to the centerline of said C.H. & N. Railroad; Thence South $12^{\circ}11'23''$ West, along said centerline, a distance of 1,767.75 feet to the Point of Beginning.

EXHIBIT "C"
to
PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

WARRANTY DEED



WARRANTY DEED

Parcel ID Number:

This Indenture, Made this ____ day of _____, 1996, A.D., Between EDWARD MASLANKA and MARIE MASLANKA of the County of Charlotte, State of Florida, grantor, and SUNLIFE RF RESORT, a Delaware limited liability company, whose address is _____, grantee.

WITNESSETH that the grantor, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable consideration to grantor in hand paid by grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said grantee and grantee's heirs and assigns forever, the land, situate, lying and being in the County of Charlotte, State of Florida, described in Exhibit "A", attached hereto and made a part hereof, and the grantor does hereby fully warrant the title to said land, and will defend the same against lawful claims of all persons whomsoever, subject to restrictions, reservations and easements of record, if any, and taxes subsequent to 1995.

IN WITNESS WHEREOF, the grantor has hereunto set its hand and seal the day and year first above written.

Signed, sealed and delivered
in our presence:

Witness as to Both
Printed Name: _____

Edward Maslanka

Witness as to Both
Printed Name: _____

Marie Maslanka

STATE OF FLORIDA COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day ____ day of _____, 1996, before me, an officer duly qualified to take acknowledgements, personally appeared Edward Maslanka and Marie Maslanka, to me known to be the persons described in and who executed the foregoing instrument and they acknowledged before me that they executed the same for the purposes set forth therein.

WITNESS my hand and official seal in the County and State last aforesaid this __ day of _____, 1996.

NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY
Michael R. McKinley, Esquire
Batsel, McKinley, Ittersagen,
Gunderson & Bernitsan, P.A.
16401 Murdock Circle
Port Charlotte, Florida 33948

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"Exhibit A"

A portion of Plan No. 1 of a part of Ward Seven, El Jobean, as recorded in Plat Book 2, Page 37, of the Public Records of Charlotte County, Florida, and a portion of Plan No. 2. of a part of Ward 7, El Jobean, as recorded in Plat Book 2, Page 48, of the Public Records of Charlotte County, Florida. all being more particularly described as follows:

Beginning at the intersection of the Northerly right-of-way line of Russell Avenue and the centerline of the C.H. & N. Railroad; Thence South $72^{\circ}11'23''$ West, along the Northerly right-of-way line of said Russell Avenue, a distance of 1,257.07 feet to a point on the arc of a curve whose radius point bears South $67^{\circ}00'19''$ West, from said point, and being the right-of-way line of Seminole Circle; Thence, Northerly and Westerly, along the arc of said curve, having a radius of 332 feet and a central angle of $49^{\circ}37'52''$, an arc distance of 287.59 feet, to the Easterly right-of-way line of Southland Avenue; Thence North, $12^{\circ}11'23''$ East, along said Easterly right-of-way line, a distance of 2,024.95 feet; Thence North $77^{\circ}48'37''$ West, a distance of 1,390.0 feet, to the center of Lincoln Park; Thence North $77^{\circ}22'27''$ East, a distance of 332.0 feet, to a point on the Southerly right-of-way line of Dade Avenue; Thence North $72^{\circ}11'23''$ East, along said Southerly right-of-way line, a distance of 1,222.43 feet, to the intersection of the Southerly right-of-way line of said Dade Avenue and the Southerly right-of-way line of Rowe Avenue; Thence South $47^{\circ}48'37''$ East, along the Southerly right-of-way line of said Rowe Avenue, a distance of 1,323.02 feet, to a point on the arc of a circular curve whose radius point bears South $55^{\circ}14'24''$ East, from said point, said point being on the boundary of Lee Park; Thence Northerly and Easterly, along the arc of said curve, having a radius of 232 feet and a central angle of $67^{\circ}25'47''$, an arc distance of 273.03 feet, to the centerline of said C.H. & N. Railroad; Thence South $12^{\circ}11'23''$ West, along said centerline, a distance of 1,767.75 feet to the Point of Beginning.

EXHIBIT "D"
to
PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

BILL OF SALE

BILL OF SALE ABSOLUTE

KNOW ALL MEN BY THESE PRESENTS, that Edward Maslanka and Marie Maslanka (hereinafter "Seller"), of Charlotte County, Florida, for and in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, paid by SunLife RV Resorts, L.L.C., a Delaware limited liability company (hereinafter "Buyer") whose address is _____, the receipt whereof is hereby acknowledged, has granted, bargained, sold, transferred, and delivered, and by these presents does grant, bargain, sell, transfer and deliver unto Buyer, the goods and chattels described in Exhibit "A", attached hereto and made a part hereof, located on the premises known as Harbor Lakes Mobile Home and RV Resort.

TO HAVE AND TO HOLD the same unto the Buyer, Buyers' executors, administrators and assigns forever.

AND Seller does, for Seller and Seller's heirs, executors and administrators, covenant to and with the Buyer, Buyers' executors, administrators and assigns, that Seller is the lawful owner of said goods and chattels, that it is free from all encumbrances; that Seller has good right to sell the same aforesaid; and that Seller will warrant and defend the sale of said property, goods and chattels hereby made, unto Buyer, Buyers' executors, administrators and assigns against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, Seller has executed this instrument on this ___ day of _____, 1996.

Signed, sealed and delivered
in the presence of:

Witness as to Both
Printed Name: _____

Edward Maslanka

Witness as to Both
Printed Name: _____

Marie Maslanka

STATE OF FLORIDA COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day ___ day of _____, 1996, before me, an officer duly qualified to take acknowledgements, personally appeared Edward Maslanka and Marie Maslanka, to me known to be the persons described in and who executed the foregoing instrument and they acknowledged before me that they executed the same for the purposes set forth therein.

WITNESS my hand and official seal in the County and State last aforesaid this ___ day of _____, 1996.

NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY
Michael R. McKinley, Esquire
Batsel, McKinley, Ibersagen,
Gunderson & Bertsson, P.A.
18401 Murdock Circle
Port Charlotte, Florida 33948

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EXHIBIT "E"
to
PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

ASSIGNMENT AND ASSUMPTION OF RENTAL AGREEMENTS

ASSIGNMENT OF RENTAL AGREEMENTS

THIS ASSIGNMENT is made as of this ___ day of July, 1996, between Edward and Marie Maslanka, whose mailing address is 3737 El Jobean Road, Port Charlotte, Florida 33952, as Assignor, and SunLite RV Resort, a Delaware limited liability company, whose mailing address is _____, as Assignee.

WITNESSETH, that the said Assignor, for and in consideration of the sum of Ten (\$10.00) Dollars, and other good and valuable considerations to the Assignor in hand paid by said Assignee, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer, grant, convey, and set over unto the said Assignee, and the Assignee's heirs, successors and assigns forever all of the Assignor's right, title and interest in and to any and all Rental Agreements for Harbor Lakes Mobile Home and RV Park (the "Rental Agreements").

The Assignor does hereby grant, authorize and empower the Assignee to exercise, collect and receive all rights, benefits and revenues as all of the same shall become due under the Rental Agreements. The Assignor warrants and represents the following: (i) the Rental Agreements delivered to the Assignee with this Assignment constitute the entire agreement and understanding of the Assignor with the Tenant under the Rental Agreement; (ii) the Assignor has fully performed all obligations required to be performed by Assignor under the Rental Agreement prior to the date of this Assignment; (iii) to the best of Assignor's knowledge and belief the Rental Agreements are in full force and effect in accordance with their respective terms and provisions subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors and debtors now or hereafter in effect, and further subject to the enforceability of any remedy which may call for the exercise of discretion by a court exercising its equitable jurisdiction or as to the availability of any equitable remedy including, without limitation, specific performance, injunctive relief, or the appointment of a receiver; and (iv) to the best of Assignor's knowledge and belief, the Assignor is not in default as of the date of this Assignment under the respective terms and provisions of the Rental Agreements.

The Assignee herein, by acceptance of this Assignment, shall have all of the rights, benefits, privileges and obligations, and be subject to the same defenses, to which the Assignor is now subject under the Rental Agreements. The Assignee expressly assumes the Rental Agreements and agrees to act in the place and stead of the Assignor and further agrees to fully indemnify and hold the Assignor harmless as to any and all claims, actions, damages, suits and disputes of every kind and nature whatsoever arising subsequent to the date of this Assignment.

In Witness Whereof, the Assignor has executed this Assignment as of the day and year first above written.

Signed, sealed and delivered in the presence of:

Witness as to both
Printed Name: _____

Edward Maslanka

Witness as to both
Printed Name: _____

Marie Maslanka

ACCEPTANCE OF ASSIGNMENT

THE ASSIGNEE TO THE FOREGOING ASSIGNMENT HEREBY ACCEPTS and agrees to be bound by the terms and conditions set forth above as of the date first above written.

Signed, Sealed and Delivered
in the presence of:

Witness
Printed Name: _____

SunLife RV Resorts, L.L.C., a Delaware limited liability company.

Witness
Printed Name: _____

BY: _____
Printed name: _____
As its: _____

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EXHIBIT "F"

to

PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

PARK MODEL INVENTORY

EXHIBIT "F"

PARK MODEL INVENTORY

(As of 08/13/96)

QUANTITY	PARK MODEL	COST
1	Skyline Cutlass	\$13,582.32
1	Skyline Chaparol	\$23,665.41
1	Fleetwood Britney	\$14,055.00
1	Skyline Manager Unit	@\$12,000.00
1	Fleetwood Suncrest	\$38,190.00
1	Summerset Limited	\$31,894.01
1	Fleetwood Oak Manor	\$29,594.56
1	Skyline Shore Park	\$32,130.63
1	Skyline Shore Park	\$32,945.78

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EXHIBIT "G"
to
PURCHASE AND SALE AGREEMENT

Between

**Edward Maslanka and Marie Maslanka and
Harbor Lakes Water System, Inc., a Florida corporation**

SELLER

and

SunLife RV Resorts, L.L.C., a Delaware limited liability company

BUYER

EXCHANGE TRUST AGREEMENT

EXCHANGE TRUST AGREEMENT

THIS AGREEMENT, made as of the ____ day of July, 1996, by and between AmSouth Bank of Florida ("Trustee"), SunLife RV Resorts, L.L.C., a Delaware limited liability company ("Exchangor") and Edward and Marie Maslanka ("Beneficiary").

WITNESSETH:

WHEREAS, Beneficiary is the owner of the real estate described in Exhibit "A" of this Agreement (the "Park"); and

WHEREAS, Exchangor desires to acquire the Park; and

WHEREAS, Beneficiary does not wish to sell the Park for cash but instead desires to exchange the Park for other real property of like kind within the meaning of §1031 of the Internal Revenue Code, as amended, (the "Code") and the regulations promulgated thereunder; and

WHEREAS, Exchangor and Beneficiary have entered into an agreement with respect to the Park (the "Exchange Agreement"); and

WHEREAS, Exchangor and Beneficiary have agreed that Exchangor will, for purposes of the Exchange Agreement, acquire other real property of "like-kind" within the meaning of §1031 of the Code (the "Exchange Property") in satisfaction of its obligations under the Exchange Agreement, and that Exchangor will create the Trust provided for in this Agreement to secure its obligations to complete a tax deferred exchange within the meaning of §1031 of the Code and the regulations promulgated thereunder; and

WHEREAS, Exchangor, Beneficiary and Trustee intend that this Agreement create a Qualified Trust for purposes of Treas. Regs. §1.1031(k)-1(g)-(3).

NOW THEREFORE, it is mutually agreed as follows:

FIRST

A. On the Closing Date, Exchangor shall deposit with the Trustee the net purchase price due to the Beneficiary in consideration of the transfer of the Park ("Exchange Funds").

B. The Exchangor Funds, together with accumulated income therefrom, shall constitute the "Trust Estate" under this Agreement.

C. Trustee shall invest and reinvest the Exchangor Funds in _____.

SECOND

A. Except as provided in Paragraph B of this Section, the Trust Estate shall be used only to make required earnest money deposits and to complete the acquisition of Exchange Property, consistent with the Exchange Agreement. Trustee shall direct the Seller of the Exchange Property to convey legal title to the Exchange Property directly to Beneficiary.

B. Beneficiary shall have no right to receive, pledge, borrow or otherwise obtain the benefits of the funds in the Trust Estate prior to one of the following occurrences:

(i) The Beneficiary shall fail to identify at least one Exchange Property by written notice to the Exchangor prior to the 46th day from the Closing Date on the Premises;

(ii) The Beneficiary has received all of the Exchange Properties to which the Beneficiary is entitled under the Exchange Agreement; or

(iii) Funds remain in this Trust after the end of the Exchange Period (i.e., the earlier of 180 days after the Closing Date on the Premises or the due date of Beneficiary's federal income tax return for the year in which such Closing occurs (determined with regard to extension). Upon such occurrence, the unexpended and unapplied Trust Estate shall be paid to the Beneficiary and this Trust will thereupon terminate. However, in no event shall the Trustee disburse the funds comprising the Trust Estate on or before 46 days from the Closing Date on the Premises except as is necessary for acquisition of Exchange Properties.

THIRD

A. Trustee shall, as Trustee, hold legal title to all property at any time constituting part of the Trust Estate and shall hold such property, in trust, to be held, administered and disposed of by Trustee pursuant to the terms of this Trust Agreement.

B. Trustee shall not be required to inquire into the propriety of any direction given it by Beneficiary under this Agreement.

FOURTH

A. (1) No trustee shall be required to give any bond as trustee; to qualify before, be appointed by or in the absence of breach of trust to account to any court; or to obtain the order or approval of any court in the exercise of any power or discretion.

(2) Neither the Exchangor nor any other person paying money or delivering any property to any trustee need see to its application.

(3) The trustee shall be entitled to reasonable compensation for services in administering and distributing the Trust Estate, and to reimbursement for expenses.

(4) The Trustee may rely upon any notice, certificate, affidavit, letter, telegram or other paper or document believed by it to be genuine, or upon any evidence deemed by it to be sufficiency, in making any payment or distribution. The Trustee shall incur no liability for any payment or distribution made in good faith and without actual notice or knowledge of a changed condition or status affecting any person's interest in the Trust.

(5) Whenever the context requires or permits, the gender and number of words shall be interchangeable.

B. The Trustee shall have all of the powers and authority conferred by the law of Florida on trustees generally (including without litigation all powers and authority necessary or desirable to carry out the purpose of this Trust).

FIFTH

A. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

B. All notices to be given under this Agreement shall be in writing and served personally or by registered or certified mail, or overnight courier at the following addresses:

To Trustee: AmSouth Bank of Florida
ATTN: Steve Timberlake
70 North Baylen Street
Pensacola, Florida 32501

To Beneficiary: Edward and Marie Maslanka
3737 El Jobean Road
Port Charlotte, Florida 33953

With a copy to: Gary B. Leuchtman
Beggs & Lane
Post Office Box 12950
Pensacola, Florida 32576-2950

or such other addresses as any party may heretofore designated by written notice so served. Each such notice shall be deemed served on the date on which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be.

C. Each of the terms and provisions of this Agreement is and is to be deemed severable in whole or in part and, if any term or provision or the application thereof in any circumstances should be invalid, illegal or unenforceable, the remaining terms and provisions or the application thereof in any circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected and shall remain in full force and effect.

D. This Agreement and the rights and obligations of the parties hereto shall inure to the benefit of and shall bind the parties hereto and their respective successors and assigns. In the event Beneficiary terminates, dissolves, or dies prior to the time of distribution of any property otherwise distributable to Beneficiary, said property shall be distributed to Beneficiary's successors and assigns or, in the event of Beneficiary's death, to his estate.

E. The Exchangor and Trustee hereby acknowledge and agree that, for federal income tax purposes, income earned on the Exchangor Funds will be attributed to Beneficiary, and that the Trustee will report to the IRS the income earned on the Exchangor Funds in the aforesaid manner. Beneficiary's United States taxpayer identification numbers are set forth below their signatures. Beneficiary's address is 3737 El Jobean Road, Port Charlotte, Florida, 33953.

F. This Agreement is irrevocable and shall not be amended, altered or revoked.

G. Trustee represents that to the best of its knowledge it is not a "disqualified person", as defined in Regs. §1.1031(k)-1(k).

SIXTH

Notwithstanding anything herein to the contrary, this Agreement is intended to create a qualified trust for purposes of Regs. §1.1031(k)-1(g)(3) and it shall be interpreted and construed accordingly.

Exchange Trust Agreement to be executed, in triplicate, the day and year first above written.

TRUSTEE

AmSouth Bank of Florida
as Trustee as aforesaid

By: _____
Printed Name: _____
As Its: _____
Dated: _____

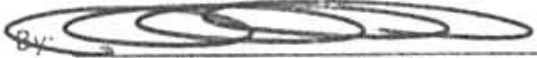
BENEFICIARY

EXCHANGOR

Edward Maslanka
Taxpayer Identification No. _____

SunLife RV Resorts, L.L.C., a Delaware
limited liability company,

Marie Maslanka
Taxpayer Identification No. _____

By: 
Printed Name: David A. Napp
As its: Director

Dated: _____

Dated: August 19, 1996

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ASSIGNMENT OF CONTRACTS

THIS ASSIGNMENT is made as of this ___ day of June, 1997, between LEMB, L.P., a Delaware limited Partnership, whose mailing address is 4141 North Scottsdale Road, Suite 100, Scottsdale, Arizona 85251, as Assignor, and NHC Utilities, Inc., a Florida corporation, whose mailing address is 3737 El Jobean Road, Port Charlotte, Florida, 33953, as Assignee;

WITNESSETH, that the said Assignor, for and in consideration of the sum of Ten (\$10.00) Dollars, and other good and valuable considerations to the Assignor in hand paid by said Assignee, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer, grant, convey, and set over unto the said Assignee, and the Assignee's heirs, successors and assigns forever all of the Assignor's right, title and interest in and to the following Contracts for or pertaining to Harbor Lakes Water System, Inc. (the "Agreements"):

1. Purchase and Sale Agreement between Edward and Marie Maslanka and Harbor Lakes Water System, Inc., a Florida corporation, as Seller and SunLife RV Resorts, L.L.C., a Delaware limited liability company as Buyer, dated August 15, 1996, as amended and assigned;
2. Escrow Agreement between Edward and Marie Maslanka and Harbor Lakes Water System, Inc., a Florida corporation, as Seller; SunLife RV Resorts, L.L.C., a Delaware limited liability company as Buyer and Batsel, McKinley, Ittersagen, Gunderson & Bernisson, P.A., dated August 15, 1996, as assigned; and
3. Escrow Agreement for Harbor Lakes Water System, Inc., between and among Edward and Marie Maslanka and Harbor Lakes Water System, Inc., a Florida corporation, as Seller, LEMB, L.P., a Delaware limited partnership, as Buyer and Batsel, McKinley, Ittersagen, Gunderson & Bernisson, P.A., as Escrow Agent dated December 2, 1996.

The Assignor does hereby grant, authorize and empower the Assignee to exercise, collect and receive all rights, benefits and revenues as all of the same shall become due under the Agreements. The Assignor warrants and represents the following: (i) the Agreements delivered to the Assignee with this Assignment constitute the entire agreement and understanding of the Assignor under the Agreement; (ii) the Assignor has fully performed all obligations required to be performed by Assignor under the Agreement prior to the date of this Assignment, (iii) to the best of Assignor's knowledge and belief the Agreements are in full force and effect in accordance with their respective terms and provisions subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors and debtors now or hereafter in effect, and further subject to the enforceability of any remedy which may call for the exercise of discretion by a court exercising its equitable jurisdiction or as to the availability of any equitable remedy including, without limitation, specific performance, injunctive relief, or the appointment of a receiver; and (iv) to the best of Assignor's knowledge and belief, the Assignor is not in default as of the date of this Assignment under the respective terms and provisions of the Agreements.

The Assignee herein, by acceptance of this Assignment, shall have all of the rights, benefits, privileges and obligations, and be subject to the same defenses, to which the Assignor is now subject under the Agreements. The Assignee expressly assumes the Agreements and agrees to act in the place and stead of the Assignor and further agrees to fully indemnify and hold the Assignor harmless as to any and all claims, actions, damages, suits and disputes of every kind and nature whatsoever arising subsequent to the date of this Assignment.

In Witness Whereof, the Assignor has executed this Assignment as of the day and year first above written.

Signed, sealed and delivered in the presence of:

Witness
Printed Name: _____

LEMB, L.P., a Delaware limited partnership, by
its general partner, LEMB-GP, a Delaware limited
partnership, by its general partner, IUHQ, INC.,
an Arizona corporation,

Witness
Printed Name: _____

BY: _____
Printed name: _____
As its: _____

ACCEPTANCE OF ASSIGNMENT

THE ASSIGNEE TO THE FOREGOING ASSIGNMENT HEREBY ACCEPTS and agrees to be bound by the terms and conditions set forth above as of the date first above written.

Signed, Sealed and Delivered
in the presence of:

Witness
Printed Name: _____

NHC Utilities, Inc., a Florida corporation.

Witness
Printed Name: _____

BY: _____
Printed name: _____
As its: _____

CONSENT TO ASSIGNMENT

THE UNDERSIGNED HEREBY CONSENTS to and acknowledges the above Assignment as of the date first above written.

Signed, Sealed and Delivered
in the presence of:

Witness
Printed Name: _____

Witness
Printed Name: _____

Marie Maslanka

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**APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.**

EXHIBIT C

STATEMENT REGARDING OUTSTANDING REGULATORY ASSESSMENT FEES

All regulatory assessment fees through November 30, 1996 which were the obligation of Harbor Lakes Water Systems, Inc. have been paid to the Florida Public Service Commission

NHC Utilities, Inc. is responsible for all regulatory assessment fees billed after November 30, 1996. It is NHC's intent to pay the regulatory assessment fees associated with the December, 1996 billing in such timely manner as directed by the Florida Public Service Commission pursuant to this Application For Transfer of Certificate

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT D

STATEMENT DESCRIBING THE FINANCING OF THE PURCHASE

NHC Utilities, Inc. was incorporated with sufficient capital to fund the \$302,163 purchase price for the utility assets. The capital was provided by LEMB, L.P., a Delaware limited partnership, the sole stockholder of NHC Utilities, Inc.

**APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.**

EXHIBIT E

LIST OF ALL ENTITIES PROVIDING FUNDING TO BUYER

LEMB, L.P., a Delaware limited partnership, provided 100% of the necessary funding to NHC Utilities, Inc. to purchase the water utility assets of Harbor Lakes Water Systems, Inc. Attached hereto is the Balance Sheet of LEMB, L.P., a Delaware Limited Partnership, the sole stockholder of NHC Utilities, Inc.

06/08/87

LEMB, L.P.
Balance Sheet
 As of May 31, 1987

	May 31, '87
ASSETS	
Current Assets	
Checking/Savings	
Concentration Account	509,939
Operating Expenses	200,000
Total Checking/Savings	709,939
Other Current Assets	
Capital Expense Impound	300,000
Escrow Clearing	8,508
Total Other Current Assets	308,508
Total Current Assets	1,018,447
Fixed Assets	
Buildings & Improvements	48,784,018
Furniture & Fixtures	116,000
Mobilehomes & Park Models	480,561
Total Fixed Assets	49,380,579
Other Assets	
Closing Costs	644,616
Apollo Goodwill	108,000
Notes Receivable	42,935
Total Other Assets	795,551
TOTAL ASSETS	49,174,576
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
LBHC, Inc #1	21,770,000
Dakota Enterprises	2,750,000
New Acquisition Debt	2,400,000
New Seller Carry-back	2,300,000
New Long-Term Lease Obligations	7,000,000
Security Deposits - Residents	45,998
Total Long Term Liabilities	36,265,998
Total Liabilities	36,265,998
Equity	
LRV II Inc.	7,875,342
New Acquisition Equity	4,400,000
EMB/NHC, L.L.C.	414,000
Retained Earnings	219,238
Total Equity	12,908,580
TOTAL LIABILITIES & EQUITY	49,174,576

06/06/87

LEMB, L.P.
Balance Sheet
 As of May 31, 1997

	<u>May 31, '87</u>
ASSETS	
Current Assets	
Checking/Savings	
Concentration Account	509,939
Operating Expenses	200,000
Total Checking/Savings	<u>709,939</u>
Other Current Assets	
Capital Expense Impound	300,000
Escrow Clearing	8,508
Total Other Current Assets	<u>308,508</u>
Total Current Assets	1,018,447
Fixed Assets	
Buildings & Improvements	46,764,016
Furniture & Fixtures	116,000
Mobilehomes & Park Models	480,561
Total Fixed Assets	<u>47,360,577</u>
Other Assets	
Closing Costs	644,616
Apollo Goodwill	108,000
Notes Receivable	42,935
Total Other Assets	<u>795,551</u>
TOTAL ASSETS	<u><u>49,174,576</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
LBHC, Inc #1	21,770,000
Dakota Enterprises	2,750,000
New Acquisition Debt	2,400,000
New Seller Carry-back	2,300,000
New Long-Term Lease Obligations	7,000,000
Security Deposits - Residents	45,996
Total Long Term Liabilities	<u>36,265,996</u>
Total Liabilities	36,265,996
Equity	
LRV II Inc.	7,875,342
New Acquisition Equity	4,400,000
EMB/NHC, L.L.C.	414,000
Retained Earnings	219,236
Total Equity	<u>12,908,580</u>
TOTAL LIABILITIES & EQUITY	<u><u>49,174,576</u></u>

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT F

NET BOOK VALUE/RATE BASE

Attached hereto is a schedule which sets forth the original cost for the water assets which are providing service to the utility's customers. Furthermore, the schedule includes accumulated depreciation on those water assets based on depreciation lives first recommended by the staff of Harbor Lakes' former regulator, the Board of County Commissioners of Charlotte County. In addition, the schedule reflects certain amounts for reimbursements received by the former owner which have been accounted for as contributions in aid of construction (CIAC). Finally, the schedule reflects accumulated amortization of CIAC based on the depreciation lives of the related utility asset. As of November 30, 1996, the utility assets had a net invested book value of \$302,163.

NHC UTILITIES, INC.
NET INVESTED COST OF PLANT IN SERVICE
AS OF NOVEMBER 30, 1996

Line No.	(A) DESCRIPTION	(B) NARUC ACCT. NO.	(C) YEAR	(D) COST	(E) L I F E	(F) ACCUM. DEPR. 1987-1995	(G) 1996 ACCUM. DEPR. THRU 11/96	(H) TOTAL ACCUM. DEPR. THRU 11/96	(I) NET COST 11/30/96
1	PLANT IN SERVICE								
2									
3	FRANCHISE COSTS	302	1987	\$8,065	20	(\$3,428)	(369)	(3,797)	\$4,268
4									
5	INTANGIBLE PLANT:								
6	SUPPLY MAINS (LINE CONST.)	309	1987	216,776	40	(46,065)	(4,967)	(51,032)	165,744
7	SUPPLY MAINS (MASTER METER)	309	1987	3,276	40	(696)	(75)	(771)	2,505
8	TRMT. PLANT (CAPACITY FEES)	320	1987	155,412	20	(66,050)	(7,123)	(73,173)	82,239
9									
10	WATER TRANS. & DISTR. LINES	330	1987	129,830	40	(27,589)	(2,976)	(30,565)	99,265
11	HYDRANTS	335	1987	9,935	40	(2,111)	(227)	(2,338)	7,597
12	SERVICES	333	1987	33,275	40	(7,071)	(763)	(7,834)	25,441
13									
14	OTHER PLANT (OFFICE EQUIP.)	340	1990	3,260	10	(1,793)	(299)	(2,092)	1,168
15									
16	TOTAL PLANT & ACCUM. DEPR.	101/108		<u>\$559,829</u>		<u>(\$154,803)</u>	<u>(\$16,799)</u>	<u>(\$171,602)</u>	<u>\$388,227</u>
17									
18	CONTRIBUTIONS IN AID OF CONSTRUCTION								
19									
20	CASH REIMB. - SUPPLY MAINS	271	1988	(\$589)	40	\$110	14	124	(465)
21	CASH REIMB. - SUPPLY MAINS	271	1990	(362)	40	50	8	58	(304)
22	CASH REIMB. - SUPPLY MAINS & FEES	271	1992	(101,270)	28	12,659	3,316	15,975	(85,295)
23									
24	TOTAL CIAC & ACCUM. AMORT.	271/272		<u>(\$102,221)</u>		<u>\$12,819</u>	<u>\$3,338</u>	<u>\$16,157</u>	<u>(\$86,064)</u>
25									
26									
27	NET INVESTED COST			<u>\$457,608</u>		<u>(\$141,984)</u>	<u>(\$13,461)</u>	<u>(\$155,445)</u>	<u>\$302,163</u>

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APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT G

STATEMENT REGARDING ACQUISITION ADJUSTMENT

NHC Utilities, Inc. is paying the actual net invested book value for both the tangible and intangible water utility assets previously owned by Harbor Lakes Water Systems, Inc. Any difference between the net invested book value of the water assets of \$302,163 as of November 31, 1996, as set forth on the Statement of Net Book Value, and the purchase price is de minimis and will not be sought as an acquisition adjustment for rate base purposes.

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT H

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

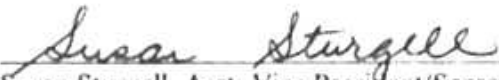
The Buyer has obtained copies of all the federal income tax returns of the seller, Harbor Lakes Water Systems, Inc. from 1985 to 1996.

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT I

STATEMENT TO FULFILL UTILITY OBLIGATIONS

I, Susan Sturgell, Assistant Vice President and Secretary of NHC Utilities, Inc do hereby state that NHC Utilities, Inc. will fulfill the commitments, obligations and representations of Harbor Lakes Water Systems, Inc. with regard to utility matters.



Susan Sturgell, Asst Vice President/Secretary
NHC Utilities, Inc

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT J

Affidavit that notice (copy attached hereto) of actual application was given by regular mail in accordance with Section 367.045(1)(a), Florida Statutes and Rule 35-30 030, Florida Administrative Code, to all required governmental agencies, appropriate certificated utilities and requisite state officials.

TO BE FILED AS A LATE FILE EXHIBIT

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

LEGAL NOTICE

Notice is hereby given on June 20, 1997, pursuant to Section 367.071, Florida Statutes, of the application for transfer of Water Certificate No. 573-W from Harbor Lakes Water Systems, Inc. To NHC Utilities, Inc., providing service to the following described territory in Charlotte County, Florida.

DESCRIPTION OF TERRITORY SERVED

A portion of Plan No. 1 of a part of Ward Seven El Jobean, as recorded in Plat Book 2, Page 37, of the Public Records of Charlotte County, Florida, and a portion of Plan No. 2 of a part of Ward Seven El Jobean, as recorded in Plat Book 2, Page 48, of the Public Records of Charlotte County, Florida, all being more particularly described as follows:

Beginning at the intersection of the Northerly right of way line of Russell Avenue and the centerline of the C.H. & N. Railroad; thence South 72° 11' 23" West along the Northerly right of way line of said Russell Avenue, a distance of 1257.07 feet to a point on the arc of a curve whose radius point bears South 67° 00' 19" West from said point, and being the right of way line of Seminole Circle; thence, Northerly and Westerly, along the arc of said curve, having a radius of 332 feet and a central angle of 49° 37' 52", an arc distance of 287.59 feet, to the Easterly right of way line of Southland Avenue; thence North 12° 11' 23" East, along said Easterly right of way line, a distance of 2024.95 feet; thence North 77° 48' 37" West, a distance of 1390.0 feet, to the center of Lincoln Park; thence North 17° 22' 27" East radially a distance of 331.97 feet to the intersection of Lincoln Circle with the Easterly right of way line of Hamner Avenue; thence North 12° 11' 23" East along the Easterly right of way line of Hamner Avenue, a distance of 1222.32 feet to the intersection with the Southeasterly right of way line of Colonial Avenue; thence North 72° 11' 23" East along the Southeasterly right of way line of Colonial Avenue, a distance of 605.01 feet to the Southwesterly extension of the Southeasterly right of way line of Ward Road; thence North 12° 11' 23" East along the Southeasterly right of way line of Ward Road, a distance of 417.62 feet to a point on the North line of Section 21, Township 41 South, Range 21 East, Charlotte County, Florida; thence South 89° 32' 10" East along the North line of said Section 21, a distance of 2212.21 feet to the intersection with the centerline of the C.H. & N. Railroad; thence South 12° 11' 23" West along said centerline, a distance of 4258.40 feet to the Point of Beginning, containing 202.5285 acres, more or less.

Any objection to this application must be made in writing within thirty (30) days from this date to the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. A copy of said objection should be mailed to the applicant whose address is:

Harbor Lakes Water Systems, Inc
3737 El Jobean Road (S R 776)
Port Charlotte, Florida 33953

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT K

Affidavit that Notice of actual application was given, in accordance with Rule 25-30 030, F A C .
by regular mail or personal delivery to each customer on the system being transferred

TO BE FILED AS A LATE FILED EXHIBIT

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT L

Affidavit that a notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, F.A.C.

A COPY OF THE PROOF OF PUBLICATION AND THE AFFIDAVIT
WILL BE FILED AS A LATE FILED EXHIBIT

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT M

TARIFF SHEETS REFLECTING THE NEW NAME OF THE UTILITY

AN ORIGINAL AND TWO COPIES HAVE BEEN FILED
UNDER A SEPARATE COVER

APPLICATION FOR TRANSFER OF WATER CERTIFICATE NO. 573-W
HARBOR LAKES WATER SYSTEMS, INC.

EXHIBIT N

A COPY OF THE UTILITY'S CURRENT CERTIFICATE IS ATTACHED HERETO



Public Service Commission

CERTIFICATE NUMBER

573 - W

Upon consideration of the record It is hereby ORDERED
that authority be and is hereby granted to
HARBOR LAKES WATER SYSTEMS, INC.

Whose principal address is
3737 E1 JoBean Road
Port Charlotte, Florida 33953 (Charlotte)

to provide water service in accordance with
the provisions of Chapter 367, Florida Statutes, the Rules,
Regulations and Orders of this Commission in the territory de-
scribed by the Orders of this Commission.

This Certificate shall remain in force and effect until sus-
pended, cancelled or revoked by Orders of this Commis-
sion.

ORDER <u>PSC-95-0867-FOF-WU</u>	DOCKET <u>941345-WU</u>
ORDER <u>PSC-95-0867A-FOF-WU</u>	DOCKET <u>941345-WU</u>
ORDER _____	DOCKET _____
ORDER _____	DOCKET _____

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Glenn S. Bayo
Director
Division of Records & Reporting

