

GRAY | ROBINSON
ATTORNEYS AT LAW

060332-WS ORIGINAL

SUITE 1700
301 EAST PINE STREET (32801)
P.O. Box 3068
ORLANDO, FL 32802-3068
TEL 407-843-8880
FAX 407-244-5690
gray-robinson.com
CLERMONT
FORT LAUDERDALE
JACKSONVILLE
KEY WEST
LAKELAND
MELBOURNE
NAPLES
ORLANDO
TALLAHASSEE
TAMPA

W. Christopher Browder

407-244-5648

CBROWDER@GRAY-ROBINSON.COM

April 6, 2006

Blanca S. Bayo, Director
Division of Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Application for Transfer to Governmental Authority - Wastewater
Certificate No. 312-S and Water Certificate No. 356-W from Loch
Harbour Utilities, Inc. to Marion County, Florida.

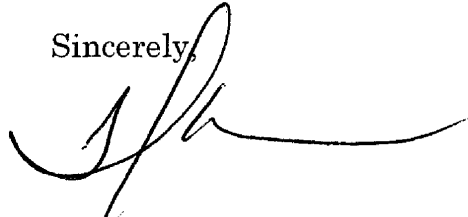
Client-Matter No. 40200-14

Dear Blanca:

Enclosed is the original and two (2) copies of the Application for Transfer to
Governmental Authority filed on behalf of Loch Harbour Utilities, Inc and Marion
County.

Please let me know if any further information is needed in support of the
Application. If you have any questions feel free to call me.

Sincerely,



W. Christopher Browder, Esq.

Gray Robinson, PA

WCB:ds

Enclosure - as stated above

cc: Gary Koltz, Marion County Utilities
Clay Albright

RECEIVED-FPSC
06 APR -7 AM 10:11
COMMISSION
CLERK

06 APR -7 AM 9:08

DISTRIBUTION CENTER DOCUMENT NUMBER-DAT

03141 APR -7 g

FPSC-COMMISSION CLERK

APPLICATION FOR TRANSFER TO GOVERNMENTAL AUTHORITY

(Pursuant to Section 367.071(4)(a), Florida Statutes)

**TO: Director, Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the approval of the transfer of
(all or part) of the facilities operated under Water Certificate No. 356-W and/or
Wastewater Certificate No. 312-S located in Marion County, Florida,
and submits the following:

PART I APPLICANT INFORMATION

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

Loch Harbour Utilities, Inc.

Name of utility

(352) 732-2100

Phone No.

(352) 732-7718

Fax No.

3325 S. Pine Avenue

Office street address

Ocala

City

FL

State

33471

Zip Code

Post Office Box 2100, Ocala, FL 34478-2100

Mailing address if different from street address

N.A.

Internet address if applicable

- B) The name, address and telephone number of a representative of the utility to contact concerning this application:

Robert Clayton Albright	(352)	620-8005
Name	Phone No.	
233 S.W. 3rd Street		
Street address		
Ocala	FL	34474
City	State	Zip Code

- C) The full name, address and telephone number of the governmental authority:

Marion County, Florida		
Name of utility		
(352) 671-8540	(352)	671-8512
Phone No.	Fax No.	
601 S.E. 25th Avenue		
Office street address		
Ocala	FL	34471-2690
City	State	Zip Code

Mailing address if different from street address

Internet address if applicable

- D) The name, address and telephone number of a representative of the governmental authority to contact concerning this application:

Thomas A. Cloud, Esq.	(407)	843-8880
Name	Phone No.	
GrayRobinson, P.A., 301 E. Pine Street, Suite 1400		
Street address		
Orlando	FL	32801
City	State	Zip Code

PART II FINANCIAL INFORMATION

- A) Exhibit A - A copy of the contract pursuant to Rules 25-30.037(4)(c) and (d), Florida Administrative Code.
- B) Exhibit B - A statement regarding the disposition of customer deposits and the accumulated interest thereon.
- C) Exhibit C - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.
- D) Exhibit D - A statement that the buyer (governmental authority) obtained from the utility or the Commission the utility's most recent available income and expense statement, balance sheet and statement of rate base for regulatory purposes and contributions-in-aid-of-construction.
- E) Indicate the date on which the buyer proposes to take official action to acquire the utility:

"When the conditions precedent to closing set forth in the document attached as Exhibit A hereto have been met."

If only a portion of the utility's facilities is being transferred, a revised territory description and map of the utility's remaining territory must be provided, as discussed in PART III, below.

IF THE UTILITY'S ENTIRE FACILITIES ARE BEING TRANSFERRED, PLEASE DISREGARD PART III OF THIS APPLICATION FORM.

PART III CERTIFICATION

A) **TERRITORY DESCRIPTION**

Exhibit _____ - An accurate description of the utility's revised territory. If the water and wastewater territory is different, provide separate descriptions.

Note: Use the Survey of Public Lands method (township, range, section, and quarter section), if possible, or a metes and bounds description. Give the subdivision or project name. The description should NOT refer to land grants or plat books, but may use geographic boundaries (i.e., road right-of-ways, railroads, rivers, creeks, etc). The object is to make the description as brief, but as accurate as possible.

B) **TERRITORY MAPS**

Exhibit _____ - One copy of an official county tax assessment map or other map showing township, range and section with a scale such as 1"=200' or 1"=400' on which the remaining territory is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps.

C) **TARIFF SHEETS**

Exhibit _____ - The original and two copies of tariff sheet(s) revised to show correct service territory. Please refer to Rules 25-9.009 and 25-9.010, Florida Administrative Code, regarding page numbering of tariff sheets before preparing the tariff revisions. (Pages 11-12.) Sample tariff sheets are attached. (Pages 13-16.)

PART IV AFFIDAVIT

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

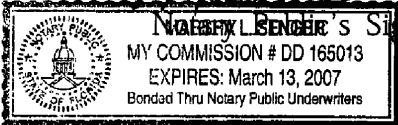
BY: *Robert Clayton Albright*
Applicant's Signature

Robert Clayton Albright
Applicant's Name (Typed)

President
Applicant's Title *

Subscribed and sworn to before me this 9th day of March, 2006 by Robert Clayton Albright who is personally known to me or produced identification _____ (Type of Identification Produced)

Marsha Lynn Senger
Notary Public's Signature



MARSHA LYNN SENGER
Print, Type or Stamp Commissioned
Name of Notary Public

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

EXHIBIT A

**COPY OF CONTRACT PURSUANT TO WHICH THE TRANSFER OF THE
UTILITY SYSTEM WILL BE ACCOMPLISHED**

(ATTACHED)

DAVID R. ELLSPERMANN, CLERK OF COURT MARION COUNTY
DATE: 09/28/2005 04:04:25 PM
FILE #: 2005173807 OR BK 04190 PGS 0212-0240

RECORDING FEES 248.00

LOCH HARBOUR

For Recording Purposes Only

THIS INSTRUMENT PREPARED BY AND SHOULD BE RETURNED TO:

Thomas A. Cloud, Esq.
GRAYROBINSON, P.A.
301 East Pine Street, Suite 1400
Post Office Box 3068
Orlando, FL 32802-3068
(407) 843-8880

Re-recorded to correct pagination of exhibits and include accidentally omitted page from exhibits.

MARION COUNTY WATER AND WASTEWATER SYSTEM STANDARD DEVELOPER'S SERVICE AGREEMENT CONTRACT NO. 05- 06

THIS AGREEMENT made and entered into this 20 day of Sept. 2005, by and between ROBERT CLAYTON ALBRIGHT, Trustee, (hereafter "DEVELOPER"), and MARION COUNTY, a political subdivision of the State of Florida (hereafter the "COUNTY").

RECITALS

1. The DEVELOPER has or is about to develop and expand an existing condominium project the combined legal description of which is described in Exhibit "A" and depicted in Exhibit "B" attached to and incorporated in this Agreement (the "Property").

2. The DEVELOPER warrants that it owns and currently operates certain water and wastewater facilities which provide central water and wastewater service to 52 existing condominium units.

3. The DEVELOPER wishes to convey and construct certain central water and wastewater facilities so to receive adequate service for both the existing and additional condominium units.

RETURN:
Marion County Utilities
1219 South Pine Ave.
Ocala, FL 34474
MARSHA SEPBER

4. The COUNTY is willing to provide, in accordance with the provisions and stipulations hereinafter set out, and in accordance with all applicable laws, central water and wastewater service through central water and wastewater facilities, and to accept and operate water and wastewater facilities, and to thereafter operate such facilities so the occupants of the improvements constructed on the Property will receive adequate retail water and wastewater service from the COUNTY.

ACCORDINGLY, for and in consideration of the Recitals, the mutual undertakings and agreements herein contained and assumed, and other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, the DEVELOPER and the COUNTY hereby covenant and agree as follows:

SECTION 1. RECITALS. The above Recitals are true and correct, and form a material part of this Agreement.

SECTION 2. DEFINITIONS. The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and apply unless the context indicates a different meaning:

2.1. "Agreement" means this Marion County Water and Wastewater System Standard Developer's Service Agreement Contract No. 05-___, as it may from time to time be modified.

2.2. "Collection and Transmission Facilities" means the lines, pipes and appurtenant equipment used to collect Wastewater from the Property and to transmit it to the Wastewater Treatment Facilities.

2.3. "COUNTY" means Marion County, Florida, a political subdivision of the State.

2.4. "County Rate Resolutions and Ordinances" means all resolutions and ordinances, either currently in effect or to be adopted in the future by the Board of County Commissioners of the COUNTY or its successors which establish and fix rates, fees, and charges for the Marion County Water System and the Marion County Wastewater System or successor systems.

2.5. "Developer Plants" includes the water treatment and storage facilities and appurtenances and wastewater treatment and disposal facilities currently operated and maintained by DEVELOPER and to be conveyed by DEVELOPER to the COUNTY under the terms of this Agreement, as described in Exhibit "C" attached to and incorporated in this Agreement.

2.6. "ERC" means an Equivalent Residential Connection as defined by Marion County Rate Resolutions and Ordinances. An ERC for water shall be 350 gpd and for wastewater 300 gpd.

2.7. "Facilities" means the Water Facilities and Wastewater Facilities.

2.8. "Future Development" means the development on the Property that may be approved subsequent to the date of this Agreement.

2.9. "GPD" means gallons per day on an average annual basis.

2.10. "Marion County Wastewater System" means all facilities and interests in real and personal property owned, operated, managed or controlled by the COUNTY now and in the future and used to provide Wastewater Service Capacity to existing and future customers within the total service area of the COUNTY.

2.11. "Marion County Water System" means all facilities and interests in real and personal property owned, operated, managed or controlled by the COUNTY now and in the future and used to provide Water Service Capacity to existing and future customers within the total service area of the COUNTY.

2.12. "Plans and Specifications" means those documents and drawings prepared by DEVELOPER's engineer for the design and construction of certain Collection and Transmission Facilities, Water Distribution Facilities and Water Treatment Facilities.

2.13. "Potable Water" means water that has been treated to applicable federal, state and local standards that is acceptable for human consumption.

2.14. "Wastewater" means water-carried wastes from residence, business buildings, institutions, industrial establishments and other customers of the Marion County Wastewater System.

2.15. "Wastewater Facilities" means all Wastewater Collection and Transmission, Wastewater Treatment, and Effluent Disposal Facilities, including all interceptors, lines, pipes, meters, couplings, pumps, force mains, and appurtenant equipment.

2.16. "Wastewater Capital Charges" means those fees and charges established and collected by the COUNTY to pay for or recover the capital costs of all Wastewater Facilities, as set forth from time to time in COUNTY Rate Resolutions and Ordinances. For purposes of this Agreement,

the Wastewater Capital Charges will have two components: 1) a Wastewater Treatment Facilities component charge of \$1,265.00 per Wastewater Service Capacity ERC, 2) a Wastewater Transmission component charge of \$685.00 per Wastewater Service Capacity ERC.

2.17. "Wastewater Service Capacity" means the rate of wastewater flow measured in GPD for which Wastewater Facilities are designed and are capable of collecting, transmitting, treating and disposing, in accordance with applicable governmental requirements and regulations.

2.18. "Wastewater Treatment Facilities" means those COUNTY-owned facilities necessary to properly treat wastewater for disposal in accordance with applicable governmental requirements and regulations.

2.19. "Wastewater Transmission Facilities" means all interceptors, lines, pipes, meters, couplings, pumps, force mains, and appurtenant equipment used to transmit wastewater to the Wastewater Treatment Facilities.

2.20. "Water Capital Charges" means those fees and charges established and collected by the COUNTY to pay for or recover the capital costs of all Water Facilities, as set forth from time to time in COUNTY Rate Resolutions and Ordinances. For purposes of this Agreement, the Water Capital Charges will have two components: 1) a Water Treatment Facilities component charge of \$240.00 per Water Service Capacity ERC, 2) a Water Distribution Facilities (watermain) component charge of \$410.00 per Water Service Capacity ERC.

2.21. "Water Distribution Facilities" means all lines, meters, pipes, and appurtenant equipment necessary to distribute potable water from the Water Treatment Facilities to the structures to be served, all in accordance with COUNTY rules and regulations.

2.22. "Water Facilities" means all Water Distribution and Water Treatment Facilities.

2.23. "Water Service Capacity" means the rate of water which can be pumped from the ground, treated to become potable, transmitted and distributed, where such amount is measured in gallons per day, based upon maximum daily domestic demand and fire flows.

2.24. "Water Treatment Facilities" means those COUNTY-owned facilities necessary to properly treat water to potable standards and store water prior to transmission and distribution.

SECTION 3. EASEMENT AND RIGHT OF ACCESS. DEVELOPER hereby grants and gives the COUNTY the exclusive right or privilege to construct, own, maintain, and operate the water and wastewater facilities in,

under, over and across the present and future streets, roads, easements, reserved utility sites and public places as provided and dedicated to public use in the record plats, or as provided for in agreements, dedications or grants made otherwise and independent of said record plats. DEVELOPER hereby further agrees that the foregoing grants include the necessary right of ingress and egress to any part of the Property; that the foregoing grants shall be perpetual. The COUNTY covenants that it will use due diligence in ascertaining all easement locations; however, should the COUNTY install any of its facilities outside a dedicated easement area, DEVELOPER, the successors and assigns of DEVELOPER, covenant and agree that the COUNTY will not be required to move or relocate any facilities lying outside a dedicated easement area so long as the facilities do not interfere with the then or proposed use of the area in which the facilities have been installed. The COUNTY hereby agrees that all easement grants will be utilized in accordance with the established and generally accepted practices of the water and wastewater industry with respect to the installation of all its water and wastewater facilities in any of the easement areas; and the DEVELOPER in granting easement herein, or pursuant to the terms of this instrument, shall have the right to grant exclusive or non-exclusive rights, privileges and easement to other entities to provide to the Property any utility services other than water and wastewater service.

SECTION 4. PROVISION OF SERVICE; PAYMENT OF RATES.

4.1. Upon the continued accomplishment of all the prerequisites contained in this Agreement to be performed by the DEVELOPER, the COUNTY covenants and agrees that it will allow the connection of the water distribution and wastewater collection facilities installed by DEVELOPER to the central water and wastewater facilities of the COUNTY in accordance with the terms and intent of this Agreement. Such connection shall be in accordance with rules and regulations of the Department of Health and Rehabilitative Services and the Florida Department of Environmental Protection. The COUNTY agrees that once it provides water and wastewater service to the Property and DEVELOPER, or others have connected customer installations to its system, that thereafter, the COUNTY will continuously provide, in accordance with the other provisions of this Agreement, and of applicable laws, including rules and regulations and rate schedules, water and wastewater service to the Property in a manner to conform with all requirements of all governmental agencies having jurisdiction over the water and wastewater system of the COUNTY. The DEVELOPER, its successors and assigns agree to timely and fully pay all applicable monthly rates, fees, and charges to the COUNTY and otherwise fully comply with the COUNTY's rules, regulations, and ordinances applicable to the provision of water and wastewater service.

4.2. The DEVELOPER, its successors and assigns agrees to pay to the COUNTY for monthly service within thirty (30) days after statement is rendered by the COUNTY all sums due and payable as set forth in such

statement. Upon failure or refusal to pay the amounts due on statements as rendered, the COUNTY may, in its sole discretion, terminate service.

SECTION 5. DESIGN, REVIEW, CONSTRUCTION, INSPECTION, AND CONVEYANCE OF FACILITIES.

5.1. To induce the COUNTY to provide water and wastewater service, and to continuously provide customers located on the Property with water and wastewater services, DEVELOPER hereby covenants and agrees to pay for the construction and to transfer ownership and control to the COUNTY as a contribution-in-aid-of-construction, the on-site water distribution and wastewater collection facilities referred to herein. All design and construction shall be in accordance with COUNTY rules, regulations, and utility standards. The on-site facilities shall include the upgrading and renovation of an existing wastewater pump station to be upgraded, renovated, or replaced with a new wastewater pump station at the COUNTY's sole discretion based upon COUNTY standards at DEVELOPER's expense to pump wastewater to first the on-site plant and then the Stonecrest plant when ready.

5.2. DEVELOPER shall pay a reasonable fee as outlined in the Rate Resolution 96-R-312, as amended from time to time, to the COUNTY to review engineering plans and specifications of the type and in the form as prescribed by the COUNTY, showing the on-site water distribution and wastewater collection facilities proposed to be installed to provide service to the subject Property. The COUNTY will advise DEVELOPER's engineer of any sizing requirements as mandated by the COUNTY's system extension policy and utility standards for the preparation of plans and specifications for facilities within the Property. If applicable, such detailed plans may be limited to a phase of the Property, and subsequent phases may be furnished from time to time. However, each such phase, if applicable, shall conform to a master plan for the development of the Property and such master plan shall be submitted to the COUNTY concurrent with or prior to submission of plans for the first phase. All such plans and specifications shall be submitted to the COUNTY and no construction shall commence until COUNTY has approved such plans and specifications in writing. After approval, DEVELOPER shall cause to be constructed, at DEVELOPER's expense, the water distribution and wastewater collection facilities as shown on all plans and specifications.

5.3. During the construction of the water distribution and wastewater collection facilities by DEVELOPER, the COUNTY shall have the right to inspect such installation to determine compliance with the plans and specifications, adequacy of the quality of the installation, and further, shall be entitled to perform standard tests for pressure, filtration, line and grade, and all other normal engineering tests required by specifications and/or good engineering practices. Complete as-built plans shall be submitted to the

COUNTY upon completion of construction. COUNTY inspections of the on-site facilities will not delay the construction schedule.

5.4. Fees will be levied by the COUNTY to cover the cost of plan review and inspection as set forth in Rate Resolution 96-R-312, as amended from time to time.

5.5. By these presents, upon completion and approval by the COUNTY, the DEVELOPER shall transfer to the COUNTY, all right, title, and interest, free and clear of any encumbrances whatsoever, to the on-site and off-site water distribution and wastewater collection facilities installed by DEVELOPER's contractor, pursuant to the provisions of this Agreement. Such conveyance is to take effect without further action upon the acceptance by the COUNTY of the said installation. As further evidence of said transfer to title, and upon the completion of the installation and prior to the rendering of service by the COUNTY, DEVELOPER shall convey to the COUNTY, by bill of sale, or other appropriate documents, in form satisfactory to the COUNTY's counsel, the complete on-site and off-site water distribution and wastewater collection facilities as constructed by DEVELOPER and approved by the COUNTY. DEVELOPER shall further cause to be conveyed to the COUNTY, all easements and/or rights-of-way covering areas in which off-site water distribution lines are installed by recordable document in form satisfactory to the COUNTY's counsel. All conveyance of easements and/or rights-of-way shall be accompanied by a title policy or other evidence of title (including letter from attorney), satisfactory to the COUNTY, establishing DEVELOPER's rights to convey such continuous enjoyment of such easements or rights-of-way for those purposes set forth in this Agreement to the exclusion of any other person in interest. The use of easements granted by DEVELOPER shall include the use by other utilities so long as such uses by electric, telephone, or gas utilities, or cable television etc. that do not interfere with use by the COUNTY. The COUNTY agrees that the acceptance of the water distribution and wastewater collection facilities installed by DEVELOPER, for service, or by acceptance of the bill of sale, shall constitute that assumption of responsibility by the COUNTY for the continuous operation and maintenance of such system from that date forward.

5.6. All installations by DEVELOPER's contractors shall be warranted for one (1) year from the date of acceptance by the COUNTY. Mortgagee(s), if any, holding prior liens on such properties shall be required to release such liens, subordinate their position and join in the grant or dedication of the easements or rights-of-way. The water distribution and wastewater collection facilities shall be covered by easements if not located within platted or dedicated rights-of-way. COUNTY will allow DEVELOPER to assign warranty to COUNTY with written approval from Underground Contractors that such assignment meets their approval and they will fulfill the terms and conditions of the warranty.

5.7. Payment of the contributions-in-aid-of-construction does not and will not result in the COUNTY waiving any of its rates, rate schedules or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by DEVELOPER making the contribution. The COUNTY shall not be obligated for any reason whatsoever nor shall the COUNTY pay any interest or rate of interest upon the contribution. Neither DEVELOPER nor any person or other entity holding any of the Property by, through or under DEVELOPER, or otherwise, shall have any present or future right, title, claim or interest in and to the contributions or to any of the water and wastewater facilities and properties of the COUNTY, and all prohibitions applicable to DEVELOPER with respect to no refund of contributions, no interest payment on said contributions and otherwise, are applicable to all persons or entities. Any user or customer of water or wastewater services shall not be entitled to offset any bill or bills rendered by the COUNTY for such service or services against the contributions. DEVELOPER shall not be entitled to offset the contributions against any claim or claims of the COUNTY.

SECTION 6. EVIDENCE OF TITLE. At least thirty (30) days prior to the COUNTY's acceptance of the water distribution and wastewater collection facilities, and also prior to the COUNTY's acceptance of the Developer's Plants, at the expense of the DEVELOPER, DEVELOPER agrees to either deliver to the COUNTY an Abstract of Title, brought up to date, which abstract shall be retained by the COUNTY, and remain the property of the COUNTY, or to furnish the COUNTY an opinion of title from a qualified attorney at law or a qualified title insurance company with respect to the Property, which opinion shall include a current report on the status of the title, setting out the name of the legal title holders, the outstanding mortgages, taxes, liens, and covenants. The provisions of this Section are for the exclusive rights of service contained in this Agreement. Any mortgage or lien holder having an interest in the Property shall be required to join in the grant of exclusive service rights set forth in this Agreement. Title standards shall be the same as those applicable to real estate generally adopted by the Florida Bar and in accordance with Florida law.

SECTION 7. OWNERSHIP OF FACILITIES. DEVELOPER agrees with the COUNTY that the water distribution and wastewater collection facilities conveyed to the COUNTY for use in connection with providing water and wastewater services to the Property, shall at all times remain in the complete and exclusive ownership of the COUNTY, and any entity owning any part of the Property or any residence or building constructed or located thereon, shall not have the right, title, claim or interest in and to such facilities, or any part of them, for any purpose, including the furnishing of water and wastewater services to other persons or entities located within or beyond the limits of the Property.

SECTION 8. APPLICATION OF RULES, REGULATIONS, AND RATES. The COUNTY may establish, revise, modify and enforce rules, regulations and rates covering the provision of water and wastewater service to the homeowners

on the Property. Such rules, regulations and rates are subject to the approval of the Board of County Commissioners of Marion County, Florida. Such rules and regulations shall at all times be reasonable and subject to regulation as may be provided by law or under contract. Rates charged to DEVELOPER or customers located upon the Property shall be identical to rates charged for the same classification of service. All rules, regulations, and rates in effect, or placed into effect in accordance with the preceding, shall be binding upon DEVELOPER, upon any other entity holding by, through or under DEVELOPER; and upon any customer of the water and wastewater service provided to the Property by the COUNTY.

SECTION 9. PERMISSION TO CONNECT REQUIRED. DEVELOPER, or any owner of any parcel of the Property, or any occupant of any residences or buildings located thereon, shall not have the right to and shall not connect to any customer installation to the water and wastewater facilities of the COUNTY until payment is received for such connection and approval for such connection has been granted by the COUNTY, such approval not to be unreasonably withheld.

SECTION 10. BINDING AGREEMENT; ASSIGNMENTS BY DEVELOPER. This Agreement shall be binding upon and shall inure to the benefit of DEVELOPER, the COUNTY and their respective assigns and successors by merger, consolidation or conveyance. This Agreement shall not be sold, conveyed, assigned or otherwise disposed of by DEVELOPER without the written consent of the COUNTY first having been obtained. The COUNTY agrees not to unreasonably withhold such consent.

SECTION 11. NOTICES; PROPER FORM. Until further written notice by either party to the other, all notices provided for herein shall be in writing and transmitted by messenger, or by mail to:

COUNTY: Marion County
601 S.E. 25th Avenue
Ocala, FL 34471-2690
Attention: COUNTY ADMINISTRATOR

with a copy to: Thomas A. Cloud, Esq.
GrayRobinson, P.A.
301 East Pine Street, Suite 1400
Orlando, Florida 32801

DEVELOPER: Robert Clayton Albright, Trustee
P.O. Box 830220
Ocala, FL 34483

SECTION 12. SURVIVAL OF COVENANTS. The rights, privileges, obligations and covenants of DEVELOPER and the COUNTY shall survive the

completion of the work of DEVELOPER with respect to completing the water and wastewater facilities and services to any phase area and to the Property as a whole.

SECTION 13. ENTIRE AGREEMENT; AMENDMENTS; APPLICABLE LAW; ATTORNEY'S FEES. Except for those letters to Clay Albright dated August 24, September 8 and September 12, 2005, which are by reference incorporated in this Agreement, this Agreement supersedes all previous agreements or representations, either verbal or written, heretofore in effect between DEVELOPER and the COUNTY, made with respect to the matters herein contained, and when duly executed, constitutes the agreement between DEVELOPER and the COUNTY. No additions, alterations or variations of the terms of this Agreement shall be valid, nor can provisions of the Agreement be waived by either party, unless such additions, alterations, variations or waivers are expressed in writing and duly signed. This Agreement shall be governed by the laws of the State of Florida, as well as all applicable local ordinances of the COUNTY and it shall be and become effective immediately upon execution by both parties hereto. In the event that the COUNTY or DEVELOPER is required to enforce this Agreement by court proceedings or otherwise, by instituting suit or otherwise, then the COUNTY or DEVELOPER shall be entitled to recover all costs incurred, including reasonable attorney's fees.

SECTION 14. DISCLAIMERS; LIMITATIONS ON LIABILITY.

14.1. STATUS. THE PARTIES DEEM EACH OTHER TO BE INDEPENDENT CONTRACTORS, AND NOT AGENTS OF THE OTHER.

14.2. INDEMNIFICATION. UP UNTIL THE DATE OF CONVEYANCE TO THE COUNTY OF ALL ON-SITE WATER AND WASTEWATER FACILITIES, DEVELOPER WILL INDEMNIFY, SAVE AND HOLD HARMLESS THE COUNTY AGAINST ALL LIABILITY, LOSSES, DAMAGE OR OTHER EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES WHICH MAY BE IMPOSED UPON, INCURRED BY OR ASSERTED AGAINST THE COUNTY BY REASON OF ANY NEGLIGENCE ON THE PART OF THE DEVELOPER OR ITS EMPLOYEES, AGENTS, CONTRACTORS, LICENSEES OR INVITEES; ANY PERSONAL INJURY OR PROPERTY DAMAGE OCCURRING ON OR ABOUT THE PROPERTY OR ANY PART THEREOF; OR ANY FAILURE ON THE PART OF THE DEVELOPER TO PERFORM OR COMPLY WITH ANY COVENANT REQUIRED TO BE PERFORMED OR COMPLIED WITH AGAINST THE COUNTY BY REASON OF ANY SUCH OCCURRENCES, DEVELOPER WILL, AT DEVELOPER'S EXPENSE, RESIST OR DEFEND ANY SUCH ACTION OR PROCEEDING. PROVIDED FURTHER, HOWEVER, DEVELOPER SHALL HAVE NO OBLIGATION WITH RESPECT TO CLAIMS ARISING OUT OF THE INTENTIONAL OR NEGLIGENT CONDUCT OF THE COUNTY OR ITS EMPLOYEES, AGENTS, CONTRACTORS, LICENSEES OR INVITEES OR OF

RCA

9-19-05

239397 v8
8/24/05

PROVISIONS OF §768.28, FLORIDA STATUTES (1995), AND NOTHING IN THIS AGREEMENT IS INTENDED TO EXTEND THE LIABILITY OF COUNTY OR TO WAIVE ANY IMMUNITY ENJOYED BY COUNTY UNDER THAT STATUTE. ANY PROVISIONS OF THIS AGREEMENT DETERMINED TO BE CONTRARY TO §768.28 OR TO CREATE ANY LIABILITY OR WAIVE ANY IMMUNITY EXCEPT AS SPECIFICALLY PROVIDED IN §768.28 SHALL BE CONSIDERED VOID.

14.3. FORCE MAJEURE. THE COUNTY SHALL NOT BE LIABLE OR RESPONSIBLE TO THE DEVELOPER BY REASON OF THE FAILURE OR INABILITY OF THE COUNTY TO TAKE ANY ACTION IT IS REQUIRED TO TAKE OR TO COMPLY WITH THE REQUIREMENTS IMPOSED HEREBY OR ANY INJURY TO THE DEVELOPER OR BY THOSE CLAIMING BY OR THROUGH THE DEVELOPER, WHICH FAILURE, INABILITY OR INJURY IS CAUSED DIRECTLY OR INDIRECTLY BY FORCE MAJEURE (AS HEREINAFTER SET FORTH). THE TERM "FORCE MAJEURE" AS EMPLOYED HEREIN SHALL MEAN ACTS OF GOD, STRIKES, LOCK-OUTS, OR OTHER INDUSTRIAL DISTURBANCE; ACTS OF PUBLIC ENEMIES, WAR, BLOCKADES, RIOTS, ACTS OF ARMED FORCES, MILITIA, OR PUBLIC AUTHORITY, EPIDEMICS; BREAKDOWN OF OR DAMAGE TO MACHINERY, PUMPS, OR PIPE LINES; LANDSLIDES, EARTHQUAKES, FIRES, STORMS, FLOODS, OR WASHOUTS; ARRESTS, TITLE DISPUTES, OR OTHER LITIGATION; GOVERNMENTAL RESTRAINTS OF ANY NATURE WHETHER FEDERAL, STATE, COUNTY, MUNICIPAL OR OTHERWISE, CIVIL OR MILITARY; CIVIL DISTURBANCES; EXPLOSIONS, FAILURE OR INABILITY TO OBTAIN NECESSARY MATERIALS, SUPPLIES, LABOR OR PERMITS OR GOVERNMENTAL APPROVALS WHETHER RESULTING FROM OR PURSUANT TO EXISTING OR FUTURE RULES, REGULATIONS, ORDERS, LAWS OR PROCLAMATIONS WHETHER FEDERAL, STATE, COUNTY, MUNICIPAL OR OTHERWISE, CIVIL OR MILITARY; OR BY ANY OTHER CAUSES, WHETHER OR NOT OF THE SAME KIND AS ENUMERATED HEREIN, NOT WITHIN THE SOLE CONTROL OF THE COUNTY AND WHICH BY EXERCISE OF DUE DILIGENCE THE COUNTY IS UNABLE TO OVERCOME.

14.4. DISCLAIMER OF THIRD PARTY BENEFICIARIES. THIS AGREEMENT IS SOLELY FOR THE BENEFIT OF AND SHALL BE BINDING UPON THE FORMAL PARTIES HERETO AND THEIR RESPECTIVE AUTHORIZED SUCCESSORS AND ASSIGNS, AND NO RIGHT OR CAUSE OF ACTION SHALL ACCRUE UPON OR BY REASON HEREOF, TO OR FOR THE BENEFIT OF ANY THIRD PARTY NOT A PARTY TO THIS AGREEMENT OR AN AUTHORIZED SUCCESSOR OR ASSIGNEE THEREOF.

14.5. DISCLAIMER OF SECURITY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE DEVELOPER EXPRESSLY ACKNOWLEDGES (1) THAT IT HAS NO PLEDGE OF OR LIEN UPON ANY

REAL PROPERTY (INCLUDING, SPECIFICALLY, THE COUNTY'S SYSTEM), ANY PERSONAL PROPERTY, OR ANY EXISTING OR FUTURE REVENUE SOURCE OF THE COUNTY (INCLUDING, SPECIFICALLY, ANY REVENUES OR RATES, FEES, OR CHARGES COLLECTED BY THE COUNTY IN CONNECTION WITH THE COUNTY'S SYSTEM) AS SECURITY FOR ANY AMOUNTS OF MONEY PAYABLE BY THE COUNTY UNDER THIS AGREEMENT; AND (2) THAT ITS RIGHTS TO ANY PAYMENTS OR CREDITS UNDER THIS AGREEMENT ARE SUBORDINATE TO THE RIGHTS OF ALL HOLDERS OF ANY STOCKS, BONDS, OR NOTES OF THE COUNTY, WHETHER CURRENTLY OUTSTANDING OR HEREAFTER ISSUED.

SECTION 15. COVENANT NOT TO ENGAGE IN UTILITY BUSINESS.

The DEVELOPER, as a further consideration for this Agreement, agrees that it shall not (the words "shall not" being used in a mandatory definition) engage in the business of providing water and wastewater service to the Property during the period of time the COUNTY, its successors and assigns, provide water and wastewater service to the Property, it being the intention of the parties hereto that the foregoing provision shall be a covenant running with the land and under said provision and also under other provisions of this Agreement the COUNTY shall have the sole and exclusive right and privilege to provide water and wastewater service to the Property and to the occupants of each residence, building or unit constructed thereon.

SECTION 16. RECORDATION. The parties hereto agree that an executed copy of this Agreement and Exhibits attached hereto shall be recorded in the Public Records of Marion County, Florida at the expense of the DEVELOPER.

SECTION 17. SEVERABILITY. If any part of this Agreement is found invalid or unenforceable by any court, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced, and if the intentions of the parties can continue to be effected. To that end, this Agreement is declared severable.

SECTION 18. AUTHORITY TO EXECUTE AGREEMENT. The signature by any person to this Agreement shall be deemed a personal warranty by that person that he has the full power and authority to bind the entity for which that person is signing.

SECTION 19. CAPACITY. Any specific reservations of capacity must be detailed within the body of this Agreement, under the heading "Special Conditions," and such capacity shall be so reserved upon the payment of appropriate fee, or negotiated between the parties, by the DEVELOPER to the COUNTY.

SECTION 20. ARMS LENGTH TRANSACTION. Both parties have contributed to the preparation, drafting and negotiation of this document and neither has had undue influence or control thereof. Both parties agree that in construing this Agreement, it shall not be construed in favor of either party by virtue of the preparation, drafting, or negotiation of this Agreement.

SECTION 21. SPECIAL CONDITIONS. Notwithstanding any other section in this Agreement, the following Special Conditions are mutually agreed between DEVELOPER and the COUNTY. In the event of a conflict between this Section 21 and the rest of the Agreement, Section 21 shall control.

21.1. Conveyance of Developer Plants; Evidence of Title. To induce the COUNTY to provide water and wastewater service, DEVELOPER hereby covenants and agrees to transfer ownership, title, and control to the COUNTY as a contribution in aid of construction the Developer Plants free and clear of all liens and encumbrances. By way of explanation, the DEVELOPER shall on the closing date transfer to the COUNTY, all right, title, and interest, free and clear of any encumbrances whatsoever, to the Developer Plants. Such conveyance is to take effect without further action upon the acceptance by the COUNTY of said facilities. As further evidence of said transfer of title, and prior to the rendering of service by the COUNTY, DEVELOPER shall convey to the COUNTY, by warranty deed and bill of sale and form reasonably acceptable to the COUNTY, the Developer Plants; provided, however, that the instrument of conveyance shall contain a reverter to DEVELOPER of the existing well when the COUNTY ceases to use the well as its primary water supply well, so that DEVELOPER may provide irrigation water to only those condominiums constructed after the date of execution of this Agreement. All conveyances of easements associated with the Developer Plants shall be insured under a title insurance policy provided by DEVELOPER pursuant to Subsection 21.3 hereof, establishing DEVELOPER's rights to convey continued use and enjoyment of those easements, rights-of-way and other interest in real property for the purposes set forth in this Agreement. The COUNTY agrees that the acceptance of the Developer Plants shall constitute assumption of responsibility by the COUNTY for the continuous operation, ownership, and maintenance of the Developer Plants from the date of execution of this Agreement. The Developer Plants shall be dedicated to the COUNTY on an "as is, where is" basis, without warranty against defects and materials and workmanship. Any and all mortgages, monetary judgments, deeds to secure debt, security interest and other similar encumbrances (other than the lien for the current year's property taxes) affecting the Developer Plants shall be released or subordinated to this Agreement, the easements and dedications granted by the DEVELOPER to COUNTY under this Agreement. Payment of the contributions and aid of construction does not and will not result in the COUNTY waiving any of its rates, rate schedules or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by DEVELOPER making the contribution. The COUNTY shall not be obligated for any reason whatsoever nor shall the

COUNTY pay any interest or rate of interest upon the contribution. Neither DEVELOPER nor any person or other entity holding any of the property by, through or under DEVELOPER, or otherwise, shall have any present or future right, title, claim or interest in and to the contributions or to any of the water facilities and wastewater facilities and properties of the COUNTY, and all prohibitions applicable to DEVELOPER with respect to no refund of contributions, no interest payment on said contributions and otherwise, are applicable to all persons or entities.

21.2. Applicable Rates. Upon transfer of the DEVELOPER's Plants, all retail customers on the Property shall become COUNTY customers and be subject to and pay for water and wastewater service based upon then current COUNTY rates, fees, and charges, as amended from time to time.

21.3. Evidence of Title to Developer's Plants. Prior to conveyance of the Developer's Plants, the DEVELOPER shall comply with Section 6 of this Agreement.

21.4. Purchase of Water Service Capacity and Wastewater Service Capacity. The DEVELOPER, its successors or assigns, agrees to purchase and the COUNTY agrees to furnish during the term of this Agreement for use on the Property Water Service Capacity and Wastewater Service Capacity in accordance with standards of applicable State regulatory agencies for 96 ERCs of Water Service Capacity and 96 ERCs of Wastewater Service Capacity. In return therefor, the DEVELOPER, its successors or assigns, agrees to pay applicable water and wastewater capital charges to the COUNTY and the COUNTY shall provide Water Service Capacity and Wastewater Service Capacity from the Marion County Water and Wastewater System to DEVELOPER's property. The COUNTY agrees to pay the cost of designing, permitting, and constructing the off-site water and wastewater pipelines. In exchange for the conveyance of the Water and Wastewater Plants, associated facilities, and real property interests set forth above, neither DEVELOPER nor owners of the existing 52 condominium units shall be charged water capital charges and wastewater capital charges for 52 ERCs of Water Service Capacity and 52 ERCs of Wastewater Service Capacity.

21.5. Extension of Off-Site Pipeline. Upon DEVELOPER's payment in full of the water and wastewater capital charges to the COUNTY, the COUNTY shall construct the off-site water and wastewater pipelines to the Property to facilitate the delivery of Water Service Capacity. Upon completion of the Stonecrest Wastewater Treatment Plant expansion, the COUNTY will construct an off-site wastewater pipeline to the Property and decommission the on-site wastewater plant within a reasonable time.

21.6. No Obligation for Excess. COUNTY is not obligated to provide plant capacity or service in excess of the amounts estimated to be

supplied in this Agreement. All charges have been based upon 300 gallons per day per ERC of wastewater and 350 gallons per day per ERC of water. If water and/or wastewater use exceed those amounts the COUNTY may require homeowner to curtail use to within the volumetric limits set forth above.

21.7. Prior Notice. The DEVELOPER agrees to notify the COUNTY in writing not less than thirty (30) days prior to estimated date of completion of construction of facilities requiring water and wastewater service, the date on which the DEVELOPER will require initial connection to the COUNTY's water and wastewater pipelines. Upon permit receipt by COUNTY of FDEP clearance the COUNTY will permit immediate connection of water and wastewater facilities.

21.8. No Precedent. The provisions of this Agreement shall not be construed as establishing a precedent as to the amount or basis of contributions to be made by the DEVELOPER or other utility system extensions that may hereafter be required by DEVELOPER and which are not presently conferred by this Agreement.

21.9. Applicable Law. This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida.


21.10. Submittal of Shop Drawings. Prior to construction, the DEVELOPER shall submit to the COUNTY for its review and approval all shop drawings for materials and equipment for the construction of any facilities pursuant to this Agreement. Any recommendations, requests, design, or construction changes by COUNTY beyond those required by the Marion County Utilities Construction Manual will be made at the expense of the COUNTY.

21.11. Transfer of Accounts to COUNTY. On a temporary basis, COUNTY agrees to accept transfer of the accounts of the utility and shall provide billing services at a reasonable cost solely in the discretion of the COUNTY for a period of six months from the date of execution of this Agreement, or until the assets contemplated by this Agreement have been transferred to the COUNTY, whichever first occurs. The transfer of these accounts and responsibility for billing on the system shall take effect upon the effective date of this Agreement.

IN WITNESS WHEREOF, DEVELOPER and the COUNTY have executed or have caused this Agreement, with the named Exhibits attached, if any, to be duly executed in several counterparts, each of which counterpart shall be considered an original executed copy of this Agreement.

ATTEST:

MARION COUNTY, FLORIDA, a
political subdivision of the State of
Florida

By: 
Andy Kesseling, County Chairman

Date: 9-20-2005


David R. Ellspermann, Clerk

FOR THE USE AND RELIANCE
OF MARION COUNTY ONLY.
APPROVED AS TO FORM.


Thomas A. Cloud, Utility Counsel

Dated: SEPT. 6, 2005

Signed, sealed and delivered
in the presence of:

DEVELOPER:

ROBERT CLAYTON ALBRIGHT

x: Katherine A. Moran

By: Robert Clayton Albright

By: Katherine A. Moran

x: Melissa Miller

By: Melissa Miller

[CORPORATE SEAL]

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 1st day
of Sept, 2005, by ROBERT CLAYTON ALBRIGHT, Trustee. He is
personally known to me or has produced FL Driver's License as
identification and did (did not) take an oath.

Katherine A. Moran
Signature of Person Taking Acknowledgment



Name of Acknowledger Typed, Printed or Stamped

Title or Rank

Serial Number, if any.

**JOINER AND CONSENT TO MARION COUNTY WATER AND
WASTEWATER SYSTEM STANDARD DEVELOPER'S
SERVICE AGREEMENT CONTRACT NO. 05-**

Developer Resources Inc., a Florida corporation, does hereby join in and consent to the Marion County Water and Wastewater System Standard Developer's Service Agreement Contract No. 05-06 between Robert Clayton Albright, Trustee, and Marion County, Florida.

WITNESSES

**DEVELOPER RESOURCES INC., a
Florida corporation**

Katherine A. Moran
Name: Katherine A. Moran

By: [Signature]
Its: President / Sec

Melissa Miller
Name: Melissa Miller

[CORPORATE SEAL]

STATE OF Florida
COUNTY OF Marion

The foregoing instrument was acknowledged before me this 1st day of September, 2005, by Robert Clayton Albright as President of DEVELOPER RESOURCES, INC., a Florida corporation, who is personally known to me [] or has provide FL Driver's license as identification.

[SEAL]



Katherine A. Moran
Signature of Notary Public
Name: Katherine A. Moran
My Commission Expires: _____
Commission No.: _____

GRAY | ROBINSON
ATTORNEYS AT LAW

SUITE 1400
301 EAST PINE STREET (32801)
POST OFFICE BOX 3068
ORLANDO, FL 32802-3068
TEL 407-843-8880
FAX 407-244-5690
gray-robinson.com

CLERMONT
KEY WEST
LAKELAND
MELBOURNE
ORLANDO
TALLAHASSEE
TAMPA

Thomas A. Cloud, Esquire

407-244-5624

T.CLOUD@GRAY-ROBINSON.COM

September 8, 2005

VIA E-MAIL & U.S. MAIL

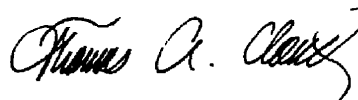
Clay Albright
Clay Albright, Inc.
P.O. Box 830220
320 N.W. Third Avenue
Ocala, FL 34483

Re: Fire Flows

Dear Clay:

Pursuant to your request, and as authorized by Mr. Koltz, I can confirm to you that the County will be providing fire flows for up to 88 new condo units on the property described in the Loch Harbour agreement. If you need any additional information, please let me know.

Very truly yours,



Thomas A. Cloud, Esquire

GrayRobinson, P.A.

[Signed in Mr. Cloud's absence to prevent delay]

TAC/jg

cc: Gary Koltz (via e-mail & U.S. Mail)

GRAY | ROBINSON
ATTORNEYS AT LAW

SUITE 1400
301 EAST PINE STREET (32801)
POST OFFICE BOX 3068
ORLANDO, FL 32802-3068
TEL 407-843-8880
FAX 407-244-5690
gray-robinson.com

CLERMONT
KEY WEST
LAKELAND
MELBOURNE
ORLANDO
TALLAHASSEE
TAMPA

Thomas A. Cloud, Esquire

407-244-5624

TCLLOUD@GRAY-ROBINSON.COM

September 12, 2005

VIA E-MAIL

Clay Albright
Clay Albright, Inc.
P.O. Box 830220
320 N.W. Third Avenue
Ocala, FL 34483

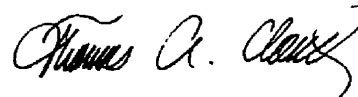
Re: Payment of Capital Charges for 96 ERCs of Water and Wastewater
Service Capacities

Dear Clay:

I am writing this letter to confirm that you will be paying the water and wastewater capital charges for 96 ERCs of water service capacity and 96 ERCs of wastewater service capacity on a date when the County accepts title to the developer plants under Subsection 21.1. This was related to me by Gary Koltz. I am also confirming the incorporation of this letter and my two previous letters to you dated August 24 and September 8, 2005 into the Agreement. I have added a clause to the beginning of Section 13 referencing these letters. Please initial three copies of the page and have them hand delivered to Gary Koltz today so that they may be inserted in the Agreement that is approved by the Board tomorrow.

If you or Gary have any questions regarding this matter, call me. For ready reference, I am likewise e-mailing copies of the two prior letters for your records.

Very truly yours,



Thomas A. Cloud, Esquire

GrayRobinson, P.A.

TAC/jg

Enclosures

cc: Gary Koltz (via e-mail)

GRAY | ROBINSON
ATTORNEYS AT LAW

SUITE 1400
301 EAST PINE STREET (32801)
POST OFFICE BOX 3068
ORLANDO, FL 32802-3068
TEL 407-843-8880
FAX 407-244-5690
gray-robinson.com

CLERMONT
KEY WEST
LAKELAND
MELBOURNE
ORLANDO
TALLAHASSEE
TAMPA

Thomas A. Cloud, Esquire

407-244-5624

T.CLOUD@GRAY-ROBINSON.COM

August 24, 2005

VIA E-MAIL & U.S. MAIL

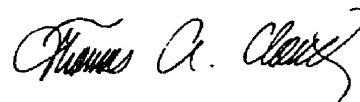
Clay Albright
Clay Albright, Inc.
P.O. Box 830220
320 N.W. Third Avenue
Ocala, FL 34483

Re: Clarification on Blanket Easement

Dear Clay:

As promised, I am writing you this letter to clarify our position regarding the blanket easement. The blanket easement is intended to be in place only so long as it takes to get a more definitive metes and bounds description for the actual easements where the pipes will be on the property. My intention is that at the time of closing (or when it is available) a more specific easement will be granted to the County that actually deals with so many feet of width on either side of a center line properly described by a surveyor for each of the pipes. You had asked that I clarify this so you don't have a blanket easement imposed on your property until the ends of time. If you or Gary have any other questions regarding this matter, please call me at 407-489-7771.

Very truly yours,



Thomas A. Cloud, Esquire

GrayRobinson, P.A.

[Signed in Mr. Cloud's absence to prevent delay]

TAC/jg

cc: Gary Koltz (via e-mail)

THIS PAGE LEFT INTENTIONALLY BLANK

EXHIBIT "A"

THE PROPERTY

SEC 25 TWP 17 RGE 23

THAT PT OF FOLLOWING DESC PROPERTY LYING N OF CTY RD 14.0 S ROW IN 25/26-17-23 W 2 CHS OF N ½ GOVT LOT 4 IN 25-17-23 & E 211 FT OF THE 900 FT SQ IN SE COR OF N ½ OF GOVT LOT 1 IN 26-17-23 (PARCEL NO. 48263-000-00

AND

THAT PART OF THE FOLLOWING DESCRIBED PROPERTY LYING NORTH OF COUNTY ROAD 14.0S (SUNSET HARBOR ROAD) RIGHT OF WAY:

900 FEET SQUARE IN THE SOUTHEAST CORNER OF THE NORTH ½ OF GOVERNMENT LOT 1, SECTION 26, TOWNSHIP 17 SOUTH, RANGE 23 EAST, MARION COUNTY, FLORIDA. EXCEPT THE EAST 211 FEET THEREOF AND EXCEPT THE NORTH 406.00 FEET OF THE WEST 85.00 FEET OF THE EAST 401.00 FEET THEREOF (THIS LAST EXCEPTION BEING THE CLUBHOUSE PROPERTY).

239397 -8
8/24/05

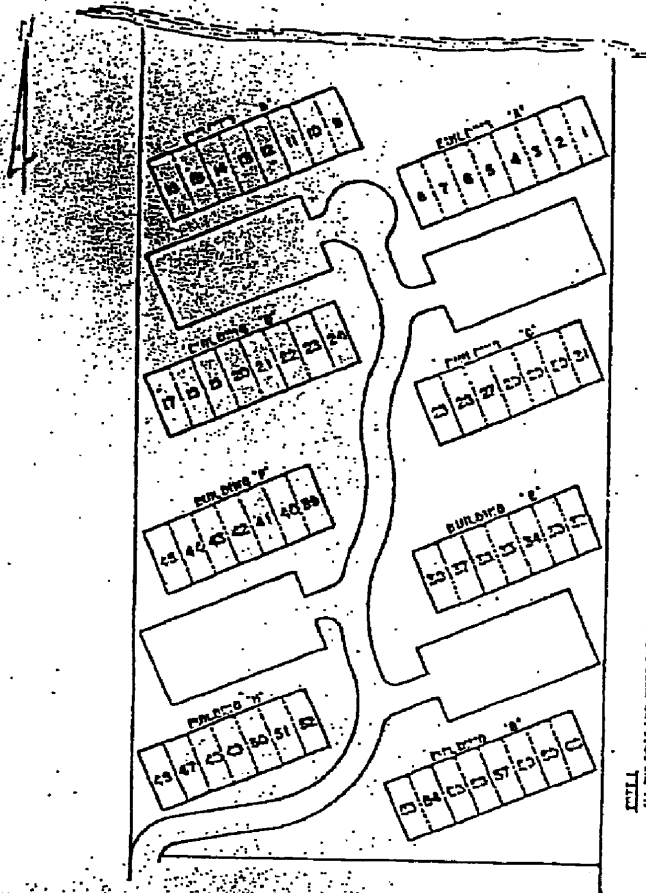
MAP DEPICTIONS

EXHIBIT "B"

LOGAN HARBOUR CONDOMINIUM VILLAGE INC.

BOOK 573 PAGE 761

EXHIBIT



ALL DIMENSIONS AND LOCATIONS SHOWN HEREON ARE PROVIDED AS APPROXIMATE TO FACILITATE CONSTRUCTION AND WILL BE REVISITED BY A FINAL CERTIFICATE OF CORRECTION UPON COMPLETION OF CONSTRUCTION.

THIS PLAN IS A PART OF THE RECORDING OF THE CONDOMINIUM UNIT PLAN FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. AND IS SUBJECT TO THE TERMS AND CONDITIONS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. WHICH IS FILED IN PUBLIC RECORDS IN THE COUNTY OF DADE, FLORIDA, BOOK 573, PAGE 761.

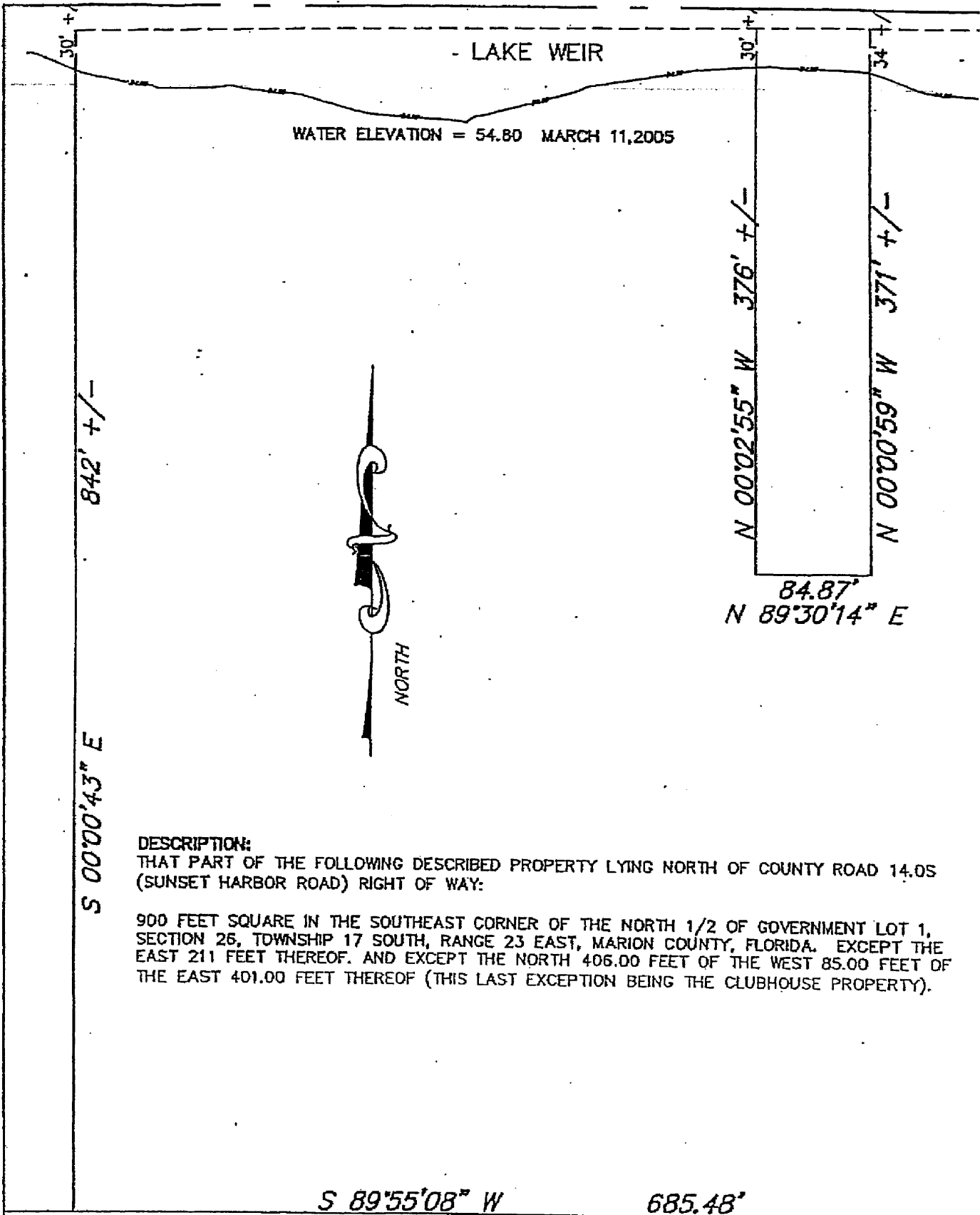
THESE UNITS ARE TO BE USED AS RESIDENTIAL UNITS AND ARE NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE BOARD OF MANAGERS OF LOGAN HARBOUR CONDOMINIUM VILLAGE INC. THE BOARD OF MANAGERS IS AUTHORIZED TO ENFORCE THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. AND TO TAKE SUCH ACTION AS MAY BE NECESSARY TO ENFORCE THE SAME.

THESE UNITS ARE TO BE USED AS RESIDENTIAL UNITS AND ARE NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE BOARD OF MANAGERS OF LOGAN HARBOUR CONDOMINIUM VILLAGE INC. THE BOARD OF MANAGERS IS AUTHORIZED TO ENFORCE THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. AND TO TAKE SUCH ACTION AS MAY BE NECESSARY TO ENFORCE THE SAME.

THIS PLAN IS A PART OF THE RECORDING OF THE CONDOMINIUM UNIT PLAN FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. AND IS SUBJECT TO THE TERMS AND CONDITIONS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LOGAN HARBOUR CONDOMINIUM VILLAGE INC. WHICH IS FILED IN PUBLIC RECORDS IN THE COUNTY OF DADE, FLORIDA, BOOK 573, PAGE 761.

[Signature]
 PROJECT MANAGER
 MOORHEAD ENGINEERING CO.
 1000 N. W. 10th St., Suite 100
 Ft. Lauderdale, FL 33304
 (954) 561-1111

LOGAN HARBOUR
 APARTMENT UNIT LAYOUT
 SHEET 1 OF 3
 MOORHEAD ENGINEERING CO.
 MAY 17, 1973



DESCRIPTION:
 THAT PART OF THE FOLLOWING DESCRIBED PROPERTY LYING NORTH OF COUNTY ROAD 14.05 (SUNSET HARBOR ROAD) RIGHT OF WAY:

900 FEET SQUARE IN THE SOUTHEAST CORNER OF THE NORTH 1/2 OF GOVERNMENT LOT 1, SECTION 26, TOWNSHIP 17 SOUTH, RANGE 23 EAST, MARION COUNTY, FLORIDA. EXCEPT THE EAST 211 FEET THEREOF. AND EXCEPT THE NORTH 406.00 FEET OF THE WEST 85.00 FEET OF THE EAST 401.00 FEET THEREOF (THIS LAST EXCEPTION BEING THE CLUBHOUSE PROPERTY).

VESTCOR

MOORHEAD ENGINEERING COMPANY

CONSULTING ENGINEERS - LAND SURVEYORS
 LAND PLANNERS

P.O. BOX 998 305 S.E. 1st AVENUE OCALA, FLORIDA

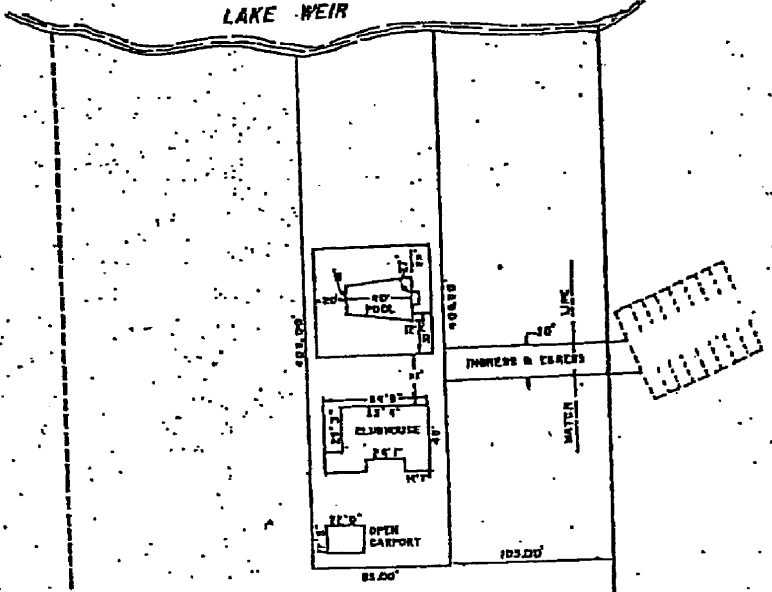
Job No.: 05-040	Drawing No.: 05040	Scale
Drawn by: EJM	Approved by: RLH	F.B.

BOOK 573 PAGE 760

LOCH HARBOUR CONDOMINIUM VILLAGE INC.

EXHIBIT "D"

LAKE WEIR



SECTION III
(UNDEVELOPED)

SECTION II
(UNDEVELOPED)

SECTION I
(SEE SHEET 1)

WEST 50% OF EAST 50.00' OF 200 FT. OR IN
E.C. COR. OF GOVT LOT 1, SEC. 16, T17S, R15E

COUNTY ROAD 14.0 S 66' R/W

DESCRIPTION OF CLUBHOUSE AREA:
THE NORTH 40.00 FEET OF THE WEST 81.00 FEET OF THE EAST 40.00 FEET OF THE
90.00 FEET SQUARE IN THE SOUTHEAST CORNER OF THE NORTH ONE HALF (1/2) OF
GOVERNMENT LOT 1, SECTION 26, TOWNSHIP 17 SOUTH, RANGE 23 EAST, TOGETHER WITH
A 10.00 FOOT EASEMENT OF TRUNKS AND CARRIES TO THE CLUBHOUSE AREA.

GENERAL EASEMENT DESCRIPTION:
EASEMENT AND RIGHT-OF-WAY AS REQUIRED FOR UTILITIES FOR AND
INCLUDING WATER, SEWERAGE, NATURAL GAS, TELEPHONE, ELECTRICAL, AND
TELEVISION CABLE.

LOCH HARBOUR
CLUBHOUSE PLOT PLAN
SHEET 2 OF 2
MOORHEAD ENGINEERING CO.
1998 BY 1078

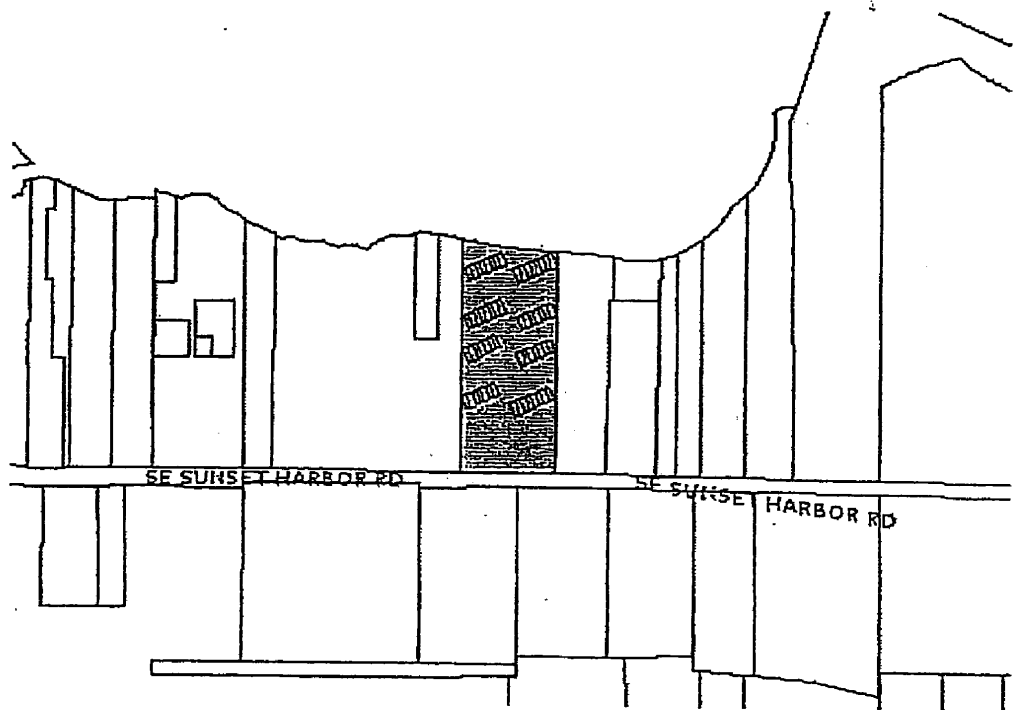
Work Description: VINYL SIDING FOR BLDG. E UNITS
Permit Amount: \$17070

Record #7

Permit Number: MC0864
Issued Date: 1984-03-01
CO Date: 1969-12-31
Final Date: 1984-12-01
Work Description: CONDO BLDG.H#UNITS 47T0521
Permit Amount: \$171000

Map Overview

(click on map to open map search window)



Additional Improvements

Number	Type	Num Units	Unit Type	Year	Value
1	TENNIS COURT	2.00	UT	1972	20465
2	PAVING-ASPHALT	43300.00	SF	1972	58888
3	HANDBALL COURT	2.00	CT	1972	13035
4	PAVING-ASPHALT	2450.00	SF	1972	2400
5	FENCE-CHAIN LINK	580.00	LF	1972	2290

One water treatment package plant with all associated pumps, pipes, mains, valves, lines, two pumps and one small hydro-tank

One lift station and associated pumping systems.

One steel waste water treatment plant together with all associated gravity sewer lines, pipes, valves, force mains, force main valves, pumps.

DEVELOPER PLANTS

EXHIBIT "C"

EXHIBIT D

**STATEMENT REGARDING BUYER'S REVIEW OF UTILITY FINANCIAL
INFORMATION FOR REGULATORY PURPOSES**

Marion County has obtained and reviewed the Annual Report of Loch Harbour Utilities, Inc. submitted to the Florida Public Service Commission for year ended December 31, 2004. To the County's knowledge this is the latest available financial information.

EXHIBIT C

STATEMENT REGARDING THE DISPOSITION OF OUTSTANDING REGULATORY ASSESSMENT FEES, FINES OR REFUNDS OWED.

Loch Harbour Utilities, Inc. currently has no outstanding regulatory assessment fees, fines or refunds to report. No action is required by the County or the utility with respect to the disposition of any such fees, fines or refunds.

EXHIBIT B

**STATEMENT REGARDING THE DISPOSITION OF CUSTOMER DEPOSITS
AND THE ACCUMULATED INTEREST THEREON**

There are currently no customer deposits held by the utility and no accumulated interest to report. The County will take the utility's assets without the need to transfer or otherwise account for customer deposits.

**THIS INSTRUMENT PREPARED BY
AND SHOULD BE RETURNED TO:**

Thomas A. Cloud, Esq.
GRAYROBINSON, P.A.
301 East Pine Street, Suite 1400
Post Office Box 3068
Orlando, FL 32802-3068
(407) 843-8880

For Recording Purposes Only

**FIRST AMENDMENT TO
MARION COUNTY WATER AND WASTEWATER SYSTEM
STANDARD DEVELOPER'S SERVICE AGREEMENT CONTRACT NO. 05- 06**

THIS AGREEMENT (the "First Amendment"), is made and entered into this 21st day of March, 2006, by and between **MARION COUNTY**, a political subdivision of the State of Florida, (hereafter "County"), and **ROBERT CLAYTON ALBRIGHT, Trustee** (hereafter the "Developer").

RECITALS

1. The County and the Developer executed that certain Marion County Water and Wastewater System Standard Developer's Service Agreement Contract No. 05-06, on September 20, 2005 (the "Developer Agreement").

2. Since that time, the COUNTY and the DEVELOPER have agreed on certain conditions of transfer of the Developer's water and wastewater facilities to the County, the continued operation and retirement of the Developer's water and wastewater facilities and a plan to address certain related issues raised by the Florida Department of Environmental Protection.

ACCORDINGLY, in consideration of the Recitals hereof, for and in consideration of the mutual undertakings and agreements herein contained and assumed and other good and valuable considerations received by each party from the other, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

SECTION 1. RECITALS. The above recitals are true and correct, and form a material part of this First Amendment.

SECTION 2. AMENDMENT TO SUBSECTION 5.5. Subsection 5.5 shall be amended to read as follows:

“By the presents, upon completion and approval by the COUNTY and the fulfillment of all conditions precedent to closing set forth in Subsection 21.12, the DEVELOPER shall transfer to the COUNTY, all right, title, and interest, free and clear of any encumbrances whatsoever, to the on-site and off-site water distribution and wastewater collection facilities installed by DEVELOPER’s contractor, pursuant to the provisions of this Agreement. Such conveyance is to take place on the date of closing as determined in accordance with Subsection 21.12. As further evidence of said transfer to title, at closing the DEVELOPER shall convey to the COUNTY, by bill of sale, or other appropriate documents, in form satisfactory to the COUNTY’s counsel, the complete on-site and off-site water distribution and wastewater collection facilities as constructed by DEVELOPER and approved by the COUNTY. On said closing date the DEVELOPER shall further cause to be conveyed to the COUNTY, all easements and/or rights-of-way covering areas in which off-site water distribution lines are installed by recordable document in form satisfactory to the COUNTY’s counsel. All conveyance of easements and/or rights-of-way shall be accompanied by a title policy or other evidence of title (including letter from attorney), satisfactory to the COUNTY, establishing DEVELOPER’s rights to convey such continuous enjoyment of such easements or rights-of-way for those purposes set forth in this Agreement to the exclusion of any other person in interest. The use of easements granted by DEVELOPER shall include the use by other utilities so long as such uses by electric, telephone, or gas utilities, or cable television etc. that do not interfere with use by the COUNTY. The COUNTY agrees that the acceptance of the water distribution and wastewater collection facilities installed by DEVELOPER, for service, or by acceptance of the bill of sale, shall constitute that assumption of responsibility by the COUNTY for the continuous operation and maintenance of such system from that date forward.”

SECTION 3. NEW SUBSECTION 21.12. The following new subsection 21.12 shall be added in the agreement:

“21.12. Conditions of Closing. DEVELOPER shall transfer title to the Developer Plants to be transferred to COUNTY pursuant to Subsection 5.5 on a mutually agreed date and time promptly after all of the following conditions precedent to closing have been fulfilled by the applicable party or waived in writing by the party to whom that condition applies:

(1) Conditions Applicable to Both Parties:

(A) The Florida Public Service Commission has approved the transfer to COUNTY of the Developer Plants to be transferred under Subsection 5.5; and,

(B) The Florida Department of Environmental Protection ("FDEP") has approved the transfer from DEVELOPER to COUNTY of the applicable FDEP permit for the Developer Plants.

(2) COUNTY Conditions:

(A) DEVELOPER has finally addressed to the satisfaction of the FDEP and the COUNTY all outstanding FDEP compliance issues (or, if applicable, FDEP has waived enforcement action on any such remaining compliance issues on the condition that the COUNTY or DEVELOPER will retire the Facilities upon transfer of the wastewater flows to the COUNTY); and,

(B) DEVELOPER has paid any and all fines and penalties outstanding against the DEVELOPER or the Facilities; and,

(C) COUNTY has either been granted the proper permits to take all flows from the DEVELOPER wastewater treatment facility for treatment at an existing COUNTY central wastewater treatment facility or COUNTY has completed construction of a new wastewater treatment facility capable of accepting such flows; and,

(D) DEVELOPER has paid all amounts then due and owing to COUNTY and arising from this Agreement or the COUNTY's ongoing operation and maintenance of the Developer Plants prior to closing."

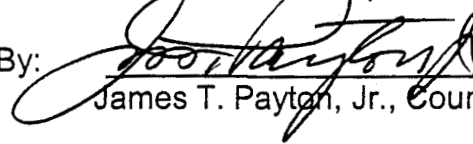
SECTION 4. EFFECT OF FIRST AMENDMENT. Except as modified or amended herein, all of the terms and provisions of the Developer Agreement shall remain in full force and effect. All definitions contained in the Developer Agreement shall apply to this First Amendment except as modified by the terms of this First Amendment.


IN WITNESS WHEREOF, the parties hereby have hereunder executed this Agreement on the day and year first above written.

ATTEST:

MARION COUNTY, FLORIDA

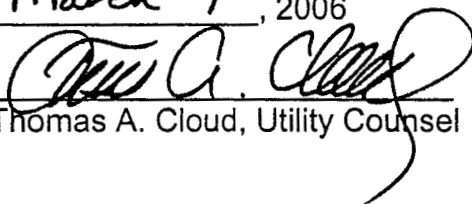
By:


James T. Payton, Jr., County Chairman


David R. Ellspermann, Clerk

Date: March 21, 2006

FOR THE USE AND RELIANCE
OF MARION COUNTY ONLY.
APPROVED AS TO FORM

March 9, 2006

Thomas A. Cloud, Utility Counsel

Signed, sealed and delivered
in the presence of:

DEVELOPER:

ROBERT CLAYTON ALBRIGHT,
as Trustee

x: _____

By: _____

By: _____

x: _____

By: _____

[CORPORATE SEAL]

IN WITNESS WHEREOF, the parties hereby have hereunder executed this Agreement on the day and year first above written.

ATTEST:

MARION COUNTY, FLORIDA

By:

James T. Payton, Jr., County Chairman

Date: March 21, 2006

David R. Ellspermann, Clerk

FOR THE USE AND RELIANCE
OF MARION COUNTY ONLY.
APPROVED AS TO FORM

_____, 2006

Thomas A. Cloud, Utility Counsel

DEVELOPER:

**ROBERT CLAYTON ALBRIGHT,
as Trustee**

Signed, sealed and delivered

in the presence of:

x: Gary Koltz

By: GARY KOLTZ

x: Cleve Fleming

By: CLEVE FLEMING

By: Robert Clayton Albright

[CORPORATE SEAL]

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 9 day
of March, 2006, by ROBERT CLAYTON ALBRIGHT, Trustee. He is
 personally known to me or has produced _____
as identification.

Marsha Lynn Senger
Signature of Person Taking Acknowledgment

MARSHA Lynn Senger
Name of Acknowledger Typed, Printed or Stamped

Title or Rank



Serial Number, if any.

JOINDER AND CONSENT TO FIRST AMENDMENT

Developer Resources Inc., a Florida corporation, does hereby join in and
consent to this First Amendment to Marion County Water and Wastewater
System Standard Developer's Service Agreement Contract No. 05-06 between
Robert Clayton Albright, Trustee, and Marion County, Florida.

WITNESSES

[Signature]
Name: GAZKOTG

[Signature]
Name: CLEVE FLEMING

**DEVELOPER RESOURCES INC., a
Florida corporation**

By: [Signature]
Its: President

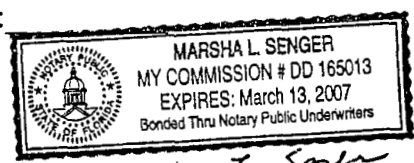
[CORPORATE SEAL]

STATE OF Florida
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 9 day of MARCH, 2006, by Robert Clayton Albright as President of DEVELOPER RESOURCES, INC., a Florida corporation, who is personally known to me or has provide _____ as identification.

[SEAL]

Marsha Lynn Senger
Signature of Notary Public
Name: MARSH L. Senger
My Commission Expires: _____
Commission No.: _____



Marsha L. Senger