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July 29, 2008

Ms. Ann Cole, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
08 JUL 29 PM 2:18
COMMISSION
CLERK

Re: Aqua Utilities Florida, Inc.'s Application for Approval of Transfer of Horizon Homes of Central Florida, Inc. and Five Land Group LLC's Water and Wastewater Systems and Amendment of Certificates in Sumter County, Florida.

Dear Ms. Cole:

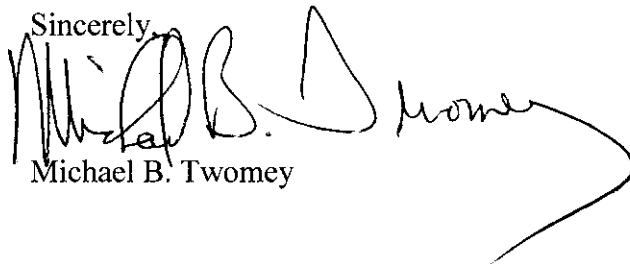
Enclosed for filing on behalf of Aqua Utilities Florida, Inc. are the following documents:

1. The Original and five copies of the completed Application and attached exhibits A-X; and
2. The filing fee in the amount of \$1,500.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

Thank you for your assistance with this filing.

Sincerely,



Michael B. Twomey

Enclosures

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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Aqua Utilities Florida, Inc.'s Application)
for Approval of Transfer of Horizon Homes of)
Central Florida, Inc. Five Land Group LLC's Water)
And Wastewater Systems and Amendment of)
Certificates in Sumter County, Florida.)
_____)

Docket No. 080517-WS
Filed: 29, 2008

**AQUA UTILITIES FLORIDA, INC.'S
APPLICATION FOR APPROVAL OF TRANSFER
OF HORIZON HOMES OF CENTRAL FLORIDA, INC.
AND FIVE LAND GROUP LLC'S
WATER AND WASTEWATER SYSTEMS
AND AMENDMENT OF CERTIFICATES
IN SUMTER COUNTY, FLORIDA**

Aqua Utilities Florida, Inc. ("AUF" or "Buyer"), by and through its undersigned counsel, and pursuant to Sections 367.045(2) and 367.071, Florida Statutes, and Rules 25-30.036(3) and 25-30.037, Florida Administrative Code, hereby files this Application for approval of the transfer of the water and wastewater systems of Horizon Homes of Central Florida, Inc. and Five Land Group LLC. ("Jumper Creek Manor" or "Seller") to AUF and for amendment of AUF's water and wastewater certificates of authorization for Sumter County, Florida, to include the Jumper Creek Manor water and wastewater service territory. In support of this Application, AUF states as follows:

APPLICANT INFORMATION

1. The name and address of the Buyer for purposes of this Application, and as it appears on AUF's Commission-issued water and wastewater certificates are:

Aqua Utilities Florida, Inc.
6960 Professional Pkwy. E., Ste. 400
Sarasota, Florida 34240
(941) 907-7400 (Telephone)
(800) 250-7532 (Telephone)
(941) 907-7401 (Facsimile)

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

2. The name and address of AUF's authorized representatives are:

Michael B. Twomey, Esq.
Post Office Box 5256
Tallahassee, Florida 32314-5256
(850)421-9530 (Telephone)

Kimberly A. Joyce, Esq.
Aqua America, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
(610) 645-1077 (Telephone)
(610) 519-0989 (Facsimile)

3. The Seller's representative for purposes of this Application is:

Richard Brown
VP of Acquisitions and Development
Horizon Homes
197 Montgomery Road
Altamonte Springs, FL 32714
(407)869-1100 ext: 110 (Telephone)
(407)862-5903 (Facsimile)

4. AUF has been issued Water and Wastewater Certificates by the Florida Public Service Commission ("Commission") related to its operations in Alachua, Brevard, Charlotte/Desoto, Highlands, Sumter, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties. AUF has been issued Water Certificate No. 507W and Wastewater Certificate No. 441S by the Commission with respect to AUF's provision of utility services in Sumter County, Florida.

5. Incorporated herein is AUF's Application for Approval of Purchase of the Jumper Creek Manor' water and wastewater systems in Sumter County, Florida and for Amendment of

Certificates (the "Application"). The incorporated Application includes all of the information required by Rules 25-30.036(3) and 25-30.037, Florida Administrative Code.

A. APPLICATION FOR APPROVAL OF TRANSFER OF JUMPER

CREEK MANOR SYSTEMS

I. FINANCIAL AND TECHNICAL INFORMATION

6. AUF is a Florida corporation authorized to do business in Florida as of July 2, 2003. The names and addresses of AUF's corporate officers and director are listed in **Exhibit "A"** to the Application.

7. **Exhibit "B"** to the Application is a statement indicating how this purchase is in the public interest, including a summary of AUF's experience in water and wastewater utility operations, a showing of AUF's financial ability to provide service and a statement that AUF will fulfill the commitments, obligations and representations of Jumper Creek Manor with regard to utility matters.

8. AUF is a wholly-owned subsidiary of Aqua America, Inc. ("Aqua America") and owns other water or wastewater utilities. AUF also is an affiliate of Aqua Utilities, Inc. (formerly AquaSource Utility, Inc.), which also is a wholly-owned subsidiary of Aqua America. Aqua Utilities, Inc. also owns numerous water and wastewater utilities located in Florida. The utilities owned by each are listed in **Exhibit "C"** to the Application.

9. The sale of the Jumper Creek Manor water and wastewater systems to AUF occurred on December 31, 2007. **Exhibit "D"** to the Application is a copy of the Asset Purchase Agreement, including attachments, by and between Jumper Creek Manor and AUF, executed on or about September 27, 2007. Section 367.071(1), Florida Statutes, provides that a utility may sell its land, facilities and certificates prior to Commission determination that the sale is in the

public interest, if the sale is made contingent upon Commission approval. Accordingly, Section 7.9 of the Asset Purchase Agreement provides that this sale of Jumper Creek Manor water and wastewater systems is contingent upon Commission approval.

10. The Asset Purchase Agreement includes definitions of the “Water System Assets” and “Waste Water System Assets” purchased by AUF (Section 1.2 of Agreement), the purchase price and terms of payment (Section 1.4 of Agreement), and a provision confirming that AUF is not assuming any liabilities or obligations of Jumper Creek Manor except for the obligation to provide water and wastewater service (Section 1.5 of Agreement). The Agreement does not address:

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

11. **Exhibit “E”** to the Application is a statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed for the Jumper Creek Manor systems.

12. **Exhibit “F”** to the Application is a statement describing AUF’s financing of the purchase.

13. **Exhibit “G”** to the Application is a list of any or all entities upon which AUF is relying to provide funding for the sale, and an explanation of the manner and amount of such funding, including financial statements and copies of any financial agreements with AUF.

14. **Exhibit “H”** to the Application sets forth the proposed net book value of the water and wastewater systems transferred to AUF.

15. **Exhibit “I”** to the Application is a statement confirming that AUF is not requesting an acquisition adjustment.

16. The books and records of Jumper Creek Manor are available for inspection by the Commission. The name, address, and telephone number of the person who has possession of the books and records of Jumper Creek Manor are as follows:

Nance Guth
Aqua Utilities Florida, Inc.
6960 Professional Pkwy. E.
Sarasota, Florida 34240
(941) 907-7411(Telephone)
941) 907-7401 (Facsimile)

17. **Exhibit “J”** to the Application is a statement from AUF regarding the federal income tax returns of Jumper Creek Manor.

18. **Exhibit “K”** to the Application is a statement from AUF regarding the condition of each system being acquired and the status of its compliance with applicable standards set by the Florida Department of Environmental Protection.

II. NOTICE OF ACTUAL APPLICATION

19. In accordance with Rule 25-30.030(2), Florida Administrative Code, AUF has obtained from the Commission a list of the names and addresses of the municipalities, the counties, the regional planning counsel, the Office of Public Counsel, the Commission’s Office of the Clerk, the appropriate regional office of the Department of Environmental Protection, the appropriate water management districts, and privately-owned water and wastewater utilities that

hold a certificate granted by the Commission and that are located within the county in which the systems proposed to be transferred are located.

20. In accordance with Rule 25-30.030(5), Florida Administrative Code, AUF will provide notice of this Application containing the information required under Rule 25-30.030(4), Florida Administrative Code, by regular mail to the governing body of each county and municipality contained in the list obtained from the Commission as referenced above, as well as the other entities contained in the list obtained from the Commission, within 7 days of filing this Application.

21. Pursuant to Rule 25-30.030(8), Florida Administrative Code, within 15 days of filing this Application, AUF will submit **Late-Filed Exhibit "L"** to the Application, which will include an affidavit confirming that the Notice of Application was provided as described in Paragraphs 19-20, along with a copy of the Notice and a copy of the list of entities obtained from the Commission.

22. In accordance with Rule 25-30.030(6), Florida Administrative Code, AUF will provide a notice by regular mail, to each customer of each system to be transferred within 7 days of filing this Application. Within 15 days of filing its Application, AUF will submit **Late-Filed Exhibit "M"** to the Application, which will include a copy of the Notice of Application provided to the customers, and an affidavit reflecting that it has provided the Notice of this Application to each customer of each system to be transferred.

23. In accordance with Rule 25-30.030(7), Florida Administrative Code, AUF will publish the Notice once in a newspaper of general circulation in the territory proposed to be transferred within 7 days of filing this Application. Within 15 days of filing this Application, AUF will submit **Late-Filed Exhibit "N"** to the Application, which will include an affidavit reflecting

that the Notice has been published once in a newspaper of general circulation in each territory proposed to be transferred, along with proof of each publication.

III. FILING FEE

24. The application fee required by Section 367.145, Florida Statutes, and Rule 25-30.020, Florida Administrative Code, has been submitted to the Office of Commission Clerk along with the filing of this Application.

IV. OTHER

25. **Exhibit "O"** to the Application provides evidence that Jumper Creek Manor owns the land upon which each treatment facility for each system to be transferred is located.

26. **Exhibit "P"** to the Application contains sample tariff sheets for each system proposed to be transferred reflecting the change in ownership, the existing rates and charges, and the territorial descriptions of each water and wastewater system.

27. **Exhibit "Q"** to the Application states that Jumper Creek Manor has not been issued water and wastewater certificates by the Commission.

B. APPLICATION FOR AMENDMENT OF CERTIFICATES OF AUTHORIZATION

I. SYSTEM INFORMATION

28. AUF provides potable water service, fire protection service and wastewater service to the proposed amended territory. AUF provides service to the proposed amended territory by utilizing AUF's current plant. The capacity of the existing wastewater treatment facilities is 0.035 million gallons per day ("MGD") and the capacity of the existing water treatment facilities is 0.110 MGD.

29. The type of customers anticipated to be served by the extension of water service will be single-family homes.

30. Attached hereto as **Exhibit "R"** is a copy of the executed and recorded special warranty deed as evidence that AUF owns the land where the water and wastewater facilities that will serve the proposed territory are located.

II. FINANCIAL AND TECHNICAL INFORMATION

31. AUF has the technical and financial ability to render reasonably sufficient, adequate and efficient service to the proposed amended territory. AUF is a wholly owned subsidiary of Aqua America, Inc., which provides service to more than 800,000 customers in thirteen states. Given its size, access to capital and its recognized strength in system planning, capital budgeting and construction management, Aqua America and its subsidiary AUF are uniquely well-positioned to provide high quality water and wastewater service to its customers.

32. Funding for the acquisition of the Jumper Creek Manor systems was provided through Aqua America, Inc and will not impact AUF's capital structure. Further, the acquisition will not impact AUF's monthly rates and service availability charges.

33. The rates for the Jumper Creek Manor water and wastewater systems were not established by the Commission. The inclusion of the proposed amended territory to AUF's Sumter County service area will not have an impact on AUF's current rates or service availability charges.

V. AFFIDAVIT

39. Attached hereto as **Exhibit "X"** is an affidavit of John M. Lihvarcik, the President and Chief Operating Officer of AUF, affirming that the facts stated herein and in the attached exhibits are true and correct.

WHEREFORE, AUF requests that this Commission:

- A. Grant AUF's Application;
- B. Approve the transfer of the Jumper Creek Manor water and wastewater systems to AUF;
- C. Approve the amendment of AUF's water and wastewater certificates of authorization in Sumter County, Florida to include the Jumper Creek Manor water and wastewater service territory; and
- D. Grant such other relief as is appropriate.

Respectfully submitted this 29th day of July, 2008.



Michael B. Twomey, Esquire
Post Office Box 5256
Tallahassee, Florida 32314-5256
(850) 421-9530

EXHIBIT A
Rule 25-30.037 (2)d)

If the buyer is a corporation, list the names, titles, and addresses of corporate officers and directors.

Director:

Nicholas DeBenedictis, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Officers:

President – Christopher Franklin, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Vice President – John M. Lihvarcik, 1100 Thomas Avenue, Leesburg, Florida 34749

Vice President and Chief Financial Officer – David P. Smeltzer, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Vice President and Treasurer – Roy H. Stahl, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Secretary – Maria Gordiany, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

EXHIBIT B
Rule 25-30.037 (3)(j)

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.

The sale of the Horizon Homes of Central Florida, Inc. d/b/a Jumper Creek Manor water and wastewater assets to AUF ("Buyer") is in the public interest for numerous reasons, the most important of which are as follows:

Focus on Water Service

The Buyer is a wholly-owned subsidiary of Aqua America, Inc. ("Aqua America"), a publicly traded water and wastewater utility based in the United States, which provides service to more than 800,000 customers in thirteen states. The proposed acquisition would place the water and wastewater operations of the Jumper Creek Manor water and wastewater system in the hands of an experienced company and industry leader whose sole focus is the provision of high quality water and wastewater service at reasonable prices. The Buyer will fulfill the commitments, obligations and representations of Jumper Creek Manor.

Size and Financing Capability

The Jumper Creek Manor customers will be served by a large, fiscally sound company that has the capability to finance necessary capital additions. To illustrate, as of December 31, 2006, Aqua America's total permanent capitalization was approximately \$1.8 billion. As the Commission is well aware, the need to comply with increasingly stringent water quality and environmental standards, while rehabilitating and replacing aging infrastructure, has created substantial demands for capital investment by water and wastewater utilities. Aqua America has become a leader in the area of infrastructure replacement. This undertaking is critically important, not only to assure high quality water service but also to maintain adequate pressures for fire protection purposes. Given its size, access to capital and its recognized strength in system planning, capital budgeting and construction management, Aqua America and its subsidiaries are uniquely well-positioned to provide high quality water and wastewater service. In addition, because of its outstanding credit quality, Aqua America can access the capital markets on favorable terms.

Economics of Scale

As the largest publicly traded water and wastewater utility system based in the United States, Aqua America enjoys substantial economies of scale and scope through mass purchasing of certain goods (e.g. chemicals and equipment) and the provision of centralized service (e.g., the system-wide administration of an employee pension and benefit plan). The acquisition of Jumper Creek Manor systems present a further opportunity to extend these economies to the Jumper Creek Manor customers in such areas as accounting and record keeping, financial and regulatory reporting, customer billing and accounting and customer service.

EXHIBIT B

Page 2

Commitment to Customer Service

Aqua America is totally committed to providing its customers with the highest quality service at the lowest price. In addition, Aqua America and its subsidiaries have worked in partnership with State and local officials to address the problems faced by smaller systems that may lack the financial and/or technical resources needed to comply with evolving water quality standards. As part of the Aqua America system, the Jumper Creek Manor properties should be equipped to pursue these opportunities.

EXHIBIT C
Rule 25-30.037 (2)(f)

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

Aqua Utilities Florida, Inc.

Aqua Utilities Florida, Inc. ("AUF") is a wholly-owned subsidiary of Aqua America. AUF owns and operates the following water and wastewater system that are subject to Commission jurisdiction:

AUF Water Systems

Alachua County - Certificate # 549W
Arredondo Estates
Arredondo Farms

Brevard County - Certificate # 002W
Kingswood Oakwood

Desoto/Charlotte County - Certificate # 599W Lake Suzy

Highlands County - Certificate # 422W
Lake Josephine Leisure Lakes
Sebring Lakes

Lake County - Certificate # 106W
Carlton Village East Lake Harris
Fern Terrace Friendly Center
Grand Terrace Haines Creek
Hobby Hills
Holiday Haven
Imperial Mobile Terrace 48 Estates
Kings Cove
Summit Chase
Morningview
Palms MHP
Picciola Island Piney Woods
Quail Ridge
Ravenswood
Silver Lake Estate/Western Shores

EXHIBIT C

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Skycrest
Stone Mountain
Valencia Terrace
Venetian Village

Marion County – Certificate #346W
Ocala Oaks

Orange County – Certificate #084W
Tangerine

Palm Beach County – Certificate #053W
Lake Osborne

Pasco County – Certificate # 209W
Jasmine Lakes
Palm Terrace
Zephyr Shores

Polk County – Certificate #587W
Gibsonia Estates
Lake Gibson Estates
Orange Hill/Sugar Creek
Rosalie Oaks
Village Water

Putnam County – Certificate #076W
Beecher's Point
Hermits Cove
Interlachen Lakes / Park Manor
Palm Port
Pomona Park
River Grove
Silver Lake Oaks
St. John's Highlands
Welaka/Saratoga Harbor
Wootens

Seminole County – Certificate #279W
Chuluota
Harmony Homes

EXHIBIT C

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Sumter County – Certificate # 507W
The Woods

Volusia County – Certificate # 238W
Jungle Den
Tomoka/Twin Rivers

Washington County – Certificate # 501W
Sunny Hills

AUF Wastewater Systems

Alachua County – Certificate # 579S
Arredondo Farms

DeSoto/Charlotte County – Certificate # 514S
Lake Suzy

Highlands County – Certificate # 359S
Leisure Lakes

Lake County – Certificate # 120S
Holiday Haven
JS – Kings Cove
JS – Summit Chase
Morningview
Ravenswood
Valencia Terrace
Venetian Village

Lee County – Certificate # 268S
South Seas

Pasco County – Certificate # 154S
Jasmine Lakes
Palm Terrace
Zephyr Shores

Polk County – Certificate # 506S
Lake Gibson Estates
Village Water

EXHIBIT C

Page 4 of 4

Putnam County – Certificate # 284S

Beecher's Point
Park Manor
Silver Lake Oaks

Seminole County – Certificate # 226S

Chuluota
Florida Central Commerce Park

Sumter County – Certificate # 441S

The Woods

Washington County – Certificate # 435S

Sunny Hills

Aqua Utilities, Inc.

Aqua Utilities, Inc. (formerly AquaSource Utility, Inc.) is also a wholly-owned subsidiary of Aqua America. Aqua Utilities, Inc. owns and operates water and wastewater systems in Citrus, Hardee and Sarasota Counties.

EXHIBIT D
Rule 25-30.037 (2)(g)

A copy of the Asset Purchase Agreement, including attachments, by and between Horizon Homes of Central Florida, Inc. and Aqua Utilities Florida, Inc. executed on or about September 27, 2007, is attached hereto. (My copy of the exhibit only printed the first 11 of 13 pages and didn't include a date of execution. Additionally, there were blanks for dates early in the document that had no date.)

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement dated August ____, 2007 between, Horizon Homes of Central Florida, Inc., a Florida corporation, with a business address at 197 Montgomery Road, Suite 120, Altamonte Springs, Florida and Five Land Group, LLC, a Florida Limited Liability Corporation (collectively referred to as "Seller"), and AQUA UTILITIES FLORIDA, INC. a Florida corporation with a business address at 1100 Thomas Avenue, Leesburg, Florida 37478 ("Aqua Utilities Florida").

RECITALS

A. Seller is a Florida corporation that owns a water system and a waste water system in a residential community known as "Jumper Creek Manor", which is situated in Sumter County, Florida.

B. Aqua Utilities Florida is a public utility corporation that furnishes water and waste water services to the public in various areas of Florida.

C. Seller desires to sell, and Aqua Utilities Florida desires to purchase, the Water System Assets (as defined below) and the Waste Water System Assets (as defined below) upon the terms and conditions set forth herein.

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

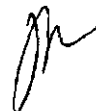
1. SALE AND PURCHASE OF THE WATER SYSTEM ASSETS AND WASTE WATER SYSTEM ASSETS.

1.1 Purchase and Sale

Subject to the terms and conditions hereinafter set forth, Aqua Utilities Florida shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to Aqua Utilities Florida at the Closing (hereinafter defined) the Water System Assets and the Waste Water System Assets, free and clear of all liens and encumbrances.

1.2 Water System Assets and Waste Water System Assets Defined

The Water System Assets ("Water System Assets") are defined to be: all of the assets, properties and rights of Seller (whether tangible, real, personal or mixed), which are held and used in connection with the water supply and distribution system located in Jumper Creek Manor, which is situated in Sumter County, Florida, including, without limitation, the assets,



including all customer deposits at the time of signing totaling \$1,495, and rights set forth in Schedule 1.2 of this Agreement. The Waste Water System Assets ("Waste Water System Assets") are defined to be: all of the assets, properties and rights of Seller (whether tangible, real, personal or mixed), which are held and used in connection with the Waste Water System located in Jumper Creek Manor, which is situated in Sumter County, Florida, including, without limitation, the assets and rights set forth in Schedule 1.2 of this Agreement. Notwithstanding the foregoing, the Water System Assets and the Waste Water System Assets shall not include any of the following:

- a. customer wastewater service lines that run from the curb clean-out area to the residences.
- b. customer water service lines that run from the curb stop area to the residences.
- c. piping and fixtures internal to the residences.
- d. cash on hand of Seller and accounts receivable for any period prior to the Closing Date.

1.3 Accounts Receivable and Billing Procedure

Prior to the Closing Date, Seller shall provide to Aqua Utilities Florida a copy of Seller's file containing the names and addresses and account balances of Seller's customers. All accounts receivable of the Seller shall remain the property of the Seller. Seller shall be entitled to retain and/or collect any amounts paid by customers for sewer service provided in the calendar month in which the Closing occurs, without adjustment. Aqua Utilities Florida shall be entitled to bill customers for sewer service provided in the period beginning of the first of the month following the month in which the Closing occurs.

1.4 Purchase Price; Payment

The purchase price for the Water System Assets and the Waste Water System Assets is \$100,000 (the "Purchase Price"). This amount shall be paid in cash or acceptable check by Aqua Utilities Florida to Seller at Closing less any amounts paid to Seller as a deposit.

1.5 Non-Assumption of Liabilities

All liabilities and obligations of Seller shall remain the sole responsibility of Seller, except that the obligations of Seller as it pertains to customer deposits shall transfer to Aqua Utilities Florida. Aqua Utilities Florida shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever whether express or implied, fixed or contingent, known or unknown.



2. **CLOSING**

2.1 **Closing Date, Place and Time**

Closing hereunder (the "Closing") shall take place on _____, 2007 at the offices of Aqua Utilities Florida, located at 1100 Thomas Avenue, Leesburg, Florida, and commence at 10:00 a.m. local time. The date of the Closing is referred to herein as the "Closing Date." The effective time of the Closing shall be 12:01 a.m. on the day following the Closing Date.

2.2 **Items to be delivered at Closing**

At Closing and subject to the terms and conditions herein contained, Seller shall deliver to Aqua Utilities Florida all title, assets, properties and rights to the Water System Assets and the Waste Water System Assets, including, without limitation, the following:

- a. A Bill of Sale and Assignment, and other instruments and documents of conveyance and transfer, all in form reasonably satisfactory to Aqua Utilities Florida and its counsel, as shall be necessary and effective to transfer and assign to, and vest in, Aqua Utilities Florida good and marketable title to the Water System Assets and the Waste Water System Assets, with warranty of title;
- b. Easements (via an assignment or grant), in a form reasonably satisfactory to Aqua Utilities Florida and its counsel, for the source of water supply, any and all water mains and related facilities, access to and the use and maintenance and operation of the Water System Assets, all pumping stations, sewer mains and related facilities, and for access to and the use and maintenance and operation of the Waste Water System Assets;
- c. A blanket easement over all real property constituting "Jumper Creek Manor" for utility use, and for security fencing that may be installed by Aqua Utilities Florida subsequent to Closing. All easements will contain customary and reasonable provisions for restoration of land and indemnification of Seller against loss due to actions of Aqua Utilities Florida
- d. Copies, or the originals, where appropriate, of all agreements, contracts, commitments, leases, plans, bids, quotations, proposals, instruments belonging to the Seller that are part of or related to the Water System Assets and/or the Waste Water System Assets;
- e. A certificate, in a form and substance satisfactory to Aqua Utilities Florida, executed by Seller confirming that any and all contracts between Seller and any other entity have been satisfied and that no claims exist relating to these contracts;
- f. A complete and accurate list of the names, addresses, and billing addresses of all customers and lot owners;



g. Keys to any and all facilities identified as Water System Assets and/or Waste Water System Assets; and simultaneously with such delivery, all such steps shall be taken as may be required to put Aqua Utilities Florida in actual possession and operating control of the Water System Assets and the Waste Water System Assets, to include transfer of all permits to Aqua Utilities Florida at Closing.

2.3 Transfer of Utilities

The parties will cooperate to transfer utility service, including, but not limited to, telephone and electric, as of the Closing Date. In the event service cannot be transferred in the name of Aqua Utilities Florida as of the Closing Date, the bills shall be pro-rated as of the Closing Date.

3. CONDITIONS PRECEDENT TO OBLIGATIONS OF AQUA UTILITIES FLORIDA

The Closing of the transaction shall be contingent upon the following:

- a. Seller shall comply with its obligations hereunder, and provide a Bring-Down Certificate at Closing certifying that the representations herein are true and accurate as of Closing;
- b. Seller shall provide to Aqua Utilities Florida an Opinion Letter from counsel in the form attached hereto as Schedule 3(b)
- c. Seller shall provide to Aqua Utilities Florida a certificate of good standing;
- d. Aqua Utilities Florida shall be satisfied with its review of the real estate and the quality of title with regard to any easement to be granted and conveyed to Aqua Utilities Florida from Seller;

4. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties that shall survive the date hereof and the Closing except as disclosed on Schedule 4, attached hereto:

- a. Seller does not have any liabilities or obligations outstanding that relate to the Water System Assets or may give rise to a claim against the Water System Assets.
- b. Seller does not have any liabilities or obligations outstanding that relate to the Waste Water System Assets or may give rise to a claim against the Waste Water System Assets.



- c. Seller has good and marketable title to the Water System Assets, and there are no liens, encumbrances or security interests against the Water System Assets that will not be paid off by Seller at Closing.
- d. Seller has good and marketable title to the Waste Water System Assets, and there are no liens, encumbrances or security interests against the Waste Water System Assets that will not be paid off by Seller at Closing.
- e. Seller has good and valid rights to use, occupy and obtain access to the areas where the water mains and other facilities of the Water System Assets are located, and to convey such rights of use, occupancy and access to Aqua Utilities Florida, Inc.
- f. Seller has good and valid rights to use, occupy and obtain access to the areas where the collection mains and other facilities of the Waste Water System Assets are located, and to convey such rights of use, occupancy and access to Aqua Utilities Florida.
- g. There are no pending or threatened claims regarding the Water System Assets or Seller's ability to transfer the Water System Assets.
- h. There are no pending or threatened claims regarding the Waste Water System Assets or Seller's ability to transfer the Waste Water System Assets.
- i. Seller does not know or have reason to know of any events or conditions related to the Water System Assets that would give rise to any liability under any of the environmental laws of Florida or the United States.
- j. Seller does not know or have reason to know of any events or conditions related to the Waste Water System Assets that would give rise to any liability under any of the environmental laws of Florida or the United States.
- k. Seller does not know or have reason to know of any material violation of, or material lack of compliance with, any law, ordinance or government rule or regulation to which the Water System Assets are subject.
- l. Seller does not know or have reason to know of any material violation of, or material lack of compliance with, any law, ordinance or government rule or regulation to which the Waste Water System Assets are subject.
- m. Seller is not a party to any contract for the purchase of, or payment for, supplies, equipment or for services related to the Water System Assets, except such contracts that shall not survive Closing.



n. Seller is not a party to any contract for the purchase of, or payment for, supplies, equipment or for services related to the Waste Water System Assets, except such contracts that shall not survive Closing.

o. Seller does not know or have reason to know of any existing or threatened conditions or developments, which would have a material adverse effect on the Water System Assets.

p. Seller does not know or have reason to know of any existing or threatened conditions or developments, which would have a material adverse effect on the Waste Water System Assets.

q. Seller has paid, or will arrange for the full payment of, all taxes owed by Seller on account of the ownership and operation of the Water System Assets up to and through Closing. Seller has paid, or will arrange for the full payment of, all taxes owed by Seller on account of the ownership and operation of the Waste Water System Assets up to and through Closing. All federal, state and local tax returns, reports and statements (including all income, unemployment compensation, social security, payroll, sales and use, excise, privilege, property, ad valorem, franchise, license, school, and other taxes owed or assessed under the laws of the United States or any state or municipal or political subdivision thereof required to be filed by Seller (the "Tax Returns") have been filed with the appropriate governmental agencies in all jurisdictions in which returns, reports and statements properly reflect the tax liabilities of Seller for the periods, properties or events covered thereby. All federal, state and local taxes, assessments, interest, penalties, deficiencies, fees and other governmental charges or impositions, including those enumerated above in respect of the Tax Returns, that are called for by the Tax Returns, or claimed to be due by any taxing authority from Seller, or upon or measured by the properties, assets or income of Seller, have been properly paid.

r. The Water System Assets and the Waste Water System Assets are in compliance in all respects with the rules and regulation of the Florida Public Service Commission and Seller has not received any notice of, nor has Seller any knowledge of, any violation of the rules and regulations of the Florida Public Service Commission.

s. Seller possesses all legal rights, entitlements and permits necessary to operate the Waste Water System Assets, including all legal rights necessary to dispose of all treated wastewater generated by the Waste Water System Asset

5. INDEMNIFICATION

a. Seller hereby acknowledges that, following the effective time of Closing, Aqua Utilities Florida shall be responsible for the provision of water and waste water service to the customers of Seller. Other than the future provision of water and waste water service, Aqua

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Utilities Florida does not and shall not assume or incur any liability or obligation of Seller of any nature whatsoever, express or implied, fixed or contingent, known or unknown.

b. Seller shall indemnify and hold harmless Aqua Utilities Florida and Aqua Utilities Florida officers, employees and agents from and against all liabilities and obligations of Seller and from and against any and all claims, actions, judgments and fines: 1) arising from any breach of the Representations and Warranties of Seller under this Agreement; 2) related to the Water System Assets to the extent such claims, actions, judgments and fines involve activities or events that occurred or originated prior to the effective time of Closing; and/or 3) related to the Waste Water System Assets to the extent such claims, actions, judgments and fines involve activities or events that occurred or originated prior to the effective time of Closing.

c. The indemnification covenants set forth in this Section 5 shall survive the Closing of the transactions contemplated hereby for a period of thirty-six (36) months after the Closing.

6. CONVENANTS AND ACKNOWLEDGMENTS

6.1 Seller will support Aqua Utilities Florida's application(s) to the Florida Department of Environmental Protection, and will assist with the transfer of any and all permits.

7. GENERAL PROVISIONS

7.1 Notices

Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given only if sent by regular mail where the receipt of which is confirmed by a telephone conversation, or delivered personally, or sent by overnight delivery service or registered or certified mail, postage prepaid, return receipt requested, as follows:

IF TO AQUA UTILITIES OF FLORIDA, INC.: IF TO SELLER:

Aqua Utilities Florida, Inc.
1100 Thomas Avenue
Leesburg, FL 34748
Attention: John M. Lihvarcik

Richard Rowe
Horizon Homes
197 Montgomery Road, Suite 120
Altamonte Springs, Florida 32714

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



7.2 Governing Law

This instrument shall be governed by and enforced in accordance with the laws of the State of Florida.

7.3 Entire Agreement; Modification; Integration Clause

This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto. Any and all previous agreements and understandings between or among any or all of the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement.

7.4 Binding Effect

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

7.5 Schedules

All of the Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

7.6 Survival

The terms and conditions of this Agreement shall survive Closing.

7.7 Representation by Counsel; Construction

Each party acknowledges and represents to the other that it has been represented by legal counsel in connection with the preparation and execution of this document and related documents, and each party therefore acknowledges and agrees that any rule of construction or interpretation of language against the drafting party shall not be applicable to this document or any related document.

7.8 Arbitration

Each party agrees to arbitrate any dispute, claim or controversy arising from, or related to this Agreement with the exception of any claim for restraints or injunctive relief. By agreeing to arbitrate each dispute, claim or controversy, subject to the limitations set forth above, each party is also agreeing to waive any right it may have to a jury trial or other proceeding in court with



regard to such dispute, claim or controversy. Any such arbitration shall be conducted in Tallahassee, Florida, in accordance with the rules of the American Arbitration Association Arbitration or at such other city closest to Tallahassee in which the American Arbitration Association conducts arbitration proceedings.

7.9 Regulatory Approval Contingency. The sale of assets contemplated by this Agreement is subject to and contingent upon the approval of the Florida Public Service Commission upon terms and conditions reasonably acceptable to Aqua Utilities Florida as to such approval; however, as provided in Section 367.071, Florida Statutes, the parties desire to close the transaction in advance of the Commission's approval. In the event that the FPSC determines that the sale and transfer of the Water System Assets and the Waste Water System Assets is not in the public interest and that Aqua Utilities Florida will not fulfill the commitments, obligations, and representations of the utility, and, therefore, the FPSC denies such transfer, or in the event that the FPSC approves the sale and transfer of the Water System Assets and the Waste Water System Assets upon terms and conditions not reasonably acceptable to Aqua Utilities Florida, then the Water System Assets and the Waste Water System Assets shall be repurchased by Seller via the same means and at the same Purchase Price as the Water System Assets and the Waste Water System Assets were purchased by Aqua Utilities Florida pursuant to this Agreement. Seller agrees that in the event of such repurchase, Seller will reimburse Aqua Utilities Florida for all capital expenditures made for the improvement to the Water System Assets and/or the Waste Water System Assets, provided such expenditures were necessary to maintain the assets in good working order or to comply with any legal requirement.

7.10 Counterparts; Facsimile Signature

This Agreement may be executed in counterparts. A facsimile copy of the signature page and signature on behalf of each party shall be effective as an original signature for purposes of showing the execution of this document.



IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly executed this Agreement on the date first above written.

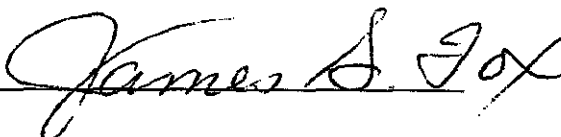
HORIZON HOMES OF CENTRAL FLORIDA, INC.

By: _____



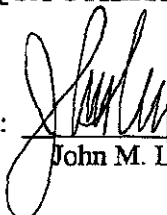
FIVE LAND GROUP, LLC

By: _____



AQUA UTILITIES FLORIDA, INC.

By: _____



9-27-07
John M. Lihvarcik, President & COO



List of Water System Assets and Waste Water System Assets

A handwritten signature in black ink, appearing to be the initials 'JM' or similar, located in the bottom right corner of the page.

EXHIBIT E
Rule 25-30.037 (2)(r)

A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.

There are no outstanding regulatory assessment fees, fines or refunds owed.

EXHIBIT F
Rule 25-30.037 (2)(i)

A statement describing the financing of the purchase.

The purchase of Jumper Creek Manor water and wastewater systems was financed through the use of short-term funds from AUF's parent, Aqua America, Inc.

EXHIBIT G
Rule 25-30.037 (2)(k)

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 of ownership interest in the utility.

The transaction was funded by the parent, Aqua America, with short term debt. The amount of funding for the transaction was \$100,000. The parent's statement is available at www.aquaamerica.com

EXHIBIT H
Rule 25-30.037 (2)(l)

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

The proposed net book value as of the date of the proposed transfer is \$865,732.00. There are no orders establishing rate base for this company.

EXHIBIT I
Rule 25-30.037 (2)(m)

A statement setting forth the reasons for an acquisition adjustment, if one is requested.

Not applicable.

EXHIBIT J
Rule 25-30.037 (2)(o)

A statement from the buyer that it has obtained or will obtain copies of all 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.

Horizon Homes of Central Florida, Inc. filed combined federal income tax returns. Jumper Creek Manor did not file separate returns. A copy of Horizon Homes of Central Florida, Inc.'s combined federal income tax returns are available at main office, located at 197 Montgomery Road, Altamonte Springs, FL 32714

EXHIBIT K
Rule 25-30.037 (2)(p)

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.

After reasonable investigation, AUF has determined that the systems acquired from Horizon Homes of Central Florida, Inc. in December 2007, were and are in satisfactory condition and are in compliance with all applicable standards set by the Florida Department of Environmental Protection ("FDEP") and do not have any outstanding Notices of Violation or Consent Orders with the FDEP.

EXHIBIT L
Rule 25-30.030

An affidavit that the notice of actual application was given in accordance with Section 367-045(1), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail. Exhibit L will be a late-filed exhibit

EXHIBIT M
Rule 25-30.030

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.

Exhibit M will be a late-file exhibit.

EXHIBIT N
Rule 25-30.030

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.

Exhibit N will be a late-filed exhibit

EXHIBIT O
Rule 25-30.037 (2)(q)

Evidence that the utility owns the land where the utility treatment facility 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.

A copy of the Warranty Deed and legal description are attached.

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PAGE 1 OF 3
B-1569 P-223

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This document prepared by
and please return to ✓

Henry M. Cooper, Esquire
Hugh, Munn & Munro, P.A.
1001 Technology Blvd
Orlando, Florida 32804



AFFIDAVIT RE: AUTHORITY OF JOINT VENTURE

STATE OF FLORIDA
COUNTY OF SUMTER

BEFORE ME, the undersigned authority, personally appeared David J. Schulte, as Vice-President of Horizon Homes of Central Florida, Inc., a Florida corporation ("Affiant"), who after being by me first duly sworn, deposes and states the following:

1. The matters set forth herein are of Affiant's own personal knowledge.
2. That Horizon Homes of Central Florida, Inc., a Florida corporation ("Horizon") is the managing partner of Jumper Creek Joint Venture ("Seller") pursuant to paragraph 5.1 of that certain Joint Venture Agreement dated as of July 2004 ("JV Agreement").
3. That (i) Seller is a joint venture currently in existence under the valid JV Agreement, (ii) the joint venture formed by the JV Agreement has not been dissolved and is in full force and effect during the entire time that the joint venture has held title to the subject real property, (iii) there are no pending actions that would result in the dissolution of Seller, and (iv) the JV Agreement has not been revoked or amended to prohibit the subject transaction.
4. That Affiant is the President of Horizon. Horizon is a general partner of Seller and also serves as the managing partner of Seller pursuant to paragraph 5.1 of the JV Agreement.
5. That Horizon, as a legal entity general partner, (i) has not been dissolved during the existence of the joint venture, (ii) has not been a debtor in bankruptcy during the existence of the joint venture, and (iii) has been and continues to be in full force and effect during the existence of the joint venture.
6. Five Land Group, LLC, a Florida limited liability company, is also a general partner of Seller. There are no other general partners of Seller.
7. That Five Land Group, LLC, a Florida limited liability company, as a legal entity general partner, (i) has not been dissolved during the existence of the joint venture, (ii) has not been a debtor in bankruptcy during the existence of the joint venture, and (iii) has been and continues to be in full force and effect during the existence of the joint venture.
8. That Horizon, as managing partner, is authorized under the terms of the JV Agreement to (i) execute the deed and other closing documents on behalf of Seller, and (ii) convey, on behalf of Seller, that certain real property more particularly described on Exhibit "A"

ATTORNEY TITLE
GLORIA HAYWARD, CLERK OF CIRCUIT COURT
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AFFIDAVIT B-1860 P-224
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attached herein and incorporated herein by this reference. Affiant is authorized to execute the deed and closing documents on behalf of Horizon

9. Affiant states that he is familiar with the nature of an oath and with the penalties provided by law for falsely swearing to statements made in an instrument of this nature and that he acknowledges that all parties referred to herein intend to and do in fact materially rely upon the same.

FURTHER AFFIANT SAYS NOT.

AFFIANT:

By: David J. Schulte
Name: David J. Schulte

The foregoing instrument was sworn and subscribed before me this 15th day of November, 2007, by David J. Schulte, as Vice-President of Horizon Homes of Central Florida, Inc., a Florida corporation, as general and managing partner of Juniper Creek Joint Venture, on behalf of the joint venture. He is personally known to me or has produced _____ as identification.

[Signature]
Print Name: _____
Notary Public, State of Florida

My commission expires:

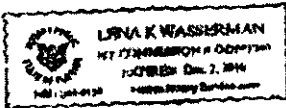


EXHIBIT P
Rule 25-30.037 (2)(s)

Sample tariff sheets for each system proposed to be transferred reflecting the change in ownership, the existing rates and charges, and the territorial descriptions for each water and wastewater system.

See attached sample tariffs as listed below:

Volume I-Section V, Original Sheet No.185.01-Rate Schedule: Residential Service (RS)
Volume I-Section V, Original Sheet No.185.2-Rate Schedule: General Service (GS) & Multi-Family (MF)
Volume I-Section VI, First Revised Sheet No. 1.1-Index of Service Availability Charges (cont.)
Volume I-Section VI, Original Sheet No. 3.22 – Service Availability Charges
Volume I-Section VII, First Revised Sheet No.1.0 – Index of Miscellaneous Section
Volume I-Section VII, Original Sheet No. 2.6 – Miscellaneous Service Charges
Volume I-Section VII, Second Revised Sheet No.3.1 – Customer Deposits (cont.)
Volume II-Section V, Original Sheet No. 65.1-Rate Schedule: Residential Service (RS)
Volume II-Section V, Original Sheet No. 65.2-Rate Schedule: General Service (GS) & Multi-Family (MF)
Volume II-Section VII, First Revised Sheet No. 3.1-Customer Deposits (cont.)

AUF will provide the territory description sheets upon approval of the transfer.

**RATE SCHEDULE: JUMPER CREEK
RESIDENTIAL SERVICE (RS)**

AVAILABILITY: Available throughout the area served by the Company in the Jumper Creek service area of Sumter County.

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

LIMITATIONS: Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly.

RATE:

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meters Sizes (Includes 10,000 Gallons)	\$ 25.00

GALLONAGE CHARGE: Per 1,000 gallons (over 10,000 Gals.) \$ 2.50

MINIMUM CHARGE: Base Facility 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.

TYPE OF FILING: Transfer of Ownership

EFFECTIVE DATE:

RATE SCHEDULE: JUMPER CREEK
GENERAL SERVICE (GS) and MULTI-FAMILY (MF)

AVAILABILITY: Available throughout the area served by the Company in the Jumper Creek service area of Sumter County.

APPLICABILITY: For water service to all Customers for which no other schedule applies.

LIMITATIONS: Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly.

RATE:

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meters Sizes (Includes 10,000 Gallons)	\$ 25.00

GALLONAGE CHARGE: Per 1,000 gallons (over 10,000 Gals.) \$ 2.50

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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.

TYPE OF FILING: Transfer of Ownership

EFFECTIVE DATE:

Jack Lihvarcik
Chief Operating Officer

INDEX OF SERVICE AVAILABILITY CHARGES (Cont.)

	<u>Sheet Number</u>
Main Extension Charge	3.0
Meter Installation Charge	3.0
Stand Alone Backflow Prevention Device	3.0
Service Installation Charge	3.0
Plant Capacity Charge	3.0
List of Plants	3.1
Service Availability Charges for Tangerine in Orange County	3.5
Service Availability Charges for Arredondo in Alachua County	3.6
Service Availability Charges for Haines Creek in Lake County	3.17
Service Availability Charges for 48 Estates in Lake County	3.8
Service Availability Charges for Jasmine Lakes in Pasco County	3.9
Service Availability Charges for Kings Cove in Lake County	3.10
Service Availability Charges for Lake Josephine in Highlands County	3.11
Service Availability Charges for Lake Osborne in Palm Beach County	3.12
Service Availability Charges for Ocala Oaks in Marion County	3.13
Service Availability Charges for Ravenswood in Lake County	3.14
Service Availability Charges for Rosalie Oaks in Polk County	3.15
Service Availability Charges for Sebring Lakes in Highlands County	3.16
Service Availability Charges for Summit Chase in Lake County	3.17
Service Availability Charges for Village Water in Polk County	3.18
Service Availability Charges for The Woods in Sumter County	3.19
Service Availability Charges for Fairways @ Mt. Plymouth in Lake County	3.20
Service Availability Charges for Breeze Hill in Polk County	3.21
Service Availability Charges for Jumper Creek in Sumter County	3.22

SERVICE AVAILABILITY CHARGES

AVAILABILITY:

Jumper Creek in Sumter County, Florida.

Customer Connection (Tap-in) Charge Charge:

5/8" x 3/4" metered service	\$
1" metered service	\$
1-1/2" metered service	\$
2" metered service	\$
Over 2" metered service	\$

Meter Installation Charges:

Standard Meter:

Per Connection - 5/8" X 3/4"	\$ 220.00
Per Connection - Over 5/8 X 3/4"	Actual Cost

Main Extension Charge:

Per ERC (ERC = ____ gallons per day) \$

Plant Capacity Charge:

Per ERC (ERC = ____ gallons per day) \$

TYPE OF FILING Transfer of Ownership

EFFECTIVE DATE

Kathy Pape
Vice President and Treasurer

INDEX OF MISCELLANEOUS SECTION

	<u>Sheet Number</u>
Index of Miscellaneous Section	1.0
Miscellaneous Service Charges	2.0
Miscellaneous Service Charges (Crystal River Systems).....	2.1
Miscellaneous Service Charges (Village Water-Polk County).....	2.2, 2.6
Customer Deposit	3.0 – 3.3
Meter Test Deposit	4.0 – 4.4
Returned Check Charge	5.0
Lot Fee	6.0
Utility Tax Rider	7.0
Standard Forms	
Application for Service	8.0
Sample of Customer's Bill	9.0
Customer's Guarantee Deposit and/or Service Charge Receipt	10.0
Service Availability Fees Receipt	11.0
Requirements for Reclaimed Water Service	12.0

MISCELLANEOUS SERVICE CHARGES
(Continued)

APPLICABILITY: For the following services to all customers within Jumper Creek system in Sumter County, Florida.

CHARGES:

<u>Type of Service</u>	<u>Fee</u>
Initial Connection	\$ 25.00
Normal Reconnection	\$ 25.00
Violation Reconnection	\$ 35.00
Premises Visit (in lieu of disconnection)	\$ 25.00
Returned Check Charge	\$ 50.00
Late Fee	\$ 25.00

CUSTOMER DEPOSITS (Cont.)

<u>SYSTEM NAME</u>	<u>COUNTY</u>	<u>DEPOSIT</u>
Arredondo	Alachua	\$20.00
Beecher's Point	Putnam	\$20.00
Breeze Hill	Polk	
Carlton Village	Lake	
Chuluota	Seminole	
East Lake Harris Estates	Lake	
Fairways @ Mouth Plymouth	Lake	\$75.00
Fern Terrace	Lake	
Friendly Center	Lake	
Gibsonia Estates	Polk	\$20.00
Grand Terrace	Lake	\$40.00
Haines Creek	Lake	\$20.00 (5/8"x3/4')
Haines Creek	Lake	\$50.00 (1")
Haines Creek	Lake	\$100.00 (1 1/2")
Haines Creek	Lake	\$160.00 (over 2")
Harmony Homes	Seminole	
Hermits Cove	Putnam	
Hobby Hills	Lake	
Holiday Haven	Lake	
Imperial Mobile Terrace	Lake	\$35.00
Interlachen Lakes Estates	Putnam	
Jasmine Lakes	Pasco	
Jumper Creek	Sumter	\$50.00
Jungle Den	Volusia	\$25.00
King's Cove	Lake	\$40.00
Kingswood	Brevard	\$15.00
Lake Josephine	Highlands	
Lake Osborne Estates	Palm Beach	\$20.00 (5/8"x3/4')
Lake Osborne Estates	Palm Beach	\$50.00 (1")
Lake Osborne Estates	Palm Beach	\$100.00 (1 1/2")
Lake Osborne Estates	Palm Beach	\$160.00 (over 2")
Lake Gibson Estates	Polk	\$25.00
Leisure Lakes	Highlands	\$30.00
Morningview	Lake	

TYPE OF FILING Transfer of Ownership

EFFECTIVE DATE

**Jack Lihvarcik
Chief Operating Officer**

RATE SCHEDULE: JUMPER CREEK
RESIDENTIAL SERVICE (RS)

AVAILABILITY: Available throughout the area served by the Company in the Jumper Creek service area of Sumter County.

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

LIMITATIONS: Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly.

RATE:

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meter Sizes (Flat Rate)	\$ 40.00

GALONAGE CHARGE: Per 1,000 gallons \$.00

MINIMUM CHARGE: Base Facility 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.

TYPE OF FILING: Transfer of Ownership

EFFECTIVE DATE:

Jack Lihvarcik
Chief Operating Officer

RATE SCHEDULE: JUMPER CREEK
GENERAL SERVICE (GS) and MULTI-FAMILY (MF)

AVAILABILITY: Available throughout the area served by the Company in the Jumper Creek service area of Sumter County.

APPLICABILITY: For wastewater service to all Customers for which no other schedule applies.

LIMITATIONS: Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly.

RATE:

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meter Sizes (Flat Rate)	\$ 40.00

GALONAGE CHARGE: Per 1,000 gallons \$.00

MINIMUM CHARGE: Base Facility 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.

TYPE OF FILING: Transfer of Ownership

EFFECTIVE DATE:

Jack Lihvarcik
Chief Operating Officer

CUSTOMER DEPOSITS (Cont.)

<u>SYSTEM NAME</u>	<u>COUNTY</u>	<u>DEPOSIT</u>
Arredondo Farms	Alachua	\$
Beecher's Point	Putnam	\$30.00
Chuluota	Seminole	
Florida Central Commerce Park	Seminole	
Holiday Haven	Lake	\$25.00
Jasmine Lakes	Pasco	\$
Jumper Creek	Sumter	\$80.00
Jungle Den	Volusia	\$25.00
King's Cove	Lake	\$45.00
Lake Gibson Estates	Polk	\$35.00
Leisure Lakes	Highlands	\$30.00
Morningview	Lake	
Palm Port	Putnam	
Palm Terrace	Pasco	\$10.00
Park Manor	Putnam	
Rosalie Oaks	Polk	\$20.00 (5/8"x3/4")
Rosalie Oaks	Polk	\$50.00 (1")
Rosalie Oaks	Polk	\$100.00 (1 1/2")
Rosalie Oaks	Polk	\$160.00 (over 2")
Silver Lake Oaks	Putnam	\$30.00
South Seas	Lee	\$
Summit Chase	Lake	\$40.00
Sunny Hills	Washington	\$25.00
Valencia Terrace	Lake	\$10.00
Venetian Village	Lake	
Village Water (General)	Polk	\$50.00 (5/8"x3/4")
Village Water (General)	Polk	\$100.00 (1")
Village Water (General)	Polk	\$150.00 (1 1/2")
Village Water (General)	Polk	\$200.00 (2")
Village Water (General)	Polk	\$400.00 (4")
Village Water (General)	Polk	\$900.00 (8")
The Woods	Sumter	\$20.00 (5/8"x3/4" Gen)
The Woods	Sumter	\$50.00 (1" Gen)
The Woods	Sumter	\$100.00 (1 1/2" Gen)
The Woods	Sumter	\$160.00 (2" Gen)
Zephyr Shores	Pasco	

TYPE OF FILING Transfer of Ownership

EFFECTIVE DATE

**Jack Lihvarcik
Chief Operating Officer**

INDEX OF SERVICE AVAILABILITY CHARGES

	<u>Sheet Number</u>
Index of Service Availability Charges	1.0
Allowance for Funds Prudently Invested	2.0
Service Availability Charges	2.1

INDEX OF SERVICE AVAILABILITY CHARGES

	<u>Sheet Number</u>
Main Extension Charge	3.0
Service Installation Charge	3.0
Plant Capacity Charge	3.0
List of Plants	3.1, 3.2
Service Availability Charges Arredondo Farms in Alachua County ...	3.3
Service Availability Charges Jasmine Lakes in Pasco County	3.4
Service Availability Charges Kings Cove in Lake County	3.5
Service Availability Charges Rosalie Oaks in Polk County	3.6
Service Availability Charges South Seas in Lee County	3.7
Service Availability Charges Summit Chase in Lake County	3.8
Service Availability Charges Village Water in Polk County	3.9
Service Availability Charges The Woods in Sumter County	3.10

SERVICE AVAILABILITY CHARGES
ALLOWANCE FOR FUNDS PRUDENTLY INVESTED
(AFPI)

AVAILABILITY:

Available throughout the area served by the system.

APPLICABILITY:

For all future wastewater Customers connecting to the system.

LIMITATIONS:

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

CHARGES:

A one time charge based upon the month of initial connection.

SERVICE AVAILABILITY CHARGES

**ALLOWANCE FOR FUNDS PRUDENTLY INVESTED
(AFPI)**

System Name/County	Wastewater			
	Collection System		Treatment & Disposal	
	# of Remaining ERC's on 6/30/04**	Amount to Collect After 12-31-01	# of Remaining ERC's on 6/30/04**	Amount to Collect After 12-31-01
Beecher's Point / Brevard	16	619.00	36	426.00
Florida Central Commerce Park / Seminole			16	1,300.00
Holiday Haven / Lake	66	85.00	81	1,300.00
Jungle Den / Volusia			169	322.00
Leisure Lakes / Highlands	125	289.00	681	133.30
Morningview / Lake	12	747.00	60	82.00
Palm Port / Putnam	23	536.00	78	574.00
Palm Terrace / Pasco	5657	33.00		
Silver Lake Oaks / Putnam	27	186.00	17	1,256.00
Sunny Hills / Washington	327	398.40	123	534.26
Valencia Terrace / Lake			85	106.00
Venetian Village / Lake	10	541.00		
Zephyr Shores / Pasco	148	380.00	819	268.77

** Based on 155 gallons per day

TYPE OF FILING

Corporate Reorganization and Name Change

**Kathy L. Pape
Vice President and Treasurer**

EXHIBIT Q
Rule 25-30.037 (2)(t)

The current water and wastewater certificates issued for each system, and where not available, a statement providing an explanation of the steps taken by AUF to obtain the certificates.

Jumper Creek did not have certificates issued by the Florida Public Service Commission.

EXHIBIT R
Rule 25-30.036 (3)(d)

Evidence that the utility owns the land upon which the utility treatment facilities that will serve the proposed territory are located or a copy of an agreement, such as a 99-year lease, which provides for the continued use of the land.

Attached hereto is a copy of the executed and recorded special warranted deed as evidence that AUF owns the land where the water and wastewater facilities that will serve the proposed territory are located.

Prepared By and Return To:
Lee Stuart Smith, Esq.
HOLLAND & KNIGHT LLP
200 S. Orange Avenue, Suite 2600
Orlando, Florida 32801

Property Appraisers ID #: 242122-N24A117

WARRANTY DEED

THIS WARRANTY DEED made the ____ day of _____, 2007 by **JUMPER CREEK JOINT VENTURE**, a Florida joint venture, having a place of business at _____ (hereinafter referred to as the "**Grantor**"), to **AQUA UTILITIES FLORIDA, INC.**, a Florida corporation, having a place of business at 1100 Thomas Avenue, Leesburg, Florida 37478 (hereinafter referred to as the "**Grantee**");

WITNESSETH:

That the Grantor, for and in consideration of the sum of \$10.00 and other valuable consideration, receipt and sufficiency of which is hereby acknowledged, by these presents does grant, bargain, sell and convey to the Grantee, all that certain land situate in **Sumter** County, Florida, more particularly described as follows:

See **Exhibit "A"** attached hereto and by this reference made a part hereof (hereinafter referred to as the "**Property**")

The Property is subject to those certain matters better described on the attached **Exhibit "B"** (the "**Permitted Exceptions**") incorporated herein by this reference, which shall run with the land and be binding upon the Grantee and its successors and/or assigns.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor does hereby covenant with the Grantee that it is lawfully seized of the Property in fee simple; that the Grantor has good right and lawful authority to sell and convey the Property; that it fully warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name, by its proper officers thereunto duly authorized, the day and year first above written.

Two Witnesses

ROB
Printed Name: Richard Brown

David J. Schuchter
Printed Name: David J. Schuchter

JUMPER CREEK JOINT VENTURE,
a Florida joint venture

By: [Signature]
Name: Gregg A. Wasserman
Title: Managing Member

STATE OF FLORIDA
COUNTY OF Seminole

The foregoing instrument was acknowledged before me this 14 day of December, 2007, by Gregg A. Wasserman, Manager of Jumper Creek Joint Venture, a Florida joint venture, on behalf of the Joint Venture. He/she who is personally known to me or has produced _____ as identification.

SEAL

[Signature]
Signature of Notary Public
State of Florida
Commission Number: DD408847

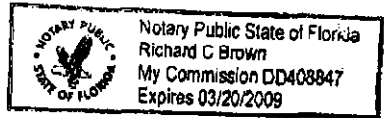


Exhibit "A"
(Legal Description)

ALL OF TRACTS OR PARCELS 4, 5 AND 6 OF PLAT RECORDED AT PLAT BOOK 9, PAGE 5, SUMTER COUNTY, FLORIDA RECORDS, BEING A PORTION OF THE FOLLOWING DESCRIBED PROPERTY:

LEGAL DESCRIPTION OF JUMPER CREEK MANOR

BEGIN AT THE NORTHEAST CORNER OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 21 SOUTH, RANGE 22 EAST, SUMTER COUNTY, FLORIDA; THENCE S.89°54'27"W. ALONG THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24 A DISTANCE OF 660.60 FEET TO A POINT BEING ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24; THENCE N.00°02'51"W. ALONG SAID EAST LINE A DISTANCE OF 362.66 FEET; THENCE S.89°55'28"W. A DISTANCE OF 320.00 FEET; THENCE N.00°02'51" W. A DISTANCE OF 250.00 FEET TO A POINT BEING ON THE SOUTH RIGHT-OF-WAY LINE OF COUNTY ROAD 48, HAVING A 100.00 FOOT WIDE PUBLIC RIGHT-OF-WAY; THENCE S.89°55'28"W. ALONG SAID SOUTH RIGHT-OF-WAY LINE A DISTANCE OF 365.39 FEET TO A POINT BEING 25.00 FEET WESTERLY OF, WHEN MEASURED PERPENDICULARLY TO, THE WEST LINE OF THE EAST 1/2 OF SAID SECTION 24; THENCE S.00°01'42"E. PARALLEL TO SAID WEST LINE A DISTANCE OF 2,297.15 FEET; THENCE N.89°57'30"E. PARALLEL TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF 927.35 FEET TO A POINT BEING ON THE WEST LINE OF THE SOUTH 60(100 FEET OF THE EAST 420.00 FEET OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N.00°04'05"W. ALONG SAID WEST LINE A DISTANCE OF 293.06 FEET TO A POINT BEING ON THE NORTH LINE OF THE SOUTH 600.00 FEET OF THE EAST 420.00 FEET OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N.89°57'42"E. ALONG SAID NORTH LINE A DISTANCE OF 420.00 FEET TO A POINT BEING ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N.00°04'05"W. ALONG SAID EAST LINE A DISTANCE OF 728.13 FEET TO THE SOUTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24; THENCE N.00°04'01"W. ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24 A DISTANCE OF 664.33 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH AND SUBJECT TO COVENANTS, EASEMENTS AND RESTRICTIONS OF RECORD.

BEING THE SAME PROPERTY CONVEYED TO JUMPER CREEK JOINT VENTURE BY VIRTUE OF GENERAL WARRANTY DEED FROM FIVE LAND GROUP, LLC, A FLORIDA LIMITED LIABILITY COMPANY, DATED APRIL 12, 2005, RECORDED MAY 26, 2005, IN INSTRUMENT NO. 2005-17677, BOOK 1381, PAGE 364, SUMTER COUNTY, FLORIDA RECORDS

Exhibit "B"
(Permitted Exceptions)

1. All taxes for the year 2008 and subsequent years, not yet due and payable.
2. Easements, rights of way, boundary lines and improvements as appearing on plat recorded in Plat Book 9, Page 5, Public Records of Sumter County, Florida.
3. Terms and conditions as set forth in Declaration of Covenants, Conditions, and Restrictions for Jumper Creek Manor, recorded June 6, 2006, in Instrument #2006-18487, Book 1590, Page 104, as amended by First Amendment to The Declaration of Covenants, Conditions, Restrictions for Jumper Creek Manor, dated November 1, 2006, recorded November 9, 2006 in Instrument #2006-36794, Official Records Book 1681, Page 727, all of the Public Records of Sumter County, Florida.
4. Terms and conditions as set forth in Memorandum of Joint Venture Agreement made by and between Horizon Homes of Central Florida, Inc. and Five Land Group, LLC, dated July 24, 2004, recorded May 26, 2005, in Instruments #2005-17678, Official Records Book 1381, Page 367, Public Records of Sumter County, Florida.
5. Terms and conditions of Specific Power of Attorney made by James S. Fox, Five Land Group, LLC and Gregg A. Wasserman, dated July 5, 2006, recorded July 17, 2006 in Official Records Book 1618, Page 382, Public Records of Sumter County, Florida.

EXHIBIT S
Rule 25-30.036 (3)(e)

A description of the territory proposed to be served using township, range and section references as specified in Rule 25-30.030 (2).

Attached are the detail system map for water and wastewater which includes the showing of the township, range, and section. The map also includes the territorial legal description.

Exhibit T
Rule 25-30.036 (3)(i)

One copy of the official county tax assessment map or other map showing township, range and section, with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted there on by use of metes and bounds or quarter sections and with a defined reference point of beginning.

Attached hereto is an official county tax assessment map showing township, range and section of the proposed amended territory.

EXHIBIT U
Rule 25-30.036 (3)(f)

One copy of a detailed system map showing the proposed lines, treatment facilities, and the territory proposed to be served. The map shall be of sufficient scale and detail to enable correlation with the description of the territory.

Attached hereto are maps showing the existing lines and facilities and the proposed amended territory.

EXHIBIT V
Rule 25-30.036 (3)(r)

An affidavit that the utility has tariffs and annual reports on filed with the Commission.

Attached is an affidavit of John M. Lihvarcik, Chief Operating Officer of AUF, affirming that AUF has tariffs and an annual report on file with the Commission.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Aqua Utilities Florida, Inc.'s Application)
for Approval of Transfer of Horizon Homes of) Docket No. _____
Central Florida, Inc. and Five Land Group LLC's)
(Jumper Creek Manor) Water and Wastewater)
Systems and Amendment of Certificates in Sumter) Filed: _____, 2008
County, Florida.)
_____)

AFFIDAVIT

STATE OF FLORIDA:
COUNTY OF ~~SUMTER~~
Lake

BEFORE ME, the undersigned authority, personally appeared John M. Lihvarcik,
who after being duly sworn, deposes and says:

1. That I, John M. Lihvarcik, am the President and Chief Operating Officer of Aqua Utilities Florida, Inc.
2. That in accordance with Rule 25-30.036(3)(r), Florida Administrative Code, I hereby affirm that Aqua Utilities Florida, Inc. has tariffs and current annual reports on file with the Florida Public Service Commission.
3. Further, Affiant sayeth not.



JOHN M. LIHVARCİK

STATE OF FLORIDA:
COUNTY OF ~~SUMTER~~
Lake

Subscribed and sworn to before me this 23 day of July, 2008, by
John M. Lihvarcik, who is personally known to me.





NOTARY PUBLIC

My Commission Expires: December 13, 2009

EXHIBIT W
Rule 25-30.036 (3)(q)

The number of the most recent order of the Commission establishing or changing the applicant's rates and charges.

Order No. PSC-07-0773-FOF-WS, issued September 24, 2007, in Docket No. 060368-WS, which approved rates and charges in effect prior to the implementation of Interim rates was the most recent change in rates and charges other than the 2007 Price Index Application.

EXHIBIT X

Attached hereto is an affidavit of John M. Lihvarcik, Chief Operating Officer of AUF, affirming that the facts stated herein and in the attached exhibits are true and correct.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Aqua Utilities Florida, Inc.'s Application)
for Approval of Transfer of Horizon Homes of)
Central Florida, Inc. and Five Land Group, LLC's)
Water and Wastewater Systems (Jumper Creek)
Manor) in Sumter County, Florida.)
Florida.)
_____)

Docket No. _____

Filed: _____, 2008

AFFIDAVIT

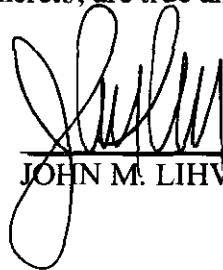
STATE OF FLORIDA:
COUNTY OF ~~SUMTER~~
Lake

BEFORE ME, the undersigned authority, personally appeared John M. Lihvarcik, who after being duly sworn, deposes and says:

1. That I, John M. Lihvarcik, am the President and Chief Operating Officer of Aqua Utilities Florida, Inc.

2. That I hereby affirm that the facts stated in Aqua Utilities Florida, Inc.'s Application for Approval of Transfer of Horizon Homes of Central Florida, Inc. and Five Land Group LLC's (Jumper Creek Manor) Water and Wastewater Systems in Sumter County, Florida, and the attached exhibits thereto, are true and correct.

3. Further Affiant sayeth not.

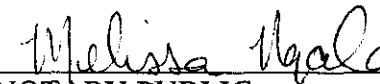


JOHN M. LIHVARIK

STATE OF FLORIDA:
COUNTY OF ~~SUMTER~~
Lake

Subscribed and sworn to before me this 23 day of July, 2008, by John M. Lihvarcik, who is personally known to me.





NOTARY PUBLIC
My Commission Expires: December 13, 2009