APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER OF CERTIFICATE OR FACILITIES

(Pursuant to Section 367.071, Florida Statutes)

DEPOSIT

DATE

Director, Division of Records and Reporting TO: Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

981030-WU

AUG 1 4 1998

The	undersigned her	eby makes ap	plication f	or the s	ale,	
assignme	nt or transfer of	of (XXX) XX p	<u>art)</u> of Wate	er Certi	ficate N	o.
380-W	and/or Wastewate	r Certificate	e No. N/A	_ or fac	ilities	in
····	MARION		County, Flor	rida, an	d submits	3
the foll	owing information	on:				
PART I	APPLICANT INFO	RMATION				
	e full name (as d telephone numb			cificate), addre	SS
	A.P. UTILITIES,		_			A 8 e
Na	me of utility					
(3	352) 694–7474	()			
	Phone No.		Fa	x No.	,	— 🚊 က
	3925 S.E. 45TH CT.	. SUITE E				<u>_</u> 00
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	OCALA, FL 34470		<u>A</u>	UG. 6	19 98	63-71/631 7
FLORIDA	PUBLIC SERVICE COM	MISSION			\$ 750.00	
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2540 Northeast 35th Street Ocala, Florida 34470 A/P UTILITIES & OCALA OAKS UTILITIES

"OO 5 508"

TRANSFER

981030-WU

APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER OF CERTIFICATE OR FACILITIES

(Pursuant to Section 367.071, Florida Statutes)

DEPOSIT

DATE

TO: Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

AUG 1 4 1998

The und	lersigned here	by makes a	applicati	on for t	he sal	Le,	
assignment	or transfer of	XX XXX)	part) of	Water (Certifi	icate I	No.
380-W and	or Wastewater	Certifica	te No. <u>N</u>	/A 01	facil	lities	in
	MARION		County,	Florida	, and	submit	s
the following	ng informatior	ı :					
PART I AP	PLICANT INFOR	MATION					
and t	ull name (as elephone numbe	er of the	applican		.cate),	addr	ess
	.P. UTILITIES, IN of utility	C. (SELLE	к)				
(352) 694–7474		()				
	Phone No.	"		Fax No			
392	25 S.E. 45TH CT.	SUITE E					
	e street addre						
OCAL	1	FLA.		3448	0		
City		State		Zip Cod			
Maili	ng address if	different	from st	reet add	ress.		
Inter	net address if	applicab	le				

PSC/WAW 7 (Rev. 8/95)

MIKE ELLZEY - OCAL	A OAKS UTILITIES,	INC. (352) 732-35
Name		Phone No.
1343 NE 17TH RD.		
Street address		
OCALA	FLA.	34470
City	State	Zip Code
address and telepho	one number of t	ear on the certif he buyer:
OCALA OAKS UTILITI	ES, INC.	
(352) 732–3504	(352	722 2212
Phone No.	(332) 732-3213 Fax No.
1343 NE 17TH RD.		
Office street addre	ess	
OCALA	FLA.	34470
City	State	Zip Code
Mailing address if		street address
incerned address i.	L applicable	
•	zational charac	ter of the buyer:
Corporation /	zational charac	-
one)		-
Corporation / Other:	Partnership (specify)	-

DORIS ELLZEY	PRES. / TRES.	1343	NE]	17TH	RD.	OCALA,	FLA
MIKE ELLZEY	V.P. / SEC.	1343	NE 1	L7TH	RD.	OCALA,	FLA
If the buyer <u>is</u> and addresses organization.	of all person	ns own:	ing	an	in	teres	t i
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- C) Exhibit <u>C</u> A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:
 - (1) Purchase price and terms of payment.
 - (2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of nonregulated operations or entities.
 - (3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.

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

- `(a) Customer deposits and interest thereon;
- (b) Any guaranteed revenue contracts;
 - (c) Developer agreements;
 - (d) Customer advances;
 - (e) Debt of the utility; and
 - (f) Leases.
- D) Exhibit _____ A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.
- Exhibit E A statement describing the financing the purchase.
- F) Exhibit F A list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.
- S) Exhibit _____ The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. _____ Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.
- Th) Exhibit ______ A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)

`I)	The	full	name,	addı	res	s an	d tele	ephon	le number	of	the	e person
	who	has	possessi	lon	of	the	books	and	records	of	the	seller:

PHIL WOODS A.P. UTILITIES, INC. (352) 694-7474

Name Phone No.

3925 SE 45TH CT. SUITE E

Street address

OCALA	FLA.	34480
City	State	Zip Code

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

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

PART III NOTICE OF ACTUAL APPLICATION

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

- (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
- (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;
- (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission;
- (4) the regional planning council;
- (5) the Office of Public Counsel;
- (6) the Public Service Commission's Director of Records and Reporting;
- (7) the appropriate regional office of the Department of Environmental Protection; and
- (8) the appropriate water management district.

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

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

PART IV FILING FEE

Indicate the filing fee enclosed with the application:

* 750.00 (for water) and N/A (for water).

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

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

PART V OTHER

- A) Exhibit P Evidence that the utility owns the land where the utility treatment facilities are located. Or, where the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- `B) Exhibit <u>Q</u> The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems. Sample tariff(s) are attached.
- C) Exhibit R The utility's current certificate(s) or, if not available, an explanation of the steps the applicant took to obtain the certificate(s).

PART VI AFFIDAVIT

T MIKE ELLZEY	(applicant) do
foregoing application	ffirm that the facts stated in the and all exhibits attached thereto are
	that said statements of fact thereto statement of the matter to which it
BY:	Applicant's Signature
	MIKE ELLZEY
	Applicant's Name (Typed)
	VICE-PRESIDENT OCALA OAKS UTILITIES, INC
	Applicant's Title *
Subscribed and sworn to bef	
of <u>August</u> 1	998. Caroline Nortox
	Notary Public #CC 698661 S
by the president or other off corporation to act for it.	orporation, the affidavit must be made ficer authorized by the by-laws of the If the applicant is a partnership or e organization authorized to make such

THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR Contract for Sale and Purc FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR A P UTILITIES, INC., a Florida corporation ("Seller"). PARTIES: OCALA OAKS UTILITIES, INC., a Florida corporation ("Buyer"). (Phone) hereby agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property (collectively "Property") upon the following terms and conditions, when Include Standards for Real Estate Transactions ("Standard(s)") on the reverse side hereof or attached hereto and riders and addenda to this Contract for Sale and Purchase ("Contract") wing terms and conditions, which **DESCRIPTION:** County, Florida: SEE EXHIBIT "A" ATTACHED HERETO a) Legal description of the Real Property located in <u>Marion</u> County, Florida: <u>SEE EXHIBIT "A" ATTACHED HERETO AND</u>
HEREBY INCORPORATED BY REFERENCE AND ALL, EASEMENTS ATTENDANT THERETO FOR THE OPERATION AND Marion MAINTENANCE OF THE WATER SYSTEMS. (b) Street address, city, zip, of the Property is: Any and all tanks, valves, water mains, pipes and any other personal property (c) Personal Property: which is located on the subject property or wherever situate that constitutes or is a component of the water systems subject to the terms of this Contract.s <u>103.561.05</u> PURCHASE PRICE: PAYMENT: Seller (a) Deposit held M DENTAL by _ _ in the amount of \$ _ (b) Additional escrow deposit to be made within _ _ days after Effective Date (as defined in Paragraph III) in the amount of (c) Subject to ANEXECUTION SEASON MEMORY mortgage in good standing in favor of Richard L. Stafford, as Trustee, recorded in OR Book 1500, page 0986, having an approximate present principal balance of 97,122,10 (d) Purchase money mortgage and note to Seller (see addendum) in the amount of -0--0-(e) Other: 6,428.95 (f) Balance to close by U.S. cash, LOCALLY DRAWN certified or cashier's check or third-party loan, subject to adjustments or prorations III. TIME FOR ACCEPTANCE OF OFFER; EFFECTIVE DATE; FACSIMILE: If this offer is not executed by and delivered to all parties OR FACT OF EXECUTION communicated in writing between the parties on or before August, the deposit(s) will, at Buyer's option, be returned and this offer withdrawn. The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed this offer. A facsimile copy of this Contract and any signatures thereon shall be considered for all purposes as originals. (a) If the Purebase Price or any part of it is to be financed by a third-party loan, this Contract is conditioned on Buyer obtaining a written commitment within _ days after Effective at an initial interest rate not to Date for (CHECK ONLY ONE): La fixed; La fixed; an adjustable; or La fixed or adjustable rate loan in the principal amount of \$_ (b) The existing mortgage described in Paragraph II(c), above, has (CHECK ONLY ONE): □ a variable interest rate; or □ a fixed interest rate of ___ % per annum. At time of title transfer, some fixed interest rates are subject to increase if increased, the rate shall not exceed _______% per annum. Seller shall, within ______ days after Effective Date, furnish a statement from each mortgagee stating the principal balance, method of payment, interest rate and status of mortgage. If Buyer has agreed to assume a mortgage which requires approval of Buyer by the mortgagee for assumption, then Buyer shall promptly obtain the necessary application and diligently complete and return it to the mortgagee. Any mortgagee charge(s) not to exceed \$_______ shall be paid by Buyer. If Buyer is not accepted by mortgagee or the requirements for assumption are not in accordance with the terms of this Contract or mortgagee makes a charge in excess of the stated amount, Seller or Buyer may rescind this Contract by written notice to the other party unless either elects to pay the increase in interest rate or excess mortgage charges. TITLE EVIDENCE: At least 20 days before closing date, but no earlier than days after Seller receives written notification that Buyer has obtained the loan commitment or has been approved for the loan assumption as provided in Paragraphs IV(a) or (b), above, or, if applicable, waived the financing requirements, (CHECK ONLY ONE): Seller shall, at Seller's expense, deliver to Buyer or Buyer's attorney; or Buyer shall at Buyer's expense obtain (CHECK ONLY ONE): abstract of title; or title insurance commitment (with legible copies of instruments listed as exceptions attached thereto) and, after closing, an owner's policy of title insurance. nents listed as exceptions attached thereto) and, after closing, an owner's policy of title insurance.

CLOSING DATE: This transaction shall be closed and the deed and other closing papers delivered by thin thirty days unless modified by other provisions of this Contract.

RESTRICTIONS; EASEMENTS; LIMITATIONS: Buyer shall take title subject to: comprehensive land see plants; zoning, restrictions, prohibitions and other requirements imposed by mental authority; restrictions and matters appearing on the plat or otherwise common to the subdivisions rule in the subdivision rule in the rule in the subdivision rule in the r VII. governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; public utility easements of record (easements are to be located contiguous to Real Property lines and not more than 10 feet in width as to the rear or front lines and 7 1/2 feet in width as to the side lines, unless otherwise stated herein); taxes for year of closing and subsequent years; assumed mortgages and purchase money mortgages, if any (if additional items, see addendum); provided, that there exists at closing no violation of the foregoing and none prevent use of the Property for water plant sites and operation of water systems subject to this Contract, proposes VIII. OCCUPANCY: Seller warrants that there are no parties in occupancy other than Seller; but if Property is intended to be rented or occupied beyond closing, the fact and terms thereof and the tenant(s) or occupants shall be disclosed pursuant to Standard F. Seller shall deliver occupancy of Property to Buyer at time of closing unless otherwise stated herein. If occupancy is to be delivered before closing, Buyer assumes all risks of loss to Property from date of occupancy, shall be responsible and liable for maintenance from that date, and shall be deemed to have accepted Property in its existing condition as of time of taking occupancy unless otherwise stated herein. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions, riders and addenda shall control all printed provisions of this Contract in conflict with them RIDERS: (CHECK those riders which are applicable AND are attached to this Contract):
(a) □ COASTAL CONSTRUCTION CONTROL LINE (d) □ VA/FHA
(b) □ CONDOMINIUM (e) □ INSULATION
(c) □ FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (f) □ "AS IS" (g) ☐ HOMEOWNERS' ASSOCIATION DISCLOSURE
(h) ☐ RESIDENTIAL LEAD-BASED HAZARD DISCLOSURE
(l) ☐ ASSIGNABILITY: (CHECK ONLY ONE): Buyer 🗆 may assign and thereby be released from any further liability under this Contract; 🗅 may assign but not be released from liability under this Contract; or X may not assign this Contract. DISCLOSURES: (a) Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding Radon or Radon testing may be obtained from your County Public Health unit.

(b) Buyer may have determined the energy efficiency rating of the residential building, if any is located on the Real Property.

(c) If the Real Property includes pre-1978 residential housing then Paragraph X (h) is mandatory. MAXIMUM REPAIR COSTS: Seller shall not be responsible for payments in excess of: XIII. for treatment and repair under Standard D (if blank, then 2% of the Purchase Price). (a) \$ (b) \$ for repair and replacement under Standard N (if blank, then 3% of the Purchase Price). XIV. SPECIAL CLAUSES; ADDENDA: If additional terms are to be provided, attach addendum and CHECK HEREXI. THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS AND THE FLORIDA BAR.

Approval does not constitute an opinion that any of the terms and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and conditions should be negotiated based upon the respective interests, objectives and bargaining positions of all interested persons.

COPYRIGHT 1995 BY THE FLORIDA BAR AND THE FLORIDA ASSOCIATION OF REALTORS

OCALA OAKS UTILITIES, INC.		A P UTILITIES, INC.	
(Buyer)	(Date)	(Seller)	(Date)
Social Security or Tax I.D. #		Social Security or Tex/1.D/#	
BY: MElly	8-11-98	BY:X MUSOCO	x 8/11/98
(Buyer) MICHAEL L. ELLZEY, Bresident	(Date)	(Seller)	(Date)
Social Security or Tax I.D. #		Social Security or Tax I.D. #	
Deposit under Paragraph II (a) received; IF OTHER THAN CASH, TH	IEN SUBJECT TO CLEAF	RANCE.	(Escrow Agent

BROKER'S F55: The brokers named below, including listing and cooperating brokers, are the only brokers entitled to compen-

Listing Broker FAR/BAR-4 Revised 12/95

STANKARDS FOR REAL ESTATE TRANSPOTIONS

1. CLIDENGE OF TITUE: / C An abstract of title prepared or brought current by a reputable and existing abstract firm (if not existing then cartifled as correct by an existing to sycone and the instruments affecting title to the Real Property recorded in the public records of the county wherein the Real Property is located through Efficiency in the doubt of the county wherein the Real Property is located through Efficiency in the doubt, Upon closing of this Contract, the apariable shall become eleptrocers of buyer some themselves from the doubt of the insurer agreement follows: A little insurance commitment issued by a Ficribal libensed little insurer agreement to less a Public condition of the first mention and the insurance commitment issued by a Ficribal libensed little insurer agreement to less a Public condition of the first mention of the insurance commitment issued by a Ficribal libensed little insurer agreement to less a Public condition of the first mention of

The contract in heapt by first mongages until fully paid. (2) A title insurance commitment issued by a Fichial locansed little insurer screeing to ask a Piccal cooper or a contract process of the insurance in the amount of the purchase crice, insuring Buyers title to the Peal Property, subject only to use a structure received and and the accordance of the purchase crice, insuring Buyers title to the Peal Property, subject only to use a structure received and according to adocable Title Standards adopted by authority of The rill make sent and increases according to adocable Title Standards adopted by authority of The rill make sent and increases according to adocable Title Standards adopted by authority of The rill make sent and the contract of adopting the careful of days, if title commitment, from pale of receiving evidence of title to examine it. If title is found defective. Buyer shall within 2 days therefore, no rive of a careful of a careful of a careful of a careful of according to a return of a structure received and the careful of according to a careful of a reasonable better on the except the careful of days within shall be immediately returned to Buyer. If Buyer tails to so notify Seller, Buyer shall be determed to he within the time provided therefor. If Seller is unable to timely correct the development of the water mortgage and a 15-day grace period it as easily a provide for mortgage and a 15-day grace period in a second or lesser mortgage; shall provide for influence on the part within advances under prior mortgage. Power of the Real Property, shall require all prior liens and encombrances to be kept in good standing and forbid modifications of or future advances under prior mortgage. Power of the Real Property, shall require all perior liens and encombrances to be kept in good standing and forbid modifications of or future advances under prior mortgage and a 15-day grace period in a second or lesser mortgage clause covering all improvements located on the Real Property, shall require and to mort woved or assigned will, at Seller's option, be subject to the lien of a security agreement evidenced by recorded financing statements. If a balloon mortgage, the final payment w

some conveyed or assigned will, at Seller's option, be subject to the lien of a security agreement evidenced by recorded financing statements. If a balloon mortgage, the final payment with a periodic payments thereon.

C. SLIRVEY: Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine same, may have the Real Property surveyed and certified by a registered Figure 20. The survey discrete accompanies to the Real Property or that improvements located thereon encroach on setback lines, easements, lands of others or violate any restriction. The survey discrete decreachment is regulation, the same shall constitute a title defect.

DISTRIBUTES: Buyer at Payer's expense, within the time allowed to deliver evidence of title, may have the Property inspected by a Florida Certified Post Control Operator ("Operator to periodic lines as any visible active retrine infestation or visible damage from termite infestation in the Property. If either or both are found. Buyer shall be described a second of the strong of the

which is in accordance with Standard A.

F LEASES: Seller shall, not less than 15 days before closing, furnish to Buyer copies of all written leases and estoppel letters from each tenant specifying the nature and duration of the condition of th

ornir at leases to Buyer.

3. LIENS, Seller shall furnish to Buyer at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential. 3. LIENS: Seller shall furnish to Buyer at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential, as a character to Seller and further attesting that there have been no improvements or repairs to the Real Property for 90 days immediately preceding date of dosing. If the Real Property is contractors, subcontractors, subcontractors, subcontractors, subcontractors, subcontractors, subcontractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements and additionable to bould serve as a basis for a construction lien or a claim for damages have been paid or will be paid at the closing of this Contract.

I. P. ACE OF CLOSING: Closing shall be held in the county wherein the Real Property is located at the office of the attorney or other closing agent designated by Seller.

I. M. In concurring time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any time periods provided for herein which shall expend the concurring time periods of less than six (6) days, Saturdays, Sundays, or a legal holiday shall extend to 5:00 p.m. of the next business day. Time is of the essence in this Contract.

J. DOCUMENTS FOR CLOSING: Seller shall furnish the deed, bill of sale, construction lien affidavit, owner's possession affidavit, assignments of leases, tenant and mortgage estopolicies and orderive instruments. Buyer shall furnish closing statement, mortgage, mortgage note, security agreement and financing statements.

K. E. PENSES: Documentary stamps on the deed and recording of corrective instruments shall be paid by Seller. Documentary stamps and intangible tax on the purchase money mortgage at the contract. Charges for the following related title services, namely title or abstract charge, title examination, and settlement and closing fee, shall be paid by the barby teapons to the deed.

this Contract, charges for the following related title services, namely title or abstract charge, title examination, and settlement and closing fee, shall be paid by the party responsible of

The storting be assumed, and recording of purchase money mortgage to Seller deed and inancing statements shall be paid by the Buyer. Unless otherwise provided by law or indo-vitals Contract charges for the following related title services, namely title or abstract charges title examination, and settlement and closing fee, shall be paid by the party responsible when the services in an accordance with Paragraph V.

**DPRIATIONS: CREDITS: Taxx, assessments, rent, interest, insurance and other expenses of the Property shall be prorated through the day before closing. Buver shall have the contract of the party of the party responsible with the state of the party of

Supers expense to show title in Buyer without any encumbrances or change which would render Seller's title unmarketable from the date of the last evidence. All closing proceeds shall read a scrow by Seller's attorney or other mutually acceptable escrow agent for a period of not more than 5 days after closing date. If Seller's title is rendered unmarketable, through a february dure the defect, all deposit(s) and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and simultaneously with such repayment the defect, all deposit(s) and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and simultaneously with such repayment that the Personal Property, vacate the Real Property and reconvey the Property to Seller by special warranty deed and bill of sale. If Buyer halls to make timely demand that in duyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill and a portion of the purchase price is to be derived from institutional financing or refinancing, requirements of the lending institution as to place, time of day, and procedures for closes, and is a portion of the purchase price is to be derived from institutional in the Contract. Seller shall have the right to require from the lending institution as written commitment the waived if the title agent insures adverse matters pursuant to Section 627.7841, E.S. as amended.

O ESCROW: Any escrow agent ("Agent") receiving funds or equivalent is authorized and agrees by acceptance of them to deposit them promptly, hold same in escrow and, subject the coordinates them in accordance with terms and conditions of this Contract Failure of funds to clear shall not excuse Buyer's performance. If in doubt as to Agent's outless or habitation of competent jurisdictions shall determine the rights of the parties, or Agent may deposit same with the cerk of the c

minority suit wherein Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred with these amounts to be paid from and as the local rowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. The Agent shall not be liable to any party or person for misdelivery to Buyer as Society of the subject to the escrow, unless such misdelivery is due to willful breach of the provisions of this Contract or gross negligence of Agent.

8. ATTORNEY'S FEES; COSTS: In any litigation, including breach, enforcement or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes this Sandard, shall include Seller, Buyer and any brokers acting in agency or nonagency relationships authorized by Chapter 475, F.S., as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

8. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposits, the deposit(s) paid by Buyer and deposit(s) agreed the new factor of the execution of this Contract and in full settlement of experimentation. The execution of this Contract and in full settlement of experimentation. The provision of the prevailing payment of seller's pition, may proceed in equity to enforce Seller's rights under this Contract. The Buyer and seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this Contract. The Buyer may seek specification specified and relations of the prevailing payment of deciving any action for damages resulting from Seller's breach.

Design and the first train failure of Select is made of Select that select the first of the select to receive the return of Buyer's deposits) without thereby waiving any action for damages resulting from Seller's breach.

T. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE: Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall bind and include the benefit of the parties and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney.

any party shall be as effective as if given by or to that party

If CONVEYANCE: Seller shall convey title to the Real Property by statutory warranty, trustee's, personal representatives or guardian's deed, as appropriate to the status of Seller, sore only to matters contained in Paragraph VII and those otherwise accepted by Buyer. Personal Property shall, at the request of the Buyer, be transferred by an absolute bill of sale with warranty. of title subject only to such matters as may be otherwise provided for herein

MOTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in a

Contract shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

W. WARRANTY: Seller warrants that there are no facts known to Seller materially affecting the value of the Property which are not readily observable by Buyer or which have not bee

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ADDENDUM TO CONTRACT FOR SALE AND PURCHASE BETWEEN

A. P. UTILITIES, INC., a Florida corporation, Seller AND OCALA OAKS UTILITIES, INC., a Florida corporation, Buyer

XII. SPECIAL CLAUSES:

- 1. This Contract is contingent upon the following:
- a. Florida Public Service Commission (PSC) approval of this sale.
- b. PSC granting Buyer the service territory for each water system and the subdivisions they serve.
- c. Seller conducting and passing all Florida Department of Environmental Regulation (DER) testing requirements prior to PSC approval and providing Buyer with copies of all testing results for the last three (3) years.
- d. Seller performing lead and copper tests prior to PSC approval, the results of which are acceptable to Buyer.
- e. PSC establishing a rate base for the water systems of at least seventy-five (75%) percent of the Purchase Price.
- f. Transfer of all existing permits to Buyer in current condition.
- g. Issuance to Buyer of all permits and approvals necessary to operate the water systems.
- h. PSC authorizing Buyer to charge its current rates and charges for its existing customers as the rates and charges for the customers of all of the water systems subject to this Contract.
- 2. Title to the Hawk's Point Water Site shall be conveyed subject to that certain mortgage in favor of Richard L. Stafford, Trustee, recorded in Official Records Book 1500, page 986, Public Records of Marion County, Florida.
- 3. Seller shall provide Buyer with any and all easements necessary to insure Buyer's ability to operate, service, repair and maintain the water systems to be conveyed, whether these easements effect the current distribution systems or any contemplated extension of the water systems.
- 4. It is recognized by Seller that Buyer, from time to time, may seek to increase its rates and charges in accordance with the procedures set by the PSC. If Buyer is successful in obtaining an increase in its rates and charges, such increased rates and charges shall be binding on the Seller and all customers of the water systems.
- 5. Seller warrants no Hazardous Substances have been stored, released or discharged on or from the Property, nor are there any Hazardous Substances currently located on or under the Property. For purposes of this Contract, "Hazardous Substances" shall mean and include those elements or compounds which are contained in the list of Hazardous Substances adopted by the United States Environmental Protection Agency ("EPA") and the list of toxic pollutants defined by the United States Congress or the EPA or defined by any other federal, state or local statutes, law, ordinance, code, rule, regulation, decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance, material, pollutant or contaminant. Seller further warrants that Seller has not received any notice from any governmental agency

or authority or from any tenant under a lease of all or of any portion of the Property with respect to the presence, release or discharge of Hazardous Substances on, onto or from the Property. This warranty shall survive closing, and Seller shall indemnify and hold Buyer and Buyer's heirs, successors and assigns harmless from and against any and all damages, expenses (including attorney's fees), claims and liabilities arising from a misrepresentation hereunder. Seller acknowledges that this warranty is a material inducement for Buyer entering into this contract.

- 6. In the event DER expands the existing 200 foot radius around any wells servicing any water system subject to this Contract, and this expansion encumbers or affects the use of any property not owned by Buyer, Buyer shall not be liable for any damages or claims of damages occassioned by such expansion, and Seller shall indemnify and hold Buyer harmless from and against any and all damages, expenses (including attorney's fees), claims and liabilities arising from such expansion.
- 7. All water systems subject to this Contract shall be in full compliance with all DER and Marion County rules and regulations at closing.
- 8. Any PSC fines, show cause orders or delinquent fees or charges levied or entered against any water system subject to this Contract must be paid, satisfied or resolved prior to closing and appropriate evidence issued by the appropriate authority establishing this fact, and Buyer shall have no liability for any prior acts or omissions of Seller regarding any water system subject to this Contract and Seller shall indemnify and hold Buyer harmless against any and all damages, expenses (including attorney's fees), claims and liabilities occassioned by any of the foregoing.
- 9. Any and all state and federal taxes regarding the water systems subject to this Contract must be current as of the date of closing.
- 10. The agreements and covenants contained in this Contract shall survive the closing of title and are a material inducement to Buyer to purchase the water systems covered by this Contract.
- ll. All contingencies herein must be either 1) satisfied, 2) modified upon terms acceptable to Buyer in Buyer's sole discretion or 3) waived by Buyer on or before December 1, 1998, or this Contract shall terminate and be of no further force and effect. In the event the contingencies are satisfied, modified or waived as aforesaid, this transaction shall close on or before December 31, 1998.

OCALA OAKS UTALITIES, INC.

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MICHAEL L. ELLZEY, Preside

EXHIBIT "A"

1.1.

- 1. Hawk's Point Water System, DEP/PWS ID #3424685, which currently services Hawk's Point Subdivision.
 - Water System Site: Lot 9, Block H, HAWK'S POINT, as per plat thereof recorded in Plat Book Y, pages 37 and 38, Public Records of Marion County, Florida.
- 49th Street Village Water System DEP/PWS ID #3424631, which currently services 49th Street Village Subdivision, Country Rhodes Subdivision and Stonegate Subdivision.
 - Water System Site: Tract "B", 49TH STREET VILLAGE, as per plat thereof recorded in Plat Book V, page 102, Public Records of Marion County, Florida.

This sale includes all real property and personal property, tangible or intangible, constituting or which is a component part of the above described water systems.