

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint Application for Authority to
Transfer the Assets of Oak Springs, LLC and
Certificate No. 623-W in Orange and Lake
Counties, Florida to Oak Springs MHC, LLC

DOCKET NO.

**JOINT APPLICATION OF OAK SPRINGS, LLC
AND OAK SPRINGS MHC, LLC FOR AUTHORITY TO TRANSFER ASSETS AND
CERTIFICATE NO. 623-W**

Oak Springs, LLC (“hereinafter referred to as “Seller”), and Oak Springs MHC, LLC (“hereinafter referred to as “Buyer”) by and through their undersigned attorneys and pursuant to provisions of Rule 25-30.037, Fla. Admin. Code, and §367.071, Fla. Stat., file this Joint Application for authority to transfer Seller’s water assets and Certificate No. 623-W to Buyer. In support of this Application, the parties state:

1. The complete name and address of the Seller is:

Oak Springs, LLC
12 Highland Street
Sorrento, Florida 32776

2. The complete name and address and telephone number of the Buyer, including its authorized representative, is:

Oak Springs MHC, LLC
Maria E. Virga
2632 Rochester Road, Suite 70630
Rochester Hills, Michigan 48307
248-521-0521

3. The name and address of the person authorized to receive notices and communications in respect to this Application is:

F. Marshall Deterding, Esquire
Sundstrom & Mindlin, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
850-877-6555; FAX: 850-656-4029
mdeterding@sfflaw.com

4. Buyer is a Delaware limited liability company authorized to do business in Florida on February 4, 2015.

5. The names and addresses of Buyer's members and managers are as follows:

PFC Park Holdings, LLC
917 Tahoe Boulevard, Suite 200
Incline Village, Nevada 89451
100% owner/Managing Member

6. The complete name and address and telephone number of the person in possession of the books and records is:

Oak Springs MHC, LLC
Maria E. Virga
2632 Rochester Road, Suite 70630
Rochester Hills, Michigan 48307
248-521-0521

7. Buyer's owner/parent owns only one other water utility in Florida. It is a small unregulated system acquired in early 2015. Buyer's owner/parent has also acquired all of the remaining development assets served by Seller in the Oak Springs Community as part of an overall larger commercial transaction. Therefore the Buyer's interests in ensuring the proper operation,

maintenance, expansion and upgrade of the utility system as and when necessary is clear. No entity has a greater incentive for ensuring the continued viability of the water system or for efficient and sufficient operation of the Oak Springs water system than the Buyer.

8. A copy of the Agreement for Purchase and Sale (“Agreement”), which includes the purchase price, terms of payment, and a list of the assets purchased is attached as **Exhibit A**. There were no liabilities to assume and no customer deposits. In accordance with the terms of the Agreement, the closing occurred on May 31, 2015.

9. The Buyer has allocated \$110,000 to the purchase price of the utility assets in order to reflect the rate base as of the date of closing.

10. There are no customer deposits outstanding as of the date of transfer.

11. There are no guaranteed revenue contracts, customer advances, leases, developer agreement or debt of the utility that must be disposed of in association with the transfer of the utility assets.

12. The purchase by the Buyer’s owner/parent company of all of the assets of the Oak Springs development was financed by infusion of cash from Buyer and debt from Fannie Mae. However, the utility assets have been transferred to the utility entity, Oak Springs MHC, LLC, in exchange for equity interest by the parent company. There is therefore no utility debt.

13. The transfer of the water facilities of the Seller to the Buyer is in the public interest:

a) Seller’s related development entity has now sold to the Buyer’s related development entity all of its interest in the development served by the utility and as such the interest of the utility owner and the development assets owner in insuring the proper,

efficient and sufficient operation and maintenance of the utility on a going forward basis has shifted from the Seller to the Buyer as of the date of the closing of the development and utility assets. Therefore it is the best interest of the utility and its customers, and the public generally, that the utility assets also follow the transfer of the assets of the interested development party.

b) The Buyer has enlisted the services of key personnel with knowledge and training and expertise to assist in the operation and maintenance of the utility system and therefore has acquired, through employing the same personnel as utilized by the utility or other experienced and knowledgeable individuals, the ability to operate the utility in the public interest in the most efficient and sufficient manner possible.

c) The Buyer has acquired the assets of the utility and has retired all outstanding long term and short term debt for the utility company. As such, the Buyer has improved the financial position of the utility and enabled it to meet any and all needs for additional capital from internal funding rather than the need to rely on outside sources.

d) Buyer will fulfill the commitments, obligations and representations of the Seller with regard to utility matters.

For all these reasons, it is in the public interest to grant approval of the transfer of the water utility assets to the Buyer.

14. The utility system is currently at build out and as such is not anticipating any significant need for infusion of additional capital funds during its remaining life other than for renewal and replacement of existing assets. As such, between these factors and the retirement of all

outstanding utility debt, the anticipated capital needs for the utility will be minimal. The utility is therefore relying primarily on internal funding for any needed improvements to the system and should be able to attain additional funding, if and when needed, through either the issuance of debt (since the utility has no debt at this time), or infusion of equity funds from a related party/owner and its managing member. The utility's managing member has executed an affidavit agreeing to fund all of the utility's needs above those available from internal funding as and when needed. This affidavit, along with a recent Financial Statement of the Buyer's owner/parent, is attached hereto as **Exhibit C**.

15. The Seller has prepared a calculation of the net book value of the utility system as of the date of the transfer. This calculation is attached hereto as **Exhibit D**.

16. Rate base has never been established by the Florida Public Service Commission for this system. In the utility's original certificate application processed by the Commission in Docket 040515-WU, the Commission found the appropriate amounts of utility plant in service, accumulated depreciation and rate base components based upon the tax return of the previous owner at that time. The engineer for the Seller is also the engineer of the Buyer in this proceeding. That engineer has reviewed those cost determinations at the time of the original certification application and has reviewed them and updated them again in order to establish the proposed rate base as outlined in Exhibit D and finds that they are in keeping with his determination of the original cost depreciated of the system based upon his professional opinion.

17. There have been only immaterial additions to rate base in the time period between those costs outlined in Commission Original Certificate Order No. PSC-04-1120-PAA-WU issued on November 9, 2004, and the date of closing of this sale in May of 2015. As such, **Exhibit D**

appropriately outlines the proposed rate base for the utility as of the date of closing, updated for changes since that time.

18. There is no proposal at this time for the inclusion of an acquisition adjustment resulting from the current transfer and in fact the utility believes that the net book value of the system will be approximately equal to the allocated portion of the purchase price paid in accordance with the statements in paragraphs 8 and 15 hereof.

19. All of the books and records of the Seller which Buyer has been able to obtain are available for inspection by the Commission. Because the rate base as proposed by the Buyer was based on engineering estimates at the time that the original certificate was granted and because no significant additions have been made since that time, there is no need to review the books and records of the Seller to establish rate base in this proceeding as of the date of transfer.

20. The books and records of the utility will be maintained using the 1996 NARUC uniform system of accounts.

21. The books and records of the utility will be maintained at the utility offices located at

22. The Buyer has obtained the federal tax returns of the Seller from 2012 through 2014 in order to ensure itself that, in fact, that all the utility assets are being depreciated for tax purposes and, as such, have not been written off to cost of sales. In fact, because this is not a community where lot sales to residents have occurred (lot rental community), no such write-off could have occurred.

23. After reasonable investigation, the Buyer has determined that the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by Florida Department of Environmental Protection ("DEP").

24. The land which was on the utility books, upon which utility treatment facilities are located, were acquired by the parent LLC as part of the larger commercial transaction, and will be transferred to the utility entity.

25. There are no outstanding fines or refunds owed. The Seller made payment for all regulatory assessment fees due up through the date of Closing (May 31, 2015). The Buyer will be responsible for payment of all regulatory assessment fees due from May 31, 2015 and Buyer has already made an estimated payment of all due regulatory assessment fees for calendar year 2015 and will file a final return by April 30, 2016.

26. Attached hereto as **Exhibit E** is the original and two copies of the revised Water Tariff reflecting the change in ownership of the water system.

27. Attached hereto as **Exhibit F** is the original Water Certificate No. 623-W issued to the utility by Order No. PSC-04-1120-PAA-WU in Docket No. 040515-WU on November 9, 2004.

28. An Affidavit that the actual notice of the Application was given to the entities on the list provided by the Commission in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, is attached hereto as **Exhibit G**.

29. An Affidavit that the actual notice of the Application was given to each customer in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, will be filed as Late Filed **Exhibit H**.

30. An Affidavit that the notice of the Application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code, will be filed as Late Filed **Exhibit I**.

31. The water system being transferred has the capacity to serve less than 500 ERCs. Pursuant to Rule 25-30.020, Florida Administrative Code, the appropriate filing fee is \$750. A check in that amount is attached hereto.

32. A copy of the current permits form the St. Johns River Water Management District is attached hereto as **Exhibit J**. The utility operates only a water system and DEP does not grant capacity permits for water systems.

33. There is no recent correspondence or complaints with DEP or the Water Management District or County Health Department to the Buyer's knowledge in the past five years.

WHEREFORE, the Buyer and the Seller request that the Commission approve the transfer of the water utility system operated under Certificate 623-W and establish rate base as set forth in **Exhibit D** hereof.

Respectfully submitted on this 5th day of
April, 2016, by:

SUNDSTROM & MINDLIN, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301
PHONE: (850) 877-6555
FAX: (850) 656-4029

By: _____

F. MARSHALL DETERDING
Of Counsel

EXHIBITS

- A: Agreement for Purchase and Sale
- B: Customer Deposits - none
- C: Affidavit of Funding and Financial Statement
- D: Calculation of Rate Base
- E: Water Tariff
- F: Water Certificate 623-W
- G: Affidavit of Notice to Entities
- H: Affidavit of Notice to Customers
- I: Affidavit of Publication of Notice

EXHIBIT A

Purchase and Sale Agreement

**MOBILE HOME PARK
PURCHASE AND SALE AGREEMENT**

THIS MOBILE HOME PARK PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of the Effective Date (as defined herein), by and between:

SELLER: Oak Springs, LLC, a Florida limited liability company ("Seller")

BUYER: PFC Park Holdings, LLC, a Nevada limited liability company
917 Tahoe Boulevard, Suite 200
Incline Village, Nevada 89451 ("Buyer")

with reference to the following facts and is as follows:

RECITALS:

A. Seller is the owner of the manufactured home community commonly known as **Oak Springs** ("Park") containing approximately **four hundred and thirty one** (431) mobile home lots ("**Home Sites**"), as more particularly described in Exhibit "A" attached hereto and made a part hereof (together with all rights and easements appurtenant thereto), and all permanent improvements (excluding mobile homes and/or recreational vehicles owned by residents of the Park, but expressly including (subject to the provisions of Section 38, below) any mobile homes that may be owned by either the Seller or its affiliates and located on the Real Property, if any ("**Seller's Mobile Homes**"); fixtures and utility systems thereon, if any, being hereinafter collectively referred to as the "**Real Property**"); all motor vehicles owned by either Seller and used in connection with the operation of the Park, not including the Seller's personal vehicles; all of Seller's interest in any and all development, contractual or other rights, and documents relating to the Real Property and the Park, including without limitation, Seller's interest in the name "**Oak Springs**" and all intellectual property related thereto, including all websites and any trademarks relating thereto; all of Seller's interest as landlord in all leases and rental agreements ("**Tenant Leases**") pertaining to the Home Sites or Seller's Mobile Homes; all of Seller's interest in any and all service contracts, equipment leases and other agreements with vendors pertaining to the Real Property and/or operation of the Park, to the extent assignable and approved by Buyer and as otherwise provided herein; all licenses and permits pertaining to the Real Property and the operation of the Park; all tenant lists, correspondence with tenants and advertising materials, if any, pertaining to the Park; and all personal property and equipment or furnishings described in the Schedule of Personal Property attached hereto as Exhibit "B" and made a part hereof (collectively the "**Personal Property**") (hereinafter, the Real Property and the Personal Property are sometimes collectively referred to as the "**Property**").

B. Seller desires to sell and Buyer desires to purchase the Property on the terms and conditions set forth herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, together with other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell, and Buyer agrees to buy, the Property on and under the terms and conditions set forth herein.

1. RECITALS. Seller represents, warrants and certifies to Buyer that the above Recitals which are incorporated herein by this reference are true and correct.

2. PURCHASE PRICE. The purchase price for the Property shall be **eleven million dollars** (\$11,000,000.00) (the "**Purchase Price**"), and shall be payable as follows:

(a) Earnest Money Deposit. Within three (3) business days after the Effective Date, Buyer shall deposit an earnest money deposit with Williams Parker Harrison Dietz & Getzen, P.A. (the

"Title Company" or "Escrow Agent"), in an amount equal to **fifty thousand dollars** (\$50,000.00) (the "Deposit") via a Federal Reserve Bank wire transfer of immediately available funds, which sum shall be held in escrow pursuant to the escrow provisions of this Agreement and credited toward the Purchase Price at the closing of the sale and purchase transaction for the Property as contemplated herein ("**Closing**"), or otherwise disbursed by Escrow Agent in accordance with the terms of this Agreement.

(b) Balance of Purchase Price. At Buyer's option, Buyer shall obtain new financing ("**New Financing**"). Any balance remaining after application of the proceeds applied to the Purchase Price of any New Financing shall be paid in cash at Closing. Upon written confirmation from Escrow Agent that it holds all documents, originally executed and in recordable form, necessary for Title Company to insure title in Buyer as provided herein and all documents which Seller is required to deliver hereunder and all documents relating to the New Financing documents, if applicable, have been delivered to Escrow Agent, then Buyer shall deposit with Escrow Agent any cash balance of the Purchase Price, subject to adjustments for prorations and closing costs. Such funds shall be delivered by a Federal Reserve Bank wire transfer of immediately available funds.

(c) Existing Mortgage. Any prepayment penalties resulting from the prepayment of the Seller's existing mortgage on the Real Property ("Existing Mortgage") shall be the responsibility of the Seller.

3. INSPECTION PERIOD. Seller and Buyer acknowledge and agree that, except as otherwise provided in this Section 3 relating to an extension of the Inspection Period, Buyer shall have until 5:00 p.m. (EDT) on the date which is thirty (30) days after the Effective Date (the "**Inspection Period**") within which to obtain and/or review information concerning the Property and Buyer's acquisition thereof as Buyer may reasonably require. If Buyer deems it necessary in Buyer's sole and absolute discretion, Buyer shall have the option to extend the Inspection Period for an additional fifteen (15) day period by written notice to Seller on or before the expiration of the initial 30 day Inspection Period, and in such event all references to "Inspection Period" herein shall include such extension. Should Buyer elect not to proceed with Closing pursuant to this Section 3, Buyer shall send written notice of such fact to Seller prior to the expiration of the Inspection Period, whereupon this Agreement shall terminate and Buyer shall be entitled to the prompt return from Escrow Agent of the Deposit in exchange for the immediate return to Seller of the Due Diligence Data received from Seller, together with any other tests, studies, surveys, plans, permits or approvals, or other materials produced by Buyer or for Buyer relative to the Property, but excluding any confidential or proprietary financial information or other trade secrets. In the event Buyer does not elect to terminate this Agreement prior to the expiration of the Inspection Period, Buyer shall be deemed to have waived its right to do so and the Deposit shall become non-refundable to Buyer, subject to the satisfaction or the waiver by Buyer of the Conditions Precedent and Seller's performance of all of its obligations hereunder.

Seller shall deliver to Buyer in a reasonably timely manner after the Effective Date all documents pertaining to the Property which Buyer is entitled to receive under Exhibit "C" hereto which are in Seller's possession or under Seller's control, which, together with the other documents which Seller is reasonably requested to deliver by the Buyer, are collectively referred to herein as the "**Due Diligence Data**." If Buyer is not satisfied with Seller's satisfaction of this delivery obligation or with the information contained in the documents provided by Seller pursuant to this paragraph, Buyer's sole recourse shall be to terminate the Agreement during the Inspection Period pursuant to this Section 3.

4. FINANCING PERIOD. Buyer shall have up to thirty (30) days after the expiration of the Inspection Period (the "Financing Period") to secure, to Buyer's satisfaction, an acceptable, firm, written mortgage commitment which will provide for funding on the Closing Date. If Buyer does not obtain such financing within the Financing Period, Buyer may terminate this Agreement by written notice to Seller on or before the end of the Financing Period, whereupon this Agreement shall be null and void (except for such matters as are expressly stated to survive termination), and all Deposits shall be immediately returned to Buyer. In the event Buyer does not terminate the Agreement prior to the expiration of the Financing Period, Buyer shall be deemed to have waived the contingency contained in this Section 4.

5. **RIGHT OF ENTRY.** Seller hereby grants to Buyer and Buyer's agents, employees, contractors, and representatives a right of entry upon the Real Property for the purpose of inspecting the Property; provided Buyer gives reasonable oral advance notice of such intent to inspect the Property to Seller (at least one business day in advance). Buyer shall obtain written approval from the Seller prior to any contact with the Seller's employees, management or tenants. Buyer, at its expense, has the option to hire professionals to inspect the Property. Buyer's rights under this Section 5 shall be subject to the following conditions and restrictions, which shall survive the Closing and shall survive any termination of this Agreement:

(a) Neither Buyer nor Buyer's agents shall conduct any inspection so as to damage the Property or the business being conducted thereon. If any such damage occurs, Buyer shall restore the Property to its pre-inspection condition no later than fifteen (15) days after the damage occurs. Buyer shall hold Seller harmless for damages resulting therefrom and which would not have been incurred but for the acts of Buyer or its agents or representatives.

(b) Buyer shall keep the Property free and clear of all liens, claims and encumbrances related to the activities contemplated by this Section 5.

(c) The right of entry granted hereby shall be subject to the rights of all tenants and occupants of the Property. Buyer and its employees, contractors, architects, engineers, agents, and representatives shall take reasonable precautions so that Buyer's inspections concerning the Property and operations thereon, and entries on the Property on Buyer's behalf, shall cause minimum disruption to any parties in possession of the Property and to the business being conducted thereon.

(d) Buyer, as a condition to its exercise of its rights of entry, agrees to indemnify, defend, and hold harmless Seller from all fines, penalties, liens, losses, costs, claims, damages, liabilities, and expenses, including reasonable attorneys' fees and other costs and expenses incurred, sustained by, or asserted against Seller arising from the exercise by Buyer, or any of its agents, of this right of entry. The foregoing indemnification provision shall survive the Closing and shall survive the termination of this Agreement (for whatever reason).

(e) In the event that Buyer's investigation reveals the existence of environmental problems or contamination affecting the Property, Buyer shall deliver such information to Seller and shall, thereafter, except as otherwise required by law in the opinion of Buyer's attorneys, not further report or deliver such information to any other party except Buyer's employees, representatives, proposed lenders, insurance carrier, advisors, consultants, or other third parties reasonably required to be aware of such information in order for Buyer to evaluate the transaction contemplated by this Agreement, and such information shall remain confidential and non-disclosed. Provided, however, Seller shall, thereafter, be fully responsible for compliance with applicable law, rule and ordinance relating to such environmental matters, including the obligation to report, if necessary.

(f) At all times before Closing, Buyer agrees to hold in strict confidence and not to disclose, or cause or allow to be disclosed, to any other person without the prior written consent of Seller, all information and documents, including this Agreement, in any way related to the Property or to the transactions contemplated by this Agreement, except as may be required by applicable law or as otherwise contemplated in this Agreement, and except, to the extent necessary for Buyer's analysis of the Property or performance of this Agreement, to Buyer's employees, representatives, proposed lenders, legal and financial advisors, and other consultants. Without limiting the foregoing confidentiality requirements, Buyer further agrees that Buyer shall use documents and information concerning the Property provided or made available to Buyer pursuant to this Agreement only for the transactions contemplated in this Agreement, and for no other purpose. The Buyer agrees that, as a material inducement to Seller to enter into this Agreement, any and all information regarding the prospectuses filed with the Florida Department of Business Regulation (DBPR) or otherwise previously

distributed within the Park shall remain confidential between the parties and shall not be disclosed to any third party unless required by order of court, by the subpoena power of the DBPR or unless otherwise approved in writing by Seller.

6. **REPRESENTATIONS, WARRANTIES, AND COVENANTS.** Seller and Buyer, as applicable, make the following representations, warranties, and covenants which shall survive the Closing for a period of six (6) months:

(a) Seller's Warranties. Each Seller hereby represents and warrants to, and covenants with, Buyer that:

(i) Seller has been duly organized, is validly existing and in good standing under the laws of the State of Florida, will be duly bound by the actions of the individuals and legal entities executing and delivering the closing documents on its behalf and has all requisite power and authority to enter into this Agreement and to complete the transactions provided for herein.

(ii) Seller shall have good, marketable and insurable title to the Real Property, free and clear of all liens, encumbrances, restrictions, security interests, covenants, conditions and other matters in any way affecting title to the Real Property other than current taxes, zoning regulations and the Permitted Exceptions (as herein defined); and Seller shall have good and marketable title to the tangible personal property included within the Personal Property, free and clear of all liens and encumbrances other than current taxes and any lien associated with the Existing Mortgage.

(iii) There are no judgments unsatisfied against the Seller or the Property or consent decrees or injunctions to which such Seller or the Property is subject. To Seller's knowledge, there are no actions, suits or other legal or administrative proceedings, including bankruptcy proceedings, pending, or threatened in writing against or involving Seller or Property or any portion of it, or affecting Seller's ability to satisfy its obligations under this Agreement other than landlord/tenant actions to recover rent or possession or for rule violations, all of which actions are identified in Exhibit "D" hereto.

(iv) There are no tenancies which affect the Real Property except as set forth on the Rent Roll (as it may be updated prior to Closing).

(v) Seller has not contracted for any services or employment which will bind Buyer as a successor in interest with respect to the Property except those contracts listed in Exhibit "E", which are hereinafter referred to as the "**Service Contracts**". Amounts paid or payable under the Service Contracts shall be prorated between the parties at the Closing and credits shall be given the parties as appropriate to such prorations.

(b) Seller is holding no security deposits or entrance fees in connection with the Tenant Leases except as set forth on the Rent Roll (as it may be updated prior to Closing). No rents due under any of the Tenant Leases shall have been assigned, hypothecated or encumbered by Seller except in conjunction with any loan to be paid off by Seller, or assumed by Buyer, at Closing; and no tenant is entitled to any rebates, rent concessions or free rent granted by Seller except as shown on the Rent Roll.

(i) There presently exists no, and between the Effective Date and the date of Closing, or any earlier termination of this Agreement, Seller will not file any, application for any change of the present zoning classification of the Property.

(ii) Between the Effective Date and the date of Closing, or any earlier termination of this Agreement, Seller will not file any application for any environmental permit or any.

change to any existing environmental permit, approval, report, status, or condition of any kind relating to the Property.

(iii) No right of first refusal, right of first offer, purchase contract (other than this Agreement) or option to purchase exists or will exist at Closing with respect to the Property or any portion thereof, including, but not limited to, any Home Site.

(iv) Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets, or (iv) suffered the attachment or other judicial seizure of all or substantially all of Seller's assets.

(v) To Seller's knowledge, there are no homeowners' associations for the Park. At Closing, Seller shall deliver the affidavit contemplated by Section 723.072, Florida Statutes, for the Park which shall be recorded prior to the Deed (collectively, the "**Chapter 723 Affidavit**").

(vi) Pending Closing, Seller shall conduct its business involving the Property in Seller's customary course, and covenants to do the following:

(A) Refrain from transferring any of the Property or creating on the Property any easements, liens, mortgages, encumbrances or other interests that would adversely affect the Property or Seller's ability to deliver and convey title to the Property in the manner and condition contemplated herein, subject to the Permitted Exceptions;

(B) Refrain from entering contracts or other commitments regarding the Property, except Leases to tenants in the ordinary course of business, without the prior written approval of Buyer;

(C) Maintain, repair and operate the Property in substantially the same manner which Seller has previously maintained and repaired the Property. Seller will permit or commit no waste of the Property; and

(D) Maintain all existing insurance currently maintained by Seller.

(vii) To Seller's knowledge, Seller has paid or accounted for all sales tax or other sums due in connection with the Park or the rental thereof.

(viii) No notices of eviction for change of land use have been given to any tenants of the Park.

(ix) Seller has not received written notice of any possible future improvements by any public authority, any part of the cost of which might be assessed against any part of the Property.

(x) Neither the execution of this Agreement nor the consummation of the transactions contemplated herein will constitute a breach under any contract or agreement to which Seller is a party or by which Seller is bound or affected which affects the Property or any part thereof.

(xi) Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code"), and any related regulations.

(xii) Environmental Matters.

(A) Definition of Hazardous Materials. For purposes of this Agreement, "Hazardous Materials" shall include, but shall not be limited to: (1) any chemical, compound, material, mixture, substance or other matter which has been defined, listed, classified or determined by any regulation, order or rule, or any proposed regulation, order or rule, promulgated by any governmental agency of appropriate jurisdiction, to constitute a hazardous substance, hazardous material, hazardous waste, extremely hazardous waste, infectious waste, toxic substance, toxic pollutant, radioactive material, flammable explosive or other designation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity or "EP toxicity"; and (2) petroleum, natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, gasoline, diesel fuel, motor oil, ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources.

(B) Definition of Environmental Laws. "Environmental Laws" means all applicable federal, state and local laws, statutes, ordinances, regulations, policies, guidelines, decisions or orders and any other requirements of any governmental body governing the generation, storage, release, discharge, transportation, removal, remediation, reduction or disposal of Hazardous Materials, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 6901, et seq.), the Resources Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Clean Water Act (33 U.S.C. Section 1251, et seq.), the Safe Drinking Water Act (14 U.S.C. Section 1401, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), and the Toxic Substance Control Act (15 U.S.C. Section 2601, et seq.).

(C) No Releases. To Seller's knowledge, (i) there are no Hazardous Materials present on the Property, except in compliance with Environmental Laws; and (ii) there has not been any release or discharge of Hazardous Materials in, upon, on or below any portion of the Property, including, but not limited to, soils and groundwater in and around the Real Property, during the period of Seller's ownership of the Property, except in compliance with Environmental Laws.

(D) No Violations; No Notice. Seller represents and warrants that, to Seller's knowledge, as of the Closing Date, the Property will not be in violation of any Environmental Laws. Seller has received no written notice that there is any proceeding or inquiry currently pending by any governmental authority with respect to the presence of Hazardous Materials on the Property or the migration thereof from or to other property.

(E) Reliance. Except as otherwise provided in this Section 6(b)(xii), Buyer shall rely on its own investigation with respect to environmental matters and accepts the environmental condition of the Property "AS IS".

(c) Notice: "AS IS" Purchase. As used in this Section 6, "Seller's knowledge" or "knowledge" means only that information that is possessed by Mike Campbell or Steve Bossenbroek without investigation, inquiry or review of files, and shall not include any knowledge of any other party which might otherwise be imputed to Seller. As used in this Section 6, "written notice", "notice" or "in writing" shall include only notice received in writing by Mike Campbell or Steve Bossenbroek.

EXCEPT AS IS EXPRESSLY PROVIDED IN THIS AGREEMENT, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY OR ANY OTHER MATTERS RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. Without limiting the foregoing, except as specifically set forth in this Agreement, or any related agreement referenced herein, Seller has not made, or authorized

anyone to make, any warranty or representation, about the present or future physical condition, development potential, subdivision rights, zoning, operation, permits, construction, income generated by, or any other matter or thing affecting or relating to the Property or any matter or thing pertaining to this Agreement, and no such representation or warranty shall be implied. Buyer expressly acknowledges that no such warranty or representation has been made and that Buyer is not relying on any warranty or representation whatsoever other than as is expressly set forth in this Agreement. Except as otherwise provided herein, Buyer shall accept the Property "as is", "where is", subject to all defects, and in its condition on the Closing Date, subject only to the express provisions of this Agreement. Without limiting the foregoing, Buyer shall be obligated at its own expense to assure itself that the prospectus and other materials prepared by Seller and used in operations of the Property satisfy the requirements of and conform to applicable laws and regulations and other applicable requirements. Seller makes no warranty or representation whatsoever with respect to that prospectus and other materials except as otherwise provided in this Agreement.

(d) Changed Circumstances. In the event Seller obtains actual knowledge, before Closing, of any fact or condition which is materially contrary to any of the representations or warranties contained herein, such Seller agrees to promptly notify Buyer of that fact or condition, in writing. On or before 5:00 p.m. Eastern Time on the third (3rd) business day after Buyer's receipt of any such notification, Buyer may elect (i) to proceed with the purchase and sale of the Property, as provided herein, or (ii) to request that Seller cure the untrue representation prior to the Closing Date. Buyer's failure to request that Seller cure any untrue representation within the time provided for in this Paragraph 6(d) shall constitute Buyer's waiver of any claim based upon such representation and Buyer's election to proceed with the purchase and sale of the Property as provided herein. On or before the third (3rd) business day following its receipt of any request from Buyer, pursuant to this Paragraph 6(d), to cure any untrue representation, Seller shall notify Buyer whether or not Seller will so cure the untrue representation. In the event Seller elects not to cure the untrue representation or fails to notify Buyer whether or not Seller will cure any such untrue representation within the time period provided by the preceding sentence, Buyer shall have until 5:00 P.M. Eastern Time on the third (3rd) business day following the expiration of the time period provided in the preceding sentence to elect to terminate this Agreement. Buyer's failure to terminate this Agreement within the specific time period provided in this Paragraph 6(d) shall constitute Buyer's waiver of any claim based upon such representation and Buyer's election to waive its right to terminate this Agreement pursuant to this Paragraph 6(d) and Buyer shall proceed with the purchase and sale of the Property pursuant to the terms of this Agreement. In the event that Buyer elects to terminate this Agreement in accordance with this Paragraph 6(d), Buyer shall provide written notice of termination to Seller and Escrow Agent upon which Escrow Agent shall promptly return the Deposit to Buyer and Buyer and Seller shall have no further rights or obligations pursuant to this Agreement, including but not limited to any rights or obligations with respect to any claim based upon such representation (which shall be deemed waived by Buyer), except as otherwise expressly provided in this Agreement.

(e) Buyer's Warranties. Buyer hereby represents and warrants to Seller that Buyer has been duly organized and is a validly existing under the laws of the State of Nevada; that Buyer will be duly bound by the actions of the individuals and legal entities executing and delivering the closing documents on behalf of Buyer; and that Buyer has all requisite power and authority to enter into this Agreement and to complete the transactions provided for herein.

(f) Buyer's Reliance. Except for the representations, warranties and covenants of Seller herein, Buyer shall be deemed to have acknowledged at Closing that Buyer has relied upon its own inspections and due diligence to determine the condition, suitability, and desirability of the Property.

7. TITLE.

(a) On or before 5:00 p.m. (EDT) on the date which is five (5) days after the Effective Date, Buyer shall obtain, as hereinafter provided, a title insurance commitment covering the Real Property ("**Title Commitment**") issued by _____ (the "Title Company") and

copies of exception documents referred to therein ("**Exception Documents**"). The Title Commitment shall be for the issuance of an ALTA extended coverage owner's title insurance policy (6-17-06) ("**Title Policy**"). The Title Policy shall be issued at Closing at the minimum promulgated rate, including any Florida promulgated re-issue credit if made available by the Title Company, insuring Buyer as the fee simple owner of the Real Property covered thereby in an amount equal to the amount of the Purchase Price allocated to the Real Property. The Title Policy shall insure marketable title to the Real Property, subject only to the Permitted Exceptions (defined below) and shall not contain an exception for notices of commencement or construction liens.

(b) Buyer or Buyer's attorney shall have until 5:00 p.m. (EDT) on the date which is thirty-five (35) days after the Effective Date ("**Buyer's Title Objection Period**") to give written notice to Seller or Seller's attorney of any objections by Buyer to the state of title (including any matters shown on the Survey (defined in Section 8 below) that are unacceptable to Buyer) ("**Buyer's Title Objection Notice**"). Failure of Buyer or Buyer's attorney to deliver the Buyer's Title Objection Notice to Seller or Seller's attorney by the expiration of the Buyer's Title Objection Period shall constitute Buyer's waiver of its right to disapprove any matter contained in the Title Commitment or the Survey. All matters shown on the Title Commitment or on the Survey, other than any exception for mechanics liens, that are not timely objected to in Buyer's Title Objection Notice by the expiration of the Buyer's Title Objection Period shall constitute "**Permitted Exceptions**". Buyer also agrees that the matters set forth on Exhibit "F" attached hereto are acceptable to Buyer, shall not be included Buyer's Title Objection Notice and shall be Permitted Exceptions. Buyer also agrees that the matters disclosed on the existing survey attached as Exhibit "G", are acceptable to Buyer, shall not be included Buyer's Title Objection Notice and shall be Permitted Exceptions. In the event Buyer has delivered to Seller Buyer's Title Objection Notice, Seller shall have five (5) days after such delivery of Buyer's Title Objection Notice to notify Buyer in writing ("**Seller's Title Response**") of any title or survey matters specified in Buyer's Title Objection Notice which Seller is unable or unwilling to cause to be removed or insured against prior to or at Closing; and with respect to such matters, Buyer shall then elect, by giving written notice to Seller and Escrow Agent within five (5) days after delivery of Seller's Title Response (i) to terminate this Agreement, or (ii) to waive its disapproval of such exceptions, in which case such disapproved title or survey matters shall then be deemed to be Permitted Exceptions. Buyer's failure to give such notice shall be deemed an election to waive the disapproval of any such disapproved title or survey matter and signify Buyer's approval thereof. In the event that Buyer terminates this Agreement in accordance with this paragraph, (A) Escrow Agent shall immediately return the Deposit to Buyer, and (B) Buyer and Seller shall have no further obligations to each other except as otherwise expressly set forth in this Agreement.

(c) At Closing, Seller shall (i) execute and deliver an affidavit sufficient to permit the Title Company to delete the "gap" and so-called "standard exceptions" and delete any exception to notices of commencement which may have been filed against the Property (the "**Owner's Affidavit**"), (ii) any indemnity required by Title Company relating to mechanic's liens, and (iii) pay off and satisfy all monetary liens encumbering and/or recorded against the Property including without limitation, judgment, mortgage and construction liens.

8. **SURVEY AND ENVIRONMENTAL REPORTS.** Buyer may elect to obtain an ALTA/ACSM survey ("**Survey**") and/or a Phase I environmental report ("**Environmental Report**"); provided, however, failure by Buyer to obtain a survey within the Buyer's Title Objection Period shall constitute a waiver by Buyer to disapprove any matter contained in the survey, and any such matter shall be deemed a Permitted Exceptions. Buyer shall pay the cost of the Survey and Environmental Report.

9. **CONDITIONS PRECEDENT.** The following are conditions precedent to Buyer's obligation to close the transaction as contemplated by this Agreement ("**Conditions Precedent**"). In the event that all of these conditions are not satisfied or fulfilled by the Closing Date (as defined herein), Buyer may elect to either (i) waive such condition in writing or (ii) terminate this Agreement and in such event, Buyer shall be entitled to the immediate return of the Deposit:

(a) The representations and warranties of Seller contained in Section 6 above shall be true and correct on the Closing Date and all obligations of Seller hereunder shall have been fulfilled.

(b) There shall have been no reduction (i) in the net operating income ("NOI") of the Property in excess of \$75,000 from the NOI from the twelve month period ending 12/31/14 to the NOI for the twelve month period ending 3/31/15, or (ii) in the number of mobile home lots that are leased (or that are occupied by mobile homes owned by Seller or an affiliate thereof which are leased) by more than 10 from those leased on the Effective Date.

(c) Buyer shall have received the Title Policy showing Buyer as the party in title to the Real Property subject only to the Permitted Exceptions, or a "marked-up" version of the Title Commitment from the Title Company indicating its irrevocable commitment to issue the Title Policy, subject only to the Permitted Exceptions.

(d) Seller shall have caused to be delivered into Escrow prior to Closing the documents required by Title Company to be delivered under the Title Commitment.

(e) Seller shall be solely responsible for and shall pay the following items which accrue prior to close of business on the date of closing and within ten (10) days of closing:

- i) All trade obligations of the Park.
- ii) All sales tax, social security, payroll taxes, unemployment and worker's compensation, and all accrued vacation pay and other benefits incident to those personnel employed at the Park.
- iii) All of Seller's employees' names and current addresses are listed on **Exhibit "H"** to this Agreement. If Buyer employs any or all such employees, they shall be considered new employees and such employment shall not constitute a continuation of any previous employment or benefits offered by Seller or their former employers.

10. **CLOSING DATE/DOCUMENTS.** Closing shall take place on the later of (a) fifteen (15) days after the expiration of the Inspection Period (as may be extended pursuant to the provisions hereof), or (b) in the event Buyer elects to assume the Existing Mortgage or obtain New Financing, fifteen (15) days after the expiration of the Financing Period (which date including any extension thereof is referred to herein as the "Closing Date"). Closing shall be at the offices of the Escrow Agent, or may be effected through the mail as coordinated by counsel for Seller and Buyer, provided that all funds shall be delivered to, and disbursed by, Escrow Agent. Buyer may accelerate the Closing Date by providing written notice to Escrow Agent at least five (5) business days in advance of the date desired by the Buyer for Closing. Closing shall be at 11:00 A.M. (EDT) on the Closing Date unless otherwise agreed by the parties or their counsel. Possession of the Property shall be delivered to Buyer at Closing.

At Closing, Seller and, as applicable, Buyer shall execute and/or deliver, as applicable, the following documents in form acceptable to Buyer and/or undertake the following:

(a) All corporate and limited liability company certifications, resolutions, and approvals necessary to evidence each Seller's and Buyer's authority to enter into and consummate the transaction contemplated by this Agreement;

(b) A Special Warranty Deed (the "**Deed**") from Seller to Buyer conveying title to the Real Property to Buyer free and clear of all liens, encumbrances, and matters other than the Permitted Exceptions;

(c) A Bill of Sale from Seller to Buyer (or its designee in the case of Seller's Mobile Homes) transferring the Personal Property to Buyer free and clear of all liens and encumbrances, and other matters permitted by this Agreement, together with the original Motor Vehicle Certificates of Title (properly endorsed to Buyer's assignee and lien free) for any and all of Seller's Mobile Homes, motor vehicles or separately titled Personal Property included in this purchase and sale;

(d) Assignment and Assumption of the Tenant Leases;

(e) Owner's Affidavit from Seller in favor of the Title Company and Buyer;

(f) Affidavit of Non-Foreign Status by Seller;

(g) The Chapter 723 Affidavit in recordable form;

(h) Assignment and Assumption Agreement between Seller and Buyer wherein Seller assigns all of Seller's right, title, and interest in the Service Contracts; and wherein Buyer assumes all such right, title, and interest in all such Service Contracts, effective from and after the Closing Date. Such assignment shall include (i) Seller's indemnification of Buyer against all liability arising under such Service Contracts and accruing or arising prior to the Closing Date, and (ii) Buyer's indemnification of Seller against all liability arising under such Service Contracts and first accruing on and after the date and time of Closing;

(i) Assignment and Assumption Agreement between Seller and Buyer, wherein Seller assigns to Buyer all agreements, if any, which Seller has for access and utilities to service the Real Property, and wherein Buyer assumes all such agreements for access and utilities to the Real Property, effective from and after the Closing Date. Such assignment shall include (i) Seller's indemnification of Buyer against liability arising under such access and utilities agreements and accruing or arising prior to the Closing Date, and (ii) Buyer's indemnification of Seller against liability arising under such access and utilities agreements and first accruing on and after the date and time of Closing;

(j) Settlement (i.e. closing) Statement prepared by Escrow Agent for Seller and Buyer;

(k) Written evidence that Seller has cancelled its management agreement, if any;

(l) Such other documents as are reasonably necessary to consummate Closing including any documents or indemnities required by the Title Company in connection with the Closing or to issue the Title Policy;

(m) All existing plans and specifications relating to the improvements located upon the Real Property which are in Seller's possession;

(n) An assignment in form and substance reasonably satisfactory to Buyer of all of Seller's right, title and interest, if any, in and to all licenses, permits, certificates of occupancy, and such other comparable certificates or documents issued by the appropriate governmental authorities with respect to the Property or any part thereof which are legally assignable, if any, (collectively, the "**Licenses**"), without warranty or representation of any kind;

(o) If applicable, all documents required to close the New Financing;

(p) Subject to the provisions of Section 2 hereof, Buyer shall deliver into Escrow the adjusted cash portion of the Purchase Price plus or minus closing adjustments and less the Deposit and authorize Escrow Agent to deliver the Purchase Price less Seller's closing costs, prorations and adjustments;

(q) All keys, card passes and the like, to the Property;

(r) A letter for each tenant in the form of Exhibit "I" hereto informing the tenants of the Home Sites of the transfer of the Property and assignment of all Tenant Leases together with an instruction to pay all rent and other amounts due from the Tenants to Buyer (or in the case of Seller's Mobile Homes, to the affiliate of Buyer to be named); and

(s) All documents described in the Requirements section of the Title Commitment.

Escrow Agent is designated the "real estate reporting person" for purposes of Section 6045 of Title 26 of the United States Code and Treasury Regulation 1.6045-4 and any instructions or settlement statement prepared by Escrow Agent shall so provide. Upon the consummation of the transaction contemplated by this Agreement, Escrow Agent shall file the Form 1099 information return and send the statement to Seller as required under the aforementioned statute and regulation.

11. ESCROW AND CLOSING COSTS. Buyer shall pay Escrow Agent's escrow fees, including any escrow cancellation fees in the event this Agreement is terminated. Seller shall pay for the cost of any corrective documents required for marketable and insurable title and the recording of the Deed. Buyer shall pay the recording costs of any other closing documents. Seller and Buyer shall equally split the costs of the documentary stamps on the Deed. The costs associated with the issuance of the Title Commitment and Title Policy shall be paid by Buyer. Each party shall further pay any and all prorations or adjustments required by this Agreement in favor of the other party or according to local custom. Each party shall bear its own attorneys' fees and other professional costs, except as otherwise provided for herein.

12. PRORATIONS.

(a) Taxes and Assessments. Taxes (including ad valorem taxes and non-ad valorem assessments) shall be prorated based upon the current year's tax. If the closing takes place and the current year's ad valorem taxes are not fixed and the current year's assessment is available, ad valorem taxes shall be prorated based upon such assessment and the prior year's millage rate. If the current year's assessment is not available, then ad valorem taxes shall be prorated on the prior year's tax. If any of the current year's non ad valorem assessments are not available, then that assessment shall be prorated based on the prior year's non ad valorem assessment. All tax prorations shall take into account the maximum available discount. The day of closing shall be considered the Seller's day. Ad valorem taxes and assessments shall not be reprorated after Closing.

(b) Utilities. Utilities which are not the responsibility of the tenants of the Park shall be prorated as of the Closing Date. Seller shall cause all utility meters to be read prior to Closing on the Closing Date.

(c) Rents. Any current rents or other charges ("**Rents**") received by Seller in respect of the period after the Closing Date shall be promptly remitted to Buyer. With regard to delinquent Rents, if any, Seller shall assign such delinquent Rents to Buyer at Closing and Seller shall not be credited for said delinquent Rents on the Closing Statement. Seller shall deliver to Buyer at Closing copies of such statements, invoices, bills, and receipts as shall be requested by Buyer to enable Buyer to verify the accuracy of the amounts of any prorations made pursuant to this Section. Buyer shall be credited at Closing with all advance rentals previously paid to Seller. All prorations shall be made as an adjustment against the Purchase Price so that Seller has the benefit of all income and the burden of

all expenses up to and including the Closing Date, and Buyer has the benefit of all income and the burden of all expenses after the Closing Date. Buyer shall receive a credit at Closing in the aggregate amount of all security deposits, if any, held by Seller at the time of Closing. The provisions of this Section shall survive Closing and the delivery of the Deed.

13. **PERSONAL PROPERTY**. Seller represents that, except as otherwise set forth in this Agreement, it will own on the Closing Date of all of the items described in the Schedule of Personal Property and Equipment attached hereto as **Exhibit "B"** and made a part hereof by this reference free and clear of all liens and encumbrances except current taxes and, if assumed by Buyer, the lien of the Existing Mortgage. Seller agrees that it shall not remove from the Real Property any of the Personal Property listed on **Exhibit "B"**, except as may be required in the ordinary course of business for repair or replacement; any such replacement of an item of Personal Property pending Closing hereunder shall be with a similar item or items of Personal Property of equal quality and quantity and free and clear of any liens as of the Closing Date. Buyer shall have the right at any time prior to the expiration of the Inspection Period, at its expense, to take and make a physical inventory of the Personal Property located on the Real Property to confirm that it conforms to **Exhibit "B"**. Seller shall have the right to have a representative of Seller present at the Real Property as and when such inventory of the Personal Property is taken by Buyer. The inventory of the Personal Property shall be in such detail as may reasonably be required by Buyer, but, in any event, shall include a specific description of each major item of Personal Property sufficient for purposes of its reasonable identification and a general description of other items of Personal Property by general category or type. All items of Personal Property described in **Exhibit "B"** shall be sold and conveyed by Seller to Buyer at Closing in their **"AS IS, WHERE IS, WITH ALL FAULTS"** condition, without any representations or warranties of any kind, whether express or implied, except as expressly provided herein. **Exhibit "B"** attached hereto shall be attached as an exhibit to the Bill of Sale to be executed by Seller to and in favor of Buyer at the time of closing hereunder. On the Closing Date, Seller will deliver to Buyer such Bill of Sale.

14. **SERVICE CONTRACTS; WARRANTIES OR GUARANTEES**. Seller represents that the Schedule of Service Contracts attached hereto as **Exhibit "E"** and by this reference made a part hereof contains a true and complete list of all Service Contracts presently in force and effect and applicable to the Property. Seller shall deliver to Buyer true and complete copies of all such service contracts, warranties, and guarantees as part of the Due Diligence Data. Seller agrees to maintain those service contracts in full force and effect until Closing, and Seller further agrees that, except in the ordinary course of business, Seller shall not enter into any new service contracts applicable to the Property or amend any existing service contracts without the prior written consent of Buyer. Buyer shall notify Seller by written notice prior to the end of the Inspection Period which Service Contracts Buyer elects to assume. Seller shall terminate as of the Closing Date any Service Contract not assumed by Buyer. At Closing, Seller shall assign and Buyer shall assume all right, title, and interest in and to those Service Contracts expressly assumed by Buyer, to the extent assignable and without warranty or representation.

15. **CONDEMNATION**. If, prior to Closing, all or any part of the Real Property is taken by any governmental authority under its power of eminent domain, Buyer shall have the option, to be exercised within ten (10) days after Buyer receives written notice from Seller of same to do the following:

(a) Take title to the Property at Closing without any abatement or adjustment in the Purchase Price, in which event Seller shall unconditionally assign its rights in the condemnation award to Buyer (or Buyer shall receive the condemnation award from Seller if it has already been paid to Seller prior to Closing); or

(b) Terminate this Agreement, whereupon the duties and obligations of each of the parties hereto shall end, and Buyer shall be entitled to the immediate return of the Deposit.

If Buyer does not timely provide such written notice to Seller, Buyer shall be deemed to have elected option (a), above.

16. **RISK OF LOSS.** Risk of loss by damage or destruction to the Property prior to Closing shall be borne by Seller. In the event of substantial damage (i.e. in an amount in excess of \$250,000.00) to the Property prior to Closing by fire or other casualty:

(a) Seller shall give prompt notice of such damage to Buyer;

(b) Seller shall furnish Buyer promptly with an estimate prepared by a qualified independent third party of the cost of the restoration, replacement, or repair of such damage; and

(c) Buyer shall have the option to:

(i) terminate this Agreement by written notice to Seller within ten (10) days after Buyer receives the information set forth in (a) and (b), above, and obtain the immediate return of the Deposit; or

(ii) Take title to the Property at Closing without any abatement or adjustment in the Purchase Price, in which event Seller shall unconditionally pay and/or assign to Buyer its rights in any insurance proceeds (including casualty and rent loss proceeds), payable due to the event of damage or casualty and shall pay to Buyer the amount of all deductibles or other uninsured damages.

(d) If Buyer does not timely provide written notice of termination to Seller pursuant to Section 16(c)(i), Buyer shall be deemed to have elected option 16(c)(ii), above.

In the event of damage to the Property by fire or other casualty prior to Closing which is not substantial, Buyer shall proceed to close pursuant to Section 16(c)(ii), above.

17. **BROKERS.** Buyer has agreed to pay a real estate sales commission upon the closing of this Purchase and Sale Agreement to Avanti Holdings, Inc in the amount of 2% of the purchase price. Buyer represents that there is no other party or person entitled to compensation by reason of closing of the transaction contemplated hereby as a result of Buyer's actions. Buyer shall indemnify, defend, and hold Seller harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees, charges and disbursements) incurred by Seller by reason of any breach or inaccuracy of Buyer's representations and warranties contained in this Section 17. Seller represents that there is no other party or person entitled to compensation by reason of closing of the transaction contemplated hereby as a result of Seller's actions. Seller shall indemnify, defend, and hold Buyer harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees, charges and disbursements) incurred by Buyer by reason of any breach or inaccuracy of Seller's representations and warranties contained in this Section 17. The provisions of this Section 17 shall survive the Closing.

18. **NEGOTIATIONS.** Seller and Buyer acknowledge and agree that the terms of this Agreement and the transaction between them has been negotiated and that this Agreement shall not be construed against either party as the drafter thereof under any rule of construction under the law.

19. **DEFAULT BY SELLER.** If under the provisions of this Agreement, Seller shall be obligated to complete the sale of the Property but fails to do so within the applicable period herein provided, or shall otherwise fail to perform any of the other obligations of Seller hereunder within the required time period, Buyer shall have the option, to be exercised in its sole discretion, to do only one or the other of the following: (A) terminate this Agreement and receive an immediate refund of the Deposit or (B) pursue an action for specific performance against Seller for Seller's obligations under this Agreement.

20. **DEFAULT BY BUYER.** If, under the provisions of this Agreement, Buyer shall be obligated to complete the purchase of the Property but fails to do so within the applicable period provided for Closing, and such default continues for a period of five (5) days after written notice thereof from Seller

to Buyer, Seller's sole right and exclusive remedy against Buyer shall be to terminate this Agreement and retain the Earnest Money Deposit (a) as consideration for the execution of this Agreement; (b) as agreed on liquidated damages sustained by Seller because of such default by Buyer (the parties hereto agreeing that the retention of such funds shall not be deemed a penalty, and recognizing the impossibility of precisely ascertaining the amount of damages to Seller because of such default and hereby declaring and agreeing that the sum so retained is and represents the reasonable damages of Seller); (c) in full settlement of any claims of damages and in lieu of a specific performance by Seller against Buyer; and (d) in consideration for the full and absolute release of Buyer by Seller of any and all further obligations under this Agreement, except as otherwise provided herein.

21. **ASSIGNMENT**. Buyer shall have the right to assign this Agreement at any time without (i) providing written notice to Seller or (ii) receiving written consent from Seller, to any entity or entities in which the named Buyer hereunder and/or Mark J. Sullivan directly or indirectly holds a material interest. Any such assignment shall not relieve Buyer from any claims of liability under the Agreement, all of which shall survive the Assignment. Except as provided in this Section, Buyer shall not assign this Agreement without the prior written consent of Seller.

22. **GOVERNING LAW**. This Agreement shall be construed under the laws of the State of Florida without regard to conflicts of law principles.

23. **TIME IS OF THE ESSENCE**. Seller and Buyer acknowledge that time is of the essence of this Agreement and all dates contained herein.

24. **ENTIRE AGREEMENT; MODIFICATIONS**. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provisions hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

25. **ATTORNEYS' FEES**. In the event of any litigation between the parties arising out of this Agreement, or the collection of any funds due Buyer or Seller pursuant to this Agreement, the prevailing party shall be entitled to recover all costs incurred and reasonable attorneys' fees and expenses incurred. As used herein and throughout this Agreement, the term "attorneys' fees" shall be deemed to include all fees incurred whether by attorneys, paralegals, legal assistants, or law clerks whether in pretrial, trial, appeal, bankruptcy, collection, or declaratory proceedings. The provisions of this Section shall survive Closing and the delivery of the Deed.

26. **ESCROW AGENT**. The Escrow Agent shall deposit the Deposit into a non-interest-bearing, insured account and disburse said funds according to the terms of this Agreement. In the event of a breach of this Agreement by either Seller or Buyer, and the nondefaulting party has made written demand of Escrow Agent, with notice to the other party, for delivery of the Deposit and the defaulting party has not objected in writing to such delivery of the Deposit within three (3) business days of such demand, Escrow Agent shall immediately comply with such demand. If neither party has made a demand for the Deposit or if an objection to such demand has been made by the other party, and in the reasonable discretion of the Escrow Agent, some doubt exists as to when, to whom, or under what circumstances the Deposit shall be disbursed hereunder, and the parties hereto are unable after ten (10) days' prior written notice thereof from Escrow Agent to agree and direct Escrow Agent, in writing, as to when, to whom, or under what circumstances Escrow Agent shall disburse the same, Escrow Agent shall be entitled to interplead the Deposit into the Circuit Court of Lake County, Florida, without further liability or responsibility on its part. In any event, however, all parties agree that Escrow Agent shall have no liability or any further responsibility to any party or person whomsoever for any disbursement of the Deposit made by Escrow Agent in good faith unless such disbursement shall constitute a willful breach of

the duties and obligations of Escrow Agent under this Agreement or gross negligence on the part of Escrow Agent. The Escrow Agent has executed the receipt attached to this Agreement to confirm that the Escrow Agent is holding and will hold and disburse funds paid in respect of the Purchase Price in escrow pursuant to the provisions of this Agreement and as directed by the parties in the Settlement Statement. The Escrow Agent shall prepare the Settlement Statement and receive and disburse the balance of the Purchase Price in accordance with the terms of this Agreement. The parties acknowledge that Escrow Agent is the attorney for Seller and may represent Seller in any dispute with regard to this Agreement notwithstanding also acting as Escrow Agent.

27. **NOTICE.** Any notice, request, instruction or demand to be given hereunder shall be in writing and sent by facsimile, email, registered or certified mail, return receipt requested, or by overnight delivery service to the following addresses:

If to Seller, then:

Steven L. Bossenbroek
2855 44th Street SW
Grandville, MI 49418
Telephone: 616-821-4736
Facsimile: 616-249-9377
Email: sbossenbroek@slbjat.com

With copies to Seller's attorney:

James L. Turner, Esq.
Williams Parker Harrison Dietz & Getzen, P.A.
200 S. Orange Avenue
Sarasota, Florida 34236
Telephone: 941-329-6612
Facsimile: 941-954-6045
Email: jturner@williamsparker.com

If to Buyer, then;

PFC Park Holdings, LLC
917 Tahoe Boulevard, Suite 200
Incline Village, Nevada 89451
Telephone: 775-886-1101
Facsimile: 775-832-5229
Attn: Jamie Sullivan
Email: jamie@tahogaholdings.com

With copies to:

Karen D. Dennison, Esq.
Holland & Hart LLP
5441 Kietzke Lane, 2nd Floor
Reno, Nevada 89511
Telephone: 775-327-3000
Facsimile: 775-786-6179
Email: kdennison@hollandhart.com

With copies to:

Lutz, Bobo & Telfair, P.A.
Attn: Scott Gordon
2 N. Tamiami Trail, Suite 500
Sarasota, FL 34236-5575
Tel: 941-951-1800
Fax: 941-366-1603
sgordon@lutzbobobob.com

If to Escrow Agent, then: James L. Turner, Esq.
Williams Parker Harrison Dietz & Getzen, P.A.
200 S. Orange Avenue
Sarasota, Florida 34236
Telephone: 941-329-6612
Facsimile: 941-954-6045
Email: jturner@williamsparser.com

or to such other address as is designated from time to time in writing by those entitled to receive notice. Facsimile or email notice is effective on the date of transmission, so long as the same is received by 5:00 p.m. in the recipient's time zone, otherwise said notice shall be deemed received on the next business day. Notice by overnight mail and registered or certified mail shall be effective as of the date of mailing.

28. **NO ASSUMPTION OF LIABILITIES.** The parties acknowledge that this transaction contemplates only the sale and purchase of the Property and that Seller is not selling a business nor do the parties intend that Buyer be deemed a successor of Seller with respect to any liabilities of Seller to any third parties except as expressly stated herein and assumed by Buyer at Closing. Buyer shall neither assume nor be liable for any payments and benefits to past and/or present employees of Seller in connection with the business being conducted on or from the Property as may have accrued through the Closing Date, including, but not limited to, salaries, wages, commission, bonuses, vacation pay, health and welfare contributions, pensions, profit sharing, severance or termination pay, taxes or any other form of compensation, fringe benefit or employee benefit, nor shall Buyer assume or be liable for any such payments and/or benefits paid, owed, or to be owed to any principal of either Seller or any member of such principal's family.

29. **SURVIVAL.** All provisions hereof which are executory in nature or otherwise by their context are intended to survive Closing shall be deemed to survive such Closing. However, all of Buyer and Seller's representations and warranties contained in this Agreement shall survive Closing only for a period of six (6) months. In the event Buyer has not made a written claim against Seller for a breach of same within six (6) months from the date of Closing, Buyer shall waive its right to make any such claim against Seller.

30. **CONSTRUCTION.** This Agreement has been negotiated between the parties, each of whom has been represented by counsel. Accordingly, this Agreement shall not be construed against either party as the drafter of the Agreement in the event of any litigation with respect to it.

31. **RADON GAS.** Radon is a naturally occurring radioactive gas that, when it has 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 and radon testing may be obtained from your county health department.

The foregoing notice is provided pursuant to Section 404.056(5), Florida Statutes, which requires that such notice be included in certain real estate documents.

32. **VENUE.** Venue for any legal proceeding hereunder shall be in Lake County, Florida.

33. **SECTION 1031 EXCHANGE.** Seller and/or Buyer hereunder may wish to exchange other property of like kind and qualifying use within the meaning of Section 1031 of the Internal Revenue Code of 1986, as amended and the Regulations promulgated thereunder, for title in the Property. Buyer and/or Seller, as the case may be, shall cooperate with the other party (ies) to accomplish the like-kind exchange

transaction, and each party shall pay for all of its respective costs and expenses associated with the exchange procedure.

34. **EFFECTIVE DATE.** As used herein, the "Effective Date" shall be the later date this Agreement is executed by both Seller and Buyer and an executed copy hereof delivered to the other party.

35. **COUNTERPART EXECUTION.** This Agreement may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.

36. **FACSIMILE OR ELECTRONIC SCANNED SIGNATURES.** A facsimile or scanned/mailed version of this Agreement or any portion hereof, including the signature page of any party, shall be deemed an original for all purposes.

37. **BUSINESS DAY.** If the final day of any period or any date of performance under this Agreement falls on a Saturday, Sunday, or legal holiday, then the final day of the period or the date of such performance shall be extended to the next business day.

38. **MOBILE HOMES; NOTES RECEIVABLE.** Notwithstanding anything appearing to the contrary contained herein, the parties agree:

(a) that any Mobile Homes that the Seller or Seller affiliated company shall own at Closing or after Closing may not be removed from the Park, unless approved by Buyer;

(b) Seller reserves the right to sell any of Seller's Mobile Homes to a qualified owner-occupant without concessions, and retain the proceeds therefrom, provided Seller has entered into a contract for such sale on or before Closing, and which is scheduled to close on or before 60 days after Closing. In the event any of Seller's Mobile Homes are not sold and title transferred to a third party purchaser on or before the date that is 60 days after Closing, Seller shall, within three (3) days after said date, provide Buyer with the original Motor Vehicle Certificate of Title (properly endorsed to Buyer's assignee and lien free) for said Home;

(c) That all of Seller's or Seller's affiliates' interest as Lender in all notes receivable and loan documents related thereto, including but not limited to security agreements, financing statements, and loan agreements pertaining to any mobile home in the Park, shall not be included in the Property to be transferred to Buyer and shall remain the Property of Seller (or the applicable affiliate of Seller). Buyer agrees that, upon Seller or any of Seller's affiliates or assigns acquiring title to any of the mobile homes upon which it has a security interest, no lot rental amount shall be charged for the subject lot until 3 months maximum after said acquisition of title to the mobile home on that lot.

This Section 38 shall survive Closing.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year indicated below.

"Seller"

OAK SPRINGS, LLC,
a Florida limited liability company

By: Michael V. Campbell
Name: Michael V. Campbell
Title: Manager
Date: 3/9/2015, 2015

"Buyer"

PFC Park Holdings, LLC,
a Nevada limited liability company

Dec. signed by:
By: [Signature]
Name: MARCO FERRER JIVAN
Title: CEO and Authorized Representative
Date: 3/5/2015, 2015

AGREED AND CONSENTED TO BY:

"Escrow Agent"

Williams, Parker, Harrison, Dietz + Getzen, P.A.

By: [Signature]
As its: Vice President

Date: March 11, 2015

EXHIBIT B


No Customer Deposits

EXHIBIT C

Affidavit of Funding & Financial Statement

AFFIDAVIT

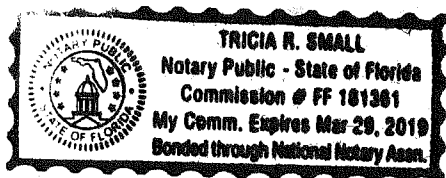
I, Maria E. Virga, am the Chief Operating Officer of PFC Park Holdings, LLC. In that capacity, I am filing this Affidavit in order to assure the Florida Public Service Commission that PFC Park Holdings, LLC will provide or assist Oak Springs MHC, LLC in securing necessary funding to meet all reasonable capital needs and any operating deficits of the Utility, which may arise as a result of the Utility's operations of a certified water utility in its PSC certificated service territory. Such funding will be provided on an as and when needed basis.


Maria E. Virga, as Chief Operating
Officer of PFC Park Holdings, LLC

STATE OF Florida
COUNTY OF Osceola

March The foregoing instrument was acknowledged before me this 2nd day of March, 2016, by Maria E. Virga, as Chief Operating Officer of PFC Park Holdings, LLC, who is personally known to me.


NOTARY PUBLIC
My Commission Expires:



PFC Park Holdings, LLC
Consolidated Balance Sheet
As of October 31, 2015

Assets	Total
Cash	3,417,438
Fixed Assets	85,732,097
Lender Reserve	2,287,250
Other Assets	1,104,673
Total Assets	\$ 92,541,458
Liabilities and Equity	
Liabilities	
Accounts Payable	\$ 164,796.96
Accrued Expenses	
Mortgage notes payable	52,571,589
Prairie Fire Revolver	4,753,404
Property Tax Payable	490,514
Due PFCPH	-
Due Others	
Tenant Deposits	38,190
Total Liabilities	58,018,495
Equity	
Equity	32,538,003
PFC Earnings	
Retained Earnings	365,243
Net Income	1,619,718
Total Equity	34,522,964
Total Liabilities and Equity	\$ 92,541,458

EXHIBIT D

Calculation of Rate Base

Exhibit D

Oak Springs LLC

Schedule of Utility Plant In Service Balances, Accumulated Depreciation and Rate Base

Line No.	Year	Utility Plant In Service	Accumulated Depreciation	Net Plant	Cash Working Capital (6)	Rate Base
1	December 31, 2003 (1)	\$ 429,105	\$ 232,957	\$ 196,148	\$ 5,588	\$ 201,736
2	December 31, 2004 (2)	429,105	247,575	181,530		
3	December 31, 2005 (2)	429,105	262,260	166,845		
4	December 31, 2006 (2)	430,652 (4)	277,056	153,596		
5	December 31, 2007 (2)	430,652	291,897	138,755		
6	December 31, 2008 (2)	430,652	306,737	123,915		
7	December 31, 2009 (2)	430,652	321,578	109,074		
8	December 31, 2010 (2)	430,652	336,419	94,233		
9	December 31, 2011 (2)	430,652	351,260	79,392		
10	December 31, 2012 (2)	430,652	366,101	64,551		
11	December 31, 2013 (2)	430,652	369,186	61,466		
12	December 31, 2014 (2)	430,652	378,934	51,718		
13	May 31, 2015 (3)	\$ 448,607 (5)	\$ 338,750	\$ 109,857	\$ 2,080	\$ 111,937

Notes:

(1) Data as reflected in Order No. PSC-04-1120-PAA-WU in Docket No. 040515-WU dated November 9, 2004

(2) Data as reflected in the Annual Report for each year respectively.

(3) Data as reflected in the final Annual Report at the time of utility sale and filed recently with the Public Service Commission

(4) Additions of \$1,547 for the purchase of new water meters.

(5) Addition of \$59,900 for new service pumps and retirement of \$41,945 for original pumps.

(6) Calculated at 1/8 of O&M costs.

EXHIBIT E

Water Tariff

OAK SPRINGS MHC, LLC

WATER TARIFF

AND

SERVICE AVAILABILITY AND
MAIN EXTENSION POLICY

FILED WITH THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

TABLE OF CONTENTS

	Sheet Number
Communities Served Listing.....	3.0
Description of Territory Served	3.1
Index of	
Rates and Charges Schedules	11.0
Rules and Regulations	6.0
Service Availability Policy	23.0
Standard Forms.....	18.0
Technical Terms and Abbreviations.....	5.0
Territory Authority.....	3.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER – 623-W

COUNTY – Orange and Lake

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

Order Number

Date Issued

Docket Number

Filing Type

(Continued to Sheet No. 3.1)

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC
 WATER TARIFF
 (Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

PARCEL I: ORANGE COUNTY

That part of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida, more particularly described as follows: Commence at the Northeast corner of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida; thence North $89^{\circ}42'51''$ West, along the North boundary of said Northeast $\frac{1}{4}$, a distance of 204.22 feet to the Point of Beginning; thence South $0^{\circ}17'09''$ West, 350.00 feet; thence North $89^{\circ}42'51''$ West, 350.00 feet from and parallel with said North boundary, a distance of 1082.18 feet to a point on the West boundary of Lot 2, and the East boundary of Lot 3, J.B. Babcock's Subdivision, as recorded in Plat Book "B", Page 27, Public Records of Orange County, Florida; thence North $6^{\circ}33'51''$ West, along said boundary, a distance of 135.97 feet; thence North $89^{\circ}42'51''$ West, 215.00 feet from and parallel with said North boundary a distance of 713.38 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 215.01 feet to a point on the North boundary of said Northeast $\frac{1}{4}$; thence South $89^{\circ}42'51''$ East, along said North boundary, 1809.63 feet to the point of Beginning. All being in the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida.

PARCEL II: LAKE COUNTY

That part of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida, more particularly described as follows: Begin at the Southeast corner of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida; thence North $89^{\circ}42'51''$ West, along the South boundary of said Southeast $\frac{1}{4}$, a distance of 2013.85 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 648.73 feet to the point of curvature of a curve that is concave Westerly, having a radius of 851.51 feet; thence along the arc of said right of way line curve, 33.00 feet from and parallel with said centerline, a chord bearing and distance of North $13^{\circ}36'41''$ West, 425.49 feet to the point of tangency of said curve; thence North $28^{\circ}04'47''$ West, along said right of way line, 33.00 feet from and parallel with said centerline, a distance of 213.52 feet to the point of curvature of a curve that is concave Easterly, having a radius of 268.56 feet; thence along the arc of said curve, 33.00 feet from and parallel with said centerline, a chord bearing and distance of North $19^{\circ}09'24''$ West, 83.31 feet to a point on the North boundary of the South $\frac{1}{2}$ of said Southeast $\frac{1}{4}$; thence South $89^{\circ}46'22''$ East, along said North boundary 298.70 feet to a point on the Southeasterly right of way line of Tifton Street and the Northwesterly boundary of Block 131, Mt. Plymouth, Section "A", as recorded in Plat Book 8, Pages 85 through 85-D, Public Records of Lake County, Florida; thence North $36^{\circ}11'03''$ East, along said right of way line and along said Westerly boundary, a distance of 113.68 feet to a point on a curve that is concave Northwesterly, having a radius of 1059.00 feet; thence along the arc of said curve along said right of way line, a chord bearing and distance of North $30^{\circ}03'55''$ East, 157.64 feet, to a point on the Northwesterly boundary of Block 98, said Section "A"; thence North $26^{\circ}28'40''$ East, along said right of way line and along said Northwesterly boundary, a distance of 165.71 feet to a point on a curve that is concave Southerly, having a radius of 42.70 feet; thence along the arc of said curve, along the Northerly boundary of said Block 98, a chord bearing and distance of North $72^{\circ}53'40''$ East, 62.30 feet to a point on a curve that is concave Northerly, having a radius of 1621.00 feet; thence along the arc of said curve, along the Southerly right of way line of Selma Avenue as shown on said Section "A", and along the Northerly boundary of said Block 98 and continuation thereof, a chord bearing and distance of South $71^{\circ}18'13''$ East, 611.36 feet to a point on the West boundary of Block 129, said Section "A"; thence North $0^{\circ}20'54''$ West, along West boundary, and the East right of way line of St. Andrews Boulevard, as shown on said Section "A", a distance of 70.56 feet, to the most Northerly corner of said Block 129; thence South $38^{\circ}15'27''$ East, along the Northeasterly boundary of said Block 129, and Southwesterly right of way of Selma Avenue, a distance of 355.01 feet to a point on the North boundary of said South $\frac{1}{2}$; thence South $89^{\circ}46'22''$ East, along said North boundary, 850.77 feet to the Northeast corner of said South $\frac{1}{2}$; thence South $0^{\circ}07'38''$ East, along the East boundary of said Southeast $\frac{1}{4}$, a distance of 3.43 feet to a point on the South boundary of Block 100, said Section "A"; thence North $89^{\circ}42'04''$ West, along the South boundary of said Block 100, a distance of 265.20 feet to the Southwest corner of said Block; thence South $44^{\circ}54'51''$ East, 376.44 feet to a point on said East boundary; thence South $0^{\circ}07'38''$ East along said East boundary, 1061.85 feet to the Point of Beginning. All being in the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida.

Maria E. Virga
 ISSUING OFFICER
Chief Operating Officer
 TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

COMMUNITIES SERVED LISTING

<u>County Name</u>	<u>Development Name</u>	<u>Rate Schedule(s) Available</u>	<u>Sheet No.</u>
Orange & Lake	Oak Springs Mobile Home Community	GS/RS	12.0/13.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is Oak Springs MHC, LLC.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Rule Number:</u>	<u>Number:</u>
Access to Premises	9.0	14.0
Adjustment of Bills.....	10.0	22.0
Adjustment of Bills for Meter Error	10.0	23.0
All Water Through Meter	10.0	21.0
Application	7.0	3.0
Applications by Agents.....	7.0	4.0
Change of Customer's Installation	8.0	11.0
Continuity of Service.....	8.0	9.0
Customer Billing.....	9.0	16.0
Delinquent Bills.....	7.0	8.0
Extensions.....	7.0	6.0
Filing of Contracts	10.0	25.0
General Information	7.0	1.0
Inspection of Customer's Installation.....	9.0	13.0
Limitation of Use.....	8.0	10.0
Meter Accuracy Requirements	10.0	24.0
Meters	10.0	20.0
Payment of Water and Wastewater Service Bills Concurrently.....	10.0	18.0

(Continued to Sheet No. 6.1)

Maria E. Virga
 ISSUING OFFICER
Chief Operating Officer
 TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Policy Dispute.....	7.0	2.0
Protection of Company's Property	8.0	12.0
Refusal or Discontinuance of Service.....	7.0	5.0
Right-of-way or Easements	9.0	15.0
Termination of Service	9.0	17.0
Type and Maintenance.....	7.0	7.0
Unauthorized Connections - Water.....	10.0	19.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders water service.
- The Company shall provide water service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 8.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued on Sheet No. 8.0)

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

(Continued from Sheet No. 7.0)

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

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

10.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the Customer only for the purposes specified in the application for water service. Water service shall be rendered to the Customer for the Customer's own use and the Customer shall not sell or otherwise dispose of such water service supplied by the Company.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

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

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

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

(Continued on Sheet No. 9.0)

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

(Continued from Sheet No. 8.0)

- 13.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

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

- 14.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.

- 15.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.

- 16.0 CUSTOMER BILLING - Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

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

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

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

- 17.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.

(Continued on Sheet No. 10.0)

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

(Continued from Sheet No. 9.0)

- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 UNAUTHORIZED CONNECTIONS - WATER - Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.
- 22.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be refunded or billed to the Customer as the case may be pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 23.0 ADJUSTMENT OF BILLS FOR METER ERROR - When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 METER ACCURACY REQUIREMENTS - All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits	14.0
General Service, GS	12.0
Meter Test Deposit.....	15.0
Miscellaneous Service Charges.....	16.0
Residential Service, RS.....	13.0
Service Availability Fees and Charges.....	17.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD -
- RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8 X 3/4"	\$ 8.79
3/4"	\$ 13.18
1"	\$ 21.95
1 1/2"	\$ 43.90
2"	\$ 70.23
3"	\$ 140.46
4"	\$ 219.47
Charge per 1,000 Gallons	\$ 2.43

- MINIMUM CHARGE - Base Facility Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Maria E. Virga
 ISSUING OFFICER
Chief Operating Officer
 TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

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

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

BILLING PERIOD -

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8 X 3/4"	\$ 8.79
3/4"	\$ 13.18
1"	\$ 21.95
1 1/2"	\$ 43.90
2"	\$ 70.23
3"	\$ 140.46
4"	\$ 219.47

Charge per 1,000 Gallons \$ 2.43

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

CUSTOMER DEPOSITS

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

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

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	_____	
1"	_____	
1 1/2"	_____	
Over 2"	_____	

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

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

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

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

EFFECTIVE DATE -

TYPE OF FILING -

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

METER TEST DEPOSIT

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

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

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

METER FIELD TEST REQUEST - A Customer may request a no-charge field test of the accuracy of a meter in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE -

TYPE OF FILING -

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

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

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

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

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

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

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>15.00</u>
Normal Reconnection Fee	\$ <u>15.00</u>
Violation Reconnection Fee	\$ <u>15.00</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>10.00</u>

EFFECTIVE DATE -

TYPE OF FILING -

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC
 WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service	\$	
1" metered service	\$	
1 1/2" metered service	\$	
2" metered service	\$	
Over 2" metered service	\$ ¹	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
<u>Inspection Fee</u>	\$ ¹	
<u>Main Extension Charge</u>		
Residential-per ERC (__ GPD)	\$243.00	
All others-per gallon	\$	
or		
Residential-per lot (__ foot frontage)	\$	
All others-per front foot	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4"	\$200.00	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Plan Review Charge</u>	\$ ¹	
<u>Plant Capacity Charge</u>		
Residential-per ERC (__ GPD)	\$	
All others-per gallon	\$	
<u>System Capacity Charge</u>		
Residential-per ERC (__ GPD)	\$	
All others-per gallon	\$	

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING -

Maria E. Virga
 ISSUING OFFICER
Chief Operating Officer
 TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

INDEX OF STANDARD FORMS

<u>Description</u>	<u>Sheet No.</u>
APPLICATION FOR METER INSTALLATION	21.0
APPLICATION FOR WATER SERVICE	20.0
COPY OF CUSTOMER'S BILL	22.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT	19.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

APPLICATION FOR WATER SERVICE

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

Sample Application Form

Name _____

Telephone Number _____

Billing Address _____

City

State

Zip

Service Address _____

City

State

Zip

Date service should begin _____

Service requested: Water ____ Wastewater ____ Both ____

By signing this agreement, the Customer agrees to the following:

1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
4. Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require (oral, written) notice within ____ days prior to the date the Customer desires to terminate service.

Signature

Date

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

APPLICATION FOR METER INSTALLATION

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

COPY OF CUSTOMER'S BILL

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>	<u>Rule Number</u>
Acceptance of Facilities.....		
Availability.....		
Construction of Oversized Facilities.....		
Customer Connection (Tap-in).....		
Customer Installation (Customer Maintained Lines).....		
Cost Records and "As-Built" Plans.....		
Design by Independent Engineers.....		
Developer Agreements.....		
Easements and Rights-of-Way.....		
Extensions Outside Certificated Territory.....		
General Information.....		
Inspections.....		
Obligations of Developer.....		
Obligations of Company.....		
Off-Site Facilities.....		
On-Site Facilities.....		
Refundable Advances.....		
Schedule of Fees and Charges.....	Go to Sheet No. 17.0	
System Design and Construction.....		
Table of Daily Flows.....		
Transfer of Contributed Property - Bills of Sale.....		

Maria E. Virga
 ISSUING OFFICER
Chief Operating Officer
 TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>
Schedule of Fees and Charges.....	Go to Sheet No. 17.0
Service Availability Policy	24.0

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

NAME OF COMPANY: OAK SPRINGS MHC, LLC

WATER TARIFF

SERVICE AVAILABILITY POLICY

Maria E. Virga
ISSUING OFFICER
Chief Operating Officer
TITLE

EXHIBIT F

Water Certificate 623-W

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for certificate to operate water utility in Orange and Lake Counties by Oak Springs, LLC. | DOCKET NO. 040515-WU
ORDER NO. PSC-04-1120-PAA-WU
ISSUED: November 9, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

ORDER GRANTING ORIGINAL CERTIFICATE NO. 623-W
TO OPERATE WATER UTILITY
IN ORANGE AND LAKE COUNTIES TO OAK SPRINGS, LLC.

AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER ESTABLISHING INITIAL RATES AND CHARGES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the part of the action discussed herein that establishes initial rates and charges is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Introduction

On April 22, 2004, Oak Springs, LLC (Oak Springs) filed its application for an original water certificate in Orange and Lake County. Oak Springs owns and operates the utility and the mobile home park that is located east of Highway 435 in Mt. Plymouth approximately 5 miles from Mount Dora, in Lake County. The utility has been providing water and wastewater service solely to the mobile home rental community tenants as a part of the lot rent, and was therefore exempt from Commission regulation pursuant to Section 367.022(5), Florida Statutes.¹ The proposed area is located in the St. Johns River Water Management District (SJRWMD). Water use restrictions have been imposed district wide to encourage conservation. In order to promote water conservation, Oak Springs has been required by the SJRWMD to form a private utility capable of charging for water use. The utility anticipates serving approximately 438 equivalent

¹ Oak Springs was granted an exemption from Commission regulation pursuant to Order No. PSC-96-1246-FOF-WS, In Re: Request for Exemption from Florida Public Service Commission Regulation from Provision of Water and Wastewater Service in Lake County by Oak Springs Manufactured Home Community.

DOCUMENT NUMBER-DATE

12047 NOV-9 5

FPSC-COMMISSION CLERK

residential connections (ERCs) when it reaches build out. The utility is currently serving a total of 314 ERCs.

The utility's initial application was found to be deficient. The utility corrected the deficiency on August 10, 2004, making this the official filing date of the completed application. Pursuant to Section 367.031, Florida Statutes, the Commission shall grant or deny an application for a certificate of authorization within 90 days after the official filing date of the completed application. This Order addresses the application for original water certificate and initial rates and charges. We have jurisdiction pursuant to Sections 367.031 and 367.045, Florida Statutes.

ORIGINAL WATER CERTIFICATE

Based on the information described below, we find that it is in the public interest to grant Oak Springs, LLC Certificate No. 623-W to serve the territory described in Attachment A to this Order. Oak Springs' application is in compliance with our governing statute, Section 367.045, Florida Statutes, our Rule 25-30.033, Florida Administrative Code, and other administrative rules concerning an application for original certificate and initial rates and charges. The wastewater system will continue to be exempt from Commission regulation.

On July 12, 2004, Oak Springs mailed notices to its customers stating that the utility would begin billing for monthly water service and the lot rent would decrease by a specific amount. According to the utility, the lot rent will be reduced by \$10.17 and the reduction will be implemented along with the new water rates. The notice of application for an initial certificate of authorization for a water certificate was mailed to the customers on August 11, 2004. We received one letter from a customer who claimed that the utility's intent to charge separate rates for water service violated his mobile home prospectus agreement. In the letter the customer asserted that he does not object to certification of the utility, only to the separate rates the utility proposes to charge. On September 23, 2004, our staff sent a certified letter to the customer asking for a response by October 5, 2004, if the customer objects to the certification. The letter also explained that the customer could comment on the proposed rates at the agenda conference and would have the opportunity to request a hearing on the proposed rates if approved. The letter pointed out, however, that the Commission does not have jurisdiction to enforce the state's mobile home statutes, and a Commission decision regarding utility rates and service would preempt the mobile home statutes to the extent that they were in conflict. See, section 367.011, Florida Statutes. The customer did not respond to our staff's letter and confirmed by phone on October 6, 2004, that he does not object to the proposed certification.

The utility has provided adequate service territory and system maps and an adequate description of the territory requested. A description of the territory is appended to this Order in Attachment A and incorporated by reference herein. The application also includes a recorded warranty deed as evidence that the utility owns the land upon which the utility facilities are located, as required by Rule 25-30.033(1)(j), Florida Administrative Code.

As evidence of its financial and technical ability to provide water service to the proposed area, Oak Springs has provided excerpts from its 2002 tax return, along with a balance sheet as of April 30, 2004. The balance sheet indicates total assets of \$6,370,259, and total equity of \$1,601,478. The application states that all funding for the utility will be provided by Oak Springs, LLC and the mobile home park. The utility appears to have the financial support to ensure safe, reliable and efficient potable water service to its service area and for any future expansion of the facilities. With respect to technical ability, Oak Springs indicated that it will make the financial and operating commitment necessary for Oak Springs to be successful in providing water service to the residents within its service territory. Oak Springs asserts that it will continue to employ the appropriate management and operations personnel to ensure that it maintains the high quality of service provided in the past.

Oak Springs water treatment facility is made up of two wells with aeration and chlorination. The Department of Environmental Protection (DEP) cited the utility for several deficiencies in its most recent sanitary survey report. The utility has corrected those deficiencies.

INITIAL RATES AND RETURN ON INVESTMENT

Oak Springs's proposed rates are based on its current rate base, cost of capital, customer growth, and operating and maintenance expenses. The utility's calculations are consistent with those normally used by the Commission in setting initial rates and charges for a utility in existence but not currently charging for service.

Rate Base

The utility's proposed rate base of \$201,736 is shown on Schedule No. 1 in Attachment A to this Order. The rate base schedule is for informational purposes to establish initial rates and is not intended to formally establish rate base. This is consistent with our practice in original certificate applications. As explained below, we approve the utility's proposal in setting initial rates.

Utility Plant in Service (UPIS) and Land

The proposed UPIS of \$429,105 includes \$3,750 for approximately .75 acre of land and \$425,355 for organization costs, structures and improvements, power generation equipment, wells and springs, supply mains, pumping equipment, treatment and distribution facilities, services, meters, hydrants, and backflow prevention devices. The utility indicated that the UPIS balances are the original costs of the assets as reflected in the Oak Springs tax returns. The facilities are designed to serve total build out of 438 ERCs. We have reviewed the utility's UPIS costs and, based on the supporting documentation provided, the amounts are reasonable. The utility's proposed balance of \$429,105 shall be included in the UPIS and land accounts.

Accumulated Depreciation

The utility's proposed accumulated depreciation balance is \$232,957. The accumulated depreciation balance is calculated using the guidelines for average service lives as set forth in Rule 25-30.140, Florida Administrative Code. We approve the inclusion of the utility's proposed balance of \$232,957 in the accumulated depreciation account.

Contributions In Aid of Construction and Accumulated Amortization

Pursuant to Rule 25-30.570, Florida Administrative Code, if the amount of CIAC has not been recorded on the utility's books and the utility does not submit competent substantial evidence as to the amount of CIAC, the amount of CIAC shall be imputed to the amount of plant costs charged to the cost of land sales for tax purposes if available, or the portion of the cost of the facilities and plant attributable to the water transmission and distribution system and the sewage collection system. In this case, the utility's tax returns show that the cost of the transmission and the distribution lines have not been charged to cost of land sales. Oak Springs does not sell lots; the lots are leased to homeowners. Therefore, we shall not impute CIAC in determining rate base in this case.

Working Capital

A working capital allowance of \$5,588, which is based on one-eighth of operating and maintenance expenses for the water system, is included in the rate base calculation. We find that the amount is reasonable. A working capital allowance of \$5,588 shall be included in rate base.

Cost of Capital

The proposed capital structure for Oak Springs is shown on Schedule No. 2 in Attachment A to this Order. As required by Rule 25-30.033(1)(w), Florida Administrative Code, the application contained a schedule of the capital structure for Oak Springs including the methods of financing the operation of the utility. The pro forma capital structure consists of 26% equity and 74% debt. The utility proposed an overall cost of capital of 7.00%, based on a cost of equity of 11.40% and a cost of debt of 5.44%. The proposed cost of equity is based on the current leverage formula authorized in Order No. PSC-04-0587-PAA-WS, issued June 10, 2004, in Docket No. 040006-WS, In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and water utilities pursuant to Section 367.081 (4) (f), F.S., which became final July 1, 2004, and a 40% equity ratio. The utility's cost of debt of 5.44% is based on the current interest rate on Oak Springs' mortgage debt. We find that an overall cost of capital of 7.00% for Oak Springs, a cost of equity of 11.40%, and a cost of debt of 5.44% shall be used to set initial rates. This is a reasonable overall cost of capital for calculating the revenue requirement for this original certificate case. We also find that the Oak Springs' authorized return on equity shall be 11.40%, with a range of plus or minus 100 basis points.

Return on Investment

The utility's return on investment, based on cost of capital of 7.00%, is \$13,439, which is shown on Schedule No. 3 in Attachment A to this Order. Considering the rate base we have approved for initial rates and the overall return on investment for Oak Springs of 7.00%, we find that a return on investment of \$13,439 shall be included in the utility's revenue requirement for setting initial rates.

Revenue Requirement

The utility's proposed revenue requirement of \$82,043 is based on its proposed rate base, cost of capital, operating and maintenance expenses, depreciation, taxes other than income, return on investment and customer base. Based on the analysis below, we find that the proposed revenue requirement is reasonable, and we approve it.

Operating and Maintenance Expense

The utility's proposed operating and maintenance expenses of \$44,702 are based on current costs for purchased power, chemicals, materials and supplies, bad debt, miscellaneous expenses and contractual services. We find that the amount is reasonable and we shall include \$44,702 in the revenue requirement for operating and maintenance expense.

Depreciation

The utility's proposed depreciation expense of \$17,035 is based on the depreciation rates reflected in Rule 25-30.140, Florida Administrative Code. We find that the utility's proposed depreciation expense of \$17,035 is reasonable and we shall include it in the revenue requirement.

Taxes Other Than Income and Income Taxes

The proposed balance for taxes other than income for Oak Springs is \$6,866 which includes regulatory assessment fees (RAFs) of 4.5% of gross revenues and property taxes of \$3,174 for the system. We find that the utility's proposed property taxes and RAFs are reasonable. Oak Springs' parent company is a limited partnership. The utility operation does not incur an income tax liability; therefore, no income tax expense was included in the proposed revenue requirement. We shall include taxes other than income of \$6,866 in the revenue requirement.

Rates

As explained above, as a part of its consumptive use permit, the SJRWMD required Oak Springs to form a private utility capable of charging for water use. The utility's proposed residential and general service rates are based on a revenue requirement of \$82,043. The requested rates include a base facility charge and gallonage charge for residential and general

service customers. This is considered a conservation rate structure. We find that the utility's proposed rates for residential and general service customers are reasonable and we approve them. The utility's requested monthly rates, along with a comparison of typical monthly bills, are shown on Schedule 4 in Attachment A to this Order. Oak Springs should charge these rates and charges until authorized to change them by this Commission in a subsequent proceeding. Since July, 2002, the utility has been separately metering all water use at each point of connection and providing that information to residents monthly without charging for the water service. Oak Springs shall provide notice to all customers of the approved rates prior to billing for monthly water service. The utility shall also file a proposed customer notice reflecting the approved rates within ten days of the date of the consummating order. The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), Florida Administrative Code. A return on equity of 11.40%, plus or minus 100 basis points is reasonable and we approve it.

Miscellaneous Service Charges

The application contains a request for miscellaneous service charges. The utility's proposed miscellaneous service charges are in compliance with Rule 25-30.460, Florida Administrative Code, which defines four categories of miscellaneous service charges. The proposed miscellaneous service charges are reasonable and we approve them.

SERVICE AVAILABILITY CHARGES

We find that the utility's proposed service availability policy and charges are appropriate and we approve them, effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(2), Florida Administrative Code.

Rule 25-30.580(1)(a), Florida Administrative Code, provides that the maximum amount of contributions-in-aid-of-construction (CIAC), net of amortization, should not exceed 75% of the total original cost, net of accumulated depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity. Rule 25-30.580(1)(b), Florida Administrative Code, provides that the minimum amount of CIAC should not be less than the percentage of such facilities and plant that is represented by the water transmission and distribution systems.

Oak Springs built all of the plant and distribution system facilities within the existing territory. The utility's requested service availability policy and charges are designed in accordance with the guidelines in Rule 25-30.580, Florida Administrative Code. The utility is requesting approval of a meter installation charge and a main extension charge. The utility's proposed service availability policy states that the main extension and meter installation charges are established for all future service connections where service has not previously been provided. The utility's proposed main extension charge of \$243 per ERC is based on the cost per ERC of the transmission and distribution lines, services, and hydrants. The utility's requested meter

ORDER NO. PSC-04-1120-PAA-WU
DOCKET NO. 040515-WU
PAGE 7

installation charge of \$200 for a 5/8" x 3/4" meter is designed to recover the cost to the utility for the meter and installation.

Bases on the foregoing, it is

ORDERED by the Florida Public Service Commission that Oak Springs, LLC is granted Certificate No. 623-W to provide water service in the territory described in Attachment A to this Order. It is further

ORDERED that Attachment A to this Order is incorporated herein. It is further

ORDERED that the utility's initial rates and return on investment are approved as set forth in the body of this Order and in Schedule No. 4 which is included in Attachment A. It is further


ORDERED that the portion of this Order establishing the utility's initial rates and charges and return on investment shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850, by the close of business on the date set forth in the Notice of Further Proceedings attached hereto. It is further

ORDERED that the utility shall file a proposed customer notice reflecting the approved rates and charges within 10 days of issuance of the Consummating Order

ORDERED that in the event the portion of this Order establishing rates and charges becomes final, this docket shall be closed.

ORDER NO. PSC-04-1120-PAA-WU
DOCKET NO. 040515-WU
PAGE 8

By ORDER of the Florida Public Service Commission this 9th day of November, 2004.


BLANCA S. BAYO, Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

MCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action establishing initial rates and charges is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 30, 2004. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

ORDER NO. PSC-04-1120-PAA-WU

DOCKET NO. 040515-WU

PAGE 9

Any party adversely affected by the Commission's final action in this matter may request:

- (1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or
- (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ATTACHMENT A

Oak Springs, LLC
Water Territory Description
Orange & Lake Counties

PARCEL I: ORANGE COUNTY

That part of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida, more particularly described as follows:

Commence at the Northeast corner of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida; thence North $89^{\circ}42'51''$ West, along the North boundary of said Northeast $\frac{1}{4}$, a distance of 204.22 feet to the Point of Beginning; thence South $0^{\circ}17'09''$ West, 350.00 feet; thence North $89^{\circ}42'51''$ West, 350.00 feet from and parallel with said North boundary, a distance of 1082.18 feet to a point on the West boundary of Lot 2, and the East boundary of Lot 3, J.B. Babcock's Subdivision, as recorded in Plat Book "B", Page 27, Public Records of Orange County, Florida; thence North $6^{\circ}33'51''$ West, along said boundary, a distance of 135.97 feet; thence North $89^{\circ}42'51''$ West, 215.00 feet from and parallel with said North boundary a distance of 713.38 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 215.01 feet to a point on the North boundary of said Northeast $\frac{1}{4}$; thence South $89^{\circ}42'51''$ East, along said North boundary, 1809.63 feet to the point of Beginning. All being in the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida.

PARCEL II: LAKE COUNTY

That part of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida, more particularly described as follows:

Begin at the Southeast corner of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida; thence North $89^{\circ}42'51''$ West, along the South boundary of said Southeast $\frac{1}{4}$, a distance of 2013.85 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 648.73 feet to the point of curvature of a curve that is concave Westerly, having a radius of 851.51 feet; thence along the arc of said right of way line curve, 33.00 feet from and parallel with said centerline, a chord bearing and distance of North $13^{\circ}36'41''$ West, 425.49 feet to the point of tangency of said curve; thence North $28^{\circ}04'47''$ West, along said right of way line, 33.00 feet from and parallel with said centerline, a distance of 213.52 feet to the point of curvature of a curve that is concave Easterly, having a radius of 268.56 feet; thence along the arc of said curve, 33.00 feet from and parallel with said centerline,

ORDER NO. PSC-04-1120-PAA-WU

DOCKET NO. 040515-WU

PAGE 11

a chord bearing and distance of North 19°09'24" West, 83.31 feet to a point on the North boundary of the South ½ of said Southeast ¼; thence South 89°46'22" East, along said North boundary 298.70 feet to a point on the Southeasterly right of way line of Tifton Street and the Northwesterly boundary of Block 131, Mt. Plymouth, Section "A", as recorded in Plat Book 8, Pages 85 through 85-D, Public Records of Lake County, Florida; thence North 36°11'03" East, along said right of way line and along said Westerly boundary, a distance of 113.68 feet to a point on a curve that is concave Northwesterly, having a radius of 1059.00 feet; thence along the arc of said curve along said right of way line, a chord bearing and distance of North 30°03'55" East, 157.64 feet, to a point on the Northwesterly boundary of Block 98, said Section "A"; thence North 26°28'40" East, along said right of way line and along said Northwesterly boundary, a distance of 165.71 feet to a point on a curve that is concave Southerly, having a radius of 42.70 feet; thence along the arc of said curve, along the Northerly boundary of said Block 98, a chord bearing and distance of North 72°53'40" East, 62.30 feet to a point on a curve that is concave Northerly, having a radius of 1621.00 feet; thence along the arc of said curve, along the Southerly right of way line of Selma Avenue as shown on said Section "A", and along the Northerly boundary of said Block 98 and continuation thereof, a chord bearing and distance of South 71°18'13" East, 611.36 feet to a point on the West boundary of Block 129, said Section "A"; thence North 0°20'54" West, along West boundary, and the East right of way line of St. Andrews Boulevard, as shown on said Section "A", a distance of 70.56 feet, to the most Northerly corner of said Block 129; thence South 38°15'27" East, along the Northeasterly boundary of said Block 129, and Southwesterly right of way of Selma Avenue, a distance of 355.01 feet to a point on the North boundary of said South ½; thence South 89°46'22" East, along said North boundary, 850.77 feet to the Northeast corner of said South ½; thence South 0°07'38" East, along the East boundary of said Southeast ¼, a distance of 3.43 feet to a point on the South boundary of Block 100, said Section "A"; thence North 89°42'04" West, along the South boundary of said Block 100, a distance of 265.20 feet to the Southwest corner of said Block; thence South 44°54'51" East, 376.44 feet to a point on said East boundary; thence South 0°07'38" East along said East boundary, 1061.85 feet to the Point of Beginning. All being in the Southeast ¼ of Section 32, Township 19 South, Range 28 East, Lake County, Florida.

ORDER NO. PSC-04-1120-PAA-WU
DOCKET NO. 040515-WU
PAGE 12

OAK SPRINGS, LLC
Schedule of Water Rate Base

Schedule No. 1

<u>DESCRIPTION</u>		BALANCE PER UTILITY AND COMMISSION APPROVED
Utility Plant in Service and Land		\$429,105
Accumulated Depreciation		(232,957)
CIAC		0
Accumulated Depreciation		0
Working Capital Allowance		<u>5,588</u>
RATE BASE		<u>\$201,736</u>

OAK SPRINGS, LLC
 Schedule of Cost of Capital

Schedule No. 2

DESCRIPTION	BALANCE PER UTILITY	WEIGHT	COST RATE	WEIGHTED COST
Common Equity	\$ 52,451	26.00%	11.40%	2.96%
Long and Short-Term Debt	149,285	74.00%	5.44%	4.03%
Customer Deposits	0	0.0%	8.00%	0.00%
	\$201,736	100.0%		7.00%
Range of Reasonableness	High	Low		
Common Equity	12.40%	10.40%		

OAK SPRINGS, LLC
Schedule of Water Rate Base

Schedule No. 3

<u>DESCRIPTION</u>		UTILITY REQUESTED AND COMMISSION APPROVED	
Operating Revenues		\$ 82,043	
Operating and Maintenance		44,702	
Depreciation Expense		17,035	
Taxes Other Than Income		6,866	
Income Taxes		0	
Total Operating Expense		68,604	
Net Operating Income(Loss)		\$13,439	
Rate Base		\$201,736	
Rate of Return		7.00%	

OAK SPRINGS, LLC
 Schedule of Monthly Rates and Charges

Schedule No. 4

Monthly Service Rates

Residential & General Service

<u>Base Facility Charge</u> 5/8" x 3/4"		\$ 7.74
Full 3/4"		11.61
1"		19.35
1 1/2"		38.70
2"		61.92
3"		123.84
4"		193.50
Charge per 1,000 gallons		\$2.14

Typical Residential Bills

<u>5/8" x 3/4" meter</u>		
3,000 gallons		\$ 14.16
5,000 gallons		\$ 18.44
10,000 gallons		\$ 29.14

MISCELLANEOUS SERVICE CHARGES

Initial Connection		\$ 15.00
Normal Reconnection		15.00
Violation Reconnection		15.00
Premises Visit (in lieu of disconnection)		10.00

EXHIBIT G

Affidavit of Noticing

EXHIBIT G

AFFIDAVIT OF MAILING

STATE OF FLORIDA
COUNTY OF LEON

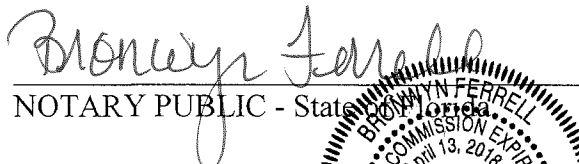
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared F. Marshall Deterding, attorney for Oak Springs, LLC and that on the 5th of April, 2016, he did send by U.S. Mail a copy of the notice attached hereto to each of the utilities, governmental bodies, agencies, or municipalities, in accordance with the list provided by the Florida Public Service Commission, which is also attached hereto.

FURTHER AFFIANT SAYETH NAUGHT.

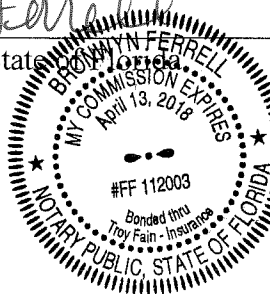


F. MARSHALL DETERDING

Sworn and subscribed to before me this 5th day of April, 2016, by F. Marshall Deterding, who is personally known to me.



NOTARY PUBLIC - State of Florida



**NOTICE OF APPLICATION FOR TRANSFER UTILITY ASSETS
AND WATER CERTIFICATE**

NOTICE IS HEREBY given on the 5th day of April, 2016, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of the Utility Assets of Oak Springs, LLC, and Certificate No. 623-W to Oak Springs MHC, LLC, providing water service to the following described territory in Orange County and Lake County, Florida:

PARCEL I: ORANGE COUNTY

That part of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida, more particularly described as follows:

Commence at the Northeast corner of the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida; thence North $89^{\circ}42'51''$ West, along the North boundary of said Northeast $\frac{1}{4}$, a distance of 204.22 feet to the Point of Beginning; thence South $0^{\circ}17'09''$ West, 350.00 feet; thence North $89^{\circ}42'51''$ West, 350.00 feet from and parallel with said North boundary, a distance of 1082.18 feet to a point on the West boundary of Lot 2, and the East boundary of Lot 3, J.B. Babcock's Subdivision, as recorded in Plat Book "B", Page 27, Public Records of Orange County, Florida; thence North $6^{\circ}33'51''$ West, along said boundary, a distance of 135.97 feet; thence North $89^{\circ}42'51''$ West, 215.00 feet from and parallel with said North boundary a distance of 713.38 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 215.01 feet to a point on the North boundary of said Northeast $\frac{1}{4}$; thence South $89^{\circ}42'51''$ East, along said North boundary, 1809.63 feet to the point of Beginning. All being in the Northeast $\frac{1}{4}$ of Section 5, Township 20 South, Range 28 East, Orange County, Florida.

PARCEL II: LAKE COUNTY

That part of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida, more particularly described as follows:

Begin at the Southeast corner of the Southeast $\frac{1}{4}$ of Section 32, Township 19 South, Range 28 East, Lake County, Florida; thence North $89^{\circ}42'51''$ West, along the South boundary of said Southeast $\frac{1}{4}$, a distance of 2013.85 feet to a point on the East right of way line of State Road No. 435; thence North $0^{\circ}51'24''$ East, along said right of way line, 33.00 feet from and parallel with the centerline of said road, a distance of 648.73 feet to the point of curvature of a curve that is concave Westerly, having a radius of 851.51 feet; thence along the arc of said right of way line curve, 33.00 feet from and parallel with said centerline, a chord bearing and distance of North $13^{\circ}36'41''$ West, 425.49 feet to the point of tangency of said curve; thence North $28^{\circ}04'47''$ West, along said right of way line, 33.00 feet from and parallel with said centerline, a distance of 213.52 feet to the point of curvature of a curve that is concave Easterly, having a radius of 268.56 feet; thence along the arc of said curve, 33.00 feet from and parallel with said centerline, a chord bearing and distance of North $19^{\circ}09'24''$ West, 83.31 feet to a point on the North boundary of the South $\frac{1}{2}$ of said Southeast $\frac{1}{4}$; thence South $89^{\circ}46'22''$ East, along said North boundary 298.70 feet to a point on the Southeasterly right of way line of Tifton Street and the Northwesterly boundary of Block 131, Mt. Plymouth, Section "A", as recorded in Plat Book 8, Pages 85 through 85-D, Public Records of Lake County, Florida; thence North $36^{\circ}11'03''$ East, along said right of way line and along said Westerly boundary, a distance of 113.68 feet to a point on a curve that is concave Northwesterly, having a radius of 1059.00 feet; thence along the arc of said curve along said right of way line, a chord bearing and distance of North $30^{\circ}03'55''$ East, 157.64 feet, to a point on the Northwesterly boundary of Block 98, said Section "A"; thence North $26^{\circ}28'40''$ East, along said right of way line and along said Northwesterly boundary, a distance of

165.71 feet to a point on a curve that is concave Southerly, having a radius of 42.70 feet; thence along the arc of said curve, along the Northerly boundary of said Block 98, a chord bearing and distance of North 72°53'40" East, 62.30 feet to a point on a curve that is concave Northerly, having a radius of 1621.00 feet; thence along the arc of said curve, along the Southerly right of way line of Selma Avenue as shown on said Section "A", and along the Northerly boundary of said Block 98 and continuation thereof, a chord bearing and distance of South 71°18'13" East, 611.36 feet to a point on the West boundary of Block 129, said Section "A"; thence North 0°20'54" West, along West boundary, and the East right of way line of St. Andrews Boulevard, as shown on said Section "A", a distance of 70.56 feet, to the most Northerly corner of said Block 129; thence South 38°15'27" East, along the Northeasterly boundary of said Block 129, and Southwesterly right of way of Selma Avenue, a distance of 355.01 feet to a point on the North boundary of said South ½; thence South 89°46'22" East, along said North boundary, 850.77 feet to the Northeast corner of said South ½; thence South 0°07'38" East, along the East boundary of said Southeast ¼, a distance of 3.43 feet to a point on the South boundary of Block 100, said Section "A"; thence North 89°42'04" West, along the South boundary of said Block 100, a distance of 265.20 feet to the Southwest corner of said Block; thence South 44°54'51" East, 376.44 feet to a point on said East boundary; thence South 0°07'38" East along said East boundary, 1061.85 feet to the Point of Beginning. All being in the Southeast ¼ of Section 32, Township 19 South, Range 28 East, Lake County, Florida.

The development served is Oak Springs Mobile Home Community. Oak Springs Mobile Home Community is bordered by State Road 46 to the North, County Road 435 to the West, Hass Road to the South and State Road 429 to the East. The applicant is Oak Springs MHC, LLC, 2632 Rochester Road, Suite 70630, Rochester Hills, MI 48307. Telephone 248-521-0521. The utility is not requesting any change to its rates, classifications, charges, rules and regulations in the application.

Any objections to the Application must be made in writing and filed with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than 30 days from the last date this Notice was mailed or published, with a copy to F. Marshall Deterding, Esquire, Sundstrom & Mindlin, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301. The objection must state the grounds for the objection with particularity.

Oak Springs, LLC and Oak Springs MHC, LLC

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

<u>UTILITY NAME</u>	<u>MANAGER</u>
<u>LAKE COUNTY</u>	
BLACK BEAR RESERVE WATER CORPORATION (WU940) P. O. BOX 13 MOUNT DORA, FL 32757-0013	DEB SPICER (321) 947-4300
BRENDENWOOD WATERWORKS, INC. (WU968) 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3434	TROY RENDELL (727) 848-8292
CENTURY ESTATES UTILITIES, INC. (WU725) 114 EUCLID AVENUE LEESBURG, FL 34748-7509	JOSEPH LINARTAS (352) 450-1450
COL UTILITY SYSTEMS, L.L.C. (WS946) 5100 WEST LEMON STREET, SUITE 308 TAMPA, FL 33609-1129	JORDAN RUBEN (813) 282-6754
HARBOR WATERWORKS, INC. (WU956) C/O 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3434	TROY RENDELL (727) 848-8292
HARBOR WATERWORKS, INC. (SU957) 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3089	GARY DEREMER (727) 848-8292
LAKE IDLEWILD UTILITY COMPANY (WU970) 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3434	TROY RENDELL (727) 848-8292
LAKE UTILITY SERVICES, INC. (WU553) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	PATRICK C. FLYNN (866) 842-8432 EXT 1359
LAKE UTILITY SERVICES, INC. (WS641) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	PATRICK C. FLYNN (866) 842-8432 EXT 1359
LAKE YALE TREATMENT ASSOCIATES, INC. (WS823) 18700 WEST 10 MILES ROAD, 2ND FLOOR SOUTHFIELD, MI 48075-2625	DANNY ELLIS (352) 589-9214
LAKESIDE WATERWORKS, INC. (WS962) C/O 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3434	TROY RENDELL (727) 848-8292

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

<u>UTILITY NAME</u>	<u>MANAGER</u>
<u>LAKE COUNTY</u>	
MFL UTILITY SYSTEMS, L.L.C. (WS948) 5100 WEST LEMON STREET, SUITE 308 TAMPA, FL 33609-1129	KAREN DOIRON (813) 283-8527
MHC HV FL UTILITY SYSTEMS, L.L.C. (WU960) C/O EQUITY LIFESTYLE PROPERTIES, INC. TWO NORTH RIVERSIDE PLAZA, SUITE 800 CHICAGO, IL 60606-2682	CHRISTOPHER (CHRIS) RAGNI (312) 279-1842
MHC OL UTILITY SYSTEMS, L.L.C. (WS961) C/O EQUITY LIFESTYLE PROPERTIES, INC. TWO NORTH RIVERSIDE PLAZA, SUITE 800 CHICAGO, IL 60606-2682	CHRISTOPHER (CHRIS) RAGNI (312) 279-1842
OAK SPRINGS, LLC (WU875) 1812 HIGHLAND AVENUE SORRENTO, FL 32776-9620	MICHAEL CAMPBELL (352) 383-5973
PINE HARBOUR WATER UTILITIES, LLC (WU921) P. O. BOX 447 FRUITLAND PARK, FL 34731-0447	SANDRA S. WESSON (352) 787-2944
RAINTREE WATERWORKS, INC. (WU969) 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652-3434	TROY RENDELL (727) 848-8292
SOUTHLAKE UTILITIES, INC. (WS638) 2215 RIVER BLVD. JACKSONVILLE, FL 32204-4647	WILLIAM J. DEAS (904) 387-9292
SUNLAKE ESTATES UTILITIES, L.L.C. (WS967) 380 PARK PLACE BLVD. SUITE 200 CLEARWATER, FL 33759-4929	MARTIN S. FRIEDMAN (407) 830-6331
TLP WATER, INC. (WU924) 12315 U.S. HIGHWAY 441 TAVARES, FL 32778-4515	DAVID SCHELL (315) 378-9558
UTILITIES, INC. OF PENNBROOKE (WS861) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	PATRICK C. FLYNN (866) 842-8432 EXT 1359
WATER OAK UTILITY (WS755) THE AMERICAN CENTER 27777 FRANKLIN ROAD, SUITE 200 SOUTHFIELD, MI 48034-8205	JIM HOEKSTRA (248) 208-2554

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

ADMINISTRATOR, CITY OF UMATILLA
P. O. BOX 2286
UMATILLA, FL 32784-2286

CLERK, BOARD OF COUNTY COMMISSIONERS, LAKE COUNTY
P. O. BOX 7800
TAVARES, FL 32778-7800

DEP CENTRAL DISTRICT
3319 MAGUIRE BLVD., SUITE 232
ORLANDO, FL 32803-3767

DEP SOUTHWEST DISTRICT
13051 N. TELECOM PARKWAY
TEMPLE TERRACE, FL 33637-0926

EAST CENTRAL FLORIDA PLANNING COUNCIL
309 CRANES ROOST BOULEVARD, SUITE 2000
ALTAMONTE SPRINGS, FL 32701

MAYOR, CITY OF CLERMONT
P. O. BOX 120219
CLERMONT, FL 32712-0219

MAYOR, CITY OF EUSTIS
P. O. DRAWER 68
EUSTIS, FL 32727-0068

MAYOR, CITY OF FRUITLAND PARK
506 WEST BERCKMAN STREET
FRUITLAND PARK, FL 34731-3200

MAYOR, CITY OF GROVELAND
156 SOUTH LAKE AVENUE
GROVELAND, FL 34736-2597

MAYOR, CITY OF LEESBURG
P. O. BOX 490630
LEESBURG, FL 32749-0630

MAYOR, CITY OF MASCOTTE
P. O. BOX 56
MASCOTTE, FL 34753-0056

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

MAYOR, CITY OF MINNEOLA
P. O. BOX 678
MINNEOLA, FL 34755-0678

MAYOR, CITY OF MOUNT DORA
P. O. BOX 176
MOUNT DORA, FL 32756-0176

MAYOR, CITY OF TAVARES
P. O. BOX 1068
TAVARES, FL 32778-1068

MAYOR, TOWN OF ASTATULA
P. O. BOX 609
ASTATULA, FL 34705-0609

MAYOR, TOWN OF HOWEY-IN-THE-HILLS
P. O. BOX 128
HOWEY-IN-THE-HILLS, FL 34737-0128

MAYOR, TOWN OF LADY LAKE
409 FENNELL BLVD.
LADY LAKE, FL 32159-3159

MAYOR, TOWN OF MONTVERDE
P. O. BOX 560008
MONTVERDE, FL 34729-0008

ST. JOHNS RIVER UTILITY, INC.
P.O. BOX 77
ASTOR, FL 32102

ST. JOHNS RIVER WTR MANAGEMENT DISTRICT
P.O. BOX 1429
PALATKA, FL 32178-1429

**LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

STATE OFFICIALS

MANAGER

OFFICE OF PUBLIC COUNSEL
111 WEST MADISON STREET
SUITE 812
TALLAHASSEE, FL 32399-1400

OFFICE OF COMMISSION CLERK
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

**LIST OF WATER AND WASTEWATER UTILITIES IN ORANGE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

ORANGE COUNTY

MANAGER

EAST CENTRAL FLORIDA SERVICES, INC. (WU643)
4550 DEER PARK ROAD
ST. CLOUD, FL 34773

JAMES B. PAYNE
(407) 957-6651

OAK SPRINGS, LLC (WU875)
1812 HIGHLAND AVENUE
SORRENTO, FL 32776-9620

MICHAEL CAMPBELL
(352) 383-5973

PLURIS WEDGEFIELD, INC. (WS929)
2100 MCKINNEY AVENUE, SUITE 1550
DALLAS, TX 75201-6982

KENNETH PRATT
(214) 220-3413

UTILITIES, INC. OF FLORIDA (WU413)
200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FL 32714-4027

PATRICK C. FLYNN
(866) 842-8432 EXT 1359

**LIST OF WATER AND WASTEWATER UTILITIES IN ORANGE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CLERK, BOARD OF COUNTY COMMISSIONERS, ORANGE COUNTY
P. O. BOX 38
ORLANDO, FL 32802-0038

DEP CENTRAL DISTRICT
3319 MAGUIRE BLVD., SUITE 232
ORLANDO, FL 32803-3767

EAST CENTRAL FLORIDA PLANNING COUNCIL
309 CRANES ROOST BOULEVARD, SUITE 2000
ALTAMONTE SPRINGS, FL 32701

MAYOR, CITY OF APOPKA
P. O. DRAWER 1229
APOPKA, FL 32704-1229

MAYOR, CITY OF BAY LAKE
P. O. BOX 22066
BAY LAKE, FL 32830-2066

MAYOR, CITY OF BELLE ISLE
1600 NELA AVENUE
BELLE ISLE, FL 32809-6184

MAYOR, CITY OF EDGEWOOD
405 LA RUE AVENUE
EDGEWOOD, FL 32809-3406

MAYOR, CITY OF LAKE BUENA VISTA
P. O. BOX 22035
LAKE BUENA VISTA, FL 32830-2035

MAYOR, CITY OF MAITLAND
1776 INDEPENDENCE LANE
MAITLAND, FL 32751-5639

MAYOR, CITY OF OCOEE
150 NORTH LAKESHORE DRIVE
OCOEE, FL 34761-2258

MAYOR, CITY OF ORLANDO
400 SOUTH ORANGE AVENUE
ORLANDO, FL 32801-3302

**LIST OF WATER AND WASTEWATER UTILITIES IN ORANGE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

MAYOR, CITY OF WINTER GARDEN
251 WEST PLANT STREET
WINTER GARDEN, FL 34787-3099

MAYOR, CITY OF WINTER PARK
401 SOUTH PARK AVENUE
WINTER PARK, FL 32789-4319

MAYOR, TOWN OF EATONVILLE
P. O. BOX 2163
EATONVILLE, FL 32751-1999

MAYOR, TOWN OF OAKLAND
P. O. BOX 98
OAKLAND, FL 34760-0098

MAYOR, TOWN OF WINDERMERE
614 MAIN STREET
WINDERMERE, FL 34786-3503

SO. FLORIDA WATER MANAGEMENT DISTRICT
P.O. BOX 24680
WEST PALM BEACH, FL 33416-4680

ST. JOHNS RIVER WTR MANAGEMENT DISTRICT
P.O. BOX 1429
PALATKA, FL 32178-1429

**LIST OF WATER AND WASTEWATER UTILITIES IN ORANGE COUNTY
(VALID FOR 60 DAYS)
04/04/2016 - 06/02/2016**

UTILITY NAME

STATE OFFICIALS

MANAGER

OFFICE OF PUBLIC COUNSEL
111 WEST MADISON STREET
SUITE 812
TALLAHASSEE, FL 32399-1400

OFFICE OF COMMISSION CLERK
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

EXHIBIT "H"

WILL BE LATE FILED

(Affidavit of Notice given to Customers)

EXHIBIT I

WILL BE LATE FILED

(Affidavit of Publication)

EXHIBIT J

**St. Johns River Water Management District
Consumptive Use Permit 2416-7**



St. Johns River Water Management District

Ann B. Shortelle, Ph.D., Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500
On the Internet at floridaswater.com.

June 15, 2015

Oak Springs MHC, LLC
Maria E Virga
12 Highland Ave
Sorrento, FL 32776-9620

SUBJECT: Transfer of a Consumptive Use Permit
Permit Number 2416-7
Project Name: Oak Springs Mobile Home Park

Dear Sir/Madam:

The St. Johns River Water Management District (District) received a request to transfer the attached permit to Oak Springs MHC, LLC. In support of this request, the District received sufficient documentation of the transfer of ownership or control of the real property associated with the Consumptive Use Permit (CUP) and documentation from Oak Springs MHC, LLC accepting this permit and all of the listed conditions.

This permit is hereby transferred to Oak Springs MHC, LLC.

The enclosed permit is a legal document and should be kept with your other important records. Please read the permit and conditions carefully since the referenced conditions may require submittal of additional information. Where possible, please submit all information required to comply with permit conditions, electronically at floridaswater.com/permitting via the District's e-Permitting portal. If you have any questions concerning the conditions of your permit, please contact Emily Wakley, in the Maitland Service Center at (407) 659-4827.

Sincerely,

A handwritten signature in cursive script that reads "M. Daniels".

Margaret Daniels, Bureau Chief
Bureau of Regulatory Support

GOVERNING BOARD

John A. Miklos, CHAIRMAN
ORLANDO

Fred N. Roberts Jr., VICE CHAIRMAN
OCALA

Chuck Drake, SECRETARY
ORLANDO

Carla Yetter, TREASURER
FERNANDINA BEACH

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
Post Office Box 1429
Palatka, Florida 32178-1429

PERMIT NO.: 2416-7

TRANSFER PERMIT ISSUED: June 15, 2015

PROJECT NAME: Oak Springs Mobile Home Park

A PERMIT AUTHORIZING:

The District authorizes, as limited by the attached permit conditions, the use of 33.94 million gallons per year (0.093 million gallons per day) of ground water from the Floridan aquifer for household use and unaccounted for water for an estimated buildout population of 1359, and 1.88 mgy of ground water for irrigation of 2 acres of landscape, for a total recommended allocation of 35.82 million gallons per year (0.098 million gallons per day)

LOCATION:

Site: Oak Springs MHP
Lake County

SECTION(S):

32

TOWNSHIP(S):

19S

RANGE(S):

28E

ISSUED TO:

Oak Springs MHC, LLC
12 Highland Ave
Sorrento, FL 32776-9620

The permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all plans and specifications attached thereto, is by reference made a part hereof.

This permit does not convey to the permittee any property rights nor any rights or privileges other than those specified herein, nor relieve the permittee from complying with any law, regulation or requirement affecting the rights of other bodies or agencies.

This permit may be revoked, modified or transferred at any time pursuant to the appropriate provisions of Chapter 373, Florida Statutes and 40-C-1, Florida Administrative Code.

PERMIT IS CONDITIONED UPON:

See conditions on attached "Exhibit A", dated June 15, 2015

AUTHORIZED BY: St. Johns River Water Management District
Division of Regulatory, Engineering and Environmental Services

By:



David Dewey
Service Center Director

"EXHIBIT A"
CONDITIONS FOR ISSUANCE OF PERMIT NUMBER 2416-7
Oak Springs Mobile Home Park
PERMIT TRANSFER ISSUED June 15, 2015

1. District authorized staff, upon proper identification, will have permission to enter, inspect, and observe permitted and related facilities in order to determine compliance with the approved plans, specifications, and conditions of this permit.
2. Nothing in this permit should be construed to limit the authority of the St. Johns River Water Management District to declare a water shortage and issue orders pursuant to Section 373.175, Florida Statutes, or to formulate a plan for implementation during periods of water shortage, pursuant to Section 373.246, Florida Statutes. In the event a water shortage is declared by the District Governing Board, the permittee must adhere to the water shortage restrictions as specified by the District, even though the specified water shortage restrictions may be inconsistent with the terms and conditions of this permit.
3. Prior to the construction, modification, or abandonment of a well, the permittee must obtain a Water Well Construction Permit from the St. Johns River Water Management District, or the appropriate local government pursuant to Chapter 40C-3, Florida Administrative Code. Construction, modification, or abandonment of a well will require modification of the consumptive use permit when such construction, modification, or abandonment is other than that specified and described on the consumptive use permit application form.
4. Leaking or inoperative well casings, valves, or controls must be repaired or replaced as required to eliminate the leak or make the system fully operational.
5. Legal uses of water existing at the time of permit application may not be significantly adversely impacted by the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the impacts can be mitigated by the permittee.
6. Off-site land uses existing at the time of permit application may not be significantly adversely impacted as a result of the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the impacts can be mitigated by the permittee.
7. The District must be notified, in writing, within 30 days of any sale, conveyance, or other transfer of a well or facility from which the permitted consumptive use is made or within 30 days of any transfer of ownership or control of the real property at which the permitted consumptive use is located. All transfers of ownership or transfers of permits are subject to the provisions of section 40C-1.612.
8. A District issued identification tag shall be prominently displayed at each withdrawal site by permanently affixing such tag to the pump, headgate, valve, or other withdrawal facility as provided by Section 40C-2.401, Florida Administrative Code. Permittee shall notify the District in the event that a replacement tag is needed.
9. All irrigation shall be in conformity with the requirements set forth in subsection 40C-2.042(2), F.A.C.

10. All submittals made to demonstrate compliance with this permit must include the CUP number 2416 plainly labeled.
11. This permit will expire on July 7, 2024.
12. Maximum annual ground water withdrawals for household and unaccounted for use must not exceed 33.94 million gallons.
13. Maximum annual ground water withdrawals for landscape irrigation must not exceed 1.88 million gallons.
14. Maximum daily ground water withdrawals for essential use, for fire protection, must not exceed 1.26 million gallons.
15. Wells no. 1 (station ID 8968) and 2 (station ID 8969) must continue to be monitored with totalizing flowmeters. These meters must maintain 95% accuracy, be verifiable, and be installed according to the manufacturer's specifications.
16. Total withdrawals from wells no. 1 (station ID 8968) and 2 (station ID 8969) must be recorded continuously, totaled monthly, and reported to the District at least every six months from the initiation of the monitoring using Form No. EN-50. The reporting dates each year will be as follows for the duration of the permit:

Reporting Period	Report Due Date
January - June	July 31
July - December	January 31

17. The permittee must maintain all flowmeters. In case of failure or breakdown of any meter, the District must be notified in writing within 5 days of its discovery. A defective meter must be repaired or replaced within 30 days of its discovery.
18. The permittee must have all flowmeters checked for accuracy at least once every 3 years within 30 days of the anniversary date of permit issuance, and recalibrated if the difference between the actual flow and the meter reading is greater than 5%. District Form No. EN-51 must be submitted to the District within 10 days of the inspection/calibration.
19. The permittee must assure that all service connections are metered.
20. Within 30 days of the anniversary date of issuance of this permit, the permittee must submit an annual water audit to the District. The audit must cover a period of at least one calendar year, and must identify all system losses (water utility) and all sources of unaccounted for water.
21. The permittee must implement the Water Conservation Plan submitted to the District on August 31, 2010, in accordance with the schedule contained therein.
22. The lowest quality water source, such as reclaimed water or surface/stormwater, must be used as irrigation water when deemed feasible pursuant to District rules and applicable state law.