

ORIGINAL

M E M O R A N D U M

January 14, 2000

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (CROSBY)

RE: DOCKET NO. 990194-WS - APPLICATION FOR TRANSFER OF CERTIFICATES NOS. 560-W AND 488-S IN LAKE COUNTY FROM LAKE YALE CORPORATION d/b/a LAKE YALE UTILITY COMPANY TO LAKE YALE TREATMENT ASSOCIATES, INC.

Order No. PSC-99-2190-PAA-WS, was issued on November 8, 1999, in the above-referenced docket. In addition to approving the transfer, the Order required Lake Yale Treatment Associates, Inc. (Lake Yale) to provide a recorded copy of the long-term lease for the land upon which the utility facilities are located. Attached is a recorded copy of the lease provided by Lake Yale, which satisfies the requirements of Order No. PSC-99-2190-PAA-WS. **PLEASE INCLUDE THE LEASE IN THE DOCKET FILE.**

ALC/dr

Attachment

cc: Division of Water and Wastewater (Brady)

AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 MAS _____
 OPC _____
 RRR _____
 SEC _____
 WAW _____
 OTH _____

DOCUMENT NUMBER-DATE

00702 JAN 18 8

FPSC-RECORDS/REPORTING

EQUIPMENT LEASE

This Equipment Lease is made and entered into on January 1, 1999, by and between Sandpiper Mobile Manor Associates, L.L.C., a Michigan limited liability company, and Eustia Associates, L.L.C., a Michigan limited liability company (collectively referred to as the "Lessor"), and Lake Yale Treatment Associates, Inc., a Florida corporation ("Lessee").

In consideration of the terms and conditions set forth herein, the parties agree as follows:

1. Lease. Lessor leases to Lessee, and Lessee leases from Lessor, all of Lessor's right, title and interest in and to any and all utilities, including the plant, water collection distribution lines and all land lying beneath such improvements (collectively referred to as the "Equipment")
2. Term. The term of this lease shall be Ninety-nine (99) years, commencing on January 1, 1999, provided, that Lessee shall not be in default in performing any of Lessee's obligations under this lease.
3. Rental. Lessee agrees to pay Lessor as rent for the Equipment the sum of One (\$1.00) Dollar and other valuable consideration, the sufficiency of which is hereby acknowledged by the Lessor.

The parties hereby acknowledge and agree that Lessee shall be responsible for any and all licenses and permits that may be required by the State of Florida Public Service Commission.

4. Taxes. Lessee shall pay all taxes, assessments, and other governmental charges levied against the Equipment during the term of this lease agreement, if any.
5. Insurance. Lessee agrees to procure and pay the premium for liability insurance, covering both damage to persons and property incurred during the use of the Equipment, in the amount required by the State of Florida Public Service Commission, if any.
6. Responsibility for Care, Use, and Maintenance of Equipment.
 - (a) Lessee shall maintain the Equipment in good condition and repair and shall make all necessary repairs and adjustments at Lessee's expense.
 - (b) Lessee agrees that the Equipment will be operated by competent employees.

Form 8.1
BF08-01.WP5

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 JAMES C. WATKINS
 CLERK OF CIRCUIT COURT
 LAKE COUNTY
 RECORDING \$ 13.00
 TRUST FUND 6 2.00

R-First American Title Ins
 25400 US Hwy 19N Suite 212
 Clearwater, FL 33763

- (c) Lessee agrees to secure the Equipment safely and to use it only for lawful purposes.
 - (d) In the event of any loss, theft, or destruction of all or any part of the Equipment, or damage of it beyond repair, Lessee shall notify Lessor promptly and hold the Equipment or any wreckage available for disposal.
 - (e) Lessee agrees not to permit others to use the Equipment, for hire or otherwise, without first obtaining the written consent of Lessor.
7. Ownership. The Equipment is, and shall at all times remain, the sole and exclusive property of Lessor; Lessee shall have no right, title, or interest in it except as expressly set forth in this lease.
8. Personal Property. The Equipment is, and shall at all times remain, personal property and shall not become a fixture or, otherwise, reclassified for any reason.
9. Assignment; Subletting. Lessee agrees not to assign, sublease, or transfer the leasehold interest in the Equipment granted under this lease without first receiving the prior written consent of Lessor.
10. Quiet Enjoyment. Lessor covenants and agrees with Lessee that if Lessee performs all of the conditions and covenants in this lease, Lessee shall peaceably and quietly hold, possess, and use the Equipment.
11. Default. If Lessee (1) defaults in making any payment under this lease or violates or fails to perform any of the terms and provisions contained in this lease, or (2) becomes insolvent, files a petition in bankruptcy, has a receiver appointed, executes an assignment for the benefit of creditors, ceases doing business as a going concern, has a writ of attachment, garnishment, execution, or other legal process issued against Lessee, the Equipment, or any of Lessee's other property, or attempts to remove, sell, transfer, encumber, sublet, or part with possession of the Equipment, then Lessor or its agents may, without demand or notice, terminate this lease agreement and enter, with or without process of law, into any premises of or under the control or jurisdiction of Lessee or any agent of Lessee where the Equipment may be and take possession of the Equipment, and may disconnect and separate the Equipment from any other property using all necessary force permitted by law. Lessee expressly waives all further rights to possession of the Equipment and all claims for injury suffered through or loss caused by the repossession.

- 12. Severability. If any provisions of this lease are determined to be illegal or unenforceable, then the remaining provisions shall nevertheless be binding with the same force and effect as if the illegal or unenforceable parts were deleted.
- 13. Headings. The headings contained in this lease are for convenience only and are not to define, explain, modify, or aid in interpreting the contents of this lease.
- 14. Binding Effect. This lease shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective heirs, administrators, successors, and assigns.

The parties have executed duplicate copies of this Equipment Lease as of January 1, 1999.

Lessor:
Sandpiper Mobile Manor
Associates, L.L.C.

Peter Beer
Peter Beer, Manager

Lessor:
Eustia Associates, L.L.C.

Peter Beer
Peter Beer, Manager

Lessee:
Lake Yale Treatment Associates, Inc.

Peter Beer
Peter Beer, President

The foregoing instrument was sworn and subscribed to on January 1, 1999, by Peter Beer, as Manager and/or President of the entities set forth above.

Mark L. Teicher

MARK L. TEICHER
Notary Public, Oakland County, MI
My Commission Expires Aug. 14, 2001

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STATE OF FLORIDA COUNTY OF LAKE
I HEREBY CERTIFY, that the above and foregoing
is a true copy of the original filed in this office.

JAMES C. WATKINS, Clerk Circuit Court
By *Rosalie Tuss* Deputy Clerk

Dated 1/12/00

