

State of Florida



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** September 23, 1999  
**TO:** Division of Records and Reporting  
**FROM:** Patricia Brady, Division of Water and Wastewater *pb bsm*  
**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.

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Attached is a letter dated September 22, 1999 from Mr. Peter Beer, Lake Yale Treatment Associates, Inc., to Ms. Pat Brady, Commission staff. Attached to the letter is supplemental information in continuing response to John Williams' September 3, 1999 notification of deficiencies. Only one copy of the boundary and system maps were provided with the response. These maps are being retained in the Division of Water and Wastewater's files.

Attachment

cc: Division of Legal Services (Crossman, Crosby)

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- SEC   /
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

11559 SEP 24 89

FPSC-RECORDS/REPORTING



## PETER BEER

- Development
- Financing
- Management

September 22, 1999

Ms. Patricia Brady  
State of Florida  
Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**RECEIVED**

SEP 23 1999

Florida Public Service Commission  
Division of Water and Wastewater

FLORIDA  
PUBLIC SERVICE COMMISSION  
DIVISION OF  
ADMINISTRATION  
1999 SEP 23 AM 9 32

Dear Ms. Brady:

Please consider this letter response to our discussions that hopefully will answer all your questions.

1. Purchase Agreement. Please see enclosed a copy of the original Purchase Agreement, more specifically paragraph 33 on page 17, entitled "Sale of Utility".
2. Purchase Price. The Purchase Agreement indicates the purchase price of \$2,825,000, not including commissions, escrows and improvements. The value of the utility facilities, not including land, is \$147,000.
3. Financing. a) Sandpiper Mobile Home Park – a \$2,000,00 first mortgage with Transatlantic, a wholly owned subsidiary of Deutsche Bank. b) Lake Yale Estates Mobile Home Park – a \$1,000,000 first mortgage with Old Kent Bank. Please note on the enclosed titlework that the fixtures and sewer and water infrastructure are exceptions on both Mortgage Title Policies.
4. Closing Date. I am including the Bill of Sale and the Warranty Deed as well as the title policy which indicates the closing date to be October 27, 1998. It is presumed that the utility legally transferred to our corporations on that date.
5. Warranty Deed. It appears that I will have to provide you with a long term lease on the land. I am sending you both surveys and you will note the sewage treatment area outlined on the lower right hand corner. The site is fenced in but does not have a separate legal description. In other words, the equipment is not mortgaged, however, it is sitting on mortgaged land. Again, I will have a land lease for you next week.
6. Financial Ability. I hereby state that both Sandpiper Mobile Manor Associates, L.L.C. and Eustia Associates, L.L.C. hereby pledges financial support.

Page -2-  
September 22, 1999

7. Utility Commitment. Please consider this paragraph an official statement from the Buyer of the utility facilities that we intend to fulfill the commitments, obligations and representation of the utility.

Please do not hesitate to call this office if you have any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Peter Beer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Peter Beer  
Managing Member of:  
Sandpiper Mobile Manor Associates, L.L.C.,  
Eustia Associates, L.L.C. and Lake Yale Treatment Associates, Inc.

**MOBILE HOME PARK  
PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** is made this 7th day of April, 1998 by and between:

**SELLER:** LAKE YALE CORPORATION, an Indiana corporation authorized to transact business in the State of Florida  
11643 Martel Court  
Leesburg, FL 34788

**BUYER:** **IVAN BLOCH of THE BLOCH ORGANIZATION,**  
on behalf of an entity to be formed and not personally

**WITNESSETH:**

**WHEREAS,** Seller is the fee simple owner of certain premises commonly known as SANDPIPER/LAKE YALE ESTATES MOBILE HOME PARK (the "Park") and LAKE YALE UTILITY COMPANY, located in Lake County, Florida, more particularly described in Exhibit "A" attached hereto (together with all rights and easement appurtenant thereto and all permanent improvements (excluding mobile homes owned by residents of the Park), fixtures and utility systems thereon, being hereinafter collectively referred to as the "Real Property"); and

**WHEREAS,** Seller desires to sell and Buyer desires to purchase the Real Property and all personal property and equipment described in the Schedule of Personal Property attached hereto as Exhibit "B" and made a part hereof (the "Personal Property"), under the terms and conditions set forth herein (the aforesaid Real Property and Personal Property being hereinafter collectively referred to as the "Property")

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

1. **RECITALS.** The above recitals are true and correct and are incorporated herein by reference.

2. **PURCHASE PRICE.** The purchase price for the Property (the "Purchase Price") shall be TWO MILLION EIGHT HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,825,000.00), and shall be payable as follows:

(a) **Earnest Money Deposit.** As an earnest money deposit (the "Earnest Money Deposit"), Buyer shall deposit with Philip F. Greco Title Company, 118 Cass Avenue, Mount Clemens, Michigan 48043 (the "Escrow Agent"), the sum of FIFTY THOUSAND AND NO/100 (\$50,000.00) within five (5) days after Buyer's receipt of Seller's acceptance hereof, which sum shall be held in escrow by Escrow Agent pursuant to the instructions hereinafter set forth, and credited towards the Purchase Price at closing.

(b) **Cash.** Cash at closing in the amount of TWO MILLION SEVEN HUNDRED SEVENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,775,000.00) less any credits, adjustments or prorations due to Buyer as provided herein, payable by locally drawn cashier's

check or Federal Reserve Bank wire.

3. INSPECTION PERIOD. Notwithstanding any other provision of this Agreement, Seller and Buyer acknowledge and agree that Buyer shall have until 6:00 p.m. (Eastern Daylight Time) on May 21, 1998 to obtain and/or review information concerning the Property and Buyer's acquisition thereof as Buyer may reasonably require. Seller shall use its best efforts to provide Buyer with all non-proprietary documents in Seller's possession promptly during the Inspection Period. Should Buyer for any reason whatsoever elect not to proceed with the closing of the sale and purchase of the Property, Buyer shall send written notice of such election to Seller prior to expiration of the Inspection Period, whereupon this Agreement shall terminate and Buyer shall be entitled to the prompt return from Escrow Agent of the Earnest Money Deposit and all interest earned thereon.

4. RIGHT OF ENTRY. Seller hereby grants to Buyer and Buyer's agents, servants, employees, contractors, and representatives, a right of entry upon the Real Property for the purpose of inspecting the Property, provided said right is exercised at reasonable times, and in a reasonable manner and does not interfere with Seller's operation of the Property. Buyer, at its expense, has the option to hire a professional plumber, electrician, roofing company, environmental engineers and/or consultants and/or any other professional to inspect the Property prior to the expiration of the Inspection Period to ascertain that the Real Property and all improvements and related equipment are in working order and condition acceptable to Buyer. Buyer shall have the right to meet with the tenants and/or homeowners' association (if one exists) at any time prior to the Closing Date. Buyer shall indemnify, defend and save and hold Seller harmless from and against any personal injury, wrongful death, damage to the Property or mechanics liens caused by Buyer or its aforesaid agents as a direct and proximate result of Buyer's exercise of the right of entry granted herein, which indemnity shall survive the termination of this Agreement, the Closing of this transaction and the delivery of the Deed hereunder.

5. REPRESENTATIONS AND WARRANTIES.

(a) To induce Buyer to enter into this Agreement, Seller makes the following representations and warranties, all of which shall be true and correct continuously throughout the term of this Agreement, and which shall survive the closing of title for a period of one (1) year from the Closing Date (hereinafter defined):

(i) As of the Closing Date, Seller has 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 those title exceptions listed and described on Exhibit "C" attached hereto (the "Permitted Exceptions"); provided, however, that Buyer shall have the right to approve or disapprove the location and compliance (i.e. whether or not any terms thereof have been violated) of all easements which constitute Permitted Exceptions upon Buyer's receipt of the survey.

(ii) To the best of Seller's knowledge, there is no pending or threatened condemnation or similar proceeding affecting the Real Property or any part thereof and Seller has no knowledge that any such proceeding is presently contemplated and the Property is free from damage or destruction due to any casualty loss.

(iii) To the best of Seller's knowledge, Seller has complied with all applicable laws, ordinances, regulations, orders, rules and restrictions pertaining to or affecting the ownership and operation of the Real Property and the sale thereof contemplated by this Agreement, including, but not by way of limitation, the Florida Mobile Home Act (Chapter 723, Florida Statutes) and, in particular 723.071 thereof (the "Act") and that all rights of the Homeowners under the Act have been extinguished as of March 19, 1998.

(iv) There are no actions, suits or other legal or administrative proceedings, including bankruptcy proceedings, pending or actually threatened, against or involving Seller or the Real Property which could affect the consummation of the transaction contemplated hereby, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

(v) To the best of Seller's knowledge, there are no special or other assessments levied against or relating to the Property and Seller does not know of any proposed assessments.

(vi) The Real Property contains three hundred twenty-six (326) fully developed and governmentally-approved mobile home lots which are suitable for the placement thereon of double wide mobile homes without additional capital improvements (the "Existing Sites").

(vii) To the best of Seller's knowledge, applicable zoning ordinances and land use restrictions permit Buyer to operate the Property as a mobile home park with the Existing Sites and with all existing setbacks, parking areas, green spaces, recreational areas and other amenities, and Seller has no knowledge of any planned or proposed modifications to such ordinances or restrictions.

(viii) To the best of Seller's knowledge, the Real Property does not lie within the bounds of a 100 year flood plan.

(ix) There is access for ingress to and from the Real Property to public roads, streets, highways, and/or avenues which are located contiguous and adjacent to the north boundary line of the Real Property. All roads, streets, highways, and avenues, if any, located within the perimeter boundaries of the Real Property are private and have not been dedicated to any public authority.

(x) No goods or services have been contracted for by Seller or furnished to the Real Property on Seller's behalf which might give rise to any mechanic's liens upon or affecting all or any part of the Real Property, except as disclosed on Exhibit "D".

(xi) Seller has the right to assign the name(s) by which the Property is commonly known and to use of said name(s) in the operation of the Property; provided, however, that Buyer shall not be legally bound or under any legal obligation to use said name or names.

(xii) To the best of Seller's knowledge, there are no covenants, conditions, easements, restrictions, agreements or encumbrances which would prohibit the operation of a rental mobile home community on the Real Property consisting of the Existing Sites and related Improvements.

(xiii) There are no tenant leases which affect the Real Property except as set forth in the Rent Roll attached hereto as Exhibit "E" and made a part hereof and the information contained on the Rent Roll is true and correct; no rental agents, brokers or finders have any rights with regard to such leases and there are no commissions payable in connection therewith; no tenant has an option to purchase any part of the Property; and Seller is the assignee under each such lease and has the right to assign same to Buyer.

(xiv) The information contained in the Schedule of Yearly Income and Expenses attached hereto as Exhibit "F" and made a part hereof, is true and correct in all material aspects and Seller has no knowledge of any substantial increases in expenses other than are usual in the ordinary course of business.

(xv) Seller has received no notice of any violations of any law, ordinance, rule, order, regulation, code or requirement, including any requirement contained in any hazard insurance policy covering the Property or any part thereof or of any board of fire underwriters or other body exercising similar functions, which are applicable to the Property or to any part thereof or which are applicable to the use or manner of use, occupancy, possession or operation of the Property.

(xvi) The Property is serviced by a private wastewater collection and treatment system and a private potable water well, treatment and distribution system located on the Real Property, each of which is properly permitted to serve and is, in fact, currently serving the Property, including, without limitation, by way of capacity to serve all Existing Sites located thereon in compliance with all governmental regulations pertaining thereto. All other utilities necessary for the use and enjoyment of the Property, including without limitation, storm sewer, electric, telephone and cable television services are available at the boundary of the Real Property and such utility services are presently being provided to the Property and the Existing Sites by publicly or privately owned utility companies unrelated to Seller or its affiliates.

(xvii) To the best of Seller's knowledge, Seller has obtained and kept in good standing all governmental permits, licenses, and approvals necessary for the operation of the Property as a manufactured housing (mobile home) community, including, as applicable, all County Health Permits, State Department of Environmental Protection permits and State 11R5 permits, and to the best of Seller's knowledge, there are no material violations currently existing thereunder.

(xviii) Seller has received no notice, and is unaware of any requirement, of the need to disconnect the private wastewater collection and treatment system and/or the private potable water well, treatment and distribution system located on the Property and to convert either or both of those systems to public or other private utility systems.

(xix) All buildings, structures, mechanical equipment and items of personal property which are the subject of this Agreement are in good condition and working order, reasonable wear and tear excepted, and are not in need of immediate repair or imminent replacement.

(xx) A prospectus of the type required under Chapter 723, Florida Statutes, has been provided to each tenant of the Property. Seller will not provide any new or revised prospectus to a tenant of the Property prior to Closing unless both Seller and Buyer

have approved such prospectus in writing.

(xxi) Seller has not contracted for any services or employment and has made no commitments or obligations therefor which will bind Buyer as a successor in Interest with respect to the Property except those contracts listed in Exhibit "D" (the "Service Contracts"). With respect to the Service Contracts: (i) amounts paid or payable thereunder shall be prorated between the parties at the Closing and credits shall be given the parties as appropriate to such prorations; and (ii) they can each be terminated upon thirty (30) days written notice or less.

(xxii) Except in the ordinary course of Seller's business, Seller will not enter into any amendment to or modification of any of the Leases prior to the Closing Date, which will reduce, forgive, or postpone any rents or which would otherwise materially affect the value of the Property, without Purchaser's consent; no rents or other deposits are or will on the Closing Date be held by Seller, except only tenant security deposits and prepaid rents for the current month; and no commissions or other fees payable to any person, entity or agent are due on the rentals collected or to be collected under the Leases.

(xxiii) Pending Closing hereunder, Seller shall conduct its business involving the Property in the ordinary course, and during said period will:

(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 herein contemplated (i.e. subject only to the "Permitted Exceptions");

(B) Refrain from entering into any contracts or other commitments regarding the Property, other than in the ordinary and usual course of business, without the prior consent of Purchaser;

(C) Continue to maintain and repair the Property in at least the manner which Seller has previously maintained and repaired the Property, and Seller will permit or commit no waste of the Property.

(D) Keep in effect Seller's existing policies of public liability and hazard and extended coverage insurance insuring the Property; and

(E) Promptly comply with all notices of violation of laws or municipal ordinances, regulations, orders or requirements of departments of housing, building, fire, labor, health, or other state, city, or municipal departments or other governmental authorities having jurisdiction upon or affecting the Property or the use or operation thereof.

(xxiv) No tenant has been granted any rent concession not reflected on the face of the copy of the lease for that tenant as provided by Seller to Buyer (other than as set forth on the Rent Roll).

(xxv) Seller is the owner of the Property and has the authority to execute and deliver this Agreement.



(xxvi) To the best of Seller's knowledge no underground storage tanks, hazardous substances, or contaminants subject to Federal, state or local laws or regulation have been used, stored or located on, under or about the Property in any manner contrary to applicable law and the Property is free from environmental contamination by such hazardous substances which require remediation except as set forth in Phase I Environmental Audit Summary dated \_\_\_\_\_, 199\_\_\_\_, and prepared by \_\_\_\_\_.

(xxvii) To the best of Seller's knowledge, the above ground storage tank located on the Real Property (if any) is in full compliance with all applicable Federal, State and local laws pertaining thereto; all permits required for it are issued and in good standing without any material violations; and Seller has not received any notice of the need to remove it from the Real Property, to modify it in any way or to abandon it in place.

(b) Seller, by executing this Agreement, agrees to indemnify, defend and save and hold Buyer harmless from and against any and all losses, costs, expenses, liabilities, claims, causes of action, suits or other matters by reason of any breach of the above representations and warranties. Such indemnification includes, but is not limited to, costs, and attorneys' fees and expenses (including attorneys' fees and expenses on appeal) reasonably incurred in connection with the defense of any claims against Buyer by any party arising out of the above matters. The Seller's foregoing indemnity obligation shall survive closing and delivery of the Deed hereunder for a period of one (1) year. In addition, should any representation or warranty made by Seller hereunder be determined by Buyer at or before Closing to be incorrect and Buyer opt to terminate this Agreement as a result thereof, Seller shall be obligated to reimburse Buyer promptly upon written demand of the costs of Buyer's due diligence review of the Property through the date of termination up to a maximum of \$25,000.00. This indemnity obligation shall survive Closing and delivery of the Deed hereunder and shall include all attorney's fees and costs incurred in collection of all sums due from Seller to Buyer pursuant to this Indemnity, together with interest on said sums at the maximum rate permitted by law through collection.

(c) In the event that anyone or more of the representations or warranties given by Seller to Buyer in subparagraph 5(a) above is/are determined by Buyer between the Closing Date (hereinafter defined) and the date that is one (1) year thereafter to be inaccurate, Buyer shall give written notice to Seller and Seller shall have the option to: use its best efforts to promptly cure the violation(s); reimburse Buyer for the reasonable cost of cure (including all reasonable attorneys' fees, or other applicable fees, costs and charges); or to contest Buyer's determination by written notice to Buyer, in which event Buyer shall have the option to pursue the rights and remedies available to Buyer pursuant to Paragraph 21(b) of this Agreement.

## 6. TITLE INSURANCE.

(a) Seller shall deliver to Buyer within five (5) days of the date of execution hereof, a copy of the owner's title insurance policy issued to Seller at the time of its acquisition of the Property, or subsequent thereto, if any, together with copies of all instruments recorded in the public records or otherwise encumbering the Property, subsequent to the effective date of said Policy.

(b) Within ten (10) days of the expiration of the Inspection Period provided for herein, upon Buyer's election to purchase the Property, Seller shall, at Seller's cost and

expense, deliver to Buyer and Buyer's Attorney for approval, as hereinafter provided, a preliminary title commitment for a title insurance policy, together with copies of all exception documents referred to therein, to be issued by a title insurance company licensed and qualified to do business in Florida. The commitment and policy to be issued pursuant thereto shall be paid for by Seller, and shall be in an amount equal to the amount of the Purchase Price. The commitment and policy shall be in a current ALTA standard form with extended coverage over all general exceptions, including mechanics liens, survey matters and encroachments and which contains 3.1 Comprehensive Zoning Endorsement, a comprehensive endorsement, a contiguity endorsement, if applicable, location endorsements 4 and 6, a tax parcel identification endorsement, and a survey endorsement (location endorsement 5), as to the Real Property. At closing, the title insurance commitment will be later dated showing Buyer, or Buyer's assignee as the fee simple title holder to the Real Property with the coverage and endorsements required hereunder and shall cover the day of Closing.

(c) Buyer or Buyer's attorney shall have ten (10) days after receipt of the title commitment, together with copies of all exception documents referred to therein, and the survey called for in Paragraph 7 hereof 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 which are unacceptable to Buyer). Failure of Buyer or Buyer's attorney to deliver a written notice of disapproval of the state of title to Seller or Seller's attorney within said ten (10) day period shall be conclusive evidence that Buyer has approved each and every matter contained in said preliminary title report and shown on the survey and that Buyer will accept title in that condition.

(d) After due notice, Seller shall have a reasonable time, not to exceed thirty (30) days, to cure any title defects and if necessary, the closing shall be delayed for that period. If Seller fails to cure any title defect as to which due notice is given, Buyer shall have the option to:

(i) terminate this Agreement, in which case Buyer shall notify Seller that Buyer will not proceed with the purchase, whereupon the Agreement shall terminate and all parties shall be released from any further obligations hereunder, except that Buyer shall be entitled to an immediate refund of the Earnest Money Deposit plus accrued interest, if any, or

(ii) proceed under the Agreement and accept title to the Real Property subject to such defects, in which case the closing shall take place on the later of the date set for closing as hereinafter provided or on date mutually agreed upon by Seller and Buyer which shall be within ten (10) days from the date of such election by Buyer (the date finally set by the parties hereto for the closing shall be hereinafter referred to as the "Closing Date").

(e) The agent for the title insurance company, shall be in attendance at the closing and be in a position to issue the title policy upon recording the appropriate documents and insure that Seller has complied with all requirements set forth under Florida Statutes 723.071(1), (2) and (3) to extinguish any right of purchase or rescission in favor of any tenants or homeowners association, if any, upon the execution and delivery of the statutory affidavit to be executed by Seller and to insure the Real Property as hereinbefore provided free and clear of all exceptions to title other than the Permitted Exceptions.

7. SURVEY. Within five (5) days of the date of execution hereof, Seller shall

deliver to Buyer a copy of the Seller's most recent survey of the Property. Within fifteen (15) days of the date of expiration of the Inspection Period, upon Buyer's election to purchase the Property) Seller shall, at Seller's cost and expense, deliver to Buyer and Buyer's attorney for approval, as herein provided, a current survey of the Real Property. The survey shall be prepared by a registered and/or licensed land surveyor in Florida, shall: (i) be certified by the surveyor as having been made in compliance with the ALTA/ASCM Land Survey Standards, (ii) meet no less than the minimum technical standards of the Florida Administrative Code for land surveys and; (iii) be certified to Buyer, the title company issuing the title policy for herein and any other person or entity designated by Buyer; and shall show the location of all permanent improvements, including utilities and the location of all manufactured homesites and specifying the number of mobile home pad/sites located on the Real Property, man-made objects (other than mobile homes, patios, driveways, carports and private roads within the perimeter boundaries of the Real Property), easements, encroachments setbacks, road right-of-ways and such other matters as the Buyer may reasonably require; and (iii) shall otherwise be in form acceptable to Buyer, the title company, any lender of Buyer and any other person or entity designated by Buyer. The survey shall be prepared by a surveyor acceptable to Buyer and the legal description of the Real Property shall be printed on the survey. In the event the survey indicates any encroachments onto or off of the Property or other matters which constitute exceptions to title required by the title company to be set forth in Schedule B of the Title Policy or which preclude the deletion of the standard exceptions, the same shall be treated as a title defect and the provisions of Paragraph 6 hereof shall apply with respect thereto.

8. CONDITIONS PRECEDENT. the following are conditions precedent to Buyer's obligation to close and consummate the transaction contemplated by this Agreement. Buyer and only Buyer, may waive one or more of these conditions. In the event that all of these conditions are not satisfied or fulfilled by the Closing Date, Buyer may elect not to close this transaction, and in such event, Buyer shall be entitled to the prompt return from Escrow Agent of the Earnest Money Deposit.

(a) The representations and warranties of Seller contained in Paragraph 6, above, and all other representations and warranties of Seller contained herein, shall be true and correct on the Closing Date. Seller, by having closed the sale of the Property, shall be deemed conclusively to have certified that as of the Closing Date all such representations and warranties were true and correct on the Closing Date.

(b) There shall have been no material change in the physical condition or the net operating income of the Property.

9. CLOSING. The sale and purchase transaction contemplated by this Agreement shall be closed and consummated on or before sixty (60) days from the date of expiration of the Inspection Period on a date mutually agreed to by the parties, but in no event later than July 20, 1998 or as close thereto as reasonably possible (unless such period has been extended pursuant to the provisions hereof or by mutual written agreement of the parties hereto) (the "Closing Date"). Closing shall be at the offices of Buyer's counsel or, at Buyer's option, may be effected through the mail as coordinated by counsel for Seller and Buyer. Notice shall be given to the agent for the Title Insurance Company and the Escrow Agent at least five (5) days in advance of the date established by the parties for closing. The closing shall be at 10:00 a.m. on the Closing Date unless otherwise agreed by the parties or their counsel. At the closing, Seller and, as applicable, Buyer shall execute and deliver the

following documents in form acceptable to Buyer and/or undertake the following:

(a) All corporate certifications, resolutions and approvals necessary to evidence both the Seller's and Buyer's authority to enter into and consummate the transactions contemplated by this Agreement.

(b) Warranty 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) Bill of Sale from the Seller to Buyer transferring the Personal Property free and clear of all liens and encumbrances together with the original Motor Vehicle Certificate of Title (properly endorsed and lien free) for each mobile home unit and motor vehicle included in this purchase and sale (if any).

(d) Affidavit of No Liens by Seller.

(e) Affidavit of Non-Foreign Status by Seller.

(f) Affidavit of Compliance by Seller in conformity with Chapter 723.072, Florida Statutes.

(g) Certified rent roll in the form of Exhibit "E" hereto dated and accurate as of the Closing Date and certified by Seller to Buyer.

(h) Assignment from Seller to Buyer assigning all of Seller's right, title and Interest, to the extent it exists and without representation or warranty, in and to the name(s) by which the Property is commonly known, all authorizations, permits and licenses relating to the operation of the Property which are assignable by Seller, if any, and all leases, contracts and other terms required to be assigned as set forth in this Agreement free and clear of all liens and encumbrances except of the matters permitted in this Agreement; all of which shall be assumed by Buyer effective from and after the Closing Date. Seller shall undertake all action, and execute all forms, required by all government authorities and contract to effect this assignment.

(i) Assignment by Seller, to the extent they exist and without representation or warranty, of all currently existing and effective claims, guaranties, warranties, indemnification's and all other rights, if any, which Seller may have against suppliers, laborers, materialmen, contractors, or sub-contractors arising out of or in connection with the installation, construction and maintenance of the Property; all of which shall be assumed by Buyer effective from and after the Closing Date.

(j) Assignment by Seller, to the extent they exist and without representation or warranty, to Purchaser of all agreements, if any, which Seller has for access and utilities to service the Property; all of which shall be assumed by Buyer effective from and after the Closing Date.

(k) Sale Settlement (i.e. Closing) Statement by Seller to Buyer.

(l) Such other documents as are reasonably necessary to close and

consummate the purchase and sale transaction contemplated by this Agreement including, but not limited to the title insurance policy with all endorsements as provided in Paragraph 6 hereof.

(m) Seller shall deliver to Purchaser all existing plans and specifications relating to the improvements located upon the Property which are in Seller's possession or reasonably accessible to Seller.

(n) Seller shall deliver and assign to Purchase all of Seller's right, title and interest, if any, in and to all licenses, permits, certificates of occupancy, mobile home titles (for Seller owned mobile home units, if any) 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 by Seller, if any.

(o) Purchaser shall deliver to seller the adjusted cash portion of the Purchase Price and authorize Escrow Agent's delivery of the Earnest Money Deposit to Seller as herein provided. Said sum shall be paid at Seller's election, by locally drawn cashier's check or Federal Reserve Bank wire transfer.

10. **CLOSING COSTS.** Seller shall pay for the cost of any corrective documents required for marketable and insurable title as required under Paragraph 6 hereof and for documentary stamps on the Warranty Deed. Buyer shall pay the intangible tax on any mortgage, documentary taxes on any note, applicable sales taxes and fees for recording of any deed or mortgage. Each party shall bear its own attorneys' fees and other professional costs, except as otherwise provided for herein.

11. **PRORATIONS.** Except as otherwise set forth in this Agreement, all taxes and other operating expenses and revenue of the Property shall be prorated as of the Closing Date.

a. All real and personal property taxes and assessments (general or special) which have become a lien on the Property; all charges for improvements or services already made to, or which benefit the Property, and all assessments (general or special) arising out of or in connection with any assessment district created or confirmed prior to the Closing shall be prorated to the Closing Date and paid by Seller at Closing. Taxes for the then current year shall be prorated at the Closing. If the Closing shall occur before the tax rate is fixed for the then current year, the apportionment of the taxes shall be upon the basis of the tax for the preceding year. Any difference in actual and estimated taxes for the year of sale actually paid by Purchaser shall be adjusted between the parties upon receipt of written evidence of the payment thereof.

b. Water, sewer, electricity, gas and other public utility bills shall be adjusted and prorated to the date of Closing. No proration shall be made for public utilities, if in lieu thereof, the respective utility companies are able to bill separately for the amount of utilities consumed through the monitoring to the Closing Date. In such event, Seller shall pay the bills rendered for such utilities consumed to the Closing Date upon receipt thereof.

c. If applicable, charges under any ongoing contracts which may be assigned by Seller to Purchaser, pursuant to Purchaser's request, shall be adjusted and prorated between Seller and Purchaser as of the Closing Date.

d. Premiums on existing policies of transferable insurance which may be assigned by Seller to Purchaser pursuant to Purchaser's request shall be adjusted and prorated between Seller and Purchaser as of the Closing Date.

e. All rentals collected by the Seller under any leases up to the Closing Date which are applicable to the period subsequent to the Closing Date, and all other revenues arising from the Property collected by Seller which are allocable to the period subsequent to the Closing Date shall be taken as a credit by Purchaser against the Purchase Price. To the extent that Purchaser subsequently collects any rentals or revenues allocable to the period prior to the Closing Date, the Purchaser shall remit the same to Seller; provided, however, Purchaser is assuming no obligation for the collection of such rentals or revenues, and all rentals and revenues collected subsequent to the date of Closing shall always, in the first instance, be applied first to the most current rentals and revenues, if any, and then to past due amounts under the leases or otherwise. For purposes of this paragraph, only actual rents collected shall be prorated. There shall be no proration of uncollected rentals.

f. All accrued wages, social security payroll taxes, unemployment compensation, worker's compensation, vacation pay, fringe benefits and items of a similar nature due persons employed in connection with the operation and maintenance of the Property shall be paid by Seller through the Closing Date.

g. Purchaser shall be entitled to a credit against the Purchase Price in the following amounts:

(i) The aggregate of all security deposits paid by tenants of the Property. In connection therewith, Seller shall, prior to the Closing Date, provide Purchaser with a complete and accurate schedule indicating the amount of any security deposits paid to Seller.

(ii) Purchaser's Earnest Money Deposit made hereunder.

h. Any and all other revenues and expenses relating to the Property and not specifically covered herein shall be appropriately adjusted, prorated and/or credited between the Seller and Purchaser.

If, after the Closing, either Seller or Purchaser discovers any inaccuracies or errors in the adjustments, prorations or credits computed at the Closing. Seller and Purchaser shall each take such action and pay such sums as may be necessary so that the said adjustments, prorations and credits shall be in accordance with the terms of this Agreement, and the obligations of either party to pay any such amount shall survive the Closing.

12. PERSONAL PROPERTY. Seller represents that it is the owner of all the items described in the Schedule of Personal property and Equipment attached hereto as Exhibit "B" and made a part hereto by this reference, including any mobile homes, set-ups and attachments owned by Seller and located on the Real Property, free and clear of any and all liens and encumbrances other than mortgages, security agreements and financing statements which are to be released or satisfied of record at or prior to Closing hereunder. Seller agrees that it shall not remove from the Real Property any of the Personal Property currently used or useful in connection with the operation of the Real Property as a rental mobile home community 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 to be with a similar item or items of Personal Property of equal quality and quantity and free and clear of any liens and encumbrances other than mortgages, security agreements and financing statements to be released or satisfied of record at or prior to Closing hereunder. 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 provided that the time and the taking of such inventory is first coordinated with Seller. Seller shall have 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; it being understood and conveyed by Seller to Buyer at Closing. Upon approval by Seller of the Inventory of Personal Property, if any, so taken by Buyer, such Inventory shall be substituted for Exhibit "B" attached hereto and attached as exhibits 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 said Bill of Sale, together with full warranties of title and, if any mobile homes or motor vehicles are included in the sale, Seller shall also deliver to Buyer certificates of title with respect thereto.

13. OPERATION AND MAINTENANCE OF MOBILE HOME PARK. Seller covenants that between the date of execution hereof and the Closing Date it will operate the Property in the same manner as any prudent mobile home park owner in the general location of the Property would operate its property and will continue its present advertising commitments and its usual program of advertising, if any. It is the intention of the parties that the general operation of the Property shall not be changed between the date of execution hereof and the Closing Date. Pending Closing hereunder Buyer shall have the right to obtain from Seller such information with respect to the operation of the Property as would enable Buyer to determine whether the provisions of this paragraph are being complied with.

14. LEASES, RENTS AND TENANTS. Pending Closing hereunder Seller agrees not to (except in the ordinary course of business): (a) terminate any lease affecting the Property unless the tenant is in default thereunder, (b) amend or modify any such lease or (c) enter into any new lease upon the vacation or eviction of any tenant, without in any such case, the prior written consent of Buyer which consent shall not be unreasonably withheld; provided, however, Seller shall have the right to execute any new lease under the same terms and conditions as currently prevail on the Property without obtaining Buyer's approval on any such lease. Seller shall comply with its obligations under each lease affecting the property and shall immediately notify Buyer of any default of the material terms and conditions of any lease prior to the Closing Date. Seller agrees to furnish to Buyer true copies of all existing written leases affecting the Property within five (5) days of the date of execution of this Agreement by Seller.

15. SERVICE CONTRACTS/WARRANTIES OR GUARANTEES. Seller represents and warrants that the Schedule of Service Contracts attached hereto as Exhibit "D" and by this reference made a part hereof contains a true and complete list of all Service Contracts and Warranties or guarantees presently in force and effect and applicable to the Property. Within five (5) days after the execution of this Agreement by Seller, Seller shall deliver to Buyer true and complete copies of all such Service Contracts, warranties and guarantees. 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 to enter into any new Service Contracts applicable to the Property or amend any existing Service contracts, warranty or guarantee, without the prior written consent of Buyer. At Closing, Seller shall assign to Buyer all of its right, title and interest in and to the above Service contracts and warranties and guarantees; provided, however, that Buyer shall have the right after Closing hereunder to terminate any such Service Contracts as of the Closing Date.

16. **CONDEMNATION**. If, prior to Closing, all or any part of the Real Property is taken by and 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 the same:

(a) To 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 to the condemnation award to Buyer (or Buyer shall receive the condemnation award from Seller if it has already been paid to Seller to closing); or

(b) To terminate this Agreement, whereupon the duties and obligations of each of the parties hereto end and Buyer shall be entitled to the prompt return from Escrow Agent of the Earnest Money Deposit.

17. **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 \$100,000.00) to said Property prior to the 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 of the cost of the restoration, replacement or repair of such damage; and

(c) Buyer shall have the option to:

(i) Terminate this Agreement and obtain the prompt return from Escrow Agent of its Earnest Money 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 assign its rights in any insurance proceeds to Buyer (or Buyer shall receive the insurance proceeds paid to Seller if they have already been paid to closing).

18. **TERMITE INSPECTION AND REPORT**. Prior to the expiration of the Inspection Period and at Seller's expense, Seller shall obtain a termite certificate for the Property. Any infestation or damage therefrom found to be existing shall be repaired in a reasonable time, prior to the Closing Date, at Seller's expense. In the event Seller fails to make said repairs within said time period, Buyer shall have the right to make said repairs and to be credited with the cost thereof (not to exceed \$5,000.00) against the Purchase Price.

19. **ASSIGNMENT OF NAME**. At closing, Seller shall assign to Buyer, without limitation, all of its right, title and interest in the name(s) by which the Property is commonly known hereinbefore referred to.



20. **SUPPLIES.** Inventories of supplies, including but not limited to paid, toilet tissue, soap, paper towels and all cleaning materials, if any located on the Real Property on the Closing Date shall be transferred to Buyer at no additional cost at the time of Closing and shall be covered by the Bill of Sale.

21. **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 within the applicable period provided for Closing and such default continues for a period of fifteen (15) days after written notice thereof from Buyer to Seller, 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: (a) apply to the Circuit Court of the county where the Real Property is located to seek to have specific performance under this Agreement and in such action shall have the right to recover legally cognizable damages suffered by Buyer by reason of the delay in Buyer's acquisition of the Property; or (b) sue Seller for legally cognizable damages sustained by Buyer by reason of the default of Seller; or (c) obtain the prompt return from Escrow agent of the Earnest Money Deposit, with interest, together with any other amounts due and owing to Buyer pursuant to the terms of this Agreement, and thereafter terminate this Agreement.

22. **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 fifteen (15) days after written notice thereof from Seller to Buyer, Seller's sole right and exclusive remedy against Buyer shall be to obtain the Earnest Money Deposit, (a) as consideration for the execution of this Agreement; (b) as agreed upon 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. In the event Buyer defaults hereunder, Buyer shall forthwith on demand by Seller return to Seller all title papers and other documents relating to the Property, including Buyer's copy of this Agreement.

23. **FLORIDA MOBILE HOME ACT.** Seller has previously delivered to Buyer a true and complete copy of the latest version of the prospectus or offering circular with respect to the Property required under 723.011 of the Florida Mobile Home Act. At the closing, Seller shall deliver to buyer an executed original of the affidavit contemplated by 723.072 of said Act. Seller further agrees to promptly deliver to Buyer, upon Buyer's request, such other evidence of compliance with said Act as Buyer may reasonably require.

24. **BROKER'S COMMISSION.** Seller and Buyer each warrant that there are no real estate or other brokers or finders of any type involved in this transaction other than Marcus & Millichap REIBC of Chicago, to which Seller shall be solely responsible with respect to any commission or other fee due for this transaction, and each party shall indemnify and hold harmless the other party from all claims or damages, commissions and fees being claimed by any other party arising out of this transaction resulting from the actions of the defaulting party.

25. ASSIGNMENT. Buyer shall have the right in his sole and absolute discretion, without the consent of Seller, to assign this Agreement and all of Buyer's rights hereunder.

26. SURVIVAL OF AGREEMENT. The terms and conditions of this Agreement which expressly so state shall survive the Closing hereof.

27. TIME IS OF THE ESSENCE. Seller and Buyer acknowledge that time is of the essence of this Agreement.

28. MODIFICATIONS. The parties acknowledge that this Agreement is the entire agreement between the parties with respect to the subject matter hereof and that this Agreement cannot be modified without a written agreement executed by both parties.

29. ATTORNEY'S 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, retrial, appeal, bankruptcy, collection or declaratory proceedings. The provisions of this paragraph shall survive closing and delivery of the Deed.

30. ESCROW AGENT. The sole responsibility of the Escrow Agent shall be to deposit the Earnest Money Deposit into an interest-bearing, insured money market account with a local bank upon execution and delivery of all forms (including a fully-executed IRS Form W-9) and documents necessary to do so and to disburse said funds according to the terms of this Agreement. Escrow Agent shall notify the parties hereto of the date of deposit, name of institution and current interest rate within five (5) days of deposit. In the event of a breach of this Agreement by either Seller or Buyer, or if, in the sole discretion of the Escrow Agent, some doubt exists as to when, to whom or under what circumstances such Earnest Money 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 said Earnest Money Deposit into the Circuit Court of Macomb County, Michigan, without further liability or responsibility on its part. Costs, expenses and attorney's fees incurred by Escrow Agent in connection with any such interpleader may be deducted by the Court. 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 Earnest Money Deposit made by Escrow Agent in good faith unless such disbursements 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 interest received on the Earnest Money Deposit shall be applied to the account of Buyer at Closing.

31. NOTICE. Any notice, request, instruction or demand to be given hereunder shall be in writing and sent by telefax, registered or certified mail, return receipt requested, or by overnight delivery service with receipt required to be signed for to the following addresses:

**If to the Seller:**

**To:** LAKE YALE CORPORATION  
**Address:** 1910 E 106th Street  
Carmel, IN 46032  
ATTN: LEROY NEW, President  
**Telephone:** (317) 846-5515  
**Fax:** (317) 846-0410

**With copies to:****Seller's agent:**

**To:** Peter Stojich  
**Address:** Marcus & Millichap REIBC of Chicago  
8750 West Bryn Mawr Avenue  
Suite 750  
Chicago, IL 60631  
**Telephone:** (773) 693-0700  
**Fax:** (773) 693-2114

**Seller's attorney:**

**To:**  
**Address:**

**Telephone:** ( )  
**Fax:** ( )

**If to the Buyer:**

**To:** Ivan Bloch  
**Address:** The Bloch Organization  
30600 Telegraph Road  
Suite 2250  
Bingham Farms, MI 48025  
**Telephone:** (248) 644-3930  
**Fax:** (248) 644-3939

**With copies to:****Buyer's Attorney:**

Linda E. Bloch, Esq.  
Miro Weiner & Kramer  
500 North Woodward Avenue  
Suite 100  
Bloomfield Hills, MI 48304  
**Telephone:** (248) 258-1228  
**Fax:** (248) 646-2465

If to the Escrow Agent:

Escrow Agent:

Philip F. Greco, Esq.  
Philip F. Greco Title Company  
118 Cass Avenue  
Mount Clemens, MI 48043  
Telephone: (810) 463-7200  
Fax: (810) 463-5964

or to such other address as is designated from time to time in writing by those entitled to receive notice. Telefax notice is effective on the date of transmission, so long as a certified or registered mailing or overnight delivery is forwarded to the party being noticed on the same day as the telefax transmission. Notice by mail shall be effective as of the date of mailing.

32. **NO ASSUMPTION OF LIABILITIES.** The parties acknowledge that this transaction contemplates only the sale and purchase of the Property and that the 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. Accordingly, in addition to the other terms and conditions of this Agreement, 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 or fringe benefit.

33. **SALE OF UTILITY.** The parties hereto acknowledge that LAKE YALE UTILITY COMPANY, a wholly-owned subsidiary of Seller (the "Utility"), is a utility governed by and subject to the continuing authority of the Florida Public Service Commission (FPSC), which has exclusive control over all utilities providing water and wastewater services in the State of Florida [367.011, Florida Statutes]. The Utility operates from the corporation offices of Seller, and charging tariffs and rates established and approved by the FPSC. The Utility, and all of its properties, rights, obligations and duties are included in the sale of the Real Property.

34. **EXHIBITS.** In the event that any exhibit which is referred to in this Agreement is not attached hereto at the time of execution of this Agreement by Seller and Buyer, Seller shall promptly cause any such missing exhibit to be prepared and submitted to Buyer for Buyer's approval within fifteen (15) days from the Effective Date hereof. Upon approval of a given exhibit by Buyer, the same shall be incorporated into this Agreement by written agreement executed by Seller and Buyer.

35. **CONSTRUCTION.** This Agreement has been negotiated between the parties, each of whom have 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.

37. **RADON GAS.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building insufficient 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 public health unit.

The foregoing notice is provided pursuant to 404.056(6), Florida Statutes (1995), which requires that such notice be included in certain real estate documents.

38. VENUE. Venue for any legal proceeding hereunder shall be in Lake County, Florida, except with respect to an interpleader action pursuant to paragraph 30 hereunder which the parties acknowledge shall be instituted in Macomb County, Michigan, pursuant to said paragraph.

39. WAIVER OF JURY TRIAL. Seller and Buyer knowingly, voluntarily and intentionally waiver any right to trial by jury in respect to any litigation arising out of, under or in connection with this Agreement or the transaction described herein.

40. EFFECTIVE DATE. Unless otherwise set forth herein, the Effective Date shall be the date this Agreement is executed by the Seller, upon facsimile notice thereof to Buyer, so long as Seller returns a fully executed duplicate original of this Agreement to the Buyer, by either overnight delivery service or postmarked as of the date of the execution of this Agreement by the Seller.

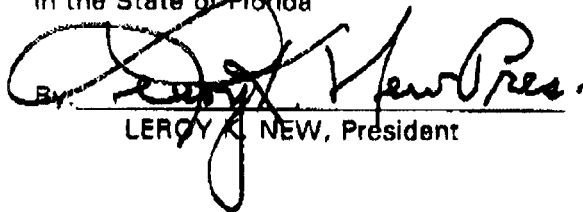
41. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which shall be fully effective as an original and all of which shall constitute one and the same instrument.

42. FACSIMILE. A facsimile of this Agreement or any portio hereof, including the signature page of any party shall be deemed an original for all purposes.

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

WITNESSES:

LAKE YALE CORPORATION, an Indiana corporation authorized to transact business in the State of Florida

By:   
LEROY K. NEW, President

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

As to Seller

"Seller"

SELLER'S EXECUTION DATE: 4-9-98

(Signatures continued on next page)

WITNESSES:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

As to Buyer

THE BLOCH ORGANIZATION

By: 

Ivan Bloch, on behalf of an  
entity to be formed and not personally

BUYER'S EXECUTION DATE: 

WARRANTY DEED **98 81581**

RECEIVED FOR  
TF 1.50 EXCISE TAXES  
MORT. DOC \_\_\_\_\_  
DEED DOC 14,000.00  
INT \_\_\_\_\_  
JAMES C. WATKINS, CLERK LAKE CO. FL

Return to: Peter Beer

O.P. BOOK **1655 PAGE 892**

Name: \_\_\_\_\_  
Address: 18700 W. 10 Mile, Southfield, MI 48075

This Instrument Prepared by: Mark Capaldi  
Address: 10 W. Long Lake, Suite 135, Bloomfield Hills, MI 48304 BY Mark D.C.

Parcel I.D. Number(s): \_\_\_\_\_  
Grantee(s) S.S.#(s): \_\_\_\_\_

**This Warranty Deed**, Made the 15th day of October A.D. , 1998  
by Lake Yale Corporation , an Indiana Corporation

hereinafter called the grantor, to

whose post office address is Sandpiper Mobile Manor Associates, L.L.C. a Michigan limited liability company  
hereinafter called the grantee: 18700 W. 10 Mile, Southfield, MI 48075

(Wherever used herein the terms "grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

**Witnesseth:** That the grantor, for and in consideration of the sum of \$10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the grantee, all that certain land situate in Lake County, Florida, viz.:

(see attachment for complete legal description)

And the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever, except taxes for the year 1998 and subsequent

In Witness Whereof, the grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in the presence of:

x Mia N. Croode  
Signature

Print: Mia N. Croode

x Mia N. Croode  
Signature

Print: Mia N. Croode

Lake Yale Corporation  
Leroy New  
Signature

Print: Leroy New, President  
11643 Martel Court

Address: Leesburg, FL 34788-8103

Signature \_\_\_\_\_  
Printed \_\_\_\_\_

Address \_\_\_\_\_

STATE OF Indiana }  
COUNTY OF Hamilton } ss:

The foregoing instrument was acknowledged before me this 14th day of Oct 1998  
By Leroy New, President who is/are personally known to me or who has/have produced as identification and who did so take an oath.

x Joyce Ray  
Signature

Print: Joyce RAY

Printed Signature  
NOTARY PUBLIC  
My Commission Expires: 2-26-08

RECORDED  
RECORD VERIFIED  
LAKE COUNTY, FL  
Oct 27 4 28 PM '98  
CLERK



RETURN TO: OR984760  
COMMONWEALTH LAND  
TITLE INSURANCE COMPANY  
2233 LEE ROAD, SUITE 204  
WINTER PARK, FL 32789

**LEGAL DESCRIPTION**

Beginning at the Southwest corner of Government Lot 6, run thence North 1176.8 feet; thence East 546.77 feet; thence North 34 degrees 11' East to Lake Yale; thence meandering Southeasterly along the shore line of Lake Yale to a point on the East line of Government Lot 6 where the shoreline intersects said East line; thence South 0 degrees 14' 40" East a distance of 922.85 feet to an iron pipe; thence North 89 degrees 18' 10" West a distance of 1320.95 feet to the place of beginning. Said property is all located in Section 24, Township 18 South, Range 25 East in Lake County, Florida.

**END OF LEGAL DESCRIPTION**



WARRANTY DEED

98 81588

REC 9.00 RECEIVED FOR  
TF 1.50 EXCISE TAXES  
MORT. DOC  
DEED DGC 7,000.00  
INT  
JAMES C. WATKINS, CLERK LAKE CO. FL

Name:

Peter Beer

O.P. BOOK 1655 PAGE 985

Address:

18700 W. 10 Mile, Southfield, MI 48075

This Instrument Prepared by: Mark Capaldi

BY WEL D.C.

Address:

10 W. Long Lake, Suite 135, Bloomfield Hills, MI 483

Parcel I.D. Number(s):

Grantee(s) S.S.#(s):

PREPARED BY:  
MARK CAPALDI, ESQ  
10 WEST LONG LAKE RD  
STE-135  
BLOOMFIELD, MI  
48034

This Warranty Deed, Made the 15th day of October A.D., 1998

by Lake Yale Corporation, an Indiana Corporation

hereinafter called the grantor, to

Eustia Associates, L.L.C. A Michigan limited liability company  
whose post office address is 18700 W. 10 Mile, Southfield, MI 48075  
hereinafter called the grantee:

(Wherever used herein the terms "grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth: That the grantor, for and in consideration of the sum of \$10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the grantee, all that certain land situate in Lake County, Florida, viz.:

(see attachment for complete legal description)

And the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever, except taxes for the year and subsequent

In Witness Whereof, the grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in the presence of:

Lake Yale Corporation

Mia N. Groode  
Signature

Leroy New  
Signature

Print: Mia N. Groode

Printed: 1643 Martel Court  
Leesburg, FL 34788-8103

Address

Wendy Colyer  
Signature

Signature

Print: Wendy Colyer

Printed

Address

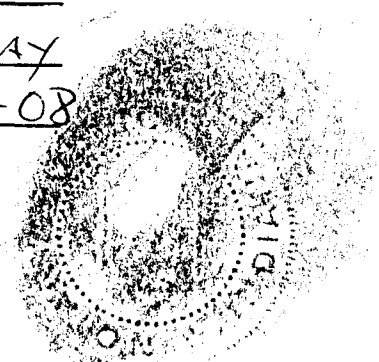
STATE OF Indiana )  
COUNTY OF Hamilton ) ss:

By The foregoing instrument was acknowledged before me this 14th day of Oct 19 98  
Leroy New, President who is/are personally known to me or who has/have  
produced \_\_\_\_\_ as identification and who did not take an oath

Joyce Ray  
Signature

Print: Joyce Ray

Printed Signature  
NOTARY PUBLIC  
My Commission Expires: 2-26-08



RECORDED  
RECORD VERIFIED  
LAKE COUNTY, FL  
OCT 27 4 32 PM '98  
James C. Watkins  
CLERK COUNTY COURT

RETURN TO: 06984759 15  
COMMONWEALTH LAND  
TITLE INSURANCE COMPANY  
2233 LEE ROAD, SUITE 204  
WINTER PARK, FL 32789

LEGAL DESCRIPTION

Parcel 1:

E 1/2 of Government Lot 5 (E 1/2 of SE 1/4 of SE 1/4), Section 24, Township 18 South, Range 25 East, Lake County, Florida.

Parcel 2:

NW 1/4 of NE 1/4, Section 25, Township 18 South, Range 25 East Less right-of-way for State Road and Less that part lying Southwesterly of right-of-way of State Road No. 452, Lake County, Florida.

Parcel 3:

Begin 1802.38 feet North of the Southeast corner of NE 1/4, Section 25, Township 18 South, Range 25 East, Lake County, Florida, run West to West line of E 1/2 of NE 1/4, North to North line of Section, East to Northeast corner of Section, South to Point of Beginning.

END OF LEGAL DESCRIPTION

BILL OF SALE

GRANTOR: Lake Yale Corporation  
11643 Martel Court, Leesburg, FL 34788-8103

for and in consideration of the sum of One (\$1.00) Dollar, the receipt and sufficiency of which are acknowledged, has sold and grants to:

GRANTEE: Sandpiper Mobile Manor Associates, L.L.C.  
18700 W. 10 Mile, Southfield, MI 48075

and to Grantee's successors, administrators, and assigns, all right, title, and interest in and to Sandpiper Mobile Manor mobile home development, located in Lake County, Florida. The aforementioned conveyance includes, but is not limited to, all existing contract rights, permits, and governmental approvals, and any and all equipment and other personal property located at Sandpiper Mobile Manor mobile home development.

Grantor covenants and agrees to and with Grantee to WARRANT AND DEFEND the sale of the foregoing property, goods, and chattels against all persons.

Grantor has executed this 15th day of October, 1998.

Grantor:  
Lake Yale Corporation

*Leroy New*  
Leroy New, President

CLERK OF COURT  
*James E. Kelly*

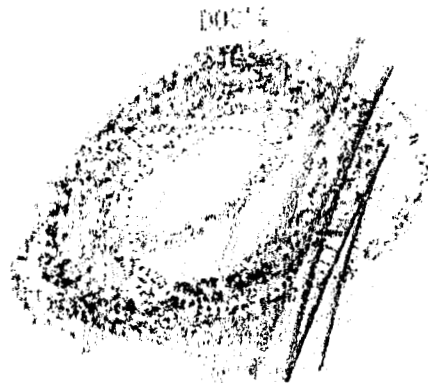
Oct 27 4 28 PM '98

RECORDED  
RECORD VERIFIED  
LAKE COUNTY, FL

INDIANA  
STATE OF ~~INDIANA~~ )  
                                  ) SS.  
COUNTY OF HAMILTON

On October 15, 1998, before me, a notary public, personally appeared Leroy New, President of Lake Yale Corporation, who executed this Bill of Sale on behalf of the company.

*James Ray*  
x  
Notary Public, Hamilton County  
My commission expires 2-26-08.



Prepared By Mark Capaldi  
10 West Long Lake Rd Suite 135  
Bloomfield MI 48034

RETURN TO: 09884760  
COMMONWEALTH LAND  
TITLE INSURANCE COMPANY  
2233 LEE ROAD, SUITE 204  
WINTER PARK, FL 32789

BILL OF SALE

Book 1655 PAGE 982

GRANTOR: Lake Yale Corporation  
11643 Martel Court, Leesburg, FL 34788-8103

for and in consideration of the sum of One (\$1.00) Dollar, the receipt and sufficiency of which are acknowledged, has sold and grants to:

GRANTEE: Eustia Associates, L.L.C.  
18700 W. 10 Mile, Southfield, MI 48075

and to Grantee's successors, administrators, and assigns, all right, title, and interest in and to the Lake Yale Estates mobile home development, located in Lake County, Florida. The aforementioned conveyance includes, but is not limited to, all existing contract rights, permits, and governmental approvals, and any and all equipment and other personal property located at Lake Yale Estates mobile home development.

Grantor covenants and agrees to and with Grantee to WARRANT AND DEFEND the sale of the foregoing property, goods, and chattels against all persons.

Grantor has executed this 15th day of October, 1998.

Grantor:  
Lake Yale Corporation

*Leroy New*  
Leroy New, President

*James E. ...*  
CLERK OF ...

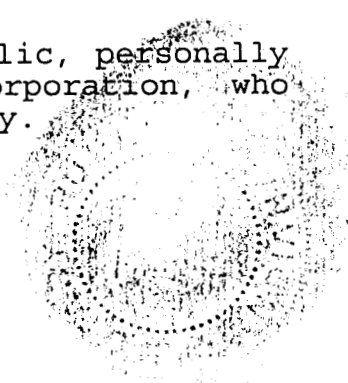
OCT 27 4 32 PM '98

RECORDED  
RECORD VERIFIED  
LAKE COUNTY, FL

INDIANA )  
STATE OF ~~FLORIDA~~ )  
                  )SS.  
COUNTY OF HAMILTON

On October 15, 1998, before me, a notary public, personally appeared Leroy New, President of Lake Yale Corporation, who executed this Bill of Sale on behalf of the company.

*James E. Ray*  
Notary Public, Hamilton County  
My commission expires 2-26-98.



RETURN TO: 09884759 25  
COMMONWEALTH LAND  
TITLE INSURANCE COMPANY  
2233 LEE ROAD, SUITE 204  
WINTER PARK, FL 32789

# OWNER'S POLICY OF TITLE INSURANCE

OR984760-0

ISSUED BY



**Commonwealth.**  
Land Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest:

*James J. D. Lynch Jr.*  
Secretary



By:

*[Signature]*  
President

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (i) to timely record the instrument of transfer; or
    - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

Issued with Policy No. OR984760-L

COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY  
SCHEDULE A

Amount of Insurance: \$2,000,000.00

Policy No. OR984760-O

Customer File No.98-10-1065

Premium:

Date of Policy: October 27, 1998 @ 4:28 P. M.

1. Name of Insured:

Sandpiper Mobile Manor Associates, L.L.C, a Michigan Limited Liability Company

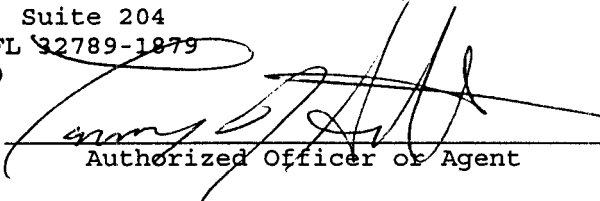
2. The Estate or interest in the land described herein and which is covered by this policy is a fee simple interest, and is at the date of policy hereof vested in the named insured as shown by instrument recorded in Official Records Book 1655, page 892, of the Public Records of Lake County, Florida.

3. The land referred to in this policy is described as follows:

LEGAL DESCRIPTION IS ATTACHED HERETO AND MADE A PART HEREOF

COMMONWEALTH LAND TITLE INSURANCE COMPANY  
2233 Lee Road, Suite 204  
Winter Park, FL 32789-1879  
(407) 645-1070

Countersigned:

  
Authorized Officer or Agent

Policy No. OR984760-O  
Customer File No. 98-10-1065

**LEGAL DESCRIPTION**

Beginning at the Southwest corner of Government Lot 6, run thence North 1176.8 feet; thence East 546.77 feet; thence North 34 degrees 11' East to Lake Yale; thence meandering Southeasterly along the shore line of Lake Yale to a point on the East line of Government Lot 6 where the shoreline intersects said East line; thence South 0 degrees 14' 40" East a distance of 922.85 feet to an iron pipe; thence North 89 degrees 18' 10" West a distance of 1320.95 feet to the place of beginning. Said property is all located in Section 24, Township 18 South, Range 25 East in Lake County, Florida.

**END OF LEGAL DESCRIPTION**

**SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes for the year 1998 and any taxes and assessments levied or assessed subsequent to the date hereof. Said taxes become a lien as of January 1, 1998, but are not due and payable until November 1, 1998, pursuant to section 197.333 F.S.
2. Transfer of Sewer and Water Infrastructure to Lake Yale Utility Company with Access Easements dated March 29, 1994, recorded August 9, 1994 in Official Records Book 1311, page 1575, Public Records of Lake County, Florida.
3. Conditions in Notice of Settlement Agreement dated May 30, 1997, recorded June 3, 1997 in Official Records Book 1521, page 1739, Public Records of Lake County, Florida. (See Mandate recorded in Official Records Book 1421, page 1612, Public Records of Lake County, Florida)
4. Easement in favor of Florida Power Corporation contained in instrument dated October 22, 1968, recorded November 13, 1968 in Official Records Book 370, page 121, of the Public Records of Lake County, Florida.
5. Easement in favor of Florida Power Corporation contained in instrument dated February 9, 1973, recorded May 8, 1973 in Official Records Book 505, page 810, of the Public Records of Lake County, Florida.
6. The insured land shall not include any mobile home or manufactured housing unit or appurtenant fixtures attached thereto, which may be affixed to the land.
7. Title to no portion of the insured land lying below the ordinary high water line (mark) of any navigable waterbody is insured.
8. The right, title, or interest, if any, of the public to use any part of the land seaward and/or lakeward of the most inland of any of the following: a) the natural line of vegetation; b) the most extreme highwater line; c) the bulkhead line; and d) any other line which has been legally established as relating to such public use.
9. Any claim that any part of said land is owned by the State of Florida by right of sovereignty and riparian rights, if any.
10. Matters as set forth on the Survey prepared by Farner and Associates dated October 6, 1998, last revised October 21, 1998 as follow:
  - A) Building tie 4.80' East of West line of subject premises.
  - B) Sign and Concrete/Wooden Post/Fence lying outside property along West lot line.
  - C) Landscape timbers encroaching .99' on adjacent lot along the South lot line.
  - D) Edge of pavement lying +- on West lot line.
  - E) Sign and power poles and guy wires lying on subject premises in Northwest corner of lot.
  - F) Sanitary sewer, water valve lying within subject premises along North lot



Policy No. OR984760-O  
Customer File No. 98-10-1065

line.

- G) Concrete block wall and mobile home lying on subject premises along North lot line.
  - H) Wood dock lying in Lake Yale. (Item No. 4 of the Florida Form 9 is hereby excluded from coverage as to this exception)
  - I) Rights of others, if any, to use the asphalt road lying along the South lot line for ingress and egress.
  - J) Unidentified lines lying along the North lot line.
  - K) Encroachments, if any, in the Easement granted by Official Records Book 370, page 121, Public Records of Lake County, Florida, which is not located on the survey.
  - L) Guy wires lying within subject premises along West lot line.
- 11. Rights of tenants, as tenants only, as set forth on the attached rent roll.
  - 12. Mortgage and Security Agreement between Sandpiper Mobile Manor Associates, L.L.C., a Michigan Limited Liability Company and TransAtlantic Capital Company, L.L.C., dated October 26, 1998, recorded October 27, 1998, in Official Records Book 1655, page 894, Public Records of Lake County, Florida, in the original principal balance of \$2,000,000.00.
  - 13. Assignment of Leases and Rents in favor of TransAtlantic Capital Company, L.L.C., recorded October 27, 1998, in Official Records Book 1655, page 966, Public Records of Lake County, Florida.
  - 14. UCC-1 Financing Statement in favor of TransAtlantic Capital Company, L.L.C., recorded October 27, 1998 in Official Records Book 1655, page 976, Public Records of Lake County, Florida.

END OF SCHEDULE B

SANDPIPER  
10 PAGES

Alaks Ed  
107 Lake Shore Circle

Appleby Carlene  
1102 Sunset Court

Baker Kenneth  
509 Cardinal Drive

Balkwill Charles  
513 Cardinal

Barich Donna  
512 Cardinal Drive

Barnaysk Gerald  
402 Oak Dr

Beall Thomas  
809 Pine Dr

Beebe Gene  
709 Flamigo

Birchenough Patrick  
613 Sandpiper Drive

Bishop Barney  
1410 Azalea Drive

Bracamontes Angela  
803 Pine Drive

Bricker Phyllis  
806 Pine Drive

Brooks Lorinda  
814 Pine Drive

Brown W. Dudley  
307 Magnolia Drive

Burke Robert  
909 Quail

Burman Glenn  
232 N Lake Shore Drive

Burns Robert  
117 Lake Shore Circle

Button Wade  
704 Flamingo Drive

8 Homes marked at 227.  
Per Month - all on  
Lake front - Lake Shore C

5 Stockholders - not paying  
at 174.20

1 Stockholder not pay  
at 227.14

Campbell Calvin  
234 N Lake Shore Drive

Carpenter Bud *Stockholder - if Paid Rent 174.20*  
412 Oak Drive

Carpenter Marie  
424 Oak Drive

Chain Dorothy  
802 Pine Drive

Chapel George  
802 Pine Drive

Clauser John  
302 Magnolia Drive

Coffin Jim  
1407 Azalea Drive

Coleman Arthur  
310 Magnolia Drive

Connors Lillian  
1012 Sunset Drive

Cook Frank  
703 Flamingo Drive

Cotton Calvin  
315 Magnolia Drive

Cox Bette *Stockholder - if Paid rent 174.20*  
224N Lake Shore Drive

Coyle Gene  
614 Sandpiper Drive

Crane Milt  
619 Sandpiper Drive

Davis Estate (C. Burns)  
109 Lake Shore Circle

Dorsett Don  
506 Cardinal Drive

Ennis William  
228 N Lake Shore Dr

Eubank James  
813 Pine Drive

Faucett John  
208 Lake Shore Drive

Pedorchak Donald  
306 MAGNOLIA DRIVE

Fox Gwen  
812 Pine Drive

Frantz Lynn  
504 Cardinal Drive

Fredorchak Donald  
306 Magnolia Drive

Funk William  
710 Flamigo Drive

Gage Rose Marie  
427 Oak Drive

Garrett Athleen  
413 Oak Drive

Garrison Walter  
1102 Sunset Ct

Gladding Irene  
706 Flamingo Drive

Gobbis Michael  
907 Quail Drive

Godinsky Ann  
708 Flamingo Drive

Goeres Kleanor  
515 Cardinal Drive

Goldey Lela  
823 Pine Drive

~~Griffis~~ Griffis Chuck  
113 Lake Shore Circle

Hance Wiley  
508 Cardinal Drive

Harding Irma  
605 Sandpiper Drive

Heitling Carol  
311 Magnolia Drive

10/25/80 11:12 THE 900 001 2001  
McCollum Ralph  
303 Magnolia Drive

Miller Laurence  
624 Sandpiper Dr

Miller Mike - Stock holder - if Paid rent 174.20  
230 N Lake Shore Dr

Miller William - Stock holder - if Paid rent 227.14  
119 Lake Shore Circle

Moklar Dorothy  
505 Cardinal Drive

Monnett Robert  
1416 Azalea Drive

Morrow Frank  
507 Cardinal Drive

Morton Herbert  
1302 Oak Ct

Mullis Ralph (1) 315 Magnolia Drive  
218 N Lake Shore Dr

Murray William  
622 Sandpiper Dr

Myers William  
620 Sandpiper Drive

Nadon Robert  
410 Oak Drive

Nayarkas Ruth  
403 Oak Drive

Nichols William  
218 N Lake Shore Drive

New Leroy - Stock holder - if Paid rent 174.20  
228 N Lake Shore Dr

Noecker Kenneth  
711 Flamingo Drive

Ogden Bowden  
616 Sandpiper Drive

Paine Don  
518 Cardinal Dr

Palmer Leon  
1203 Oak St

Patton Betty Jean  
816 Pine Drive

Pelkey Gladys  
810 Pine Drive

Pelt George  
811 Pine Drive

Pelt Ralph  
304 Magnolia

Perreault Chester  
707 Flamingo Drive

Plank William  
308 Magnolia Drive

Post Kenneth  
111 Lake Shore Circle

Pryne Kenneth  
701 Flamingo Drive

Reading Katherine  
414 Oak St

Reber Wayne  
1413 Azalea Drive

Rice Lucille  
406 Oak Drive

Richards James  
611 Sandpiper Drive

Robertson Jimmy  
415 Oak Drive

Ruddell Robert  
220 N Lake Shore Drive

*Stack holder - if Paid - 174.20*

Runge Harold  
212 N Lake Shore Dr

Rupert Beulah  
421 Oak Drive

Runge Harold  
212 N Lake Shore Drive

10/25/80 11:12 FAX 030 834 2001  
Sartwell James  
817 Pine Drive

Saunders Judith  
1006 Sunset Dr

Sayer William  
428 Oak Drive

Schwank Calvin  
518 Cardinal Drive

Sea's Basil  
316 Magnolia Drive

Serna Carl  
312 Magnolia Dr

Shank Monica  
115 Lake Shore Circle

Sherwood Bruce  
606 Sandpiper Drive

Shiflet Stephen  
1406 Azalea Drive

Sibo Lucille  
309 Magnolia Dr

Simpson Evie  
210 N Lake Shore Drive

Singhurse Dolores  
615 Sandpiper Drive

Singhurse Jerry  
1005 Sunset Drive

Smith Edwin  
314 Magnolia Drive

Smith Joseph  
510 Cardinal Drive

Snother Wallace  
821 Pine Drive

Sorenson Donald  
610 Sandpiper Drive

Sproatt Carl  
103 Lake Shore Circle

Kuick Frank  
623 Sandpiper Drive

Lavanne Donald  
1301 Oak Ct

Leifert John  
602 Sandpiper Drive

Lewis Leona  
1414 Azalea Drive

Lisher Jerry (1) 511 Cardinal Drive  
514 Cardinal Drive

Lowe Vera  
419 Oak Drive

Lucilio Nickols  
825 Pine Drive

Luke Ed  
1408 Azalea Drive

Lundwall Vivan  
422 Oak Drive

Lytle Herman  
1008 Sunset Drive

MacMillian Thomas  
1010 Sunset Court

MacMillian Vincent  
822 Pine Drive

Mandro Hank  
1003 Sunset Dr

Martin John  
204 N Lake Shore Dr

Martin William  
420 Oak Drive

Massio Paul  
818 Pine Dr

McGary Raymond  
705 Flamingo Dr



Henkel Rose  
612 Sandpiper Drive

Henley James  
405 Oak Drive

Henry James  
423 Oak Drive

Hershen Joseph  
702 Flamingo Drive

Huller Don  
1303 Oak Ct

Hulette Norris  
1304 Oak Court

Hutchinson Wayne  
401 Oak Drive

Jewell Wanda  
1404 Azalea Drive

Johnson Harold  
621 Sandpiper Drive

Johnson Shirley  
827 Pine Drive

Johnston Stuart  
1402 Azalea Drive

Jones Gwendoline  
214 N Lake Shore Drive

Joslyn Nellis  
1014 Sunset Drive

Jurgens Alfred  
417 Oak Drive

Karaffa Joseph  
608 Sandpiper Drive

Keefe Esma  
618 Sandpiper Drive

Kilsdonk Robert  
712 Flamingo Drive

Klock Airlie  
206 N Lake Shore Drive

**Stergar Joe**  
1204 Oak Court

**Sterling Margaret**  
617 Sandpiper Drive

**Stevens Claudia**  
317 Magnolia Drive

**Strauer Donald**  
1405 Azalea Drive

**Sullivan Robert**  
501 Cardinal Drive

**Sutton Joseph**  
425 Oak Drive

**A. Tahtinen Richard**  
609 Sandpiper Dri

**Thompson Coralie**  
820 Pine Drive

**Tipton Glen**  
607 Sandpiper Drive

**Trump Chas**  
409 Oak Drive

**VanDyke Fred**  
902 Quail Drive

**VanHandel Wilfred**  
903 Quail Drive

**Volk Fred**  
604 Sandpiper Drive

**Wackley Helen**  
805 Pine Drive

**Walsh Tom**  
408 Oak Drive

**Walters Lewis**  
319 Magnolia Drive

**Warringham Irma**  
202 N Lake Shore Drive

Webb Edwin  
819 Pine Drive

Whitaker Forrest  
911 Quail Drive

Whitman Warren  
305 Magnolia Drive

Whitson John  
411 Oak Drive

Wichser Walter  
808 Pine Drive

Wildenberg Raymond  
1001 Sunset Dr

 Williams Jack  
105 Lake Shore Circle

Wise James  
905 Quail Dr

Witten Winfred  
222 Lake Shore Drive

Wolf James  
404 Oak Dr

Wollums John  
407 Oak Drive

Wythe Joseph  
416 Oak Drive

# OWNER'S POLICY OF TITLE INSURANCE

OR984759-0

ISSUED BY



**Commonwealth.**  
Land Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest:

*James J. Lynch, Jr.*  
Secretary



By:

*[Signature]*  
President

President

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (i) to timely record the instrument of transfer; or
    - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

Issued with Policy No. OR984759-L

COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY  
SCHEDULE A

Amount of Insurance: \$1,000,000.00

Policy No. OR984759-O

Customer File No.98-10-1064

Premium:

Date of Policy: October 27, 1998 @ 4:32 P. M.

1. Name of Insured:

Eustia Associates, L.L.C., a Michigan Limited Liability Company

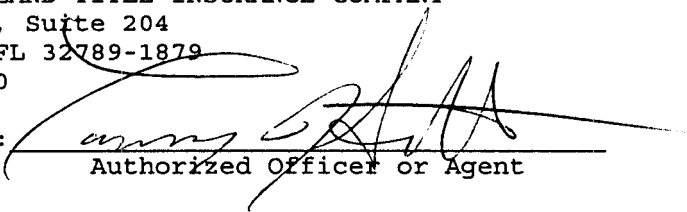
2. The Estate or interest in the land described herein and which is covered by this policy is a fee simple interest, and is at the date of policy hereof vested in the named insured as shown by instrument recorded in Official Records Book 1655, page 985, of the Public Records of Lake County, Florida.

3. The land referred to in this policy is described as follows:

LEGAL DESCRIPTION IS ATTACHED HERETO AND MADE A PART HEREOF

COMMONWEALTH LAND TITLE INSURANCE COMPANY  
2233 Lee Road, Suite 204  
Winter Park, FL 32789-1879  
(407) 645-1070

Countersigned:

  
Authorized Officer or Agent

Policy No. OR984759-O  
Customer File No. 98-10-1064

**LEGAL DESCRIPTION**

Parcel 1:

E 1/2 of Government Lot 5 (E 1/2 of SE 1/4 of SE 1/4), Section 24, Township 18 South, Range 25 East, Lake County, Florida.

Parcel 2:

NW 1/4 of NE 1/4, Section 25, Township 18 South, Range 25 East Less right-of-way for State Road and Less that part lying Southwesterly of right-of-way of State Road No. 452, Lake County, Florida.

Parcel 3:

Begin 1802.38 feet North of the Southeast corner of NE 1/4, Section 25, Township 18 South, Range 25 East, Lake County, Florida, run West to West line of E 1/2 of NE 1/4, North to North line of Section, East to Northeast corner of Section, South to Point of Beginning.

**END OF LEGAL DESCRIPTION**

**SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Easements or claims of easements not shown by the public records.
2. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey or inspection of the premises.
3. Taxes for the year 1998 and any taxes and assessments levied or assessed subsequent to the date hereof. Said taxes become a lien as of January 1, 1998, but are not due and payable until November 1, 1998, pursuant to section 197.333 F.S.
4. Drainage Easement granted to State of Florida, as recorded in Deed Book 369, page 481, over the N 1/2 of NE 1/4, Section 25, Township 18 South, Range 25 East, Public Records of Lake County, Florida.
5. Reservation of an easement for ingress and egress over the North 50 feet of the West 50 feet of Parcel #3, as set forth in Deed recorded in Official Records Book 452, page 744, and Agreement of Understanding regarding Easement recorded in Official Records Book 662, page 285, Public Records of Lake County, Florida.
6. Environmental Easement dated July 15, 1986, recorded July 30, 1986 to Lake County, Florida, recorded in Official Records Book 885, page 341, Public Records of Lake County, Florida.
7. Distribution Easement to Florida Power Corporation recorded June 7, 1988 in Official Records Book 967, page 2095, Public Records of Lake County, Florida.
8. Sovereignty Submerged Land Lease from Board of Trustees of the Internal Improvement Trust Fund to Homeward Corporation recorded February 2, 1989 in Official Records Book 997, page 1871, Assumption of Sovereignty Submerged Land Lease recorded April 27, 1990 in Official Records Book 1055, page 1710 and Sovereignty Submerged Land Lease Renewal recorded June 11, 1996 in Official Records Book 1443, page 910, Public Records of Lake County, Florida.
9. The insured land shall not include any mobile home or manufactured housing unit, or appurtenant fixtures attached thereto, which may be affixed to the land.
10. Title to no portion of the insured land lying below the ordinary high water line (mark) of any navigable waterbody is insured.
11. The right, title, or interest, if any, of the public to use any part of the land seaward and/or lakeward of the most inland of any of the following: a) the natural line of vegetation; b) the most extreme highwater line; c) the bulkhead line; and d) any other line which has been legally established as relating to such public use.
12. Any claim that any part of said land is owned by the State of Florida by right of sovereignty and riparian rights, if any.
13. Transfer of Sewer and Water Infrastructure to Lake Yale Utility Company with Access Easements dated March 29, 1994, recorded August 9, 1994 in Official Records Book 1311, page 1575, Public Records of Lake County, Florida.
14. Conditions in Notice of Settlement Agreement dated May 30, 1997, recorded June 3,

Policy No. OR984759-O  
Customer File No. 98-10-1064

1997 in Official Records Book 1521, page 1739, Public Records of Lake County, Florida. (See Mandate recorded in Official Records Book 1421, page 1612, Public Records of Lake County, Florida)

15. Fixtures and items as set forth in Bill of Sale to Lake Yale Treatment Associates, Inc., for water and sewer treatment plant, recorded October 27, 1998 in Official Records Book 1655, page 887, Public Records of Lake County, Florida. are excluded from coverage.
16. Rights of tenants as tenants only as set forth on the attached rent roll.
17. Mortgage from Eustia Associates, L.L.C., a Michigan limited liability company to Old Kent Bank, a Michigan banking corporation, dated October 22, 1998, recorded October 27, 1998 in Official Records Book 1655, page 987, Public Records of Lake County, Florida, in the original principal amount of \$1,000,000.00.

**END OF SCHEDULE B**



LAKE YALE  
(ONE PAGE)

Alexander Ed	Lot 121	213.60	
Beattie Pat	lot 127	213.60	
Deboer Gary	Lot 123	213.60	
Ellis Dan	Lot 88	201.27	
English Jack	Lot 42	164.30	
Ennis Wm	Lot 107	201.27	
Evans Doug	Lot 48	164.30	
Garwig Wm	Lot 68	153.07	special rate until 9/99
Ghioto Joe	Lot 35	164.30	
Groome Jean	Lot 36	164.30	
Hadaway Harry	Lot 108	201.27	
Harvey George	Lot 84	201.27	
Jones George	Lot 120	213.60	
Kane Dan	Lot 85	201.27	
Kerridge Chuck	Lot 130	201.27	
Lay Bob	Lot 41	164.30	
Mohel Harry	Lot 40	189.58	
Price Boyce	Lot 125	213.60	
Richmond Dick	Lot 115	213.60	Stockholder does not pay
Sager Norma	Lot 43	164.30	
Soalzo Ed	Lot 37	164.30	
Seifert John	Lot 51	176.62	
Stoehr Dick	Lot 34	164.30	
Thesman Ruben	Lot 126	164.30	
Varady Rus	Lot 45	164.30	
Wildenberg Ray	Lot 13	164.30	