

# Hopping Green & Sams

Attorneys and Counselors

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December 1, 2010

COMMISSION  
CLERK

**BY HAND-DELIVERY**

100452-SU

Ann Cole  
Director, Division of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

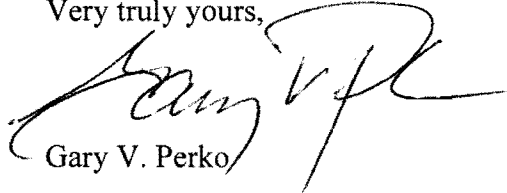
Re: Application for Transfer of Majority Organizational Control of Hunters Ridge Utility Co. of Lee County; and Request for Cancellation of Certificate No

Dear Ms. Cole:

Subject to approval of the Commission, Hunters Ridge Community Association, Inc. ("Community Association"), a non-profit corporation, has agreed to purchase the entire stock of Hunters Ridge Utility Co. of Lee County ("Utility"), which currently provides wastewater services exclusively to members of the Community Association pursuant to Certificate No. 472-S. For the Commission's review and approval, I enclose the original and five copies of an Application for Transfer of Majority Organization Control of the Utility, as well as check in the amount of \$1,500 for the application fee. Subject to the Commissions' approval of the transfer, the Community Association respectfully requests cancellation of the Utility's certificate (No. 472-S), pursuant to Section 376.022(7), Florida Statutes, which provides an exemption from regulation for non-profit corporations providing service solely to their members.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning it to me. If you have any questions regarding this filing, please give me a call at 425-2359.

Very truly yours,

  
Gary V. Perko

COM \_\_\_\_\_  
APA \_\_\_\_\_  
ECR 4  
GCL \_\_\_\_\_  
RAD \_\_\_\_\_  
SSC \_\_\_\_\_  
ADM \_\_\_\_\_  
OPC \_\_\_\_\_  
CLK Grant

DOCUMENT NUMBER DATE  
09683 DEC-1 2010  
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- B) The name, address and telephone number of the person to contact concerning this application:

Donal Huprich (239) 992-4242  
Name Phone No.

12500 Hunters Ridge Drive  
Street address

Bonita Springs FL 34135  
City State Zip Code

- C) The full name (as it appears on the certificate), address and telephone number of the buyer:

Hunters Ridge Community Association, Inc.  
Name of utility

(239) 992-4242 (239) 992-9138  
Phone No. Fax No.

12500 Hunters Ridge Drive  
Office street address

Bonita Springs FL 34235  
City State Zip Code

N/A  
Mailing address if different from street address

N/A  
Internet address if applicable

- D) The name(s) and address(es) of all of the buyer's corporate officers, directors, partners and any other person(s) who will own an interest in the utility.

Sandra S. Morgan, President 12500 Hunters Ridge Dr., Bonita Springs, FL

R. Thomas Padgett, V. President 12500 Hunters Ridge Dr., Bonita Springs, FL

Fred Forbes, Secretary 12500 Hunters Ridge Dr. Bonita Springs, FL

Harold E. King, Treasurer 12500 Hunters Ridge Dr., Bonita Springs FL

Ben Butler, Director 12500 Hunters Ridge Dr., Bonita Springs, FL

David Miller, Director 12500 Hunters Ridge Dr., Bonita Springs, FL

Dan Wirsbinksi, Director 12500 Hunters Ridge Dr., Bonita Springs, FL

**PART II**      **FINANCIAL AND TECHNICAL INFORMATION**

- A) Exhibit   1   - A statement by the buyer indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.
  
- B) List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

N/A – none

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- C) Exhibit   2   - A copy of the purchase agreement.
  
- D) Exhibit   3   - A statement of how the buyer is financing the purchase.
  
- E) Exhibit   4   - A list of all entities, including affiliate which have provided or will provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.
  
- F) Exhibit   5   - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the DEP.

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

**PART III**      **NOTICE OF ACTUAL APPLICATION**

- A) Exhibit   6   - An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:
  - (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;

- (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;
  - (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission;
  - (4) the regional planning council;
  - (5) the Office of Public Counsel;
  - (6) the Public Service Commission's Office of Commission Clerk;
  - (7) the appropriate regional office of the Department of Environmental Protection; and
  - (8) the appropriate water management district. Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- B) Exhibit 7 - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- C) Exhibit 8 - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

**PART IV FILING FEE**

Indicate the filing fee enclosed with the application:

\$ \_\_\_\_\_ (for water)      \$1,5000 \_\_\_\_\_ (for wastewater).

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

- (1) For applications in which the utility to be transferred has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750**.

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

**PART V     OTHER**

- A) Exhibit 9 - Evidence that the utility owns the land where the utility treatment facilities are located. If the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- B) Exhibit ~~9~~ <sup>N/A</sup> - The original and two copies of revised tariff sheet(s) reflecting the change in ownership. **Sample tariff sheets are attached.**
- C) Exhibit 10 - The utility's current certificate(s). If not available, an explanation of the steps taken to obtain the certificate(s).

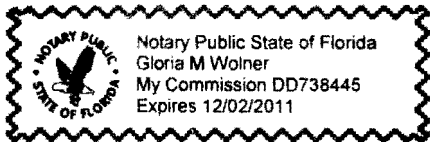
**PART VI    AFFIDAVIT**

I Sandra S. Morgan (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

BY: Sandra S. Morgan  
Applicant's Signature  
Sandra S. Morgan  
Applicant's Name (Typed)  
President  
Applicant's Title \*

Subscribed and sworn to before me this 17<sup>th</sup> day of the month of November  
in the year of 2010 by Sandra S. Morgan who is  
personally known to me or produced the following identification

\_\_\_\_\_  
Type of Identification Produced



Gloria Wolner  
Notary Public's Signature  
Gloria Wolner  
Print, Type or Stamp Commissioned  
Name of Notary Public

\* If applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

## EXHIBIT 1

### Public Interest

Transfer of control and operation of Hunters Ridge Utilities Co. of Lee County Co. ("Utility") to the Hunters Ridge Community Association, Inc. ("Community Association") is in the public interest. The Utility currently provides water and wastewater utility services exclusively to the Hunters Ridge Golf & Country Club community, which consists of approximately two hundred seventy five (275) acres and five hundred fifty (550) living units of either single family homes, villas or condominiums. All owners of these living units are required by the community's Master Declaration and Covenants to be members of the Community Association, which is a non-profit Florida corporation.

Transfer of control of utility services to the Community Association will benefit customers by allowing for more efficient operation of the wastewater system and by eliminating any profit motive. As evidenced by the Financial Statements provided with this exhibit, the Community Association has the financial ability to provide service. Because the Community Association has the ability to assess its members for utility costs, its financial ability is actually greater than the existing utility. The Community Association also has the necessary experience to provide reliable service. The Association's General Manager, Donald Huprich, who also served as the Utility's plant manager for 19 years will serve manage the ongoing operations of the wastewater facilities. Additionally, the current plant operator, Gerald Scott, who has worked at the plant for seven (7) years will continue to work in that position.

Accompanying this exhibit are copies of the following: (a) Hunters Ridge Community Association, Inc. Financial Statements and Supplementary Information for Year ended December 31, 2009; (b) Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hunters Ridge; (c) Amended By-Laws of Hunters Ridge Community Association, Inc., a not-for-profit Corporation; and (d) Minutes of Special Membership Meeting of Hunters Ridge Community Association Inc., approving purchase of Hunters Ridge Utility Co. of Lee County – October 28, 2010.

The buyer, Hunters Ridge Community Association, Inc., will fulfill all commitments, obligations and representations of the Hunters Ridge Utility Co. of Lee County with regards to all utility matters.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK



**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED  
DECEMBER 31, 2009**

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INTEGRITY . . . . KNOWLEDGE . . . . SERVICE . . . . COMMITMENT®

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Hunters Ridge Community Association, Inc.  
Bonita Springs, Florida

We have audited the accompanying balance sheet of Hunters Ridge Community Association, Inc. (the "Association"), as of December 31, 2009 and the related statements of revenues and expenses, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hunters Ridge Community Association, Inc. as of December 31, 2009 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note A to the financial statements, there are delinquent assessments and fees receivable. Management has made an allowance for doubtful accounts in the amount of \$455,000, of which the ultimate collectibility cannot be presently determined. The ultimate realizable value of the assessments and fees receivable may be less than \$3,342,786.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because that determination is outside the scope of the audit.

The supplementary schedule of future major repairs and replacements is not a required part of the basic financial statements but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures to the

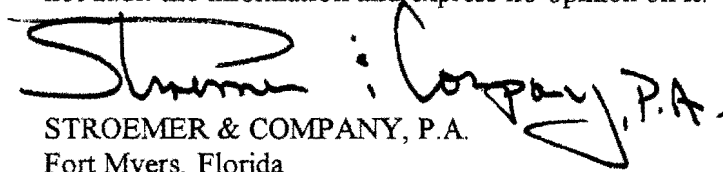
**Affiliations**

Florida Institute of Certified Public Accountants

American Institute of Certified Public Accountants - Management Consulting Services Division / Private Companies Practice Section / Tax Division

Hunters Ridge Community Association, Inc.  
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supplementary information, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink, appearing to read "Stroemer & Company, P.A.", written in a cursive, stylized font.

STROEMER & COMPANY, P.A.  
Fort Myers, Florida  
March 12, 2010

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
BALANCE SHEET  
December 31, 2009**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 483,026	\$ 438,956	\$ 921,982
Certificates of deposit	227,393	729,482	956,875
Assessments and fees receivable, net	3,342,786	-	3,342,786
Due from Grand Pines, Lynx Pass and Pheasant Hollow	425	-	425
Due from operating fund		73,464	73,464
Inventory	13,448	-	13,448
Prepaid insurance	96,719	-	96,719
Property and equipment, net	143,830	-	143,830
Deposits	27,196	-	27,196
<b>TOTAL ASSETS</b>	<b><u>\$ 4,334,823</u></b>	<b><u>\$ 1,241,902</u></b>	<b><u>\$ 5,576,725</u></b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 92,637	\$ -	\$ 92,637
Income taxes payable	1,336	-	1,336
Accrued expenses	92,403	-	92,403
Due to replacement fund	73,464	-	73,464
Deferred assessments and fees	294,564	-	294,564
Deferred dues and fees	2,730,830	-	2,730,830
<b>TOTAL LIABILITIES</b>	<b>3,285,234</b>	<b>-</b>	<b>3,285,234</b>
<b>FUND BALANCES</b>	<b><u>1,049,589</u></b>	<b><u>1,241,902</u></b>	<b><u>2,291,491</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 4,334,823</u></b>	<b><u>\$ 1,241,902</u></b>	<b><u>\$ 5,576,725</u></b>

The accompanying notes are an integral part of this statement.

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
STATEMENT OF REVENUES AND EXPENSES  
Year ended December 31, 2009**

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	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>REVENUES</b>			
Regular assessments	\$ 1,150,987	\$ 124,200	\$ 1,275,187
Golf dues and other income	1,445,560	55,546	1,501,106
Social dues and other income	1,612,518	86,500	1,699,018
Restaurant revenues	634,734	-	634,734
Developer assessments	1,790	-	1,790
Interest income	14,793	4,986	19,779
Late fee income	22,639	-	22,639
	<u>4,883,021</u>	<u>271,232</u>	<u>5,154,253</u>
<b>COST OF SALES</b>			
	<u>217,137</u>	<u>-</u>	<u>217,137</u>
	4,665,884	271,232	4,937,116
<b>EXPENSES</b>			
General and admin - association	1,070,353	-	1,070,353
General and admin - social	1,259,010	-	1,259,010
Golf course expenses	1,351,498	-	1,351,498
Restaurant expenses	475,166	-	475,166
Reserve expenses	-	16,732	16,732
	<u>4,156,027</u>	<u>16,732</u>	<u>4,172,759</u>
	<u>509,857</u>	<u>254,500</u>	<u>764,357</u>
<b>OTHER EXPENSES</b>			
Depreciation expense	<u>136,822</u>	<u>-</u>	<u>136,822</u>
	<u>136,822</u>	<u>-</u>	<u>136,822</u>
<b>TAXES</b>			
Income tax expense	<u>9,294</u>	<u>-</u>	<u>9,294</u>
	<u>9,294</u>	<u>-</u>	<u>9,294</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES</b>	<u>\$ 363,741</u>	<u>\$ 254,500</u>	<u>\$ 618,241</u>

The accompanying notes are an integral part of this statement.

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
STATEMENT OF CHANGES IN FUND BALANCES  
Year ended December 31, 2009**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Balances, January 1, 2009	\$ 935,848	\$ 737,402	\$ 1,673,250
Interfund transfers	(250,000)	250,000	-
Excess of revenues over (under) expenses	<u>363,741</u>	<u>254,500</u>	<u>618,241</u>
Balances, December 31, 2009	<u>\$ 1,049,589</u>	<u>\$ 1,241,902</u>	<u>\$ 2,291,491</u>

The accompanying notes are an integral part of this statement.

**RECONCILIATION OF EXCESS OF REVENUES  
OVER (UNDER) EXPENSES TO NET CASH PROVIDED BY  
(USED IN) OPERATING ACTIVITIES**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Excess of revenues over (under) expenses	\$ 363,741	\$ 254,500	\$ 618,241
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by (used in) operating activities:			
Depreciation	136,822	-	136,822
Increase in assessments and fees receivable	(145,128)	-	(145,128)
Decrease in state sales tax refund receivable	91,573	-	91,573
Decrease in due from Grand Pines, Lynx Pass and Pheasant hollow	267	-	267
Increase in inventory	(2,660)	-	(2,660)
Decrease in prepaid income taxes	5,861	-	5,861
Decrease in prepaid insurance	11,528	-	11,528
Increase in accounts payable	871	-	871
Increase in income taxes payable	1,336	-	1,336
Decrease in accrued expenses	(38,765)	-	(38,765)
Decrease in deferred assessments and fees	(574)	-	(574)
Decrease in deferred assessments and fees	<u>(7,650)</u>	<u>-</u>	<u>(7,650)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 417,222</u>	<u>\$ 254,500</u>	<u>\$ 671,722</u>

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of organization**

Hunters Ridge Community Association, Inc. (the "Association"), which is located in Bonita Springs, Florida was incorporated on May 20, 1988 under the laws of Florida as a not-for-profit organization. The Association's accounting activity began in 1990. The Association is responsible for the operation and maintenance of the common property in accordance with the terms of Florida Statute, Chapters 617 and 720, and the provisions of the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements. The Association consists of 440 villas and single family homes and 110 coach homes. On November 3, 2006, the Association was deeded the Country Club Facility (the "Facility") by BBA Development Corporation. The Facility includes an 18-hole golf course, driving range, practice putting and chipping greens, clubhouse, activities center, maintenance buildings, swimming pools, and tennis courts. As of December 31, 2009, there are 556 social and equity social members and 307 golf and equity golf members.

**Fund accounting**

The Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

**Operating fund**

This fund is used to account for financial resources available for the general operations of the Association.

**Replacement fund**

This fund is used to accumulate financial resources designated for future major repairs and replacements.

The Association prepares its financial statements on the accrual basis of accounting and in accordance with the "Real Estate - Common Interest Realty Association's Topic of the Financial Accounting standards Board ("FASB") Accounting Standard Codification ("ASC").

**Member assessments and fees**

Association members are subject to quarterly assessments and annual membership fees to provide funds for the Association's and the Golf Club



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Member assessments and fees, continued**

Facility's operating expenses, future capital acquisitions and major repairs and replacements. The income and expenses of the Association are allocated to unit owners based on the number of units. Assessments and membership fees receivable at the balance sheet date represent fees due from unit owners and members and prepaid assessments and membership fees represent future fees paid in advance. The Association's policy is to retain legal counsel and place liens on the properties of unit owners whose assessments are delinquent. At December 31, 2009, The Association had \$221,114 in delinquent assessments and \$258,047 in delinquent social and golf membership fees. The Association's management has made an assessment of uncollectible receivables and membership fees and determined that an allowance for uncollectible assessments of approximately \$284,000 and uncollectible membership fees of approximately \$171,000 are needed as of December 31, 2009.

**Prepaid assessments and fees**

Prepaid assessments represent amounts paid to the Association before the assessments were due.

**Capital contributions**

At the time of closing by the initial owner, a \$300 assessment was contributed to the Association to provide additional working capital. However, during the April 30, 2005 Board of Directors meeting, the fees were increased to \$500 effective June 1, 2005. The Association has transferred the capital contributions into the replacement fund.

**Property and equipment**

The Association follows prevalent industry practice, as contained in the "Real Estate - Common Interest Realty Associations Topic of the FASB ASC" in accounting for the common property of the Association. Property that is not associated with the units is capitalized only if the Association has title or other evidence of ownership of the property, and either the Association can dispose of the property at the discretion of the Board of Directors or the property is used by the Association to generate significant cash flows from members on the basis of usage or from nonmembers. As a result, commonly owned assets are not recorded on the Association's financial statements. Assets not recorded on the

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Property and equipment**

books of the Association include buildings, gatehouses and roadways. Property directly associated with the units is not capitalized.

The Association capitalizes personal property at cost and depreciates it using the straight-line method.

**Management estimates**

The preparation of financial statements in conformity with generally accepted United States of America accounting principles requires the Association to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income taxes**

The Association has selected a December 31 year-end and files its income tax return as a regular Corporation under Section 277 of the Internal Revenue Code. Under this Section, the Association is taxed on all net income from nonmembership activities reduced only by losses from nonmembership activities for which a profit motive exists. Nonmembership income may not be offset by membership losses, and any net membership losses may only be carried forward to offset membership income of future tax periods. Any net membership income not applied to the subsequent tax year under Revenue Ruling 70-604 is subject to taxation. The Association files Form 1120, which has graduated federal tax rates of 15% to 39% and a state tax rate of 5.5%, after a \$5,000 income exclusion.

The Association incurred \$7,002 of federal income tax expense and \$2,292 of state income tax expense which was partially offset by prior year overpayments and estimated income taxes of \$7,958 resulting in a federal and state income tax payable of \$1,336. This is reflected on the balance sheet as a liability.

Management has elected to defer the application of certain provisions included in the Income Taxes Topic of the FASB ASC. The Association will continue to

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Income taxes, continued**

follow the Accounting for Contingencies Topic of the FASB ASC, until it adopts Income Tax Topic of the FASB ASC.

**Interest earned**

Interest income earned in the operating fund or the replacement fund is recorded in its respective fund.

**Statement of cash flows**

For purposes of reporting cash flows, the Association considers all short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

**Concentration of credit risk**

The Association maintains accounts at financial institutions in bank deposits which, at times, may exceed federally-insured limits. The Association has not experienced any losses on such accounts and believes it is not exposed to any significant risk on cash.

Concentration of credit risk with respect to the receivables relate to billings to unit owners who pay quarterly assessments and membership fees live within the complex. The Association does not anticipate credit losses in the near future.

**Fair value of financial instruments**

The carrying value of cash and cash equivalents, receivables, prepaids, deposits, payables, accrued liabilities, and deferred assessments and fees approximate fair value due to the short maturity of these financial instruments.

**Revenue recognition**

Assessment revenue and membership fees are recorded quarterly in the amount of the assessment allocation specified for current period operations, based on the annual budget adopted by the Board of Directors. Each unit owner is an Association member and an equal portion of the assessment is assessed for each unit.

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

**NOTE B - CERTIFICATES OF DEPOSIT**

As of December 31, 2009, the Association had certificates of deposit with the following terms:

<u>Description</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
Amarillo National Bank	\$ 94,500	1/7/2010	1.98%
Citizens Business Bank	11,000	1/7/2010	1.98%
Huntington National Bank	94,500	1/7/2010	1.98%
Citizens Business Bank	55,500	1/7/2010	1.98%
MB Financial Bank	94,500	1/7/2010	1.98%
BB&T Bank	227,393	4/24/2010	1.84%
Colonial Bank	162,128	9/22/2010	2.23%
Regions Bank	200,854	7/30/2010	1.69%
TIB Bank	16,500	1/16/2011	2.23%
	<u>\$ 956,875</u>		

**NOTE C - ASSESSMENTS AND FEES RECEIVABLE, NET**

Assessments and fees receivable at December 31, 2009 consists of the following:

	<u>Amount</u>
Single Family - North	\$ 26,308
Single Family - South	71,426
Villas - North	103,131
Villas - South	315,344
Golf memberships	2,160,177
Social memberships	1,094,732
Lynx Pass/Pheasant Hollow	26,257
Less: allowance	(454,589)
	<u>\$ 3,342,786</u>

**NOTE D - INVENTORY**

Inventory at December 31, 2009 consists of the following:

	<u>Amount</u>
Restaurant	\$ 7,395
Bar	5,634
Snack Shop	419
	<u>\$ 13,448</u>

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

**NOTE E - PROPERTY AND EQUIPMENT, NET**

Property and equipment consists of the following as of December 31, 2009:

	<u>Amount</u>
Common area equipment	\$ 46,037
Restaurant/clubhouse equipment	151,020
Activity center equipment	26,719
Fitness center equipment	18,665
Golf course equipment	211,559
Golf carts	<u>91,875</u>
	545,875
Accumulated depreciation	<u>(402,045)</u>
	<u>\$ 143,830</u>

Depreciation for property and equipment for the period ending December 31, 2009 was \$136,822.

**NOTE F - ACCRUED EXPENSES**

Accrued expenses at December 31, 2009 consists of the following:

	<u>Amount</u>
Accrued wages payable	\$ 6,706
FICA payable	532
SUTA payable	290
FUTA payable	695
Sales tax payable	78,906
Gift certificates payable	3,416
Gratuities payable	<u>1,858</u>
	<u>\$ 92,403</u>

**NOTE G - DEVELOPER ASSESSMENTS**

In accordance with the Amended and Restated Master Declaration of Covenants, Conditions, Restrictions and Easements for Hunters Ridge Community Association, Inc., Section 4.10:

Notwithstanding any provision of this Declaration or the Association's Articles or By-Laws to the contrary, each remaining site owned by the Declarant upon the turnover date of January 1, 2007 and subject to assessments for the common areas shall thereafter be assessed at twenty-five percent (25%) of the annual assessment established for the single family sites owned by members other than the Declarant. Also, Declarant shall not be responsible for any costs,

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

**NOTE G - DEVELOPER ASSESSMENTS, CONTINUED**

including but not limited to, any reserves for replacements, operating reserves, depreciation reserves, capital expenditures, special assessments, and or bad debt. Declarant shall be assessed only for single family sites that are subject to this Declaration, and shall not be assessed any costs, including but not limited to, dues, fees, minimums, assessments, expenditures, and reserves for the operation of the Country Club Facilities. Upon transfer of title of a single family site owned by the Declarant, the site shall then be assessed in the amounts established for sites owned by owners other than the Declarant for both the Common Areas and Country Club Facilities, prorated as of and commencing with the date of transfer of title.

**NOTE H - OPERATING AND REPLACEMENT FUND BALANCES**

Operating fund at December 31, 2009 consists of the following:

	<u>Amount</u>
Golf	\$ 376,135
General	<u>673,454</u>
	<u>\$ 1,049,589</u>

Replacement fund at December 31, 2009 consists of the following:

	<u>Amount</u>
Golf	\$ 372,309
Capital and deferred maintenance	391,660
Villa exterior south	127,404
Villa exterior north	172,266
Capital improvements	<u>178,263</u>
	<u>\$ 1,241,902</u>

**NOTE I - REPLACEMENT FUND**

The Association's governing documents allow for funds to be accumulated for future major repairs and replacements. These funds may be spent for any purposes approved by the Board of Directors.

The Board of Directors periodically reviews the major components of common property and establishes estimated remaining useful lives and replacements costs for Association assets. No outside independent analysis of remaining useful lives

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

**NOTE I - REPLACEMENT FUND, CONTINUED**

or future replacements costs has been conducted by the Association.

The Association is currently partially funding for such major repairs and replacements over the estimated useful lives of the components based on current replacement costs, using the straight-line method. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, levy special assessments, borrow, or delay repairs and replacements until funds are available.

The following represents changes in the replacement fund:

	Beginning Fund				Ending Fund
	<u>Balance</u>	<u>Revenues</u>	<u>Transfers</u>	<u>Expenses</u>	<u>Balance</u>
Restricted for:					
Roofs - cart barn	\$ 3,719	\$ 1,258	\$ 5,597	\$ -	\$ 10,574
Roofs - 1/2 maint. facility	744	251	1,119	-	2,114
Greens replacement	37,184	12,572	55,954	-	105,710
Fairway replacement	56,665	19,160	85,270	-	161,095
Irrigation system	7,437	2,514	11,190	-	21,141
Golf carts	5,949	2,012	8,952	-	16,913
Painting - cart barn	521	176	784	-	1,481
Bridges and walls	37,184	12,572	55,954	-	105,710
Golf course equipment	16,733	5,658	25,180	-	47,571
Roofs - clubhouse	30,587	6,622	-	-	37,209
Roofs - activity center	15,529	3,362	-	-	18,891
Painting - clubhouse	2,824	611	-	-	3,435
Painting - activity center	1,412	306	-	-	1,718
Pool resurfacing	8,234	1,783	-	-	10,017
Property ins. deductible	70,585	15,281	-	-	85,866
Tennis courts	25,881	5,603	-	-	31,484
Air conditioning units	29,411	6,367	-	-	35,778
Floor covering	14,117	3,056	-	-	17,173
Furniture	17,647	3,820	-	-	21,467
Restaurant equipment	11,764	2,547	-	-	14,311
Computer and software	11,764	2,547	-	-	14,311
Villas - south	52,504	72,446	-	(7,546)	117,404
Villas - north	117,874	53,578	-	(9,186)	162,266
Roofs - 1/2 maint. facility	7,940	714	-	-	8,654

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2009**

**NOTE I - REPLACEMENT FUND, CONTINUED**

	Beginning Fund				Ending Fund
Restricted for:	<u>Balance</u>	<u>Revenues</u>	<u>Transfers</u>	<u>Expenses</u>	<u>Balance</u>
Security entrance roof	-	714	-	-	714
Perimeter fencing	87,347	7,851	-	-	95,198
Road resurfacing	63,524	5,710	-	-	69,234
Well pumps and fountains	1,822	2,141	-	-	3,963
Capital contribution	500	-	-	-	500
Villa insurance reserve	-	20,000	-	-	20,000
	<u>\$ 737,402</u>	<u>\$ 271,232</u>	<u>\$ 250,000</u>	<u>\$ (16,732)</u>	<u>\$1,241,902</u>

**NOTE J - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date which the financial statements were available to be issued.



**SUPPLEMENTARY INFORMATION**

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
SCHEDULE OF FUTURE MAJOR REPAIRS AND  
REPLACEMENTS (UNAUDITED)  
December 31, 2009**

The Association's Board of Directors conducted a study in 2008 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were obtained from licensed contractors who inspected the property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation or interest rates between the date of the study and the date that the components will require repair or replacement.

The following table is based on estimates provided by the Board of Directors and presents significant information about the components of common property:

<u>Component</u>	<u>Estimated Remaining Useful Life</u>	<u>Estimated Current Replacement Costs</u>	<u>Replacement Fund Balance at Year End Date</u>
Roofs - cart barn	3 years	\$ 50,000	\$ 10,574
Roofs - 1/2 maint. facility	3 years	10,000	2,114
Greens replacement	9 years	500,000	105,710
Fairway replacement	9 years	762,000	161,095
Irrigation system	9 years	100,000	21,141
Golf carts	3 years	80,000	16,913
Painting - cart barn	1 year	7,000	1,481
Bridges and walls	9 years	500,000	105,710
Golf course equipment	4 years	225,000	47,571
Roofs - clubhouse	3 years	130,000	37,209
Roofs - activity center	9 years	66,000	18,891
Painting - clubhouse	1 year	12,000	3,435
Painting - activity center	1 year	6,000	1,718
Pool resurfacing	9 years	35,000	10,017
Property ins. deductible	3 years	300,000	85,866
Tennis courts	9 years	110,000	31,484
Air conditioning units	4 years	125,000	35,778
Floor covering	4 years	60,000	17,173
Furniture	4 years	75,000	21,467
Restaurant equipment	4 years	50,000	14,311
Computer and software	4 years	50,000	14,311
Villas - south	3-28 years	2,512,500	117,404
Villas - north	2-9 years	1,372,000	162,266
Roofs - 1/2 maint. facility	3 years	10,000	8,654

**HUNTERS RIDGE COMMUNITY  
ASSOCIATION, INC.  
SCHEDULE OF FUTURE MAJOR REPAIRS AND  
REPLACEMENTS (UNAUDITED), CONTINUED  
December 31, 2009**

<u>Component</u>	<u>Estimated Remaining Useful Life</u>	<u>Estimated Current Replacement Costs</u>	<u>Replacement Fund Balance at Year End Date</u>
Security entrance roof	10 years	10,000	714
Perimeter fencing	4 years	110,000	95,198
Road resurfacing	4 years	80,000	69,234
Well pumps and fountains	4 years	30,000	3,963
Capital contributions	0 years	-	500
Villa insurance reserve	0 years	20,000	20,000
		<u>\$ 7,397,500</u>	<u>\$ 1,241,902</u>

AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS  
FOR  
HUNTERS RIDGE

THIS AMENDED AND RESTATED DECLARATION, is made this day of, 2006, by BBA Development Corporation, A Florida Corporation, hereinafter referred to as "Declarant", or "Developer".

W I T N E S S E T H:

WHEREAS, Declarant is the Owner of certain real property located in Lee County, Florida, herein referred to as "the Properties" and desires to create a residential community which consists of single family, villa and condominium residences on platted lots, common areas and recreation areas, known as HUNTERS RIDGE, and

WHEREAS, Declarant wishes to provide for the preservation and maintenance of the appearance, values and amenities of HUNTERS RIDGE and, for the preservation and protection of wetlands, uplands and lakes in the Properties. To this end, Declarant desires to subject the real property described in Exhibit "A" and Exhibit "B" to the terms, conditions, rights and obligations of this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for HUNTERS RIDGE, herein called the "Declaration" and has created a not-for profit membership corporation, the Hunters Ridge Community Association Inc., hereinafter referred to as the "Association", given the power and duty of maintaining and administering the Common Areas and attendant facilities, and of enforcing this "Declaration", and given the power and duty of maintaining and administering the "Country Club Facility" as that term is defined in Article I Section 1.04, subject however, to the rights of the Declarant as stated in Article IX Section 9.02 of this Amended Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the properties in Exhibit "A" and Exhibit "B" shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of such Owner thereof.

ARTICLE I  
DEFINITIONS

1.01 "Association" shall mean and refer to Hunters Ridge Community Association, Inc., its successors and assigns.

1.02 "Board of Directors" or "Board" shall mean and refer to the representative body which is responsible for the administration of the "Association". At least two-thirds (2/3) of the Board shall consist of Golf Members and/or Charter Members who have elected to be Golf Members.

1.03 "Common Areas" shall mean all real property to be owned by the Association for the common use and enjoyment of the Owners, their agents, assigns, employees and invitees, including certain wetlands and uplands preservation areas. The Common Areas include all land which is subject to this Declaration less and excepting the Sites which will be developed by Declarant for sale to Owners. The Common Areas do not include the "Country Club Facility" as defined in Section 1.04 below. All of the said Common Areas shall be deeded by Declarant to the Association as hereafter provided.

1.04 "Country Club Facility" shall mean the eighteen (18) hole golf course, driving range, practice putting and chipping greens, cart storage building, maintenance building, clubhouse, activity center, swimming pools, tennis courts, and other attendant facilities which are located on both the north and south parcels of the Hunters Ridge Development.

1.05 "Declarant" or "Developer" shall mean and refer to BBA Development Corporation, a Florida Corporation.

1.06 "Institutional Mortgagee" shall mean and refer to the holder of a first mortgage against a Site which holder is a bank, savings and loan association, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns, or any entity recognized in the community as an institutional lender.

1.07 "Lot", "Site" or "Unit" shall mean and refer to any parcel of land including a platted lot, villa/town home site, or condominium unit containing one residential dwelling unit.

1.08 "Member", shall mean and refer to all those Owners who are members of the "Association".

1.09 "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Site situated upon the Properties but shall not mean or refer to any mortgagee unless and until any such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.10 "Properties" or "Property" shall mean and refer to that certain real property described in "Exhibit A" and Exhibit "B", and such additions thereto as may hereafter be brought within the jurisdiction of the Association and submitted to the Declaration.

1.11 "Single Family" shall mean a family unit comprised of the owner, spouse, children, their parents, or other person permanently cohabiting with the Owner or together with the Owner as a primary occupant.

ARTICLE II  
PROPERTY RIGHTS

2.01 Every Owner shall have a right and easement of enjoyment in and to the Common Areas together with a nonexclusive easement of ingress and egress over the private roadways which right and easement of enjoyment shall be appurtenant to and shall pass with title to every Site subject to the following provisions:

A. The right of the Association's Board to charge all Owners reasonable fees for the upkeep, maintenance and repair of the Common Areas, equipment or structures situated upon the Common Areas.

B. The right of the Association's Board to dedicate, or transfer or grant an easement or property rights to all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

C. The right of the Association's Board to promulgate, modify, amend and enforce reasonable rules and regulations relating to the use and enjoyment of the Common Areas, and use of the Sites.

D. Ownership of each Site shall entitle the Owner or Owners thereof to an easement over any portion of their driveway located beyond their Site line.

E. Utility easements are hereby reserved throughout the properties as may be required to adequately serve the properties.

F. Easements for ingress and egress and rights-of-way are reserved for pedestrian traffic over, through, on and across all Common Areas and upon all sidewalks, paths, walkways, lanes and avenues, as the same from time to time exist upon the Common Areas; and for vehicular traffic over, through and across such portions of the Common Areas as from time to time may be installed for such purposes.

2.02 Any Owner may delegate, in accordance with and subject to the By-Laws and this Declaration, his/her right of enjoyment to the Common Areas and its facilities to the members of his/her family and invitees who reside on a Site.

2.03 There shall be no judicial partition of the Common Areas, nor shall the Association's Board or any Owner or any other person acquiring any interest in the Properties, or any part thereof seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any Site owned in Co-tenancy.

2.04 Within the easements for installation and maintenance of utilities and any drainage facilities, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements.

2.05 No owner of any Site may take any action or use any Site which would violate that certain Resolution Number ZAB-85-273 of the Board of County Commissioners of Lee County, Florida, dated December 16, 1985, creating the zoning for the Properties.

ARTICLE III  
MEMBERSHIP AND VOTING RIGHTS  
IN THE ASSOCIATION

3.01 Every person and the spouse thereof or entity who is a record fee simple Owner of a Site, including Declarant, at all times so long as it owns all or any part of the property subject to the Declaration, shall be a member of the Association provided that any such person or entity who holds such interest only as security of the performance of an obligation shall not be a member. If any such Owner is not a natural person, the subject entity shall designate a natural person who will be the "primary occupant" and such natural person shall exercise the Site's membership rights. Membership shall be appurtenant to, and may not be separated from ownership of any Site which is subject to assessment. When any Site is owned of record by two or more persons or other legal entity, all such persons or entities shall be members. The Declarant shall also be a member so long as it owns any portion of the Properties.

3.02 The members of the Association shall be entitled to one (1) vote for each Site owned by them. The total votes shall not exceed the total number of Sites. The vote of a Site shall not be divisible. If a Site is owned by one natural person, his right to vote shall be established by the record title to the Site. If a Site is owned jointly by two or more natural persons they must decide which one (1) owner will be the designated voter for that site by completing a Voting Certificate and having the Voting Certificate on file in the Association Administrative Office. If the Owner of a Site is not a natural person, the vote of that Site shall be cast by the Sites's primary occupant designated as set forth above. All sites must have a Voting Certificate on file with the Association Administrative Office.

3.03 After the Country Club Facility has been conveyed to the Association, voting rights for the various types of memberships in the Country Club Facility are referenced and explained in Article IX.



ARTICLE IV  
COVENANTS FOR ASSESSMENT

4.01 Subject to the provisions of Article IV, Section 4.10 herein, each Owner of any Site (by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance) including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association maintenance assessments or charges for the applicable Common Areas, and any special assessments to be fixed, established and collected from time to time as hereinafter provided. All such assessments, together with interest thereon from 30 days after the due date at the highest rate as allowed by law, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Site(s) against which each such assessment is made, and shall also be the personal obligation of the Owner. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the applicable Common Areas or by abandonment, or otherwise.

4.02 The annual and special assessments as determined by the Association's Board shall be levied by the Association's Board and shall be collected as provided for herein to be used exclusively for the purpose of promoting the betterment of the Properties including but not limited to the following:

A. Improvements, maintenance, management, repair, restoration or replacement of the Common Areas and the Country Club Facility and its attendant facilities:

1. all streets, parking areas and sidewalks, to the extent that such improvements are a part of the Common Areas, and the Country Club Facility;
2. all landscaped areas including lawns, shrubs, trees and other plantings located on Common Areas, and the Country Club Facility;
3. all equipment and facilities owned by or acquired by the Association located on the Common Areas, and the Country Club Facility;
4. all wetlands, lakes and upland vegetation areas designated as Common Areas and golf course areas;

5. Nonpotable water, electrical lighting, directional signage and other necessary utility services for the Common Areas, and the County Club Facility;

6. Maintenance and repair of all storm drains, drainage courses, drainage easements, sprinkler systems in the Common Areas, utility easements, and the Country Club Facility;

7. The control of exotic vegetation and annual removal thereof;

8. Maintenance of fences, signs and entry gates and related facilities that are part of or appurtenant to improvements constructed on the Common Areas, and the Country Club Facility;

B. Hiring management and payment of management fees and charges, and hiring of professional staff and services for the operation and maintenance;

C. Fire insurance covering the full insurable replacement value of the Common Areas and the Country Club Facility with extended coverage;

D. Liability and Casualty insurance providing for replacement cost coverage insuring the Association against any and all liability to the public, to any Owner, or to the invitees, or tenants of any Owner arising out of their occupation and/or use of the Common Areas, and the Country Club Facility. The policy limits shall be set by the Association's Board, and shall be reviewed at least annually and increased or decreased in the discretion of the Association's Board. The Association's Board shall adequately insure all Country Club facilities and Club properties with replacement cost coverage;

E. Workmen's compensation insurance to the extent necessary to comply with the Florida Statutes, and any other insurance deemed necessary by the Association's Board, including but not limited to Fidelity Bonds and liability insurance for Officers and Directors;

F. Acquisition of equipment for the Common Areas, and the Country Club Facility as may be determined by the Association's Board, including without limitation, all

equipment and personnel necessary or proper for use for maintenance of the Common Areas, and the Country Club Facility;

G. Any other materials, supplies, equipment, labor, management, supervision, services, personnel, repairs, structural alterations, insurance, taxes or assessments which the Association's Board is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Association's Board for the operation of the Common Areas, and the Country Club Facility, for the benefit of the Owners and for the betterment of the Properties, or for the enforcement of these restrictions;

H. Establishment of reserve accounts as needed for capital expenditures and deferred maintenance for the Common Areas, and the Country Club Facility;

4.03 All regular and special assessments for items pertaining to the Common Areas shall be at a uniform rate for each Site in the Properties.

4.04 In addition to the annual assessments, the Association's Board may levy in any assessment year special assessments from time to time, for reconstruction, unexpected repair, replacement of a capital improvement and/or insurance deductibles as approved by the Association's Board.

The Association's Board may also levy special assessments upon each villa owner to recover the uninsured cost of reconstruction of villa exteriors destroyed or damaged as a result of any cause, including but not limited to fire, wind storm, flood or tornado, only if the Association is insuring all villa units exteriors under one (1) building property insurance policy.

4.05 The assessments for which provision is herein made shall be paid quarterly, in advance, or as fixed by the Association's Board to be the date of commencement.

4.06 An assessment may not be levied at an Association Board meeting unless the notice of the meeting includes a statement that assessments will be considered and states the nature of the assessments. Written notice of any Association Board meeting at which special assessments will be considered must be mailed to the members and posted conspicuously on the

property not less than fourteen (14) days before the meeting. The Association's Board shall fix the date of commencement, and the amount of the assessments against each Site for each assessment at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Site Owners and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member. Not later than fourteen (14) days after fixing the date of commencement and amount of assessments, the Association's Board shall notify Site Owners by sending written notice of such commencement date and amount to said Site Owners at the address as shown on the current roster of members, which notice shall be conclusive as to delivery to Site Owners. The Association's Board shall, on demand, and for a reasonable charge, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such Certificate of Assessment shall be conclusive evidence of payment of any assessment therein stated to have been paid.

4.07 If any assessment is not paid within (30) days from its due date as determined by the Association's Board pursuant to this Declaration, the Association's Board may, at any time thereafter, record a lien against said Site in the Public Records of Lee County, Florida, and bring an action to foreclose the lien in a like manner as a foreclosure of a mortgage on real property and/or a suit on the personal obligation against the Owner(s), and there shall be added to the amount of such assessment any late fees, the cost of any such action including reasonable attorney's fees, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, together with costs of the action.

4.08 The lien of the assessment for which provision is herein made as well as in any other Article of this Declaration shall be subordinate to the lien of any first mortgage to an institutional lender unless the Claim of lien is recorded prior to the mortgage. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Site(s) pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure and shall relieve any Site(s) neither from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment.

4.09 The following property subject to this Declaration shall be exempted from the assessments charges and liens created herein:

A. All properties to the extent of any easement or other interest therein dedicated and accepted by Lee County and devoted to public use.

B. All Common Areas as defined in Article I, Section 1.03.

C. The Country Club Facility.

D. All property that has not been platted or improved for development.

4.10 Notwithstanding any provision of this Declaration or the Association's Articles or By-Laws to the contrary, each remaining site owned by the Declarant upon the turnover date of January 1, 2007 and subject to assessments for the common areas shall thereafter be assessed at twenty-five percent (25%) of the annual assessment established for single family sites owned by members other than the Declarant. Also, Declarant shall not be responsible for any costs, including but not limited to , any reserves for replacements, operating reserves, depreciation reserves, capital expenditures or special assessments and/or bad debt. Declarant shall be assessed only for single family sites that are subject to this Declaration, and shall not be assessed any costs, including but not limited to, dues, fees, minimums, assessments, expenditures and reserves for the operation of the Country Club facilities. Upon transfer of title of a single family site owned by the Declarant, the site shall then be assessed in the amounts established for sites owned by owners other than the Declarant for both the Common Areas and Country Club facilities, prorated as of and commencing with the date of transfer of title.

4.11 Site Owners shall be responsible for the interior and exterior maintenance of their residence and lawn and landscaping maintenance unless the exterior maintenance is being performed by the Association and/or the Association's Board. In the event a Site Owner shall fail to maintain the residence or lawn and landscaping on that Owner's Site, in accordance with the standards established by the Board of Directors of the Association, the Association's Board shall provide upon any Site requiring same when necessary in the opinion of the Association's Board to preserve the beauty, quality and value of

the properties, said maintenance, including painting, cleaning and repair of roof, gutters, downspouts, exterior building surfaces (including walls, doors and fences), roof replacement, restoration or repair of destroyed or damaged improvements on any Site, restoration or repair of any party walls as hereinafter defined when such replacement, restoration or repair is the duty of the Site Owner as hereinafter provided, lawn fertilization, lawn irrigation, lawn replacement and mowing, shrubbery trimming and replacement. Except in the case of an emergency, the Association's Board shall give to the Site Owner thirty (30) days written notice of the need of such replacement, restoration, repair or maintenance and if the Site Owner fails to replace, restore, repair or perform the required maintenance after such notice, the Association's Board may perform said replacement, restoration, repair or maintenance. In the case of an emergency, the Association's Board may immediately perform said replacement, restoration, repair or maintenance.

The cost of said maintenance shall be assessed against the Site upon which such maintenance is performed, or, at the option of the Association's Board, against the Site or Sites benefiting from the maintenance, replacement, restoration or repair. The said assessment shall be a lien on the Site so assessed and the personal obligation of the Site Owner and shall become due and payable in all respects, together with interest, reasonable attorney's fees and costs of collection in the same manner and under the same condition as provided for the other assessments of the Hunters Ridge Community Association.

#### ARTICLE V VILLA PARTY WALLS

5.01 Each wall which is built as part of the original construction of any villa residence upon any Site and placed on the dividing boundary line between villa residences shall constitute a party wall, and to the extent not inconsistent with this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

The cost of reasonable repair and maintenance of a party wall, after Association insurance proceeds have been determined and/or applied, if any, shall be shared by the Owners who make use of the wall in proportion to such use.

If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and

after Association insurance proceeds have been determined and/or applied, if any, if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions. This paragraph shall be deemed to be in addition to, and not in lieu of, to the exclusion of the rights afforded the Association above.

Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE VI  
ARCHITECTURAL CONTROL, LANDSCAPING AND  
RECONSTRUCTION REQUIREMENTS

6.01 In the event that any of the improvements located on a Single Family Home site are destroyed or damaged as a result of any cause, including, but not limited to fire, windstorm, flood or tornado, the Owner of such improvements shall cause repair or replacement of such improvements to be commenced within ninety (90) days from the date that such damage or destruction occurred, and to complete the repair or replacement within twelve (12) months thereafter.

Likewise, in the event that any of the improvements located on either a villa or condominium (coach home) site are destroyed or damaged as a result of any cause, including, but not limited to fire, windstorm, flood or tornado, the owner of such improvements shall cause repair or replacement of such improvements to be commenced and completed within the same time periods mentioned in the paragraph above.

All such repairs or replacement must be in conformance with this Declaration and criteria of the Architectural Review Board and shall be structurally compatible with any adjoining improvements which share a party wall as the phrase is defined herein.

In the event that the Owner of any Site fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for herein, then in that event, the Association's Board shall be deemed to have been granted the right by the Owner to commence and or complete the repairs sufficient to substantially restore the improvements to their original condition, according to the plans and specification of the original improvements.

Any and all costs incurred by the Association's Board in effecting the repair or replacement of damaged or destroyed improvements shall become due and payable in all respects, together with interest, reasonable attorney's fees and costs of collection, as provided or in connection with and under the same terms and conditions as other assessments of the Association.

6.02 No improvement, addition or deletion of structure of any kind, including without limitation, any building, fence, wall, screen enclosure, awning, drain, disposal system, or other improvement shall be commenced, erected, placed or maintained upon any Site, nor shall any addition, change (including but not limited to changes made in exterior colors of any site/residence done by way of painting), alteration, repair or replacement therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by the Architectural Review Board. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography.

6.03 All exotic vegetation on any Site shall be removed at least annually. No Site Owner shall plant any of the following nuisance vegetation: Mellaleuca, Australian Pine, Brazilian Pepper, Cuban Laurel, Downy Rose Myrtle. No native trees or shrubs shall be cleared from the Properties unless diseased or dying or necessary for the construction of residences on the Sites, roads, drainage or utilities. Any fill placed on any Site shall not exceed minimum county requirements for site drainage. All landscaping of the Sites shall include no less than fifty percent (50%) of naturally occurring plant species on each Site. All landscaping of the Common Areas shall include no less than ninety percent (90%) of naturally occurring plant species.

6.04 The architectural review and control functions of the Association shall be administered and performed by the Architectural Review Board (the ARB), which shall consist of at



least three (3) members, who need not be members of the Association. Members of the ARB shall be appointed by and shall serve at the pleasure of the Board of Directors of the Association. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB.

Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof, shall be filled by the Association's Board.

6.05 The ARB shall have the following powers and duties:

(a) To recommend, from time to time, to the Association's Board the creation of or modification and/or amendment of any architectural planning criteria promulgated by the Board. Any architectural planning criteria or modifications or amendment thereto shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a majority of the members of the Association's Board at a meeting duly called and noticed and at which a quorum is present. Notice of the adoption, modification or amendment to the architectural planning criteria, including a verbatim copy of such adoption, change or modification, shall be made available to each member of the Association upon request;

(b) To require submission to the ARB of two (2) complete sets of all plans and specifications for any improvement or structure of any kind, including without limitation, any building, wall, swimming pool, tennis court, enclosure, sewer, drain, disposal system, decorative building, landscape device, object or other improvement, the construction or placement of which is proposed upon any Site in the Properties. The ARB may also require submission of samples of building materials proposed for use on any Site, and may require such additional information as may reasonably be necessary for the ARB to completely evaluate the proposed structure or improvement in accordance with this Declaration and the architectural planning criteria;

(c) To approve or disapprove any improvement or structure of any kind, including without limitation any building, wall, screen enclosure, drain or disposal system or other improvement or change or modification thereto, the

construction, erection, performance or placement of which is proposed upon any Site in the Properties, and which is visible from the outside of any Site. All decisions of the ARB shall be submitted in writing to the Association's Board. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the Association's Board within thirty (30) days of such decision for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be final;

(d) To adopt a vegetation list of approved shrubbery, lawn materials, trees or plants which may be planted on any Site;

(e) To adopt a schedule of reasonable fees for processing requests for the ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association at the time that plans and specifications are submitted to the ARB;

(f) The ARB may authorize variances from compliance with any of the architectural control provisions of the Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing, (ii) be contrary to the restrictions set forth in this Declaration, or (iii) estop the Committee from denying a variance in other circumstances; and

(g) Neither the Association, the Board of Directors, the ARB nor any member thereof, nor any duly authorized representative of any of the foregoing, shall be liable to any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance or non-performance of the ARB's duties hereunder. The ARB shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition solely on the basis of aesthetic considerations and the benefit or detriment which would result to the immediate vicinity and to Properties generally. The ARB shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes

and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, or warranty as to, any plan or design from the standpoint of structural safety or conformance with building or other codes.

ARTICLE VII  
USE RESTRICTIONS

7.01 The property subject to these covenants and restrictions may be used for single-family residence and for no other purpose. No trade, business, profession or other type of commercial activity which is visibly observable from the exterior, or which employs any person - full or part-time-who is not a resident therein, may be conducted on any part there on. The storage of inventory used in any trade, business, or other commercial activity is prohibited on any site. No signage, lettering or advertising of any commercial activity is allowed on any site except signs pursuant to Article VII Section 9.

7.02 No tents, trailers or above ground tanks shall be erected or permitted to remain on any Site or in the Common Areas.

7.03 No antenna, or satellite dish over twenty four inches (24") in diameter shall be placed or erected upon any Site, or affixed in any manner to the exterior of any building.

7.04 No boats or personal watercraft, trailers, recreational vehicles, commercial vehicles, ATVs or other vehicles, as determined by the Association's Board, except four-wheel passenger vehicles, pick up trucks, SUVs, and vans, shall be placed, parked, or stored outside, on any site, or in the Common Areas. No maintenance or repair shall be performed on any site upon any motor vehicle or boat, except within a building where totally isolated from public view.

7.05 The covering (including but not limited to plastic tarps, cloth vehicle covers, etc.) of any kind of vehicle which is placed or parked outside is strictly prohibited.

7.06 No portion of any Site or the Common Areas shall be used as a drying or hanging area for laundry of any kind.

7.07 No animals of any kind shall be raised, bred or kept on any Site or the Common Areas. However, common household pets may be kept on Sites subject to such rules and regulations as may be adopted by the Association's Board. No animals shall be allowed to run loose/roam free at any time or to become a nuisance. All pet owners must clean up after their pets. If in the sole opinion of the Association's Board any pet becomes the source of unreasonable annoyance or a threat to the health, safety and welfare to others, or the Owner of the pet fails or refuses to comply with these restrictions, the Owner, upon written notice, shall remove the pet from the community. Pets may not be left unattended or leashed in yards, patios or screened porches. In addition to the foregoing certain aggressive breeds of dogs and exotic animals as determined by the Association's Board, including but not limited to, Pit Bulls, Rottweilers, Dobermans and Chows or exotic hybrid animals or reptiles shall not be permitted.

7.08 Nothing shall be done or maintained on any Site or the Common Areas which may be or become unsightly or a nuisance to the Community. In the event of a dispute or question as to what may be or become unsightly or a nuisance, such dispute or question shall be submitted in writing to the Association's Board, whose decision shall be final as to such dispute or question.

7.09 No sign larger than 6 inches by 12 inches of any kind, including a sign identifying real estate property for sale, shall be displayed to public view on any Site or Common Area except for street or traffic control signs, or as placed by the Association's Board.

7.10 All property rentals are subject to such Rules and Regulations as adopted by the Association's Board. Authority is also given to the Association's Board to approve or disapprove prospective leases prior to the effective date of the lease. The Association's Board may charge a reasonable fee for this rental application process.

7.11 The Association's Board may schedule and prioritize unit owners/members use of any and all club amenities/facilities while also restricting renters use of the same amenities/facilities. The Association's Board may charge guest fees for the use of any and all club amenities/facilities.

7.12 No automobile garage shall be permanently enclosed or converted to other use. Automobile and golf cart garage doors

must be kept closed at all times except when actively being used by the occupant of the dwelling.

7.13 No rubbish, trash, garbage or other waste materials shall be kept or permitted at the driveway area, or any other outside area of any site. Sanitary containers may be placed outside in the driveway area of any site for a reasonable period of time for refuse pickup to be accomplished.

7.14 No lawn or garden cuttings or other residue shall be disposed of in any of the Common Areas, wetlands, lakes or upland preservation areas.

7.15 No upland or wetland preservation areas may be altered or modified without appropriate governmental permits and approvals, nor may any toxins, oils or lubricants be used in these areas.

7.16 Chemicals shall not be used as a littoral zone vegetation control.

7.17 Any revegetation on any Site shall utilize naturally occurring plant species.

7.18 No fences of any kind shall be permitted on any site, except as required by law.

7.19 No signs advertising boat, automobile, golf cart or truck sales shall be allowed inside or on any vehicle which is placed, parked or stored outside on any site or in the common areas. Garage sales are prohibited.

7.20 No ATVs (all terrain vehicles) may be driven on the streets or in the Common Areas.

7.21 No vehicle may be parked in the streets at any time, except for deliveries or property maintenance.

7.22 The Association's Board shall have the authority to establish fines and/or penalties for the infraction of the above listed Use Restrictions. Unit owners/members who have guests and/or renters that violate these Use Restrictions are held responsible for their guests and/or renters fines and/or penalties. Agents for the Association's Board will impose the fines and/or penalties and should any dispute arise, such

dispute should be put in writing and forwarded to the Association's Board within thirty (30) days. After final review the determination of the Association's Board shall in all events be final.

ARTICLE VIII  
EASEMENTS FOR MAINTENANCE, CONSTRUCTION AND REPAIR

8.01 The Declarant hereby reserves unto itself, its agents, employees, invitees and assigns, and for the benefit of the Association, and the Association's agents, employees, invitees and assigns, a non-exclusive easement for ingress and egress over any Site located in the Properties in order to gain access to the Common Areas for the Association to discharge its duties to construct, maintain and repair the Common Areas and for the purpose of maintaining the Properties by the Association in a manner consistent with the Association's maintenance obligations of the Common Areas or rights provided herein.

8.02 Each Site and the Common Areas shall be and hereby are made subject to easements for construction, development, repair and maintenance of utilities, systems and facilities (including, but not limited to, fire and police protection, garbage and trash removal, water and sewage system, electric and gas service, drainage and telephone, and roadways and driveways) and the utilities and applicable governmental agencies having jurisdiction thereover and their employees and agents shall have the right of access to any Site or the Common Areas in furtherance of such easements.

ARTICLE IX  
GOLF COURSE AND CLUBHOUSE

9.01 The Declarant is the owner of the eighteen (18) hole golf course, driving range, practice putting greens, cart storage building, maintenance building, clubhouse, activity center, swimming pools, tennis courts, and other attendant facilities (herein called the "Country Club Facility") which is located on both the South and North Parcels of the Hunters Ridge Development, the location and property lines to be substantially as shown on the Master Concept Plan filed with the Lee County authorities, but the exact location of the property lines of the Country Club Facility and any easements that are necessary for the beneficial use and enjoyment thereof shall be determined by the Declarant in its sole discretion.

9.02 The Declarant shall operate and maintain the Country Club Facility at such times and in such manner as it deems appropriate until such time as the Declarant conveys the Country Club Facility and Common Areas to the Association as herein provided in accordance with subparagraph 9.03. This right to operate the Country Club Facility shall include the right to allow non member use of the Country Club Facility until such time as there are 425 active Golf Memberships issued, at which time the Declarant's right to allow non member use of the Country Club Facility shall terminate. Also, after the Country Club Facility has been conveyed to the Association, the Association's Board may reduce the number of active Golf Memberships if they so decide. For purposes of this Article IX, the term "active Golf Memberships" shall include Charter Members that have elected to be Golf Members as well as regular Golf Memberships.

9.03 The Declarant shall convey the legal or equitable title and ownership of the Country Club Facility and the Common Areas to the Association effective as of January 1, 2007. The conveyance of the Country Club Facility and the Common Areas to the Association shall be by quitclaim deed which shall convey all of the Declarant's right, title and interest in the Country Club Facility and the Common Areas free and clear of any financial liens or other financial encumbrances and free of any cost to the Association. The Declarant shall not be required to provide any title insurance coverage, abstract of title or survey with respect to the Country Club Facility or the Common Areas, and any such title insurance coverage, abstract of title or survey requested by the Association shall be at the sole cost and expense of the Association.

9.04 Membership in the Association shall be mandatory and shall require the member to maintain either a Charter Membership, a Golf Membership or a Social Membership in the Country Club Facility. 147 Charter Memberships were issued to all existing third parties who owned Lots or Sites in the Hunters Ridge Development as of the date of the First Amendment to the Declaration (November 22, 1991) without the payment of any initiation fee. No further Charter Memberships shall be issued, but all such Charter Memberships shall be transferred to the purchaser of the Lot or Site to which it applies as hereinafter provided. All memberships after November 22, 1991 shall be either Golf Memberships or Social Memberships and shall be issued to each owner of a Lot, Site or other residential dwelling unit upon the closing of the purchase of a Lot, Site or other residential dwelling unit and upon the payment of the

initiation fee from time to time established by the Association's Board for such membership, unless otherwise waived by the Association's Board, in accordance with criteria set forth in Article IX subsection 9.16.

9.05 The total number of memberships shall not exceed 562 or the total number of Lots, Sites and other residential dwelling units constructed within the Hunters Ridge Development, whichever is less. Active Golf memberships shall not exceed an aggregate of 425 in number. Owners of Lots, Sites or residential dwelling units who do not maintain a Charter or Golf Membership shall maintain a Social Membership.

9.06 The appropriate Membership Certificate shall be issued to each owner of a Lot, Site or other residential dwelling unit in a form which is substantially in the format of the Certificates which are attached hereto and the owners of each Lot, Site or other residential dwelling unit shall designate the individual in whose name the membership shall be issued. Until such time as the owner designates the member as herein required and files a copy of the Membership Certificate with the Association's Board which designates the individual who is to be the member, such member or the person or persons authorized to use the Country Club Facility through such member shall not be authorized to use the Country Club Facility without the prior consent of the Association's Board.

9.07 Upon the transfer and conveyance of a Lot, Site or other residential dwelling unit to a third party, the member selling said Lot, Site or other residential dwelling unit shall surrender his or her membership Certificate to the Association's Board and a new Certificate shall be issued to the new owner of the Lot, Site or other residential dwelling unit who shall thereupon designate on such Certificate the individual who shall be the member and shall cause a copy of such new membership Certificate to be filed with the Association's Board.

9.08 Membership and the right to use the Country Club Facility associated with such membership for purposes of Article IX shall mean the person designated on the membership Certificate as the member, his or her spouse, or one other adult person who is unmarried and has the same permanent address as that person of the member under whom he or she is claiming if the member is also unmarried, and all children of such member who are under the age of twenty one (21) years and whose permanent address is the same as that of the member under whom they are claiming membership. Membership shall not include two



or more families or individuals (except as herein otherwise provided) owning or occupying a Lot, Site or residential dwelling unit within the Hunters Ridge Development by way of joint ownership of such property and in such instance the joint owners must designate the individual who is to be the member in the Country Club Facility. Likewise, a Lot, Site, or residential dwelling unit owned by a corporation or other entity shall also designate in writing to the Association's Board one individual who shall be designated as the member of the Country Club Facility.

9.09 The memberships herein provided, which entitle the owners thereof to membership in the Country Club Facility according to the terms of such membership, shall be appurtenant to and run with the title of the lot, site, or other residential dwelling unit. The type of membership which was elected and maintained by such owner shall automatically transfer to the purchaser of such Lot, Site or other residential unit. Charter or Golf memberships may be surrendered to the Association's Board after the Country Club Facility has been conveyed to the Association, and a Social Membership shall thereafter be issued to the member in lieu thereof upon terms and conditions from time to time adopted by the Association's Board after the Country Club Facility has been conveyed to the Association. In the event a Golf Membership is surrendered to the Association's Board, the member may not thereafter elect to change back to a Golf Membership except upon such terms and conditions including an initiation fee as are then in effect and as established by the Association's Board. If a member surrenders a Golf Membership so that the number of existing Golf Memberships is less than 425, or such number as has been determined by the Association's Board, members of the Association who are Social Members may elect to become Golf Members in accordance with the rules, procedures and priorities among such Social Members, and upon the payment of such initiation fee as may be established by the Association's Board.

9.10 In the event a member fails to pay the required annual dues levied by the Association's Board, within sixty (60) days of the due date of such dues, the Association's Board shall have the right and option of terminating the membership of such delinquent member. The Association's Board shall not be obligated to exercise this right and option and the failure to exercise this right and option shall in no way eliminate or alter the liability of the delinquent member from the payment of any dues, penalties or interest that may be due and payable with respect to such membership. In the event the Association's

Board elects to terminate a Charter or a Golf Membership, the terminated Charter or Golf Member shall thereafter become a Social Member with all of the rights, duties and privileges associated therewith. And further, in the event a member fails to comply with all rules and regulations established by the Association's Board, the Association's Board is granted the authority to discipline, suspend and/or terminate such member as the Association's Board deems necessary.

9.11 A Charter Member may elect to be either a Golf Member or a Social Member and may change the type of membership from year to year by paying the annual dues associated with the type of membership desired. In the event a Charter Member elects to be a Social Member, such membership shall not be counted as an active Golf Membership for purposes of this Article IX. The election between being a Golf Member or a Social Member must be made on an annual basis, prior to the beginning of the calendar year or immediately after purchasing a Charter Membership site, and cannot be changed during any calendar year once an election has been made for such year without the consent of the Association's Board. A Charter member who elects to be a Golf Member shall have all of the rights and privileges herein given to a Golf Member so long as he or she maintains a Golf Membership. After the Country Club Facility has been conveyed to the Association, a Charter Member, even if such Charter Member elects to be a Social Member during any particular calendar year or years, shall be entitled to vote on all issues brought before the Association which require a vote of the Golf Membership and such Charter Membership shall entitle the Charter Member to a proportional pro rata ownership interest in the assets owned by the Association upon dissolution, voluntary or involuntary, of the Association. In consideration of its right to vote on all issues relative to the Country Club Facility, and its right to share in assets upon dissolution, a Charter Member, whether it has elected either a Social or Golf Membership, shall be responsible for all assessments or debts in relation to the Country Club Facility.

9.12 A Golf Membership shall entitle the persons as herein stated to the use of the Country Club Facility, including, without limitation, the golf course, driving range, practice putting green and other related golf course facilities upon payment of the annual golf dues without further charge for green fees or practice range balls. A Golf Membership shall entitle the persons as stated herein to the use of a privately owned golf cart by paying the required trail fee from time to time established by the Association's Board so long as the privately

owned golf carts meet the criteria of the Association's Board as to appearance. When not in use, a privately owned golf cart must be stored in a garage where it is not visible from the street or the golf course. Any violation of this provision may allow the Association's Board to suspend the member's use of such privately owned golf cart until such time as the member has taken action satisfactory to the Association's Board to correct such violation. A Golf Membership does not include the cost of renting a golf cart owned or provided by the Association. A Golf Membership shall entitle the member to priority on tee times in accordance with rules established from time to time by the Association's Board. After the Country Club Facility has been conveyed to the Association, a Golf Member shall be entitled to vote on all issues brought before the Association which require a vote of the membership and such Golf Membership shall entitle the Golf Member to a proportional pro rata ownership interest in the assets owned by the Association upon any voluntary or involuntary dissolution of the Association as in the case of Charter members, and the Golf Member shall be responsible for all debts, expenses and assessments in relation to the Country Club Facility.

9.13 A Social Membership shall entitle the persons as herein stated to the use of the clubhouse, activity center, tennis courts and swimming pool, but shall specifically exclude the use of the golf course, driving range, practice putting green and other golf course related facilities. A person holding a Social Membership may be entitled to use the golf course facilities upon such terms and at such times and upon payment of such fees as from time to time may be established by the Association's Board in its sole discretion. A Social Membership shall entitle the persons as stated herein to the use of a privately owned golf cart by paying the required fee from time to time established by the Association's Board so long as the privately owned golf carts meet the criteria of the Association's Board as to appearance. The payment of the required fee shall not be construed as a right to use the privately owned golf cart on the golf course without payment of the established cart fee. When not in use, a privately owned golf cart must be stored in a garage where it is not visible from the street or the golf course. Any violation of this provision may allow the Association's Board to suspend the member's use of such privately owned golf cart until such time as the member has taken action satisfactory to the Association's Board to correct such action. A Social Member who is not a Charter Member shall only be entitled to vote on issues directly relating to the maintenance of the common areas, the operation

and maintenance of the clubhouse, activity center, tennis courts, swimming pools and the election of the Board of Directors, and shall be financially responsible for all costs, expenses, debts and assessments for those facilities and activities. A Social Member, who is not a Charter Member, shall have no financial obligation for any cost, expenses or assessments associated with the golf course and its related facilities. A Social Member shall have no ownership interest in the assets owned by the Association. In the event the Association is ever dissolved, a Social member shall remain responsible for all expenses and debts associated with the common areas and all expenses, debts or assessments of or to the Country Club Facility with the exception of the golf course and related facilities.

9.14 If a Charter or Golf Membership is surrendered to the Association's Board as provided herein, then an additional Golf Membership may be issued in its place in order to maintain a total of 425 active Golf Memberships. After the Country Club Facility has been conveyed to the Association, the Association's Board may elect not to issue a new Golf Membership upon the surrender of a Golf Membership to the Association's Board. A Charter member who has elected to be a Social member may always convert to a Golf member the following calendar year regardless of any other restrictions as to the maximum number of Golf memberships.

9.15 Without limiting the powers of the Association's Board the Association's Board shall have the following powers in addition to those otherwise enumerated herein:

A. To establish and collect on a yearly basis the amount and payment terms for the golf and social membership dues, the golf cart trail fees, the club food and beverage minimum, the maintenance assessments or charges for the Common Areas, and the guest fees to be charged for the use of any and all Country Club facilities/amenities.

B. To promulgate reasonable rules and regulations governing the use of the Country Club Facility and the Common Areas and to enforce said rules and regulations.

C. To charge and collect a reasonable greens fee for non member play on the golf course and use of the Country Club Facility, when deemed in the best interest of the Association.

D. To approve of and collect special assessments for the maintenance, operation, improvement, enhancement or replacement of any Country Club Facility or Common Area facility for the purpose of promoting the betterment of those facilities.

E. In the event that any fee or assessment under subsections A, C and D above is not paid within sixty (60) days of its due date, the Association may record a lien against such site, bring a foreclosure action of such lien or bring any other legal proceeding to enforce said payment and the site owner shall be responsible for all costs of said action, including attorneys fees and interest, which shall be added to the fee or assessment.

9.16 Notwithstanding any other provisions of the Master Declaration as amended hereby to the contrary, the Association's Board reserves the absolute right to deny to members the use rights in the appropriate facilities for the type of membership chosen as a result of the nonpayment of dues, fees or assessments, whether Charter, Golf or Social Members, and such denial of use shall in no way affect the duty and personal obligation of such members to pay the required dues, fees and assessments plus any interest, penalties or other costs of collection, including reasonable attorney fees, that may be associated therewith. The Association's Board may waive the requirement that a member of the Association maintain a social or golf membership in the Association; provided, however, such waivers shall be issued solely in the discretion of the Association's Board, for a period not to exceed the year in which the waiver is requested, and shall be limited to cases in which maintaining a membership would create a substantial hardship on the owner of the Lot, Site or other residential dwelling unit. A member must in all events maintain membership in the Association and pay the common charges and assessments associated with the common area, and if applicable villa and condominium, maintenance of the Hunters Ridge Development.

9.17 Easements to permit the doing of every act necessary, proper and convenient to the playing of golf on the golf course adjacent to the Lots, Sites or other residential dwelling units which are subject to the Master Declaration are hereby granted and established. These acts shall include, but are not limited to, the recovery of golf balls from any area of such Lots, Sites or other residential dwelling units, the flights of golf balls over and upon such Lots, Sites, or other residential dwelling units, the use of necessary and usual equipment upon such golf

course (and golf course easements as set forth herein), the usual and common noise level created by the playing of the game of golf, together with all of the other common and usual activities associated with the operation of a golf course. For any Lot, Site or other residential dwelling unit which shall abut a pond or lake in the Hunters Ridge Development and which as a result thereof, shall not have direct access to the golf course, there is created hereby a walkway easement over and across any Lot, Site or other area upon which a residential dwelling unit is located which shall constitute the nearest and most practicable route to the golf course for said owner. In the event of disputes among owners regarding the location of any such walkway easement the Association's Board shall establish the location of said walkway, which decision shall be binding upon all Lot, Site or other residential dwelling unit owners involved.

9.18 All purchasers of Lots, Sites or other residential dwellings units in the Hunters Ridge Development hereby consent to the irrigation of the golf course located within the Hunters Ridge Development with treated effluent, provided said effluent is emanated from an approved treatment plant with a current operating permit from the State of Florida, Department of Environmental Regulation.

9.19 The voting rights and procedures which are set forth in the Bylaws of the Association which are attached to the Master Declaration and recorded in the Public Records of Lee County, Florida, are hereby amended to the extent necessary to allow and implement the distinction of voting rights herein established between the Charter and Golf Members and the Social Members. The Charter and Golf Members are hereby expressly authorized to call meetings which relate solely to the operation and maintenance of the golf course without notice to the Social Members and the Social Members shall not be included in establishing whether or not a quorum is present for such meeting.

ARTICLE X  
GENERAL PROVISIONS

10.01 The Association shall maintain a littoral zone area of between ten percent (10%) to twenty percent (20%) between lakes and wetland preserves, and shall maintain a hydrological regime through the water management system on the Properties for the purpose of enhancing the water quantity, quality and hydroperiod of the lakes and wetlands located on the Properties.

10.02 Any awards for the taking of all or any part of the Common Areas by condemnation or eminent domain shall be used to make the remaining portion of the Common Areas usable in the manner approved by the Association's Board. The balance of such awards, if any, shall be distributed to the Charter and Golf Members equally.

10.03 The covenants and restrictions of this Declaration shall run with and bind the properties, and shall inure to the benefit of and be enforceable by the Association's Board or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall automatically be extended for successive periods of ten (10) years unless an affirmative vote by owners holding not less than sixty percent (60%) of the voting interests of the membership has been cast, agreeing to change or terminate said covenants and restrictions in whole or in part. Violation or breach of any conditions, covenants or restrictions herein contained shall give the Association's Board and/or Owner (s) in addition to all other remedies, the right to proceed at law or in equity to compel a compliance with the terms of said conditions, covenants or restrictions and to prevent the violation or breach of any of them, and the expense of such litigation shall be borne by the then Owner or Owners of the subject property, provided such proceeding results in a finding that such Owner was in violation of said covenants or restrictions. Expenses for litigation shall include reasonable attorneys' fees incurred by the Association's Board in seeking such enforcement.

10.04 Any notices required to be sent to any member or Owner under the provision of this Declaration shall be deemed to have been properly sent when mailed, post paid, to the last known address of the person who appears as a member or Owner on the records of the Association at the time of such mailing.

10.05 Invalidation of any one or more of these covenants and restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

10.06 Declarant reserves the right unilaterally to amend this Declaration and to do so at any time or times upon such conditions, in such form and for such purposes as it shall in its sole discretion deem appropriate by preparing and recording amendments hereto, provided however, that this right of unilateral amendment shall expire after January 1, 2007. After the Country Club Facility has been conveyed to the Association, this Declaration may be amended at any time upon the affirmative vote of two-thirds (2/3) of the members of the Board of Directors and thereafter, by Owners holding not less than a majority of the voting interest of the membership. Any amendment to this Declaration which would affect the surface water management system including the water management of the Common Areas or golf course, must have the prior approval of the South Florida Water Management District.

10.07 Whenever the singular is used it shall include the plural and the singular, and the use of any gender shall include all genders.

10.08 This Amended and Restated Declaration shall become effective upon its recording in the Public Records of Lee County, Florida. Official copies of the Master Declaration documents are made available via email to all owners/members upon written request.





EXHIBIT "A"  
LEGAL DESCRIPTION

All of that certain subdivision known as HUNTERS RIDGE, according to plat thereof recorded in Plat Book 41, Pages 1 through 13 inclusive, Public Records of Lee County, Florida, including replatted portions of the same as follows:

a) Hunters Ridge, a replat of portions of Tracts "E" and "F" and all of Tract "H", recorded at Plat Book 44, Pages 37 - 43 of the Public Records of Lee County, Florida;

b) Hunters Ridge, a replat of a portion of Tract "F", recorded at Plat Book 44, Pages 48 - 52 of the Public Records of Lee County, Florida;

c) Hunters Ridge Phase 5, a replat of portions of Tracts "E" and "F", recorded at Plat Book 52, Pages 56 - 65 of the Public Records of Lee County, Florida;

d) Hunters Ridge Phase 5B, a replat of a portion of Tract "M" and a portion of Tract "E", recorded at Plat Book 55, Pages 80 - 82 of the Public Records of Lee County, Florida;

e) Hunters Ridge Block L, a replat of a portion of Tract "L", recorded at Plat Book 51, Pages 37 - 38 of the Public Records of Lee County, Florida;

EXHIBIT "B"  
LEGAL DESCRIPTION

All of the plats known as HUNTERS RIDGE NORTH, according to plats thereof recorded in the following:

HUNTERS RIDGE NORTH, Unit One, Plat Book 58 Pages 7 through 9 inclusive, Public Records of Lee County, Florida;

HUNTERS RIDGE NORTH, Unit Two, Plat Book 61, Pages 44 through 49 inclusive, Public Records of Lee County, Florida;

HUNTERS RIDGE NORTH, Unit Three, Plat Book 64, Pages 46 through 50 inclusive, Public Records of Lee County, Florida;

HUNTERS RIDGE NORTH , Unit Four, Plat Book 66, Pages 77 through 79 inclusive, Public Records of Lee County, Florida;

HUNTERS RIDGE NORTH, Unit Five, Plat Book 75, Pages 1 through 10 inclusive, Public Records of Lee County, Florida.

AMENDED BY-LAWS  
OF  
HUNTERS RIDGE COMMUNITY ASSOCIATION, INC.  
A NOT-FOR-PROFIT CORPORATION

ARTICLE I  
NAME, LOCATION AND DEFINITIONS

The name of the corporation is HUNTERS RIDGE COMMUNITY ASSOCIATION, INC., a Florida Corporation, not for profit, hereafter referred to as the "Association." The principal office of the corporation shall be located at 12500 Hunters Ridge Drive, Bonita Springs, FL 34135, or such other place as established by the Association but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

The terms used in these By-laws shall have the meanings as provided in Article I of the Master Declaration of Covenants, Conditions and Restrictions for Hunters Ridge.

ARTICLE II  
MEMBERS AND MEETINGS OF MEMBERS

Section 1. Qualification. Every person or entity who is a record fee simple Owner of a Site and his or her domestic partner including Declarant, at all times so long as it owns all or any part of the property subject to this Declaration, shall be a member of the Association provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. If any such owner is not a natural person, the subject entity shall designate a natural person who will be the "primary occupant" and such natural person shall exercise the Site's membership rights. Membership shall be appurtenant to, and may not be separated from ownership of any Site which is subject to assessment. When any Site is owned of record by two or more persons or other legal entity, all such persons or entities shall be members. The Declarant shall also be a member so long as it owns any portion of the Properties.

Section 2. Voting Rights. The members of the Association shall be entitled to one (1) vote for each Site owned by them. The total votes shall not exceed the total number of Sites. The vote of a Site shall not be divisible. If a Site is owned by one natural person, his/her right to vote shall be established by the record title to the Site. If a Site

is owned jointly by two or more natural persons they must decide which one (1) owner will be the designated voter for that Site by completing a Voting Certificate and having the voting Certificate on file in the Association Administrative Office. If the Owner of a Site is not a natural person, the vote of that Site shall be cast by the Site's primary occupant designated as set forth above. All sites must have a Voting Certificate on file with the Association Administrative Office.

Section 3. Change in Membership. A change in membership in the Association shall be established by the recording in the Public Records of Lee County, Florida, a deed or other instrument establishing a record title to a Site and forwarding a copy of same to the Association. Thereupon the grantee in such instrument will become a member of the Association and the membership of the prior Owner shall thereby be automatically terminated. Upon such transfer of title, the transferee shall notify the Association of such transfer and provide to the Association an address to which all notices and correspondence should be sent. If the said transferee fails to notify the Association of such transfer of title, the Association shall not be responsible to mail or deliver notices and correspondence to the said Owner.

Section 4. Termination of Membership. The termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Association during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former Owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

Section 5. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association at a time as may be determined by the Board, and each subsequent regular annual meeting of the members shall be held yearly thereafter, at the hour and date to be determined by the Board.

Section 6. Special Meetings. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of one-fourth (1/4) of all members entitled to vote.

Section 7. Notice of Meetings. Written notice of every meeting of the members at which each member is entitled to vote

thereat, shall be given by, or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, at least thirty (30) days before such meeting. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting the purpose of the meeting.

Section 8. Quorum. The presence at the meeting of a majority of the members entitled to vote, in person or by proxy, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws.

Section 9. Proxies. At all meetings of the Association, each member shall vote in person or by proxy as hereinafter set forth. Each member may designate as its proxy any person, including a member of the Board of Directors, to cast its vote on a proxy form established by the Board.

Section 10. Adjourned Meetings. If a quorum is not present at any duly called meeting of the members, the majority of the voting interests present may adjourn the meeting to a later date when a quorum may be obtained. When a meeting is adjourned, it shall not be necessary to give notice of the time and place of its continuance if such are announced at the meeting being adjourned.

Section 11. Order of Business. The order of business at members meetings shall be substantially as follows:

- (a) Call of the roll and certification of quorum and proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of Officers.
- (e) Reports of committees.
- (f) Election of Directors.
- (g) Unfinished Business.
- (h) New Business.
- (i) Adjournment.

Section 12. Minutes. Minutes of all meetings of the Association and of the Board of directors shall be kept in a businesslike manner and available for inspection by members or their authorized representatives at the Association's principal office at all reasonable times and for a period of seven years after the meeting.

Section 13. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the law, or with the Declaration or these By-Laws.

ARTICLE III  
BOARD OF DIRECTORS

Section 1. Number and Composition. The affairs of the Association shall be managed by a Board of five (5) directors or such other number subsequently established by the Board. At least two-thirds (2/3) of the Board shall consist of Golf Members and/or Charter Members who have elected to be Golf Members.

Section 2. Term of Office. Each director elected by the members shall hold office for a term of one year, or as subsequently established and/or determined by the Board.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his duties.

ARTICLE IV  
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of directors shall be made by the Nominating Committee. Nominations to the Board of Directors may also be made from the floor at the annual meeting. The Nominating Committee for the Board of Directors shall consist of a Chairman, who shall be a

member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than ninety (90) days prior to the annual meeting of the Association. The Nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. The persons receiving the largest number of votes shall be elected, subject to Article I, Section 1.02 of the Master Declaration of Covenants and Article III, Section 1 of these By-Laws. Cumulative voting is not permitted.

#### ARTICLE V MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held as determined by the Board, but not less than quarterly, with notice to all members, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by a majority of the directors, after not less than two (2) days notice to all members.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present, either in person or by telephone conference call, at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Open Meeting. Meetings of the Board of Directors shall be open to all members except for meetings between the Board and its attorney with respect to proposed or pending litigation or where the contents of the discussion would otherwise be governed by the attorney-client privilege.



ARTICLE VI  
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. In addition to the powers granted by and the duties imposed by law, the Board of Directors shall have the power and duty to:

(a) Adopt and publish rules and regulations governing all Common Areas and the Country Club Facility and the personal conduct of the members, their guests and tenants thereon and to establish penalties for the infraction thereof:

(b) Suspend the right of a member to use the Country Club Facility during any period in which said member shall be in default in the payment of any assessment levied by the Association and to suspend the right of a member to use the Country Club Facility for non compliance with any rule or regulation established by the Association for a period to be determined by the Board of Directors. A suspension for an infraction of any rule or regulation shall only take place after notice of the infraction to the member and a hearing, unless waived by the member, before a committee created and appointed by the Board for that purpose;

(c) Exercise for the Association all powers, duties and authorities vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent for three (3) consecutive regular meetings of the Board of Directors;

(e) Employ a manager, an independent contractor, or such employees as they may deem necessary and to prescribe their duties;

(f) Appoint from time to time such standing or temporary committees as the Board may deem necessary and convenient for the effective and efficient operation of the Association including but not limited to a Membership Committee, a House committee and a Finance/Long Range Planning Committee;

(g) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any

special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(h) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(i) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(j) Procure and maintain adequate Directors and Officers liability, hazard and other types of insurance on property owned or maintained by the Association;

(k) Cause all Officers or employees having fiscal responsibilities to be bonded, as and if they may deem appropriate;

(l) Cause the Common Areas and Country Club Facility to be maintained;

(m) Fix, levy, collect and enforce payment by any lawful means of all charges or special assessments, and all office and other expenses in connection therewith incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association. Any special assessment will require the affirmative vote of a majority of the Board of Directors. Any assessment exceeding in total one million dollars (\$1,000,000.00) to be assessed upon the entire membership or the golf and charter members shall be approved by a majority of the Board and shall thereafter be submitted to the full membership or to the golf and charter members in accordance with the Declaration at a meeting called and noticed for said purpose at which meeting the affirmative vote of a majority of a quorum present or by proxy shall be required for approval. This requirement of member approval may be waived by the Board in the event of an emergency caused by a local or national disaster, or where necessary to protect, preserve or restore the existing infrastructure of the Association, the Country Club Facility or the Association's members.

(n) As more fully provided in Article IV of the Declaration to : (1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period; (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and (3) foreclose the lien against any property for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same;

(o) To own, hold, improve, and build upon, operate and maintain real and personal property in connection with the affairs of the Association and by vote of a majority of the Board of Directors and an affirmative vote of a majority of a quorum of members present or by proxy, to convey, sell, lease, transfer, dedicate for public use or otherwise dispose of the Association's real or personal property. This section shall not apply to the orderly disposition of used or replaced personal property;

(p) Borrow money and with consent of a majority of a quorum of the members present or by proxy at a meeting called for said purpose mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred with the exception of the leasing of personal property in connection with affairs of the Association wherein a security interest is required;

(q) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility, for purposes deemed reasonable and necessary by the Board;

(r) Have and to exercise any and all powers, rights and privileges which a corporation organized under the not-for-profit Corporation Law of the State of Florida by law may now or hereafter have or exercise.

ARTICLE VII  
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other Officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article, however, no person shall simultaneously hold the office of President and Secretary.

Section 8. Duties. The duties of the officers are as follows:

PRESIDENT

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, promissory notes and other written instruments after approval is given by the Board, and may co-sign any checks.

VICE-PRESIDENT

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act; and shall exercise and discharge such other duties as may be required of him by the Board, and may co-sign any checks.

SECRETARY

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of members; keep appropriate current records showing the members of the Association together with their addresses and shall perform such other duties as required by the Board, and may co-sign any checks.

TREASURER

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all leases, mortgages, deeds, promissory notes and other written instruments after approval has been given by the Board; may co-sign any checks; keep proper books of account, cause an annual audit of the Association books of account, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting; and deliver a copy of each to the members.

ARTICLE VIII  
BOOKS AND RECORDS

The books, records and papers of the Association shall, at all times during reasonable hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE IX  
FISCAL MATTERS AND ASSESSMENTS

Section 1. Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate as allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas, or abandonment of his Site.

Section 2. Bank Accounts. The Association shall maintain its accounts in such financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles.

Section 3. Budget. The Board of Directors shall, prior to the end of the fiscal year, adopt an annual budget for all expenses and reserves for the next fiscal period for the Association. A copy of the budget shall be mailed to or served on all the Site Owners. The budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications.

Section 4. Reserves for Capital Expenditures and Maintenance. In addition to annual operating expenses, the budget may include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, common areas, landscaping replacement and pavement resurfacing. The amount to be reserved shall be computed by a formula based upon estimated life and replacement cost of each item, and such formula shall be set forth on the proposed budget. The vote to waive or reduce reserves, if any is taken, may be taken only after the proposed budget has been mailed to the Site Owners as required above.

Section 5. General Maintenance Reserves. In addition to the reserves provided above, the Board may establish one or more additional reserve accounts for general operating expenses, repairs, minor improvements or deferred maintenance. The purpose of the reserves is to provide financial stability and to avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual budget each year. These funds may be spent for any purpose approved by the Board.

Section 6. Fidelity Bonds. The Treasurer, and all other officers who are authorized to sign checks, and all Directors and employees of the Association handling or responsible for Association funds, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The premiums on such bonds shall be paid by the Association.

Section 7. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 8. Financial Information. Not later than sixty (60) days after the close of the fiscal year, the Board shall cause to be prepared a financial statement showing in reasonable detail the financial condition of the Association as of the close of its fiscal year and an income and expense statement for the year, detailed by accounts. Copies of these statements shall be furnished to each member.

Section 9. Application of Payments and Co-Mingling of Funds. All sums collected by the Association may be co-mingled in a single fund or divided into two (2) or more funds, as determined by the Board of Directors. All payments on account by a Site Owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, and general or special assessments, in such manner and amounts as the Board of Directors may determine, subject, however, to the Declaration.

ARTICLE X  
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words HUNTERS RIDGE COMMUNITY ASSOCIATION, INC., A Florida corporation not-for-profit.

ARTICLE XI  
AMENDMENTS

Section 1. These By-Laws may be amended at anytime upon an affirmative vote of two-thirds (2/3) of the members of the Board of Directors and thereafter, by owners holding not less than a majority interest of the membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.



**SPECIAL MEMBERSHIP MEETING**  
**October 28, 2010**  
**Hunters Ridge Clubhouse Main Dining Room**  
**3:00 PM**

1. Call Meeting To Order By Sandi Morgan, President. All Board members were present.
2. Establish Meeting Quorum Sandi Morgan, President.

Sandi Morgan asked Fred Forbes, Secretary, to verify that a quorum was present. Mr. Forbes stated that between those members voting by Proxy and those members voting in person (431 total) at the meeting that there was more then a legal quorum present.
3. Questions from the Members Prior to Voting.

Sandi Morgan asked if anyone had any questions regarding the proposed purchase of the Hunters Ridge Utility Company of Lee County, Inc. prior to voting. No questions were asked at that time.
4. Voting By Members
5. Other Discussion and Questions Regarding the Purchase of the Utility Co.
  - a. Dave Bourgeau, attorney representing Board Attorney Chris Davies, answered questions regarding the purchase:
    - i. He indicated that closing would either be Friday, October 29<sup>th</sup> or Monday, November 1<sup>st</sup>, 2010.
    - ii. He indicated no liens or liabilities have been found on their title research.
    - iii. He further stated by purchasing 100% of the stock from the existing shareholders, Hunters Ridge Community Association became the owner of all assets of Hunters Ridge Utility Co. including all land, the sewage treatment plant, all easements owned or controlled by the utility company, all lift stations and all sewer lines, manholes and related accessories.
  - b. Hole Montes Engineering Firm was represented by Dawn Bernard. She stated the existing utility plant is in very good condition. She indicated the new water quality standards adopted by the EPA do not apply to Hunters Ridge Utility because the effluent is not discharged into a creek, river, the gulf or the ocean.
  - c. Harold King, Treasurer pointed out the \$18/monthly charge would be added to club statements. In response to questions about whether a member could pay off the \$18/month for 5 years by a single lump sum payment, President Morgan and Treasurer King stated no. Members will be billed monthly as part of their club bill.
6. Announcement of Vote Count by Sandi Morgan, President

A total of 431 ballots and proxy ballots were cast with 426 voting YES to Purchase the Utility Company and 5 voting NO against the purchase of the Utility Company.

7. Resolution (see attached) for the Hunters Ridge Community Association to purchase the Hunters Ridge Utility Company by Sandi Morgan was made and seconded by Dave Miller. The Resolution was passed by vote of all members present and by the proxies that were voted.
8. Adjourn - Motion was made and properly seconded to adjourn this Special Membership Meeting.

Respectfully submitted,

Fred Forbes, Board Secretary

## RESOLUTION

It is resolved that over  $\frac{3}{4}$  of the members of Hunters Ridge Community Association have voted to acquire the Hunters Ridge Sewer Treatment Plant. This is to be accomplished by a down-payment from our reserves in the amount of \$300,000.00. The balance of \$975,000.00 will be in the form of a five year loan from Don Redford in the amount of \$975,000.00. The interest rate will be 4% and quarterly payments will be made from the collection of \$18.00 per month from each resident and from the annual surplus of approximately \$100,000.00 from the club and utility plant operations.

EXHIBIT 2

Purchase Agreement

Stock Purchase Agreement between Stockholders of Hunters Ridge Utility Co. of Lee County and Hunters Ridge Community Association, Inc. with First and Second Addendum.

DOCUMENT NUMBER-DATE

09683 DEC-1 9

FPSC-COMMISSION CLERK

**STOCK PURCHASE AGREEMENT  
BETWEEN THE STOCKHOLDERS OF  
HUNTERS RIDGE UTILITY CO. OF LEE COUNTY  
AND HUNTERS RIDGE COMMUNITY ASSOCIATION, INC.**

This Agreement, made this 24<sup>th</sup> day of September, 2010, by and between all of the Stockholders of Hunters Ridge Utility Co. of Lee County, a Florida corporation, 12760 Fox Ridge Drive, Bonita Springs, Florida (the "Corporation"), consisting of GAYNELL S. FOWLER, Trustee under the Gaynell Street Fowler Trust dated May 6, 1992, and as Trustee under the Fletcher Boyd Fowler Trust dated May 6, 1992, 28201 Alfred Moore Ct., Bonita Springs, Florida; JAMES H. STREET, P. O. Box 1475, Grundy, Virginia 24614; MARCUS A. STREET, P. O. Box 1098, Abingdon, Virginia 24212; and BEVERLY EAVES PERDUE, individually and as sole Trustee of the Alfred P. Moore Testamentary Trust, 211 Wilson Point Road, New Bern, North Carolina 28562 (the "Stockholders") and HUNTERS RIDGE COMMUNITY ASSOCIATION, Inc., a Florida not for profit corporation, 12500 Hunters Ridge Drive, Bonita Springs, Florida 34135 (the "Association").

WHEREAS, Gaynell S. Fowler, Trustee (owns 1/3), James H. Street (owns 1/6), Marcus A. Street (owns 1/6) and Beverly Eaves Perdue (individually and as Trustee of the Alfred P. Moore Testamentary Trust (owns 1/3), are the owners of all the issued and outstanding stock of the Corporation; and,

WHEREAS, stockholders owning at least two-thirds (if not all) of said stock, are desirous

of selling all of their stock in the Corporation to the Association; and,

THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged, the parties hereby agree as follows:

1. Sale: Those Stockholders (at least two-thirds) signing this Agreement hereby sell to the Association and the Association hereby purchases all of their shares of stock in the Corporation based upon a total purchase price of \$1,275,000.00 for 100% of all issued stock, subject to the terms and conditions of this Agreement. Upon receipt of notice of the proper execution and delivery of this Agreement along with the stock Certificates (at least two-thirds of the total ownership) of those selling to the Association to Daniel D. Peck, of Peck & Peck, P. A., 5801 Pelican Bay Boulevard, Suite 103, Naples, Florida 34108, as Trustee and Escrow Agent, to be held by him for disposition in accordance with the terms of this Agreement.

2. Stock Certificates: The certificates for the shares of stock shall be endorsed in blank and held by Dan Peck, Trustee and Escrow Agent, to be completed as directed by the Association and delivered at such time as the total consideration (with interest) has been paid.

Until the total consideration has been paid, the Association shall only have the right to vote the stock to elect a Board of Directors with the limited authority to only manage and operate the utility facilities. Neither the Association nor their elected Board shall have any authority or right, without express authority in writing from such selling stockholders, to: (a) enter into any lease, license, conveyance or other type of transaction and/or agreement that would change the current status of the Association relative to any disputed right, title, interest or ownership of any real, personal, mixed property or assets of the Corporation; (b) to sell, encumber, hypothecate or otherwise enter into any transaction that would effect the Corporation or take any other action

that changes in any manner the current relationship and legal status of the Association and the Corporation; and ©) operate the Corporation in such a way during the period and term of the Escrow arrangement that will decrease the financial assets of the Corporation below that which it currently has at the end of September, 2010. Copies of monthly and annual financial statements shall be furnished to Stockholders within thirty days of the end of any month and within ninety days after then end of any year. Any violation of this provision shall automatically accelerate the payment of any unpaid balance of the consideration owing plus interest.

3. Payment of purchase price: Upon receipt of notification from the Trustee/Escrow

Agent that the Agreement and stock certificates have been properly executed and are in hand, the

Association shall on or before the <sup>5<sup>TH</sup></sup> ~~29<sup>th</sup>~~ day of <sup>NOV</sup> ~~Oct.~~, 2010, properly execute this Agreement, if not previously executed, and shall tender to the Trustee/Escrow agent for the Stockholders executing

same their pro rata share of the of the initial payment of \$300,000, based upon a total

consideration of \$1,275,000.00. The remaining balance (based upon a total payment for all shares

of \$162,500.00 each year), shall be evidence by the Association's note payable in six annual

installments due on or before October 29 of each of the following six years with interest on the

unpaid balance calculated to the date of each payment calculated at prime (based upon the Wall

Street Journal as of the due date each year) plus one percent (1%). The note shall contain standard

provisions and shall provide for acceleration of maturity as to all balance due. ~~Upon~~ any default in

any payment for more then twenty (20) days after its annual due date or otherwise violate this

Agreement and such default continues for a period of over thirty (30) days after notification

thereof from any source. Also, in the event of any such default continues beyond the above time

periods, at the option of the Stockholders, they may request and receive all shares of stock held in

escrow free and clear of all restrictions and claims by the Association, its successors or assigns, including any claims under this Agreement, and all payments previously made on the purchase price by the Association shall be deemed and treated to be liquidated damages due in lieu of all other damages for such breach. The notes shall provide for prepayment at anytime and interest shall cease as of the date of any prepayment.

4. Delivery of shares: The Stockholders shall make deliver of the shares of stock to Dan Peck as Trustee and Escrow Agent and he shall hold the shares in accordance with the terms of this Agreement until the full purchase price has been paid at which time he shall deliver the stock certificates to the Association with its name, or the name(s) it designates as owner(s)

5. Rights and restrictions: The Association agrees to execute any and all further assurances and documents reasonably required to permit the Association to properly manage and carry out the normal daily operation of the utility plant, related facilities and office. Stockholders agree not to unreasonably withhold permission in those situations where it will facilitates the management and operation of the Corporation. Subject to written approval received in each instance from the Stockholders, the Association shall not: (a) declare stock or other dividends; (b) take any action or make expenditures and/or do any act or thing that will impair or in any manner decrease the assets of the Corporation, whether it be real, personal, intangible or mixed property, or which will in any way impair such assets or the value of the stock held in escrow; (c) shall not vote its shares or the shares of the Corporation for any consolidation, merger, or dissolution of the Corporation nor for the sale, lease, exchange, or mortgage of any assets owned; (e) shall not vote nor take any other action granting any license, right, privilege, easement or otherwise settling any controversy that exists or may possibly exist with the

Corporation and thereby change the relative position of the parties as they now exist; (d) alter the capital structure of the Corporation in any manner that decreases or impairs same; (e) guarantee or incur any indebtedness that impairs the current capital status; and (f) do any other act or thing that will violate the intent and the current status quo of the parties to this Agreement in the event there is a default and the Stockholders elect to retake possession of the stock and control of the Corporation.

(5) Option: It is anticipated that the owners of all of the shares of stock will join in this Agreement; however, in the event only two thirds of the stockholders sign the Agreement and endorse and deliver their stock, it is agreed that the remaining stockholder(s) shall have a period of Six (6) months in which to sign and deliver such stock to the Trustee/Escrow Agent. Upon receipt of notification by the Association that such action has been taken by such remaining owner(s), the Association shall forthwith pay and deliver the balance retained of the down payment and will execute and deliver additional or substitute notes to the Trustee/Escrow Agent for the annual payments to be thereafter made for such stock.

(6) Expenses: The Association shall pay the expenses connected with the sale and transfer of the shares pursuant to this Agreement, including Florida State Stamp taxes, if any, and any other taxes (excluding income taxes) assessed on the note and relative to the sale, if any. Fees of Attorney Dan Peck of Naples, FL, for serving as Trustee/Escrow Agent, shall be paid jointly (50% each) by the Stockholders and the Association.

(7) Binding Effect: This Agreement shall be binding upon all of the parties hereto, their respective legal representatives, heirs, successors and assigns and in the event of any suit and/or claims concerning this Agreement and/or relative thereto, it is agreed that the prevailing



party shall be entitled to recover from the losing party all reasonable attorney fees, costs and expenses incurred relative to such suit and/or claim including any and all appeal proceedings relative thereto.

(8) Entire Agreement There are certain disputes existing between the parties which it is anticipated will be resolved when total payment has been made and all stock has been turned over to the Association pursuant to this Agreement; however, if for any reason the Stockholders should retake possession of their stock and control of the Corporation because of a default by the Association, it is understood that the Association shall not take any action that will change the current status of the parties relative to those disputes and all statutory limitations are waived for the period this agreement is in effect. Such disputed items will remain as they now exist and neither the Association nor any Board of Directors who take over the operation of the Corporation shall do any act or thing that will alter the current status of those disputes. While there are no understandings or agreements at this time it is understood that this Agreement supersedes all prior agreements and understandings between the parties relating to its subject matter.

(9) Notices: All notices, correspondence and other documents relative to this Agreement shall be in writing and delivered by certified mail, return receipt requested with postage prepaid, addressed to the each party at the address listed in the caption.

(10) Non-waiver and Headings: A failure to exercise or waive any right, or a partial or single exercise or waiver of a right, shall not constitute a future waiver of such right unless otherwise provided herein and headings shall not be used to interpret or construe any provision herein.

(11) Governing law: This Agreement shall be construed in accordance with the laws of the State of Florida with venue lying in Lee County, Florida.

(12) Counterparts: This Agreement may be executed in two or more counterparts, and each shall be deemed an original and all together shall be deemed one instrument.

(13) Operations: Upon execution of this Agreement by all Stockholders, or at least two-thirds, and the Association has obtained approval of the stock purchase, executed the Agreement and made the down payment due those Stockholders signing same, the Association shall have a stockholders meeting, elect its own Board of Directors and take over all aspects of the operation of the Corporation with the authority, as well as the responsibility, to provide sewer and irrigation services to the Hunters Ridge community and Association resident members without delay or interruption.

(14) Public Service Commission: In the event the Corporation has filed any proceedings with the Public Service Commission involving a rate increase or for any other purpose, the Association, through the new Board of Directors of the Corporation, is authorized to forthwith withdraw such proceedings and shall notify all appropriate parties and professional advisors that such action is being taken.

(15) Contingent Approval: The execution of this Agreement by the Association is contingent upon the members of the Association approving the stock purchase at a special meeting of its members to be held on or before Oct. 28, 2010, in order that the closing can be completed prior to Nov. <sup>5</sup>~~4~~, 2010.

(16) Miscellaneous: (a) EXHIBIT I (3 SHEETS) COVERING ACCOUNTING

FOR INTANGIBLES AT CLOSING IS ATTACHED AND INCLUDED HEREIN (b) DIVIDEND

IN THE AMOUNT OF \$60,000.00 HAS BEEN DECLARED  
PRIOR TO STOCK SALE AND SHALL BE PAID TO CURRENT STOCKHOLDERS ON  
OR BEFORE DECEMBER 31, 2010. (c) LETTER DATE 10/27/2010

IN WITNESS WHEREOF the parties have signed this Agreement.

Gaynell Street Fowler Trust and the  
the Fletcher Boyd Fowler Trust (both dated  
May 6, 1992)

By: Gaynell Street Fowler, Trustee  
Gaynell Street Fowler, Trustee

James H. Street  
James H. Street

Marcus A. Street  
Marcus A. Street

Beverly Eaves Perdue  
Beverly Eaves Perdue

The Alfred Moore Testamentary Trust

Beverly Eaves Perdue  
Beverly Eaves Perdue, Trustee

Hunters Ridge Community Association, Inc.

By: Sandi Morgan  
Sandi Morgan, President

By: Fred Forbes  
Fred Forbes, Secretary

By: Harold King  
Harold King, Treasurer

**ACCOUNTING  
(COVERING INTANGIBLE ASSETS OF  
HUNTERS RIDGE UTILITY COMPANY, LLC.,  
PRIOR TO STOCK TRANSFER)  
SUMMARY**

**INTANGIBLES ON HAND**

1. Cash in bank as of October 29, 2010	\$112,373.53
2. Total Outstanding Deposits as of October 29, 2010	\$0.00
3. Total Outstanding Checks as of October 29, 2010	(\$85,096.65)
4. Accounts Receivable as of October 29, 2010	\$6,663.82
5. Prepaid Expenses (Insurance and Rent)	\$7,581.44
6. Attorney Trust Funds (balance of retainer)	\$1,586.00
7. Estimated revenue for October, 2010 (to be billed)	\$56,000.00
8. Anticipated Payables (not yet received)	(\$0,850.57)
<b>TOTAL</b>	<b>\$96,445.57</b>

**PAYABLES**

1. Paid to Pamela Fowler for past contract services and severance claims as President of Hunters Ridge Utility Company, LLC through mid-October, 2010 (included above)	\$80,000.00	Pd Ck 2770
2. Amount to be paid on or before December 31, 2010 by the Utility Company as a dividend to the stockholders of record as of October 1, 2010.	\$60,000.00	
3. Payable to Susan Mathews (severance and Christmas Bonus) in addition to any pay earned for work performed after closing of proposed stock sale by owners on November 1, 2010 (included above)	\$2,405.71	Pd Ck 2773
<b>NET BALANCE OF INTANGIBLES</b>	<b>\$36,445.57</b>	

**EXHIBIT I ACCOUNTING INTANGIBLES DETAIL - PAGE 2**

<b>BANK BALANCE - THROUGH OCT 29, 2010</b>	<b>\$ 112,373.53</b>
<b>OUTSTANDING DEPOSITS</b>	
<b>OUTSTANDING CHECKS</b>	
Check 2768 Grainger	\$ 93.02
Check 2769 Sander Labs	\$ 172.00
Check 2770 Pamela Fowler	\$ 80,000.00
Check 2771 GA Scott Enterprises	\$ 1,827.00
Check 2772 Susan Mathews	\$ 598.92
Check 2773 Susan Mathews	\$ 2,405.71
<b>TOTAL OUTSTANDING CHECKS</b>	<b>\$ 85,096.65</b>
<b>CHECKBOOK BALANCE</b>	<b>\$ 27,276.88</b>
<b>PREPAID EXPENSES</b>	
Insurance (paid through 5/5/11)	\$ 7,073.52
Rent (paid through 12/31/10)	\$ 507.92
Attorney Trust Funds (Balance of retainer)	\$ 1,586.00
<b>TOTAL</b>	<b>\$ 9,167.44</b>
<b>ACCOUNTS RECEIVABLE AS OF 10/29/10</b>	<b>\$6,663.82</b>
(From Page 3)	
<b>ESTIMATED REVENUE FROM OCTOBER BILLING</b>	<b>\$ 56,000.00</b>
(Billing for Sept / October Wastewater Treatment)	
<b>SUBTOTAL INTANGIBLES</b>	<b>\$ 99,108.14</b>
<b>UNPAID BILLS DUE THROUGH 10/31/10</b>	
<b>TOTAL</b>	<b>None</b>
<b>ANTICIPATED PAYABLES (NOT RECEIVED YET)</b>	
Grainger	\$ 72.57
Karle Enviro	\$ 720.00
Karle Enviro	\$ 720.00
Sewer Viewer	\$ 1,150.00
<b>TOTAL</b>	<b>\$ 2,662.57</b>
<b>NET TOTAL INTANGIBLES</b>	<b>\$ 96,445.57</b>

**EXHIBIT I ACCOUNTING INTANGIBLES - PAGE 3**

<b>ACCOUNTS RECEIVABLE</b>	<b>CURRENT</b>	<b>31-60</b>	<b>61+</b>	<b>TOTAL</b>
721 Alexander	\$ 49.76			\$ 49.76
697 Bowen	\$ 69.26			\$ 69.26
966 Buchanan (in foreclosure)	\$ 58.24	133.71		\$ 191.95
238 Famulare	\$ 104.03			\$ 104.03
910 Greene, Steele (in foreclosure)	\$ 72.23	91.31		\$ 163.54
144 Heller	\$ 66.46			\$ 66.46
881 HRCA Guard House	\$ 63.48			\$ 63.48
50 HRCA Maintenance Area - Back of Plant	\$ 667.49			\$ 667.49
333 HRCA Spray Irrigation	\$ 1,123.91			\$ 1,123.91
3 HRCA 14th Tee Restroom	\$ 15.18			\$ 15.18
287 HRCA Activity Center	\$ 1,176.04			\$ 1,176.04
51 HRCA Clubhouse	\$ 1,287.80			\$ 1,287.80
709 Juarez	\$ 21.20			\$ 21.20
947 Kipp	\$ 94.28			\$ 94.28
867 Lopez	\$ 134.56			\$ 134.56
163 McGill	\$ 72.66			\$ 72.66
822 Perrino	\$ 1.31			\$ 1.31
Pheasant Hollow Condominiums	\$ (142.49)			\$ (142.49)
Pheasant Hollow Pool	\$ 203.63			\$ 203.63
169 Phelan	\$ 9.00			\$ 9.00
<b>109 Pichiotino MOVED OUT / BAD DEPT</b>			\$ 103.32	\$ 103.32
939 Redding (in foreclosure)	\$ 49.76			\$ 49.76
210 Richardson	\$ 122.26			\$ 122.26
639 Richardson, Michelle (in foreclosure)	\$ 25.14	\$ 52.73	\$ 290.72	\$ 368.59
825 Schwartz (in foreclosure)		\$ 49.76	\$ 178.11	\$ 227.87
928 Smith	\$ 63.75			\$ 63.75
749 Stephenson, Christopher (bankruptcy)	\$ 49.76			\$ 49.76
668 Stephenson, Walter	\$ 61.63			\$ 61.63
309 Stercula	\$ 49.76			\$ 49.76
726 Tran	\$ 88.77			\$ 88.77
732 Virchow and Sexton	\$ 105.30			\$ 105.30
<b>TOTALS</b>	<b>\$ 5,764.16</b>	<b>\$ 327.51</b>	<b>\$ 572.15</b>	<b>\$ 6,663.82</b>

**ADDENDUM TO STOCK PURCHASE AGREEMENT  
BETWEEN THE STOCKHOLDERS OF  
HUNTERS RIDGE UTILITY CO. OF LEE COUNTY  
AND HUNTERS RIDGE COMMUNITY ASSOCIATION, INC.**

This Addendum is made this 1<sup>st</sup> day of November, 2010, by and between all of the Stockholders of Hunters Ridge Utility Co. of Lee County and Hunters Ridge Community Association, Inc.

1. All of the Stockholders owning one hundred percent (100%) of the stock confirm the sale and transfer of all of their stock to Hunters Ridge Community Association, Inc., for the sum of One Million Two Hundred Seventy-Five Thousand and 00/100 Dollars (\$1,275,000.00), payable in a single lump sum.

2. Daniel D. Peck of Peck & Peck, P.A., 5801 Pelican Bay Boulevard, Suite 103, Naples, Florida 34108 is hereby removed as Trustee and Escrow Agent and has no further involvement in the subject transaction.

3. Paragraph 2, Stock Certificates, is hereby deleted in its entirety.

4. Paragraph 3, Payment of Purchase Price, is hereby deleted in its entirety.

5. Paragraph 4, Delivery of Shares, is hereby deleted in its entirety.

6. Paragraph 5, Rights and Restrictions, is hereby deleted in its entirety.

7. Paragraph (5), Option, is hereby deleted in its entirety.


8. All fees owed to Dan Peck shall be paid by the Stockholders.

9. Paragraph (8), Entire Agreement, shall be deleted in its entirety.

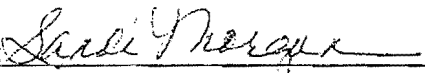
10. A financial report will be provided to Hunters Ridge Community Association, Inc., of the accounts through the date of closing prior to December 31, 2010, and the Stockholders agree to diligently organize applicable financial information in order to timely produce such financial report.

11. This Addendum shall control over any conflict between its provisions and those set forth in the original Agreement.

**IN WITNESS WHEREOF** the parties have signed this Agreement.

  
\_\_\_\_\_  
Hiram A. Street, as Agent with full  
authority to act on behalf of all Stockholders  
of Hunters Ridge Utility Co. of Lee County

Hunters Ridge Community Association, Inc.

By:   
\_\_\_\_\_  
Sandi Morgan, President

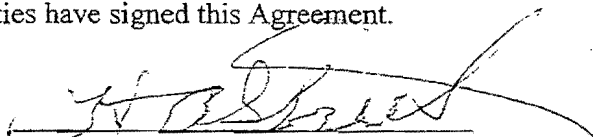


**SECOND ADDENDUM TO STOCK PURCHASE AGREEMENT  
BETWEEN THE STOCKHOLDERS OF  
HUNTERS RIDGE UTILITY CO. OF LEE COUNTY  
AND HUNTERS RIDGE COMMUNITY ASSOCIATION, INC.**

This Second Addendum is made this 1<sup>st</sup> day of November, 2010, by and between all of the Stockholders of Hunters Ridge Utility Co. of Lee County and Hunters Ridge Community Association, Inc.

1. The sale is subject to approval by the Public Service Commission of the State of Florida.
2. This Addendum shall control over any conflict between its provisions and those set forth in the original Agreement.

**IN WITNESS WHEREOF** the parties have signed this Agreement.

  
\_\_\_\_\_  
Hiram A. Street, as Agent will full  
authority to act on behalf of all Stockholders  
of Hunters Ridge Utility Co. of Lee County

Hunters Ridge Community Association, Inc.

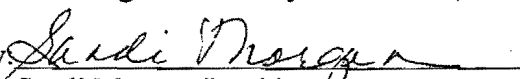
By   
\_\_\_\_\_  
Sandi Morgan, President

EXHIBIT 3

Statement Regarding Financing of Purchase

Hunters Ridge Community Association Inc. will be making a down deposit of three hundred thousand (\$300,000.00) using its general reserve funds. The Hunters Ridge Community Association will borrow the remaining balance (\$975,000.00) at a four percent (4.0%) rate over a five (5) year period from one of its own unit owners, Mr. Donovan Redford. All members of the Hunter's Ridge Community Association will be charged eighteen dollars (\$18.00) per month for the next five (5) years to help pay off the amount being borrowed. Additional funds will be provided by annual Community Association budget surpluses which have averaged over two hundred fifty thousand dollars (\$250,000.00) for the last four (4) years. A copy of the promissory note and amortization schedule between Mr. Redford and Hunter's Ridge Community Association, Inc., is provided with this Exhibit.

DOCUMENT NUMBER - DATE

09683 DEC-19

FPSC-COMMISSION CLERK

PROMISSORY NOTE

\$975,000.00

November 1, 2010  
Naples, Florida

For value received, the undersigned promises to pay to Donovan F. Redford, as Trustee of the Donovan F. Redford Revocable Living Trust Agreement dated 2/23/99, or order, in the manner hereinafter specified, the principal sum of **NINE HUNDRED SEVENTY FIVE THOUSAND and NO/100 DOLLARS (\$975,000.00)** with interest from date at the rate of 4.00 per cent per annum (4%) on the balance from time to time remaining unpaid. The said principal and interest shall be payable in lawful money of the United States of America at:

12799 Hunters Ridge Drive  
Bonita Springs, Florida 34135

or at such other place as may hereafter be designated by written notice from the holder to the maker hereof, on the date and in the manner following:

Quarterly payments of principal and interest in the amount of \$54,030.00, beginning February 1, 2011, and continuing on the same day of every third month thereafter until November 1, 2015, when the final payment of \$54,028.50 will be due and payable.

Maker has the right to prepay all or any part of the principal at any time with interest to date of payment, without penalty.

This note with interest shall be construed and enforced according to the laws of the State of Florida.

If default be made in the payment of any of the sums or interest mentioned herein, or in the performance of any of the agreements contained herein, and it continues for a period of twenty-one (21) days then the entire principal sum and accrued interest shall at the option of the holder hereof become at once due and collectible without notice, time being of the essence; and said principal sum and accrued interest shall both bear interest from such time until paid at the highest rate allowable under the laws of the State of Florida. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

Each person liable hereon whether maker or endorser, hereby waives presentment, protest, notice, notice of protest and notice of dishonor and agrees to pay all costs, including a reasonable attorney's fee, whether suit be brought or not, if, after maturity of this note or default hereunder, counsel shall be employed to collect this note.

Whenever used herein the terms "holder", "maker" and "payee" shall be construed in the singular or plural as the context may require or admit.

Hunters Ridge Community Association, Inc.  
a not for profit Florida corporation

MAKER'S ADDRESS:  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135

By: Sandra S. Morgan  
Sandra S. Morgan, as President

EXHIBIT 4

Name of Individual providing funds to Hunters Ridge Community Association

Mr. Donovan Redford, a unit owner/member of the Hunters Ridge Community Association is loaning nine hundred seventy five thousand dollars (\$975,000) to the Hunters Ridge Community Association, Inc., for this purchase. Mr. Redford is loaning the amount at a four percent (4%) rate over a five (5) year period.

DOCUMENT NUMBER-DATE

09683 DEC-1 9

FPSC-COMMISSION CLERK

EXHIBIT 5

Condition of Existing Facilities

As evidenced by the attached letter from the Engineer of Record for the wastewater facility, Hunters Ridge Community Association, Inc., has determined based on reasonable investigation that the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Florida Department of Environmental Protection.

DOCUMENT NUMBER DATE

09683 DEC-1 9

FPSC-COMMISSION CLERK



950 Encore Way • Naples, Florida 34110 • Phone: 239.254.2000 • Fax: 239.254.2099

November 3, 2010

Mr. Donald R. Huprich, General Manager  
Hunter's Ridge Community Association, Inc.  
12500 Hunter's Ridge Drive  
Bonita Springs, FL 34135

RE: Hunter's Ridge Wastewater Treatment Plant  
DEP Permit No.: FLA01414541 expiration 3/08/14  
HM Project No. 2010.049

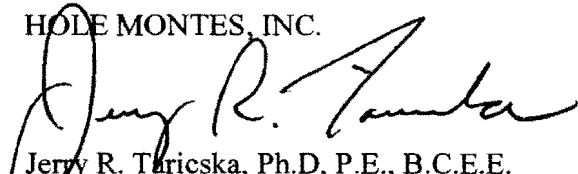
Dear Mr. Huprich:

As Engineer of Record, based on our professional opinion, past facility inspections and evaluation of the facility conducted during the operating permit renewal process with the Florida of Department Environmental Protection, there is reasonable assurance that the Hunter's Ridge Wastewater Treatment Plant and associated facilities when properly operated and maintained will comply with applicable statues of the State of Florida.

Should you have any questions, please contact me or Dawn Barnard at (239) 254-2000.

Respectfully,

HOLE MONTES, INC.



Jerry R. Taricska, Ph.D, P.E., B.C.E.E.  
Associate/Environmental Engineering Manager

JRT: DBB:dbb

c: Ron Benson, Ph.D., P.E., Sr. Vice President/Principal

EXHIBIT 6

Affidavit of Notice to Required Entities

Affidavit that the notice of actual application was given to required entities in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code.

DOCUMENT NUMBER DATE

09683 DEC-1 9

FPSC-COMMISSION CLERK

**AFFIDAVIT**

STATE OF FLORIDA  
COUNTY OF LEE

BEFORE ME, the undersigned authority, this day personally appeared, Sandra S. Morgan, who, upon first being duly sworn, deposes and says as follows:

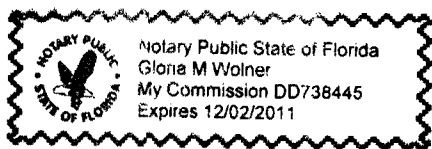
1. Affiant is Hunters Ridge Community Association, Inc.
2. Affiant swears or affirms that the facts stated in this Affidavit and all exhibits attached hereto are true and correct and that said statements of fact constitute a complete statement of the matter to which it relates.
3. Affiant affirms that "Legal Notice" in the form attached hereto as Exhibit "A" was mailed by U.S. mail on November 11, 2010 to each and every addressee appearing in Exhibit "B" also attached hereto.

FURTHER AFFIANT SAYETH NOT.

Sandra S. Morgan  
(AFFIANT)

STATE OF FLORIDA  
COUNTY OF Lee

The foregoing instrument was sworn to and subscribed before me this 22<sup>nd</sup> day of November, 2010, by Sandra S. Morgan, who (notary choose one)  is personally known to me, or  has produced \_\_\_\_\_ as identification.



Gloria Wolner  
Signature of Notary Public

Gloria Wolner  
Print Name of Notary Public, Affix  
Seal, & State Notary's Commission  
Number & Expiration Date



**Hunters Ridge Utility Co. of Lee County  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135**

## **LEGAL NOTICE**

Notice is hereby given on November 10, 2010, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of majority organizational control of Hunters Ridge Utility Co. of Lee County from Hunters Ridge Utility Co. of Lee County to Hunters Ridge Community Association Inc., providing waste water service to the following described territory in Lee County, Florida:

All of the community known as Hunters Ridge, being located in Section 6, Township 48 South, Range 26 East, Lee County, Florida.

Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Hunters Ridge Utility Co. of Lee County  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135

**Exhibit "A"**

**LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

<u>UTILITY NAME</u>	<u>MANAGER</u>
<u>LEE COUNTY</u>	
AQUA UTILITIES FLORIDA, INC. (SU821) 2228 CAPITAL CIRCLE N.E., SUITE 1A TALLAHASSEE, FL 32308-4306	TROY RENDELL (850) 575-8500
BAYSHORE UTILITIES, INC. (WU013) 2259 CLUBHOUSE ROAD NORTH FT. MYERS, FL 33917-2523	WAYNE CARSON WAMPLER (239) 482-4024
BE UTILITY SYSTEMS, L.L.C. D/B/A BUCCANEER WATER SERVICE (WU730) % MANUFACTURED HOME COMMUNITIES, INC. 2 NORTH RIVERSIDE PLAZA, SUITE 800 CHICAGO, IL 60606-2682	HELMA REYNOLDS (239) 995-3337
ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC. (SU287) 3039 YORK ROAD ST. JAMES CITY, FL 33956-2303	KEVIN J. CHERRY (239) 283-1144
FOREST UTILITIES, INC. (SU293) 6000 FOREST BLVD. FT. MYERS, FL 33908-4318	DAVID SWOR (239) 481-0111
FOUNTAIN LAKES SEWER CORP. (SU572) 523 SOUTH EIGHTH STREET MINNEAPOLIS, MN 55404-1078	MARY JO KELLY (612) 332-7281
HUNTER'S RIDGE UTILITY CO. OF LEE COUNTY (SU674) 28400 HUNTERS RIDGE BLVD. BONITA SPRINGS, FL 34135-3511	PAMELA FOWLER (239) 992-6061
MOBILE MANOR WATER COMPANY, INC. (WU167) 12650 WHITEHALL DRIVE FORT MYERS, FL 33907-3619	BONITA VANDALL (239) 277-0718
MSKP TOWN AND COUNTRY UTILITY, LLC D/B/A TOWN & COUNTRY UT (SU904) 17837 MURDOCK CIRCLE PORT CHARLOTTE, FL 33948-4000	CHARLES DESANTI (941) 235-6900
MSKP TOWN AND COUNTRY UTILITY, LLC D/B/A TOWN & COUNTRY UT (WU811) 17837 MURDOCK CIRCLE PORT CHARLOTTE, FL 33948-4000	CHARLES DESANTI (941) 235-6900
NI FLORIDA, LLC (WU920) 10913 METRONOME HOUSTON, TX 77043-2201	MARSHA RULE (850) 681-6788

**Exhibit "B"**

**LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

UTILITY NAME

LEE COUNTY

MANAGER

NORTH FORT MYERS UTILITY, INC. (SU317)  
P. O. BOX 2547  
FT. MYERS, FL 33902-2547

JOEL SCHENKMAN  
(239) 543-1005

NORTH FORT MYERS UTILITY, INC. (WU834)  
P. O. BOX 2547  
FT. MYERS, FL 33902-2547

JOEL SCHENKMAN  
(239) 543-1005

PINE ISLAND COVE HOMEOWNERS ASSOCIATION, INC. (SU724)  
7290 LADYFISH DRIVE  
ST. JAMES CITY, FL 33956-2723

ROBERT EAMES  
(239) 283-3100

USEPPA ISLAND UTILITY, INC. (WS249)  
P. O. BOX 640  
BOKEELIA, FL 33922-0640

TIM FITZSIMMONS  
(239) 283-1061

UTILITIES, INC. OF EAGLE RIDGE (SU749)  
200 WEATHERSFIELD AVENUE  
ALTAMONTE SPRINGS, FL 32714-4027

PATRICK C. FLYNN  
(407) 869-1919 EXT 1359

**LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CHAIRMAN, BOARD OF COUNTY COMMISSIONERS, LEE COUNTY  
P. O. BOX 398  
FT. MYERS, FL 33902-0398

CLERK OF THE CIRCUIT COURT, LEE COUNTY  
P. O. BOX 2469  
FORT MYERS, FL 33902-2469

DEP SOUTH DISTRICT  
2295 VICTORIA AVE., SUITE 364  
FORT MYERS, FL 33901

MAYOR, CITY OF CAPE CORAL  
P. O. BOX 150027  
CAPE CORAL, FL 33915-0027

MAYOR, CITY OF FT. MYERS  
P. O. BOX 2217  
FORT MYERS, FL 33902-2217

MAYOR, CITY OF SANIBEL  
800 DUNLOP ROAD  
SANIBEL, FL 33957-4096

S.W. FLORIDA REGIONAL PLANNING COUNCIL  
1926 VICTORIA AVENUE  
FT. MYERS, FL 33901

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

**LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

UTILITY NAME

STATE OFFICIALS

MANAGER

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

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

**LIST OF WATER AND WASTEWATER UTILITIES IN COLLIER COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CLERK, BOARD OF COUNTY COMMISSIONERS, COLLIER COUNTY  
BUILDING C-1  
3301 TAMIAMI TRAIL EAST  
NAPLES, FL 34112-2397

DEP SOUTH DISTRICT  
2295 VICTORIA AVE., SUITE 364  
FORT MYERS, FL 33901

MAYOR, CITY OF EVERGLADES CITY  
P. O. BOX 110  
EVERGLADES CITY, FL 34139-0110

MAYOR, CITY OF NAPLES  
735 EIGHTH STREET S.  
NAPLES, FL 33940-6703

S.W. FLORIDA REGIONAL PLANNING COUNCIL  
1926 VICTORIA AVENUE  
FT. MYERS, FL 33901

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

**LIST OF WATER AND WASTEWATER UTILITIES IN COLLIER COUNTY  
(VALID FOR 60 DAYS)  
11/05/2010 - 01/03/2011**

UTILITY NAME

STATE OFFICIALS

MANAGER

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

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

EXHIBIT 7

Affidavit of Notice to Customers

Affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred.

DOCUMENT NUMBER DATE  
09683 DEC-19  
FPSC-COMMISSION CLERK



**AFFIDAVIT**

STATE OF FLORIDA  
COUNTY OF LEE

BEFORE ME, the undersigned authority, this day personally appeared, Sandra S. Morgan, who, upon first being duly sworn, deposes and says as follows:

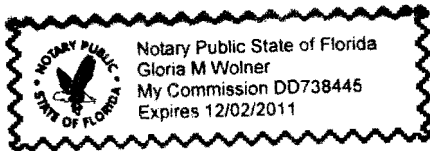
1. Affiant is Hunters Ridge Community Association Inc.
2. Affiant swears or affirms that the facts stated in this Affidavit and all exhibits attached hereto are true and correct and that said statements of fact constitute a complete statement of the matter to which it relates.
3. Affiant affirms that "Legal Notice" in the form attached hereto as Exhibit "A" was mailed by U.S. mail on November 11, 2010 to each and every customer of the utility.

FURTHER AFFIANT SAYETH NOT.

Sandra S. Morgan  
(AFFIANT)

STATE OF FLORIDA  
COUNTY OF Lee

The foregoing instrument was sworn to and subscribed before me this 22<sup>nd</sup> day of November, 2010, by Sandra S. Morgan who (notary choose one)  is personally known to me, or  has produced \_\_\_\_\_ as identification.



Gloria Wolner  
Signature of Notary Public

Gloria Wolner  
Print Name of Notary Public, Affix  
Seal, & State Notary's Commission  
Number & Expiration Date

**Hunters Ridge Utility Co. of Lee County  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135**

## **LEGAL NOTICE**

Notice is hereby given on November 10, 2010, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of majority organizational control of Hunters Ridge Utility Co. of Lee County from Hunters Ridge Utility Co. of Lee County to Hunters Ridge Community Association Inc., providing waste water service to the following described territory in Lee County, Florida:

All of the community known as Hunters Ridge, being located in Section 6, Township 48 South, Range 26 East, Lee County, Florida.

Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Hunters Ridge Utility Co. of Lee County  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135

EXHIBIT 8

Affidavit of Notice Publication

Affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

DOCUMENT NUMBER-DATE

09683 DEC-1 20

FPSC-COMMISSION CLERK

Naples Daily News  
Naples, FL 34110

Affidavit of Publication  
Naples Daily News

HUNTERS RIDGE COUNTRY CLUB  
B B A DEVELOPMENT CO  
12500 HUNTERS RIDGE DR  
BONITA SPRINGS FL 34135

REFERENCE: 006395 CHRIS DURFEY  
59634321 LEGAL NOTICENOTICE I

State of Florida  
Counties of Collier and Lee

Before the undersigned authority, personally appeared Kim Pokarney, who on oath says that she serves as the Accounting Manager, of the Naples Daily News, a daily newspaper published at Naples, in Collier County, Florida: distributed in Collier and Lee counties of Florida; that the attached copy of advertising was published in said newspaper on dates listed.

Affiant further says that the said Naples Daily News is a newspaper published at Naples, in said Collier County, Florida, and that the said newspaper has heretofore been continuously day and has been entered as second class mail matter at the post office in Naples, in said Collier County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

PUBLISHED ON: 11/13

AD SPACE: 29 LINE  
FILED ON: 11/15/10

**LEGAL NOTICE**

Notice is hereby given on November 10, 2010, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of majority organizational control of Hunters Ridge Utility Co. of Lee County from Hunters Ridge Utility Co. of Lee County to Hunters Ridge Community Association Inc., providing wastewater service to the following described territory in Lee County, Florida:

All of the community known as Hunters Ridge, being located in Section 6, Township 48 South, Range 26 East, Lee County, Florida.

Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Hunters Ridge Utility Co.  
of Lee County  
12500 Hunters Ridge Drive  
Bonita Springs, FL 34135

November 13, 2010      No1875255

Signature of Affiant *Kim Pokarney*

Sworn to and Subscribed before me this 17<sup>th</sup> day of November 2010

Personally known by me *Karol E Kangas*



EXHIBIT 9

Evidence of Ownership of Facilities

Copy of deed evidencing that the utility owns the land where the utility treatment facilities are located.

DOCUMENT NUMBER: DATE  
09683 DEC-1 20  
FPSC-COMMISSION CLERK

Whenever used herein, the term "party" shall include the heirs, personal representatives, successors and/or assigns of the respective parties herein, the use of the singular number shall include the plural, and the plural the singular, the use of any gender shall include all genders, and, if used, the term "note" shall include all the notes herein described if more than one.

0000000

251 PG2429

Made this 3rd day of October, A. D. 19 91

**Between** BBA DEVELOPMENT CORP., a Florida Corporation,  
215 Gary R. Perdue, Stubbs, Perdue, Chesnutt & Wheeler PA,  
215 Broad Street, P.O. Drawer 1654, New Bern, NC 28560  
a corporation existing under the laws of the State of Florida,  
party of the first part, and HUNTERS RIDGE UTILITY CO. OF LEE COUNTY, a  
Florida corporation, 215 Broad Street, New Bern, NC 28560  
of the County of  
CRAVEN and State of North Carolina, party of the second part.

**Witnesseth,** that the said party of the first part, for and in consideration of the sum of -----Ten (\$10.00) and O.G. & V.C. ----- Dollars, in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has remised, released and quitclaimed, and by these presents does remise, release and quitclaim unto the said party of the second part all the right, title, interest claim and demand which the said party of the first part has in and to the following described lot, piece or parcel of land, situate lying and being in the County of Lee, State of Florida, to wit:

As set forth on Exhibit "A" attached hereto.

Documentary Tax \$1.60  
[Signature]

**To Have and to Hold** the same, together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest and claim whatsoever of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part.

**In Witness Whereof,** the said party of the first part has caused these presents to be signed in its name by its President, and its corporate seal to be affixed, attested by its  
the day and year above written.

(Corporate Seal)

BBA DEVELOPMENT CORP.,  
a Florida Corporation.

By [Signature]  
VICE President.

Attest: J B Fowler  
Secretary

BY Diane L. Jensen  
THIS INSTRUMENT WAS RECORDED AT  
TAVISE, GAITHER, HAVIERFIELD, DALTON, HARRISON & SULLIVAN  
P. O. DRAWER 1507, FORT MYERS, FL 33922

of BBA DEVELOPMENT CORP., respectively President and Secretary, a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing conveyance to

HUNTERS RIDGE UTILITY CO. OF LEE COUNTY, a Florida corporation, and severally acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and the said instrument is the act and deed of said corporation.

Witness my signature and official seal at Naples in the County of Collier and State of Florida, the day and year last aforesaid.

*Dolores M. Magata*  
Notary Public

My Commission Expires  
NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP JUNE 29, 1992  
BONDED THRU GENERAL INS. UNO.

DLS  
#18

Date

TO

FROM CORPORATION  
Quit Claim Deed

UTILITY EASEMENT

A PORTION OF LOT 13, BLOCK "D" OF HUNTERS RIDGE, A REPLAT OF A PORTION OF TRACT "F", HUNTERS RIDGE SUBDIVISION (RECORDED IN PLAT BOOK 41, PAGES 1 THROUGH 13) LOCATED IN A PORTION OF THE SOUTH 1/2 OF SECTION 6, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA AND RECORDED IN PLAT BOOK 44 AT PAGES 48 THROUGH 52 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 13; THENCE RUN S. 21°54'13" W., ALONG THE EASTERLY LINE OF SAID LOT 13, FOR A DISTANCE OF 112.05 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 13 AND THE BEGINNING OF A CIRCULAR CURVE CONCAVE TO THE SOUTHWEST, WHOSE RADIUS POINT BEARS S. 21°54'29" W. A DISTANCE OF 117.50 FEET; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 117.50 FEET, THROUGH A CENTRAL ANGLE OF 02°53'34", SUBTENDED BY A CHORD OF 5.93 FEET AT A BEARING OF N. 69°32'18" W., FOR A DISTANCE OF 5.93 FEET; THENCE RUN N. 15°57'41" E. FOR A DISTANCE OF 114.10 FEET TO A POINT ON THE NORTHERLY LINE OF SAID LOT 13; THENCE RUN S. 83°56'00" E. ALONG THE NORTHERLY LINE OF SAID LOT 13 FOR A DISTANCE OF 17.79 FEET TO THE POINT OF BEGINNING.

FORCE MAIN EASEMENT

A PORTION OF TRACT "G" OF HUNTERS RIDGE, A SUBDIVISION LOCATED IN A PORTION OF THE SOUTH 1/2 OF SECTION 6, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA AS RECORDED IN PLAT BOOK 41 AT PAGES 1 THROUGH 13 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 6, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID HUNTERS RIDGE SUBDIVISION; THENCE RUN S. 00°39'06" E. ALONG THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 6 FOR A DISTANCE OF 173.73 FEET; THENCE RUN N. 89°49'42" W. FOR A DISTANCE OF 238.29 FEET; THENCE RUN N. 00°39'06" W. FOR A DISTANCE OF 123.72 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE RUN N. 89°49'42" W. FOR A DISTANCE OF 212.68 FEET; THENCE RUN S. 77°13'49" W. FOR A DISTANCE OF 23.24 FEET; THENCE RUN S. 59°42'50" W. FOR A DISTANCE OF 84.51 FEET; THENCE RUN N. 30°17'10" W. FOR A DISTANCE OF 15.00 FEET; THENCE RUN N. 59°42'50" E. FOR A DISTANCE OF 78.08 FEET; THENCE RUN N. 77°13'49" E. FOR A DISTANCE OF 60.48 FEET; THENCE RUN S. 89°49'42" E. FOR A DISTANCE OF 180.31 FEET; THENCE RUN S. 00°39'06" E. FOR A DISTANCE OF 18.00 FEET TO THE POINT OF BEGINNING.

PUMP STATION EASEMENT

A PORTION OF TRACT "G" OF HUNTERS RIDGE, A SUBDIVISION LOCATED IN A PORTION OF THE SOUTH 1/2 OF SECTION 6, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA AS RECORDED IN PLAT BOOK 41 AT PAGES 1 THROUGH 13 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER OF LOT 6, BLOCK "D" OF HUNTERS RIDGE A REPLAT OF A PORTION OF TRACT "F" OF HUNTERS RIDGE SUBDIVISION (RECORDED IN PLAT BOOK 41, PAGES 1 THROUGH 13) AS RECORDED IN PLAT BOOK 44 AT PAGES 48 THROUGH 52 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA; THENCE RUN N. 47°45'50" W. ALONG THE EASTERLY LINE OF LOT 5, BLOCK "D" OF SAID HUNTERS RIDGE REPLAT OF TRACT "F" FOR A DISTANCE OF 10.93 FEET TO THE NORTHEASTERLY CORNER OF AN EXISTING UTILITY EASEMENT; THENCE RUN N. 70°48'21" E. FOR A DISTANCE OF 38.50 FEET; THENCE RUN S. 30°17'10" E. FOR A DISTANCE OF 20.00 FEET; THENCE RUN S. 59°42'50" W. FOR A DISTANCE OF 44.48 FEET TO A POINT ON THE EAST LINE OF SAID LOT 6; THENCE RUN N. 00°10'18" E. ALONG THE EAST LINE OF SAID LOT 6 FOR A DISTANCE OF 19.70 FEET TO THE POINT OF BEGINNING.

OR2251 PG2432

CHARLE GREEN LEE CITY FL  
91 OCT -8 PM 3:40



A PORTION OF TRACT "G" OF HUNTERS RIDGE, A SUBDIVISION LOCATED IN A PORTION OF THE SOUTH 1/2 OF SECTION 8, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA AS RECORDED IN PLAT BOOK 41 AT PAGES 1 THROUGH 13 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID HUNTERS RIDGE SUBDIVISION; THENCE RUN S. 00°39'08" E. ALONG THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 8 FOR A DISTANCE OF 173.73 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE CONTINUE S. 00°39'08" E. FOR A DISTANCE OF 106.27 FEET TO THE NORTHEAST CORNER OF TRACT "F" IN SAID HUNTERS RIDGE SUBDIVISION; THENCE RUN S. 89°20'54" W. ALONG THE NORTH LINE OF SAID TRACT "F" FOR A DISTANCE OF 170.83 FEET; THENCE RUN S. 81°01'48" W. FOR A DISTANCE OF 212.01 FEET; THENCE RUN N. 89°49'42" W. FOR A DISTANCE OF 148.28 FEET; THENCE RUN N. 00°39'08" W. FOR A DISTANCE OF 271.91 FEET; THENCE RUN N. 41°24'24" E. FOR A DISTANCE OF 84.81 FEET; THENCE RUN S. 89°49'42" E. FOR A DISTANCE OF 212.68 FEET; THENCE RUN S. 00°39'08" E. FOR A DISTANCE OF 123.72 FEET; THENCE RUN S. 89°49'42" E. FOR A DISTANCE OF 236.29 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH Non-Exclusive Access and Utility Easements on, under and across the following described two parcels:

1. EXISTING ACCESS AND UTILITY EASEMENT

That certain Existing Access and Utility Easement adjacent to and abutting the easterly line of Lot 13, Block D of Hunters Ridge as shown on Plat recorded in Plat Book 44, Pages 48 through 52, and as shown on Plat recorded in Plat Book 41, Pages 1 through 13, of the Public Records of Collier County, Florida.

2. ACCESS AND UTILITY EASEMENT

A PORTION OF TRACT "G" OF HUNTERS RIDGE, A SUBDIVISION LOCATED IN A PORTION OF THE SOUTH 1/2 OF SECTION 8, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA AS RECORDED IN PLAT BOOK 41 AT PAGES 1 THROUGH 13 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 48 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID HUNTERS RIDGE SUBDIVISION; THENCE RUN S. 00°39'08" E. ALONG THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 8 FOR A DISTANCE OF 280.00 FEET TO THE NORTHEAST CORNER OF TRACT "F" IN SAID HUNTERS RIDGE SUBDIVISION; THENCE RUN S. 89°20'54" W. ALONG THE NORTH LINE OF SAID TRACT "F" FOR A DISTANCE OF 119.78 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE RUN S. 81°01'48" W. FOR A DISTANCE OF 238.85 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE, CONCAVE TO THE SOUTHEAST; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 31.43 FEET, THROUGH A CENTRAL ANGLE OF 25°58'45", SUBTENDED BY A CHORD OF 14.10 FEET AT A BEARING OF S. 48°03'54" W., FOR A DISTANCE OF 14.22 FEET TO THE END OF SAID CURVE; THENCE RUN S. 35°08'00" W. FOR A DISTANCE OF 68.64 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE, CONCAVE TO THE SOUTHEAST; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 40.00 FEET, THROUGH A CENTRAL ANGLE OF 33°04'08", SUBTENDED BY A CHORD OF 22.77 FEET AT A BEARING OF S. 18°33'58" W., FOR A DISTANCE OF 23.09 FEET TO THE END OF SAID CURVE; THENCE RUN S. 02°01'52" W. FOR A DISTANCE OF 50.84 FEET TO THE NORTHEASTERLY CORNER OF AN EXISTING ACCESS AND UTILITY EASEMENT; THENCE RUN N. 83°58'00" W. FOR A DISTANCE OF 37.84 FEET; THENCE RUN N. 12°09'32" E. FOR A DISTANCE OF 60.02 FEET; THENCE RUN N. 35°08'00" E. FOR A DISTANCE OF 91.78 FEET; THENCE RUN N. 81°01'48" E. FOR A DISTANCE OF 212.01 FEET; THENCE RUN N. 89°20'54" E. FOR A DISTANCE OF 51.07 FEET TO THE POINT OF BEGINNING.

EXHIBIT 10

Original Certificate

The Utility's current certificate is not available. The original certificate was located in a safe that was stolen and never recovered.

DOCUMENT NUMBER-DATE

09683 DEC-1 20

FPSC-COMMISSION CLERK