

RESOLUTION NO. 96- 56
RESOLUTION OF THE BOARD OF COUNTY
COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA
AUTHORIZING COUNTY ADMINISTRATOR
TO EXECUTE ESCROW AGREEMENT

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY
COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

The County Administrator is hereby authorized to execute the Escrow Agreement
presented to the Board of County Commissioners on April 9, 1996 for Julington Creek Plantation
Parcel 35 Phase VI.

ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this
9th day of April, 1996.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

BY: Donald Jordan
CHAIR - Donald Jordan

ATTEST:
CARL "BUD" MARKEL, COUNTY CLERK

BY: Yvonne Carter
DEPUTY CLERK

ESCROW AGREEMENT

Julington Creek Plantation
(Parcel 35.1, Phase 6)

THIS ESCROW AGREEMENT (with all amendments hereto, collectively, this "Agreement") is made as of this 4TH day of APRIL, 1996, by and among **Atlantic Gulf Communities Corporation**, a Delaware corporation authorized to do business in the State of Florida, with offices at 950 Davis Pond Boulevard, Jacksonville, Florida 32259 ("Atlantic Gulf"), the **Board of County Commissioners of St. Johns County, Florida**, a political body of the State of Florida, with offices at St. Augustine, St. Johns County, Florida ("County") and **First Union National Bank of Florida**, a national banking corporation, with offices at Corporate Trust Department, One First Union Financial Center-14th Floor, FL6065, 200 South Biscayne Boulevard, Miami, Florida 33131 ("Escrow Agent").

R E C I T A L S

WHEREAS, Atlantic Gulf has agreed to make certain improvements (the "Improvements") to a subdivision to be known as Julington Creek Plantation Parcel 35.1, Phase 6 ("Subdivision"), which Improvements include paving, grading, storm drainage, and other items specified in accordance with plans approved by County and which are on file with the Engineering Department of County; and

WHEREAS, Atlantic Gulf has agreed to deposit within ten (10) days of the execution of this Agreement the sum of \$93,561.20, USD (the "Escrow Funds") with Escrow Agent representing an amount equal to One Hundred and Fifteen Percent (115%) of the estimate of the cost necessary to complete remaining uncompleted Improvements; and

WHEREAS, the Improvements shall be installed and constructed by one or more contractors retained by Atlantic Gulf (individually, a "Contractor"). For up to two (2) years from the date hereof, each Contractor shall submit to County and Atlantic Gulf invoices and executed lien releases on a monthly basis for work that has been completed on the Improvements, for review and approval by Atlantic Gulf and for review by the County. After two (2) years from the date hereof, each Contractor shall submit only to the County invoices and executed lien releases on a monthly basis for work that has been completed on the Improvements for review and approval by County only. The procedure for review and payment is more fully set forth herein; and

WHEREAS, Atlantic Gulf and County have executed, on April 14, 1992, a separate Settlement Agreement, which agreement has been amended by that certain First Amendment to Settlement Agreement dated May 12, 1993, and that certain Second Amendment to Settlement Agreement dated February 8, 1994 (collectively, the "Settlement Agreement"), which Settlement Agreement more fully describes the rights and obligations between Atlantic Gulf and County; and

WHEREAS, pursuant to certain St. Johns County Ordinances, certain notices and accountings related to funds must be given to the Clerk of the Court of St. Johns County

("Clerk"); and

WHEREAS, Escrow Agent has agreed to hold, invest and disburse the Escrow Funds as hereinafter set forth.

STATEMENT OF AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Recitals. The foregoing Recitals are true and correct and are hereby incorporated into this Agreement.

2. Definitions. Capitalized terms which are not defined within this Agreement shall have the following meanings:

"Atlantic Gulf Representative" shall mean J. Thomas Gillette III or John J. Fisher or any other person designated in writing signed by an Atlantic Gulf Representative and delivered to Escrow Agent and County in accordance with the notice provisions of this Agreement, to act as its representative under this Agreement. The specimen signatures for the current Atlantic Gulf Representatives are attached hereto as Exhibit A. No substitution or addition of an Atlantic Gulf Representative shall be effective without a specimen signature for such substitute or additional Atlantic Gulf Representative.

"Business Day" shall mean any day upon which Escrow Agent is open to the public for business in Miami, Florida.

"County Representative" shall mean the County Administrator or the Assistant County Administrator or any other person designated in writing signed by a County Representative and delivered to Escrow Agent and Atlantic Gulf in accordance with the notice provisions of this Agreement, to act as its representative under this Agreement. The specimen signatures for the current County Representatives are attached hereto as Exhibit A. No substitution or addition of a County Representative shall be effective without a specimen signature for such substitute or additional County Representative.

"Effective Date" shall mean the date upon which the last of Atlantic Gulf, County, and Escrow Agent shall have executed this Agreement.

"Joint Written Direction" shall mean a written direction executed by a County Representative and an Atlantic Gulf Representative directing Escrow Agent to disburse all or a portion of the Escrow Funds or to take or refrain from taking an action pursuant to this Agreement.

3. Establishment of Escrow Account.

3.1 Appointment of Escrow Agent. Atlantic Gulf hereby appoints Escrow Agent to serve as escrow agent hereunder and County hereby consents to such appointment. Escrow Agent hereby accepts such appointment and, upon receipt of the Escrow Funds agrees to hold the same in a separate account ("Escrow Account"), and invest and distribute the Escrow Funds in accordance with this Agreement. Atlantic Gulf has deposited or will cause to be deposited with Escrow Agent the Escrow Funds. Each reference to Escrow Funds shall include all interest and dividends thereon, and a portion or all of such funds, as applicable.

3.2 Permitted Uses of Escrow Funds. Atlantic Gulf and County agree that the Escrow Funds in the Escrow Account are to be used exclusively for the purpose of funding the Improvements, as defined herein and in the Settlement Agreement.

3.3 Requirement to Increase Escrow Funds. In the event that during the term of this Agreement, a Draw Request would reduce the Escrow Funds to an amount which is less than an amount which equals or exceeds the cost of completing the balance of the applicable Improvements plus fifteen percent (15%) thereof, or Atlantic Gulf enters into a change order with any Contractor relating to the Improvements which increases the cost of construction of the Improvements, Atlantic Gulf shall (a) immediately deliver to County a copy of any applicable change order, (b) deliver to Escrow Agent a sum of money equal to the amount of the change order or the additional amount necessary, plus fifteen percent (15%) and (c) deliver to County and the Clerk a notice that the additional funds have been delivered to Escrow Agent. Escrow Agent shall deposit such additional funds in the Escrow Account and such additional funds shall be held, invested and disbursed in the same manner as if they had been a part of the Funds initially placed in the Escrow Account.

3.4 Monthly Accounting. Escrow Agent shall furnish to Atlantic Gulf and the Clerk an accounting of the receipts in, and disbursements from, the Escrow Account, on a monthly basis.

4. Disbursement of Escrow Funds. Escrow Agent shall disburse all or a portion of the Escrow Funds as follows:

4.1 on or before two years from the Effective Date, within five (5) Business Days to any Contractor who has completed the Improvements upon Escrow Agent's receipt of a fully completed Draw Request in the form of Exhibit B attached hereto executed by an Atlantic Gulf Representative and a Receipt of Required Documents executed by a County Representative in the form of Exhibit C attached hereto. The disbursement shall be in an amount set forth in the Draw Request.

4.2 at any time after two years from the Effective Date, within five (5) Business Days to any Contractor who has completed the Improvements upon Escrow Agent's receipt of a fully completed Draw Request executed by a County Representative only in the form attached hereto as Exhibit D. The disbursement shall be in an amount set forth in the Draw Request. After two years from the Effective Date, it shall not be necessary to obtain the approval of an Atlantic Gulf Representative prior to disbursement to a Contractor.

4.3 County and Atlantic Gulf understand and acknowledge that due to the timing of the approval process required to record a plat, Atlantic Gulf may be required to place in the Escrow Account a sum of money which exceeds the amount necessary to complete the Improvements plus fifteen percent (15%) of such costs because a Draw Request may be made by any Contractor and paid by Atlantic Gulf after submission and approval of this Agreement by County staff, but prior to recording the plat. In such event, if Atlantic Gulf (i) delivers to County a certificate from the engineer for the Improvements that the amount held in the Escrow Account exceeds One Hundred and Fifteen Percent (115%) of the amount necessary to complete the Improvements and (ii) thereafter delivers to Escrow Agent a Joint Written Direction specifying the exact amount to be released, then Escrow Agent shall release the exact sum specified in the Joint Written Direction to Atlantic Gulf.

4.4 to Atlantic Gulf within five (5) Business Days of Escrow Agent's receipt of a letter signed by a County Representative in the form of Exhibit E stating that all of the Improvements have been completed and that County has accepted the Maintenance Bond (as hereinafter defined) provided by Atlantic Gulf. The Maintenance Bond to be provided by Atlantic Gulf upon completion of the Improvements shall either be an amount of money equal to fifteen percent (15%) of the total cost of the Improvements or a letter of credit in form and amount satisfactory to County. If Atlantic Gulf elects to post a cash escrow with Escrow Agent, such funds shall be held in accordance with a separate escrow agreement.

4.5 to County upon receipt of a letter in the form of Exhibit F attached hereto (the "Authorization Letter") executed by a County Representative only, which disbursement shall include all Escrow Funds remaining in the Escrow Account.

4.6 to County, two years and six months after the Effective Date, if on that date the Escrow Funds (excluding any amounts being held as Maintenance Bonds pursuant to paragraph 4.4) have not previously been disbursed in accordance with this Agreement. The disbursement to County in such instance shall be in the amount of the remaining Escrow Funds.

4.7 if, prior to the release of the Escrow Funds pursuant to the provisions of this Agreement, Escrow Agent receives written notice from either Atlantic Gulf or County of a dispute between Atlantic Gulf and County, Escrow Agent shall not release to County or Atlantic Gulf the Escrow Funds until this dispute has been settled or resolved to the satisfaction of a court of competent jurisdiction.

4.8 at any time and from time to time, upon receipt of a Joint Written Direction.

5. Investment of Funds. Escrow Agent shall invest and reinvest the Escrow Funds as an Atlantic Gulf Representative shall direct (subject to applicable minimum investment requirements) in: (1) direct obligations of the United States of America or obligations the principal of and the interest on which are unconditionally guaranteed by the United States of America maturing not more than twelve (12) months from the date of acquisition; or (2) any money market fund collateralized within securities of the types described above the foregoing investment category, including any money market fund managed by Escrow Agent and any of

its affiliates. Notwithstanding any other provisions herein, any interest income shall be a part of the Escrow Funds and shall be disbursed in the same manner as any other Escrow Funds. If Escrow Agent has not received direction from Atlantic Gulf at any time that an investment decision must be made, Escrow Agent shall invest the Escrow Funds in Fidelity U.S. Treasury Income Portfolio Money Market Fund. In connection with the foregoing, Atlantic Gulf has executed Exhibit G attached hereto. For income tax purposes, Atlantic Gulf's tax identification number is 59-0720444 and it shall be deemed to have earned all of the investment income on the Escrow Funds. Notwithstanding anything to the contrary contained herein, Escrow Agent may without notice to Atlantic Gulf or County sell or liquidate any investments at any time the proceeds are required for any release of Escrow Funds permitted or required hereunder. Escrow Agent shall not be liable or responsible for any loss, charge, load, premium cost, and/or penalty resulting from any such sale or liquidation. If an investment must be liquidated, Atlantic Gulf and County understand that Escrow Agent must receive clear funds before distributions may be made.

6. Disputes.

6.1 Resolution of Disputes. Any and all disputes arising between County and Atlantic Gulf under this Agreement including, without limitation, (i) the scope of this provision, or (ii) the Settlement Agreement, shall be resolved in accordance with the procedures set forth in the Settlement Agreement.

6.2 Rights of Escrow Agent. If, at any time, there shall exist any dispute between County and Atlantic Gulf with respect to the holding or disposition of any portion of the Escrow Funds or any other obligations of Escrow Agent hereunder, or if at any time Escrow Agent is unable to determine, to Escrow Agent's sole satisfaction, the proper disposition of any portion of the Escrow Funds or Escrow Agent's proper actions with respect to its obligations hereunder, or if a County Representative and an Atlantic Gulf Representative have not appointed a successor Escrow Agent if Escrow Agent resigns hereunder, then Escrow Agent may, in its sole discretion, take either or both or the following actions:

6.2.1 suspend the performance of any of its obligations (including, without limitation, any disbursement obligations) under this Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of Escrow Agent or until a successor Escrow Agent shall have been appointed (as the case may be); *provided, however*, that Escrow Agent shall continue to hold the Escrow Funds in accordance herewith, and/or

6.2.2 petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction in St. Johns, Florida for instructions with respect to such dispute or uncertainty, and, to the extent required by law, pay into such court all Escrow Funds held by it for holding by such court and disposition in accordance with the procedures set forth in the Settlement Agreement or as otherwise ordered by such court.

6.3 Generally. Escrow Agent shall have no liability to County, Atlantic Gulf, or any other person with respect to any such suspension of performance or disbursement into court, specifically including any liability or claimed liability that may arise, or be alleged to have

arisen, out of or as a result of a delay in the disbursement of Escrow Funds or any delay in or with respect to any other action required or requested of Escrow Agent.

7. Resignation and Removal of Escrow Agent.

7.1 Generally. Escrow Agent may resign from the performance of its duties at any time by giving twenty (20) Business Days' prior written notice to County, Clerk and Atlantic Gulf or may be removed, with or without cause, by Atlantic Gulf at any time by the giving of ten (10) Business Days' prior written notice to Escrow Agent and a copy of such notice to County and Clerk. Such resignation or removal shall take effect upon the appointment of a successor Escrow Agent as provided hereinbelow and the successor Escrow Agent's acceptance of the appointment and agreement to be bound by the terms of this Agreement. Upon any such notice of resignation or removal, Atlantic Gulf shall appoint a successor Escrow Agent hereunder subject to the consent of the County and the Clerk.

7.2 Discharge of First Union. First Union National Bank of Florida shall be discharged from its duties and obligations under this Escrow Agreement upon the appointment of any successor Escrow Agent; provided, however, the provisions of this Agreement benefitting Escrow Agent shall continue to inure to the benefit of First Union National Bank of Florida as to any actions taken or omitted to be taken by it while it was Escrow Agent under this Agreement.

7.3 Transmittal of Records. Upon its resignation or replacement, Escrow Agent shall pay all of the Escrow Funds to the successor Escrow Agent.

8. Liability of Escrow Agent.

8.1 The obligations of Escrow Agent shall be determined solely by the express provisions of this Agreement. Escrow Agent may act in reliance upon any writing, instrument, and/or signature, whether original or facsimile, which Escrow Agent, in good faith, believes to be genuine, may assume the validity, truth, and accuracy of any statement or assertion contained in such a writing or instrument, and that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for validity of any instrument deposited or delivered pursuant to this Agreement, nor as to the identity, authority, or right of any person executing the same. Without limiting the foregoing, Escrow Agent shall have no responsibility to determine whether any Contractor has completed Improvements, or to determine whether Atlantic Gulf has deposited all amounts required to be deposited by the terms of this Agreement or to assure that Atlantic Gulf or County perform their respective obligations hereunder.

8.2 Upon disbursement of all or any portion of the Escrow Funds in accordance with this Agreement, Escrow Agent shall have no further responsibility with respect to the amounts so disbursed. In this regard, it is expressly agreed and understood that in no event shall the aggregate amount of disbursements from the Escrow Funds by Escrow Agent exceed the amounts deposited by Atlantic Gulf in the Escrow Account plus accrued interest, as provided herein. Escrow Agent shall have no liability or obligation with respect to the Escrow

Funds except for Escrow Agent's willful or gross negligence. Escrow Agent's sole responsibility shall be for the safekeeping, investment, and disbursement of the Escrow Funds in accordance with the terms of this Agreement. Escrow Agent agrees that if it wires or sends Escrow Funds to the wrong party and/or account notwithstanding written instructions to the contrary, Escrow Agent shall be liable to obtain the return of such Escrow Funds, or shall be liable to replace such Escrow Funds. Notwithstanding the foregoing, Escrow Agent shall ~~no~~ liability or responsibility for Escrow Funds wired or sent to the wrong party and/or account if such misdelivery is a result of inadequate, insufficient, incorrect and/or inaccurate instructions provided to Escrow Agent; provided, however, Escrow Agent agrees that it shall use its best efforts to recover such Escrow Funds.

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8.3 Escrow Agent shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein.

8.4 Escrow Agent is not familiar with, and has no knowledge of the Settlement Agreement.

8.5 In no event shall Escrow Agent be liable for incidental, indirect, special, consequential damages, or punitive damages.

8.6 Escrow Agent shall not be obligated to take any legal action or commence any proceeding in connection with the Escrow Funds, this Agreement, or the Settlement Agreement, or to appear in, prosecute, or defend any such legal action or proceeding. Escrow Agent may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions hereof or any other agreement or of its duties hereunder, and shall incur no liability and shall be fully protected from any liability whatsoever in acting in accordance with the opinion or instruction of such counsel. ~~Atlantic Gulf shall promptly pay upon demand the reasonable fees and expenses of such counsel.~~ Atlantic Gulf shall promptly pay upon demand the reasonable fees and expenses of such counsel and its paraprofessionals.

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8.7 Escrow Agent is authorized, in its sole discretion, after notice to both parties and a five (5) day period for either party to appeal such court order, to comply with orders issued or process entered by any court with respect to the Escrow Funds, without determination by Escrow Agent of such court's jurisdiction in the matter. If any portion of the Escrow Funds is at any time attached, garnished, or levied upon under any court order, or if the payment, assignment, transfer, conveyance, or delivery of the Escrow Funds shall be stayed or enjoined by any court order, or if any order, judgment, or decree shall be made or entered by any court affecting the Escrow Funds, then and in any such event, Escrow Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment, or decree which it is advised by its legal counsel is binding upon Escrow Agent without the need for appeal or other action. If Escrow Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment, or decree may be subsequently reversed, modified, annulled, set aside or vacated.

9. Indemnification of Escrow Agent. From and at all times after the date of this

Agreement, Atlantic Gulf shall, to the fullest extent permitted by law and to the extent provided herein, indemnify and hold harmless Escrow Agent and its affiliates and each director, officer, employee, attorney, affiliate and agent of Escrow Agent and its affiliates (collectively, the "Indemnified Parties") against any and all actions, claims (whether or not valid), losses, damages, liabilities, costs and expenses of any kind or nature whatsoever, including, without limitation, reasonable attorneys' fees, paraprofessional fees, costs and expenses (collectively, "Losses") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect or consequential, as a result of or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person, including, without limitation, County and Atlantic Gulf, whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person under any statute or regulation, including, but not limited to, any federal or state securities laws, or under any common law or equitable cause or otherwise, arising from or in connection with the negotiation, preparation, execution, performance or failure of performance of this Agreement or any transactions contemplated herein, whether or not any such Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation. All of the foregoing Losses shall be payable by Atlantic Gulf upon demand by any Indemnified Party. The obligations of Atlantic Gulf hereunder shall survive the termination of this Agreement, and the resignation or removal of Escrow Agent shall be independent of any obligation of County and Atlantic Gulf hereunder. The parties agree that neither the payment by Atlantic Gulf of any claim by Escrow Agent for indemnification hereunder shall impair, limit, modify, or affect, the rights and obligations of Atlantic Gulf and County with respect to the Settlement Agreement.

10. Fees and Expenses of Escrow Agent. Atlantic Gulf shall compensate Escrow Agent for its services hereunder in advance in accordance with Exhibit H attached hereto and, in addition, shall reimburse Escrow Agent for all of its reasonable out-of-pocket expenses, including, without limitation, attorneys' fees, paraprofessional fees, travel expenses, telephone and facsimile transmission costs, postage (including express mail or overnight delivery charges), copying charges and the like. The obligations of Atlantic Gulf under this Section shall survive any termination of this Agreement and the resignation or removal of Escrow Agent.

11. Consent to Jurisdiction and Venue. In the event that any party hereto commences a lawsuit or other proceeding relating to or arising from this Agreement, the parties hereto agree that the Circuit Court in and for St. Johns County, Florida shall have sole and exclusive jurisdiction. Any of these courts shall be proper venue for any such lawsuit or judicial proceeding and the parties hereto waive any objection to such venue. The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein and agree to accept service or process to vest personal jurisdiction over them in any of these courts.

12. Notice. All notices and other communications hereunder shall be in writing and shall be deemed to have been validly served, given or delivered upon receipt after delivery to any professional overnight or day courier, upon receipt when transmitted by facsimile transmission facilities, with confirmation sent by professional overnight or day courier, or sent certified return receipt requested by United States Postal Service and addressed to the party to be notified as follows:

UPON
RECEIPT
WHEN
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If to County, to:

St. Johns County
Board of County Commissioners
St. Johns County Administration Building
Post Office Drawer 349
St. Augustine, FL 32085-0349
Attn: County Administrator
Telecopy No.: (904) 823-2507
Telephone No.: (904) 824-8131

If to Atlantic Gulf:

Atlantic Gulf Communities Corporation
950 Davis Pond Boulevard
Jacksonville, Florida 32259
Attn: J. Thomas Gillette, III
Telecopy No.: (904) 287-0279
Telephone No.: (904) 287-4180

If to Escrow Agent, at:

First Union National Bank of Florida
Corporate Trust Department
First Union Financial Center - 14th Floor, FL6065
200 South Biscayne Boulevard
Miami, Florida 33131
Attention: Ms. Isabel De Lara, Trust Officer
Telecopy No.: (305) 789-4678
Telephone No.: (305) 789-4684

If to Clerk, at:

Clerk of the County Court
4010 Lewis Speedway
P. O. Drawer 300
St. Augustine, Florida 32085
Attention: Carl "Bud" Markel
Telecopy No.: (904) 823-2294
Telephone No.: (904) 823-2342

or to such other address as each party may designate for itself by like notice.

13. Amendment or Waiver. This Agreement may be changed, waived, discharged or terminated only by a writing signed by a County Representative, an Atlantic Gulf Representative and Escrow Agent. No delay or omission by any party in exercising any right

with respect hereto shall operate as a waiver. A waiver on any one occasion shall not be construed as a bar to, or waiver of, any right or remedy on any future occasion.

14. Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

15. Governing Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Florida without giving effect to the conflict of laws principles thereof.

16. Entire Agreement; No Third Party Beneficiary. This Agreement constitutes the entire agreement between the parties relating to the holding, investment and disbursement of the Escrow Funds and sets forth in their entirety the obligations and duties of Escrow Agent with respect to the Escrow Funds. No third party shall be a beneficiary of this Agreement, or derive any rights or benefits, or have any causes of action, hereunder.

17. Binding Effect. All of the terms of this Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the respective representatives successors and assigns of County, Atlantic Gulf and Escrow Agent including, but not limited to, any Chapter 7 trustee appointed by the court pursuant to the U.S. Bankruptcy Code in conjunction with Consolidated Case No: 90-12231-BKC-AJC.

18. Execution in Counterparts. This Agreement and any Joint Written Direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

19. Dealings. Escrow Agent and any stockholder, director, officer or employee of Escrow Agent may buy, sell, and deal in any of the securities of Atlantic Gulf and its affiliates and become pecuniarily interested in any transaction in which County, or Atlantic Gulf may be in interest, and contract and lend money to Atlantic Gulf, or County and otherwise act as fully and freely as though it were not Escrow Agent under this Agreement. Nothing herein shall preclude Escrow Agent from acting in any other capacity for County, or Atlantic Gulf or for any other entity.

20. Assignment. No party to this Agreement may assign its rights or delegate its obligations under this Agreement without the express written consent of the other parties.

21. Conflicts. To the extent there is any conflict between this Agreement and the Settlement Agreement, this Agreement shall control. County and Atlantic Gulf acknowledge that Escrow Agent is unfamiliar with and is in no way bound by the terms of the Settlement Agreement, and this is the sole agreement governing the rights and obligations of Escrow Agent.

22. Headings. The Section headings are not a part of this Agreement and shall not be used in its interpretation.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the date first above written.

ATLANTIC GULF COMMUNITIES CORPORATION

BY: 

Name: J. Thomas Gillette
Title: Sr. V.P.

Date: 3/28/96

BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY

BY: 

Name: Donald Jordan
Title: Chairman

Date: April 9, 1996

FIRST UNION NATIONAL BANK OF FLORIDA

BY: 

Name: Isabel De Lara
Title: Trust Officer

Date: 4/4/96

[Faint circular stamp or signature in the bottom left corner]

EXHIBIT A

SPECIMEN SIGNATURES

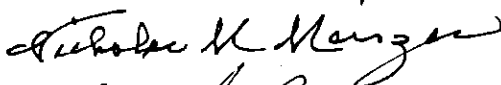
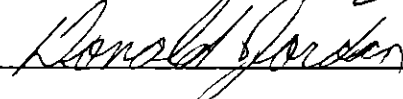
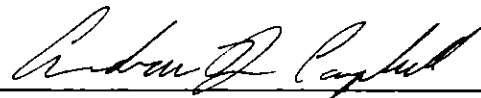

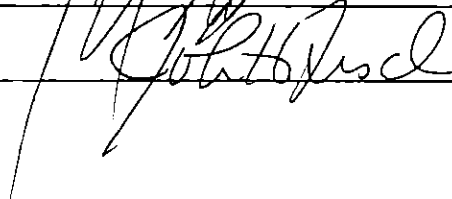
| NAME | SPECIMEN SIGNATURE |
|--|--|
| County Representatives: | |
| Nicholas M. Meiszer County Administrator |   |
| Andrew D. Campbell Assistant County Administrator |  |
| Atlantic Gulf Representatives | |
| J. Thomas Gillette III |  |
| John H. Fisher |  |



EXHIBIT B
DRAW REQUEST

DRAW REQUEST # _____
DATE _____

Pursuant to the Escrow Agreement (Julington Creek Plantation) (the "Agreement") dated as of * _____ *, 199_, by and among the Atlantic Gulf Communities Corporation, a Delaware corporation, the Board of County Commissioners of St. Johns County, and First Union National Bank of Florida, as Escrow Agent, Escrow Agent is authorized to disburse:

\$ _____ United States Dollars to:

To the following Contractor: _____

All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement.

Approved this ___ day of _____, 199_.

**ATLANTIC GULF COMMUNITIES
CORPORATION**

By: _____

Name: _____

Title: Atlantic Gulf Representative

Date: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ___ day of _____, 1996, by _____, the _____ President of Atlantic Gulf Communities Corporation, a Delaware corporation authorized to do business in the State of Florida, on behalf of the corporation, who is personally known to me or who produced _____ as identification.

Notary Public, State of
Print Name _____

My commission expires:

My commission number:

[Notarial Seal]

EXHIBIT C

**Notice of Receipt of Documents
to Accompany Draw Request of
Atlantic Gulf Communities Corporation**

Draw Request # _____
Dated _____

Pursuant to Escrow Agreement (Julington Creek Plantation) by and among Atlantic Gulf Communities Corporation, a Delaware corporation, the Board of County Commissioners of St. Johns County, Florida and First Union National Bank of Florida, the undersigned hereby certifies that it has received

- a. Engineer's Certificate for the referenced draw;
- b. Contractor's Request for Payment; and
- c. Draw Request executed by Atlantic Gulf.

The undersigned hereby consents to the above described Draw Request executed by Atlantic Gulf.

**BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY**

BY: _____
Name: _____
Title: (Assistant) County Administrator _____
Date: _____

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this ___ day of _____, 1996, by _____, the _____ Assistant County Administrator of St. Johns County, Florida, a public political body, on behalf of the political body, who is personally known to me or who produced _____ as identification.

Notary Public, State of
Print Name _____
My commission expires:
My commission number:

[Notarial Seal]

EXHIBIT D
DRAW REQUEST

(This form is for use by County only after two years from the Effective Date of the Agreement)

DRAW REQUEST # _____
DATE _____

Pursuant to the Escrow Agreement (Julington Creek Plantation) (the "Agreement") dated as of * _____ *, 199_, by and among the Atlantic Gulf Communities Corporation, a Delaware corporation, the Board of County Commissioners of St. Johns County, and First Union National Bank of Florida, as Escrow Agent, Escrow Agent is authorized to disburse:

\$ _____ United States Dollars to:

To the following Contractor:

All initially capitalized terms not defined herein shall have the meanings set forth in the Agreement.

Approved this ____ day of _____, 199__.

**BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY**

BY: _____
Name: _____
Title: (Assistant) County Administrator _____
Date: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1996, by _____, the _____ Assistant County Administrator of St. Johns County, Florida, a public political body, on behalf of the political body, who is personally known to me or who produced _____ as identification.

Notary Public, State of _____
Print Name _____
My commission expires: _____
My commission number: _____

[Notarial Seal]

EXHIBIT E
[LETTERHEAD]
[Date]

First Union National Bank of Florida
Corporate Trust Department - FL 6065
200 South Biscayne Boulevard, 14th Floor
Miami, Florida 33131
Attention: Ms. Isabel De Lara

Re: Escrow Agreement Julington Creek Plantation (the "Agreement")
dated as of * _____ *, 199_ among First Union National Bank
of Florida ("Escrow Agent"), Atlantic Gulf Communities
Corporation ("Atlantic Gulf") and Board of County Commissioners
of St. Johns County, Florida ("County")

Dear Ms. De Lara:

Please be advised that Atlantic Gulf Communities Corporation has provided a Maintenance Bond to St. Johns County as warranty against faulty workmanship for the above referenced project, in compliance with the Escrow Agreement. Therefore, the remaining funds in the Escrow Account may be released. If you have any questions, or if I may be of any assistance, please feel free to contact me at your convenience.

Very truly yours,

By: _____
Name: _____
Title: Development Review Coordinator
Date: _____

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this ___ day of _____, 1996, by _____, the _____ President of Atlantic Gulf Communities Corporation, a Delaware corporation authorized to do business in the State of Florida, on behalf of the corporation, who is personally known to me or who produced _____ as identification.

Notary Public, State of
Print Name _____
My commission expires:
My commission number:

[Notarial Seal]

EXHIBIT F

[LETTERHEAD]

[Date]

First Union National Bank of Florida
Corporate Trust Department - FL 6065
200 South Biscayne Boulevard, 14th Floor
Miami, Florida 33131
Attention: Ms. Isabel De Lara

Re: Escrow Agreement Julington Creek Plantation (the "Agreement")
dated as of * _____ *, 199_ among First Union National Bank
of Florida ("Escrow Agent"), Atlantic Gulf Communities
Corporation ("Atlantic Gulf") and Board of County Commissioners
of St. Johns County, Florida ("County")

Dear Ms. De Lara:

All of the initially capitalized terms used herein shall have the meanings assigned to such terms in the Agreement. Pursuant to the Settlement Agreement, the undersigned hereby directs you to deliver the funds remaining in the Escrow Account pursuant to the Agreement to St. Johns County, Florida to pay for the cost of completing the Subdivision Improvements in accordance with St. Johns County standards as established by Ordinance Number 86-4 as revised and the costs incurred by St. Johns County in administering and completing the inspection of the Subdivision Improvements in accordance with St. Johns County standards as established by Ordinance Number 86-4 as revised.

Very truly yours,

By: _____
Name: _____
Title: County Representative
Date: _____

EXHIBIT G

AUTOMATIC CASH MANAGEMENT

You are hereby authorized to invest the cash balances in the Julington Creek Plantation Escrow Account in the below mentioned money market fund under the automatic cash management offered by First Union National Bank of Florida.

FIDELITY U.S. TREASURY INCOME PORTFOLIO MONEY MARKET FUND

ACCOUNT NAME: Julington Creek / PARCEL 35.1, PHASE 6

ACCOUNT NUMBER: 4072876480

AUTHORIZED SIGNATURE: 

Name: J. F. Thomas Gillette, Jr.

Title: Atlantic Gulf Representative

Date: 3/28/96

EXHIBIT H

Fees Payable to Escrow Agent

FIRST UNION NATIONAL BANK OF FLORIDA

FEE SCHEDULE (guidelines)

Legal Fee:

Legal Fee at cost
(applicable towards Legal Fees
and other expenses)

Administration Fee:

Annual Administration Fee in advance (no pro-ration) \$* 1,500.⁰⁰ * +

Activity Charges:

| | |
|---|---|
| Disbursement/Deposits | \$15.00 each |
| Investment Transactions (Excluding Money Market Funds) | \$35.00 Buy/Sell each |
| Cash Management Fee (Money Market Funds only) | 30 basis points on average monthly balance |
| Returned Checks | \$30.00 each |
| 1099 Preparation | \$15.00 each |
| Wire | \$25.00 each |
| Out of Pocket Expenses | At cost |
| Additional Services | At cost |