RESOLUTION 97-22

A RESOLUTION OF THE COUNTY OF ST. JOHNS, STATE OF FLORIDA, APPROVING A THREE-PARTY AGREEMENT BETWEEN SJH PARTNERSHIP, LTD., BARNETT BANK, N.A. AND ST. JOHNS COUNTY, FLORIDA.

WHEREAS, SJH Partnership, Ltd. ("SJH") plans to construct a private roadway known as Royal Pines Parkway; and B; and

WHEREAS, St. Johns County has approved construction plans for Royal Pines Parkway; and

WHEREAS, the St. Johns County Paving and Drainage Ordinance does not require bonding of private roadways solely serving commercial activities, however, the Paving and Drainage Ordinance does require bonding or three-party agreements to be entered into for roads intended to serve residential areas; and

WHEREAS, Royal Pines Parkway will provide an additional access road to the St. Johns County Convention Center; and

WHEREAS, Royal Pines Parkway will provide the main access for the residential property in the Northwest Quadrant of the Saint Johns Project; and

WHEREAS, the proposed three-party agreement between SJH, Barnett Bank, N.A. and St. Johns County, Florida will insure the County's ability to cause these roads to be completed in the event of failure of SJH to complete such road without obligating the County to exercise any rights it may have under such Agreements.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida:

1. The following facts are determined in connection with this Resolution:

   a. Royal Pines Parkway provides additional access to the County Convention Center.

2. The proposed three-party agreement will insure the County's ability to cause construction of the roadway to be completed should the developer fail to complete such construction without obligating the County to complete such construction.
3. St. Johns County, Florida, hereby authorizes execution of the Royal Pines Parkway Improvement Agreement in the form attached as Exhibit A by David Brunner, as Chairperson of the Board of County Commissioners or Nick Meiszer, as County Administrator, on behalf of St. Johns County, Florida.

4. St. Johns County, Florida hereby approves the extension of the completion date for Royal Pines Parkway from 12 months to 18 months pursuant to Section 12.2.3, Ordinance 96-40.

5. This Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA THIS 11 DAY OF FEBRUARY, 1997.

By: ____________________________
    David J. Brunner, Chairman

Attest: Cheryl Strickland, Clerk

By: ____________________________
    Deputy Clerk

Adopted Regular Meeting February 11, 1997
ROYAL PINES PARKWAY
IMPROVEMENT AGREEMENT
(ST. JOHNS COUNTY)

THIS AGREEMENT is made this ___ day of ____________, 1996,
by and between BARNETT BANK, N.A., a National Banking Association
(the "Lender"), SJH PARTNERSHIP, LTD, a Florida Limited Partnership
(the "Partnership") and ST. JOHNS COUNTY, FLORIDA, a political
subdivision of the State of Florida (the "County").

RECITALS

A. In connection with various agreements between the
Partnership and various third parties, the Partnership has
obligated itself to construct the Access Road (as hereinafter
deefined).

B. The Partnership has submitted to the County engineering
plans and specifications prepared by Bessent, Hambak & Ruckman
(the "Inspecting Engineer") dated October 22, 1996 (collectively,
the "Plans") for the design and construction of a private road (the
"Access Road") to be located in the northwest quadrant of the
intersection of Interstate 95 and International Golf Parkway.

C. This Agreement shall not affect or impair the authority
of the County to grant or withhold the issuance of a certificate of
occupancy for any vertical improvements accessed by the Access Road
in respect to the completion or non-completion of the Access Road
pursuant to the applicable County ordinances.

D. The Partnership has agreed to complete the base and first
course of asphalt on the Access Road to provide a means of ingress
and egress for construction vehicles during vertical construction,
and to complete construction of the Access Road to County standards
upon completion of such vertical construction.

E. The Partnership and Lender entered into that certain Note
and Mortgage Modification Agreement Evidencing Future Advance and
Spreading Agreement dated July 24, 1996, recorded in Official
Records Book 1185, page 2135, as amended by that certain Partial
Release of Mortgage and Spreading Agreement recorded in Official
Records Book 1198, page 899, and as partially released by Partial
Releases recorded in Official Records Book 1198, page 981, Official

12227.2
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EXHIBIT A
82, which modified that certain Mortgage and Security Agreement dated July 6, 1994, recorded in Official Records Book 1062, page 1589, as modified by instruments recorded in Official Records Book 1110, page 25, and Official Records Book 1163, page 658, all of the public records of St. Johns County, Florida (collectively, the "Mortgage"), which provides, among other things, for a loan not to exceed Eleven Million Seven Hundred Fifty Thousand and No/100 Dollars ($11,750,000.00) (the "Loan") of which One Million Five Hundred and No/100 Dollars ($1,500,000.00) are to be applied to costs incurred by the Partnership in the construction of the Access Road (the "Project Funds"). The Loan is evidenced by a promissory note executed by the Partnership and is to be disbursed in accordance with the Construction Loan Agreement between the Partnership and the Lender (the "Construction Loan Agreement").

P. The Partnership shall enter into a contract with Prince Contracting Co., Inc. (the "Contractor") for the construction of, among other things, the Access Road (the "Construction Contract").

G. This Agreement is entered into to provide financial assurances to the County and to set out the obligation of the parties hereto related to the construction of the Access Road and the payment of the costs incurred in connection therewith.

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The above Recitals are hereby incorporated herein and made a part hereof.

2. The Partnership shall commence construction of the Access Road and shall complete construction of the Access Road in accordance with the Construction Contract.

3. The Partnership shall, from time to time, direct disbursements of the Project Funds to contractors or subcontractors as payment for the amount of work completed in construction of the Access Road by the respective contractor or subcontractor, in accordance with the terms of the Construction Contract. Disbursements shall be made no more frequently than once each calendar month. Each direction to disburse shall be in the form approved by the Lender and as a condition to such disbursement the Inspecting Engineer shall provide a certification to the Lender and the County certifying the percentage of completion of the Access Road in accordance with the Plans as approved by the County and certifying that the value thereof is consistent with the Contractor's draw request (the "Inspecting Engineer's Certification"). The Partnership shall cause a copy of each Inspecting Engineer's Certification to be delivered to the County coincident with delivery to the Lender.
4. At the direction of the Partnership, and upon receipt of the Inspecting Engineer's Certification, the Lender shall disburse Project Funds in amounts specified by the Partnership to the contractors or subcontractors, provided, however, that the Lender shall never be obligated to advance funds to pay the costs of the Access Road in excess of the Project Funds. In disbursing the Project Funds, the Lender shall rely upon the Inspecting Engineer's Certification and the direction of the Partnership. The Lender shall have no responsibility to inspect any construction or installation said to have been completed, nor to determine or assure that the Access Road improvements have actually been made or that they comply with the Plans or other requirements of the County.

5. If the Partnership fails to complete construction of the Access Road within eighteen (18) months of the date hereof or the Partnership defaults beyond any applicable cure period under any provisions of the Mortgage, the Construction Loan Agreement, the Construction Contract or any other Loan Document between Lender and Partnership associated with the Loan (the "Events of Default"), the Lender shall make no further disbursements notwithstanding the direction of the Partnership with respect to the Access Road.

6. If the Lender shall cease making disbursements as a result of an Event of Default, as provided for in paragraph 5 above, and if such Event of Default is not waived by the party entitled to declare such Event of Default, the County may, at its option, be entitled to disbursement of any remaining undistributed Project Funds notwithstanding any Event of Default upon the Lender's receipt of directions from the County to disburse together with an Inspecting Engineer's Certification in accordance with the provisions of paragraph 3 of this Agreement. Disbursements of Project Funds to the County shall be made on the same terms and conditions provided for in paragraphs 3 and 4 above, except that the Partnership shall not direct the payments. The rights of the Lender and the County pursuant to paragraphs 6 and 7 hereof, shall not bar other actions by the Lender under the Mortgage or the Construction Loan Agreement.

7. Any Project Funds disbursed by the Lender at the direction of the Partnership, as certified by the Inspecting Engineer, or at the sole direction of the County under the provisions of paragraph 6 above, shall constitute advances under the Mortgage and the Construction Loan Agreement between the Lender and the Partnership and shall be the debt of the Partnership to the Lender. Nothing contained in this Agreement shall modify or affect the terms and provisions of the Mortgage or the Construction Loan Agreement except as specifically provided herein.

8. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.
9. This Agreement shall remain in full force and effect until the earlier of (i) substantial completion of the Access Road in accordance with County standards, or (ii) disbursement of all the Project Funds in accordance with the terms of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement the day and year first above written.

BARNETT BANK, N. A.

By: ____________________________
    Scott R. Stevens
    Senior Vice President

(Signature)

By: ____________________________
    (Print Name)

(Signature)

SJH PARTNERSHIP, LTD.,
a Florida limited partnership

By: ____________________________
    SJ MEMPHIS, LTD., a Florida limited partnership, its general partner

By: ____________________________
    (Print Name)

By: ____________________________
    ST. JOHNS HARBOUR, INC.,
a Florida corporation, its general partner

By: ____________________________
    (Print Name)
    Its:
    3797 New Getwell Road
    Memphis, TN 38118

ST. JOHNS COUNTY, FLORIDA

By: ____________________________
    Its Board of Commissioners

By: ____________________________
    (Print Name)
    Chairman

ATTEST:  Carl "Bud" Markel, Clerk

By: ____________________________
    (Print Name)
    Deputy Clerk
STATE OF FLORIDA
COUNTY OF DUVAL
SS

The foregoing instrument was acknowledged before me this day of , 1996, by Scott R. Stevens, as Senior Vice President of BARNETT BANK, N.A., a national banking association, on behalf of the bank.

(Print Name __________________)
NOTARY PUBLIC
State of__________ at Large
Commission # ____________
My Commission Expires:

Personally Known ______
or Produced I.D. ______
[check one of the above]

Type of Identification Produced

STATE OF TENNESSEE
COUNTY OF SHELBY
SS

The foregoing instrument was acknowledged before me this day of , 1996, by the ____________ of St. Johns Harbour, Inc., a Florida corporation, the general partner of SJ Memphis, Ltd., a Florida limited partnership, the general partner of SJH PARTNERSHIP, LTD., a Florida limited partnership, on behalf of the partnership.

(Print Name __________________)
NOTARY PUBLIC
State of Tennessee
Commission # ____________
My Commission Expires:

Personally Known ______
or Produced I.D. ______
[check one of the above]

Type of Identification Produced