

RESOLUTION NO. 2002-155

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA MAKING FINDINGS AND APPROVING A SETTLEMENT AGREEMENT AND MUTUAL RELEASE FOR THE COUNTY - MINNIS - JULINGTON PARTNERS, ET AL. STATE AND FEDERAL LAWSUITS.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA (the "Board") as follows:

Section 1. Findings: The Board hereby finds and determines the following:

(a) The Julington Creek Development of Regional Impact restated development order (St. Johns County resolution 93-159, as amended) (the "DRI") required the developer to construct and/or provide significant transportation improvements and allowed, but did not require, the Julington Creek Plantation Community Development District (the "CDD") to construct and/or provide those transportation improvements on the developer's behalf; and

(b) The County is a defendant in the following two interrelated lawsuits:

Minnis, et al. v. Julington Partners Limited Partnership, St. Johns County, et al., Seventh Judicial Circuit, in and for St. Johns County, Florida, case number 99-0025; and

Julington Partners Limited Partnership v. St. Johns County, Florida, et al., District Court, Middle District of Florida, Jacksonville Division, case number 97-CV-1023-J-21A.

Commissioners Marc A. Jacalone, James E. Bryant and Nicholas M. Meiszer were originally named as party defendants in the federal lawsuit, but they, along with the other individual defendants, have subsequently been dismissed as parties; and

(c) The attached Settlement Agreement and Mutual Release will settle each of the above lawsuits in a manner that is fair and equitable to the County; and

(d) A strong County public purpose is served by the County's acceptance and execution of the Settlement Agreement and Mutual Release that is attached hereto by (a) providing a procedure to assure that County road impact fees that are, or have been, collected within the CDD to provide the same road improvements that are required by the DRI are paid to the entity that provided the DRI required road improvements and (b) by

mitigating the combined effect of the County's road impact fees and the CDD special assessments that are collected for the same road improvements.

Section 2. The Chairman of the Board is authorized and directed to sign and deliver duplicate originals of the attached Settlement Agreement and Mutual Release.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this 6th day of August, 2002.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: James C. Bryant
James Bryant, Chairman

ATTEST: Cheryl Strickland, Clerk

By: Patricia A. Strickland
Deputy Clerk

RENDITION DATE 8-12-02



SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (hereinafter "Settlement Agreement") is made and given this ____ day of _____, 2002 by Julington Partners Limited Partnership ("JPLP"), Julington Creek Plantation Community Development District ("the CDD"), St. Johns County, Florida ("the County"), SEDA Construction Company ("SEDA"), and the class of persons represented by Kathleen Minnis, Steven Minnis, Donald S. Beattie, Michele Michalopoulos, Michael Elison, Warren Sisson, and John Scott Shaffer ("the class") in the case styled Minnis, et al. v. Julington Partners Limited Partnership, et al., pending in the Seventh Judicial Circuit, in and for St. Johns County, Florida, and bearing case number 99-0025 ("the class action suit").

A. In consideration of the agreements set forth herein, and except as otherwise set forth herein, the class and SEDA completely and totally release, acquit, relinquish, and forever discharge each other and JPLP, the County, the CDD, and the builders/developers listed on Exhibit "A" hereto ("the builders") from any and all claims, demands, damages, causes of action, or suits of any kind or nature whatsoever arising out of or related to the assessment, payment, or collection of impact fees and/or entitlement to impact fee credits in connection with the construction of houses and other structures built or to be built in the future within the geographic

boundaries of the CDD, and/or in connection with any and all road or traffic improvements that the CDD has funded or provided in the past or will fund or provide in the future, including, but not limited to, all claims, causes of action, and issues which were raised or which could have been raised by SEDA or the class in the class action suit.

B. In consideration of the agreements set forth herein, and except as otherwise set forth herein, JPLP and the County completely and totally release, acquit, relinquish, and forever discharge each other, and JPLP completely and totally releases, acquits, relinquishes, and forever discharges David J. Bruner, Pal West Howell, M.A. Floyd, Marc A. Jacalone, Joanne Cody, James E. Bryant, Karen Taylor, and Nicholas M. Meiszer, from any and all claims, demands, damages, causes of action, or suits of any kind or nature whatsoever arising out of or related to the assessment, payment, or collection of impact fees and/or entitlement to impact fee credits in connection with the construction of houses and other structures built or to be built in the future within the geographic boundaries of the CDD, including, but not limited to, all claims, causes of action, and issues which were raised or which could have been raised by either party in the class action suit or in the lawsuit styled Julington Partners Limited Partnership v. St. Johns County, Florida, et al., which was filed in the District Court,

Middle District of Florida, Jacksonville Division, bearing case number 97-CV-1023-J-21A, and which is now pending in the United States Court of Appeals for the Eleventh Circuit, bearing case number 01-10051H ("the federal case") (the federal case and the class action suit hereinafter collectively referred to as "the litigation"), except that the County does not release JPLP or any other person or entity from any duty imposed by St. Johns County Ordinance 87-57 (as amended) to pay impact fees associated with future construction within or outside of the geographic boundaries of the CDD, and the County does not release JPLP from its obligations under the Julington Creek Development of Regional Impact Restated Development Order (St. Johns County Resolution No. 93-159, as amended) ("the DRI Development Order") to construct or provide road, traffic, or other infrastructure improvements or additions.

C. In consideration of the agreements set forth herein, and except as otherwise set forth herein, JPLP, the County, the CDD, SEDA, and the class also mutually release each other and the builders from all claims, demands, damages, causes of action, or suits of any kind or nature whatsoever arising out of or related to the assessment, payment, or collection of impact fees and/or entitlement to impact fee credits in connection with the construction of houses and other structures built or to be built in

the future within the geographic boundaries of the CDD, including, but not limited to, all claims, causes of action, and issues which were raised or which could have been raised by any of them in the litigation, except that the County does not release the other parties, the builders or any other person or entity from the duty imposed by St. Johns County Ordinance 87-57, as amended, to pay impact fees associated with future construction within or outside of the geographic boundaries of the CDD, and the County does not release JPLP or any other person or entity obligated under the DRI Development Order from their obligations under the DRI Development Order to construct or provide road, traffic, or other infrastructure improvements or additions. Additionally, the County does not release JPLP, the CDD, or any other person or entity from any claim or cause of action the County may have, now or in the future, by reason of, or relating to, the quality of the construction of improvements required under the DRI Development Order.

D. In consideration of the agreements set forth herein, and except as otherwise set forth herein, JPLP releases the County from any claim that it has received less in road impact fee credits than it is entitled to under the terms of the DRI Development Order.

The parties to this Settlement Agreement agree as follows:

1. On May 1, 1997, JPLP, in accordance with the Julington Creek Development of Regional Impact Restated Development Order and St. Johns County Resolution No. 97-25, paid the County \$1.8 million for use toward the future paving or other improvement of Russell Sampson Road or Race Track Road. From May 1, 1997 through December 15, 1999, the County earned Two Hundred Fifty-One Thousand Two Hundred Eighty-Eight Dollars (\$251,288) in interest on this \$1.8 million. This interest, under St. Johns County Resolution No. 97-25, was to be paid to JPLP. However, the parties now agree that the County will pay the entire \$251,288 to the law firm of Cooper, Ridge & Lantinberg, which firm will hold such sum in trust for the class. The class will pay SEDA \$65,000, and, to the extent approved by the court in the class action suit, will pay Cooper, Ridge & Lantinberg \$186,288 for payment of class action counsels' attorneys' fees and costs. Any amounts remaining from this \$251,288 after the payment to SEDA and the payment of court awarded costs and attorneys' fees will be paid by the class to the CDD and will be utilized by the CDD to reduce its outstanding bond indebtedness, in accordance with the provisions of paragraph 12 of this Settlement Agreement. Any attorneys' fees and costs awarded by the court in the class action suit in excess of \$186,288 will be paid by the Depository Agent out of the proceeds which would have otherwise been held for the benefit of the CDD under the provisions of paragraph 2 or 6 below. The \$251,288 payment by the County

contemplated above will be made by the thirtieth (30th) day after the effective date of this Settlement Agreement or by October 1, 2002, whichever later occurs.

2. The County will pay 100% of all road impact fees it has collected in connection with development within the geographic boundaries of the CDD since February 26, 2001 through the effective date of this Settlement Agreement to the CDD. The payment by the County of the collected road impact fees referenced in this paragraph will be made by the thirtieth (30th) day after the effective date of this Settlement Agreement or by October 1, 2002, whichever later occurs. The CDD will, within ten (10) days of its receipt of said funds, transfer said funds to a depository agent selected by the CDD (the "Depository Agent"). Within ten (10) days of its receipt of these funds, the Depository Agent will pay, less its charges and expenses, 43% of the funds to JPLP and 57% of the funds, less any attorneys' fees and costs awarded by the court in the class action suit in excess of \$186,288, will be held by the Depository Agent for the benefit of the CDD and will be disbursed by the Depository Agent in accordance with the provisions of paragraph 12 of this Settlement Agreement. The depository agreement for the Depository Agent is attached as Exhibit "B." No party hereto shall be responsible for the actions of the Depository Agent.

3. The parties agree that at current per unit road impact fee rates, the total build out of the lands within the geographic boundaries of the CDD in accordance with the DRI Development Order would generate approximately \$6.4 million in road impact fees. The parties further agree that road impact fee credits of approximately \$2,452,575 have already been issued by the County to JPLP or its predecessors in interest. This amount includes \$1.8 million in road impact fee credits for the contribution referenced in paragraph 1 above. In light of the foregoing, the County will, beginning with the effective date of this Settlement Agreement, first collect and withhold the monies referenced in paragraph 4 below. The County will then, subject to the additional provisions of this paragraph and of paragraph 4 below, transfer to the CDD on a quarterly basis all future road impact fees it collects in connection with development within the geographic boundaries of the CDD. Such quarterly transfers will continue until the earlier of the time that the lands within the CDD are fully built out in accordance with the DRI Development Order, or the total amount of all road impact fees transferred by the County to the CDD pursuant to the terms of this Settlement Agreement equal \$3,947,425 (\$6.4 million dollars estimated at build out minus \$2,452,575 in road impact fee credits already issued to Julington Partners and its predecessor developers). Notwithstanding any other provision of this Settlement Agreement, the total amount the County will pay to

the CDD pursuant to this entire Settlement Agreement will be the lesser of \$3,947,425 minus any amounts expended in litigation or settlement as referenced in paragraph 4 below, or the total amount of road impact fees collected by the County in connection with development within the geographic boundaries of the CDD between February 26, 2001 and the date that total build out has been completed, minus any amounts expended in litigation or settlement as referenced in paragraph 4 below. The CDD has provided the County with an accounting of all monies that it has spent in the past on DRI Development Order required road improvements, which accounting shows that the CDD paid at least \$3,947,425 for DRI Development Order required road improvements and that such \$3,947,425 does not include any monies that funded the improvements for which the County has already issued the \$2,452,575 in road impact fee credits. The CDD will timely provide the County with an accounting of all monies it spends in the future on DRI Development Order required road or traffic improvements.

4. Notwithstanding paragraph three above or any other provision of this Settlement Agreement, the first \$175,000 in road impact fees collected by the County in connection with future development of parcels of land within the CDD, and an amount equal to the total of all road impact fees collected by the County in connection with development of parcels of land whose owners are

class members who opt out of this Settlement Agreement, will be retained by the County until January 2, 2008, or six years after the effective date of this Settlement Agreement, whichever is later, at which time said funds, provided they are not then the subject of litigation and have not been otherwise expended in settlement or defense of litigation, will be paid by the County to the CDD.

5. Within ten days of its receipt of any road impact fees from the County, the CDD will transfer such funds to the Depository Agent. The County shall deliver any checks for payments required to be made to the CDD under this Settlement Agreement to the address and person specified in writing by the CDD. The checks will be made payable to the CDD.

6. Except as otherwise set forth in paragraph 2. above, within ten (10) days of its receipt of funds from the CDD, the Depository Agent will retain or disburse those funds, less its charges and expenses, as follows:

a) With respect to the first four quarterly transfers of funds from the CDD to the Depository Agent, 100% of the funds will be retained by the Depository Agent for the benefit of the CDD, for later disbursement in accordance with the provisions of paragraph 12 below.

b) With respect to the second four quarterly transfers of funds from the CDD to the Depository Agent, 86% of the funds will be paid to JPLP, and 14% of the funds will be retained by the Depository Agent for the benefit of the CDD, for later disbursement in accordance with the provisions of paragraph 12 below.

c) All subsequent funds received from the CDD will, after the adjustments referenced in paragraph 6.d) below, be disbursed as follows: 41% of the funds will be paid to JPLP, and 59% of the funds will be retained by the Depository Agent for the benefit of the CDD, for later disbursement in accordance with the provisions of paragraph 12 below.

d) As soon as practicable after the twenty-fifth month after the first quarterly transfer under this Settlement Agreement, an adjustment payment (and, if required, further adjustment payments) will be made by the Depository Agent from funds available for distribution to ensure that the CDD received the benefit of 57% of and JPLP received 43% of the total funds disbursed or retained by the Depository Agent in accordance with paragraphs 6.a) and b) above.

7. JPLP and the CDD shall give notice to the Depository Agent within thirty days of their claimed failure to receive any disbursements or benefits required hereunder. Neither JPLP nor the

CDD shall have any claim for special damages for any missed or untimely disbursement by the Depository Agent.

8. JPLP will dismiss with prejudice the federal case, and the parties to the federal case will bear their own attorneys' fees and costs.

9. Except as otherwise set forth in paragraph 1 above, each party hereto shall bear its own attorneys' fees and costs in connection with the litigation, this Settlement Agreement, and all related matters.

10. The CDD agrees to have available for inspection upon request at its offices a notice concerning the powers and rights of the CDD, substantially in the form of the notice attached hereto as Exhibit "C."

11. The governing body of the County will instruct the County Administrator to ask developers who indicate in writing to the County that they intend to establish community development districts in St. Johns County to furnish to prospective home buyers information concerning the powers and rights of community development districts by providing them a notice substantially in the form of the notice attached hereto as Exhibit "C," which the County may, but is not required to, amend to reflect any changes in Florida law that may occur in the future. The County will have no

duty to ensure that such developers do, in fact, provide such notice to prospective home buyers. Further, the provisions of this paragraph will expire five years after the effective date of this Settlement Agreement.

12. Except for its charges and expenses, all sums held by the Depository Agent for the benefit of the CDD pursuant to the terms of this Settlement Agreement will be used to reduce the CDD's outstanding bond indebtedness, as permitted by the applicable trust indentures and other bond documents, or to pay attorneys' fees and costs to Cooper, Ridge & Lantinberg, as awarded by the court in the class action suit. The CDD shall have no responsibility with respect to any funds to be paid it pursuant to this Settlement Agreement until such funds are actually received by the CDD.

13. This Settlement Agreement shall not be effective unless and until approved by entry of a final judgment in the class action suit by the Circuit Court, Seventh Judicial Circuit, in and for St. Johns County, Florida, that bars all of the claims released in paragraphs A, B, C, and D above; said final judgment to be entered after notice to the class of the proposed settlement and a hearing before the Circuit Court to determine whether the proposed settlement is fair, reasonable, and adequate.

14. This Settlement Agreement shall not be effective unless and until approved by the Board of County Commissioners of St. Johns County and the Board of the CDD.

15. This Settlement Agreement shall not be effective unless and until the County amends its Road Impact Fee Ordinance to authorize, inter alia, impact fee crediting and transfer procedures such as set forth herein.

16. The mutual releases and discharges herein given and/or received also apply to and run in favor of the parties' and the builders' past, present, and future partners, officers, commissioners, directors, stock holders, attorneys, agents, insurers, servants, representatives, employees, subsidiaries, affiliates, predecessors and successors in interest, and assigns, and all other persons, firms or entities with whom any of the former have been, are now, or may hereafter be affiliated.

17. This Settlement Agreement shall constitute a fully binding and complete settlement of the litigation and will bar all claims as provided in the final judgment entered in the class action suit.

18. The parties acknowledge that: a) the County has insisted that all transfers of road impact fee monies that it will make pursuant to this Settlement Agreement be made directly to the CDD

and that the parties hereto, independently and without County participation, determined the distributions to be made by the Depository Agent as set forth herein or in the depository agreement attached as Exhibit "B"; and b) the County has not verified or taken responsibility for the portion of Exhibit "C" that pertains to the bonds or the bond proceeds.

19. The parties hereto expressly waive and assume the risk of any and all claims for damages whether accrued or not and whether known or unknown, and which, if known, would materially affect their decision to enter into this Settlement Agreement. The parties further agree that this Settlement Agreement constitutes a complete compromise of matters involving disputed issues of law and fact. The parties assume the risk that the facts or law may be other than they believe.

20. It is understood and agreed to by the parties that this Settlement Agreement is a compromise of doubtful and disputed claims, and that the agreements contained herein are not to be construed as admissions of liability on the part of any party, all of whom expressly deny liability.

21. In entering into this Settlement Agreement, the parties represent that they have relied upon the advice of their attorneys, who are the attorneys of their own choice, concerning the legal consequences of this Settlement Agreement.

22. This Settlement Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of Florida.

23. This Settlement Agreement contains the entire agreement between the parties with regard to the matters set forth in it, and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each.

24. Nothing in this Settlement Agreement shall be deemed to require the County to continue to levy or collect road impact fees or, if levied, to levy them for any certain amount.

25. The effective date of this Settlement Agreement shall be the latest date upon which the dismissal with prejudice of the federal case and the final judgment in the class action suit become final and are no longer subject to appeal, and the events referenced in paragraphs 13, 14, 15, and 30 have occurred.

26. Upon this Settlement Agreement becoming effective, any party hereto may record this Settlement Agreement in the official public records of St. Johns County.

27. If class members who opt out of this Settlement Agreement cumulatively own more than twenty (20) acres of land within the geographic boundaries of the CDD, then either JPLP, the CDD, or the

County may, but are not required to, terminate this Settlement Agreement, whereupon the Settlement Agreement will have no force or effect whatsoever. To terminate the Settlement Agreement in accordance with this provision, the terminating party must give notice to counsel for all other parties hereto of their intent to terminate within fifteen (15) days of receiving from the class' lawyers a listing of all class members who have opted out of the proposed settlement.

28. JPLP has the right to assign its rights and obligations hereunder to any person or entity to whom it assigns its rights and responsibilities under the DRI Development Order and the Impact Fee Credit Agreement for Road Impact Fees dated April 1, 1994. All parties hereto hereby waive all objections to any assignment by JPLP of its rights and obligations hereunder if such assignment is made in accordance with the provisions of this paragraph.

29. Within ten (10) days of the execution of this Settlement Agreement, JPLP will provide the CDD, the County, and Cooper, Ridge & Lantinberg copies of releases it has obtained from the builders.

30. This Settlement Agreement is contingent upon the court in the class action suit certifying a settlement class comprised of:

All persons, who purchased a home within the political boundaries of the Julington Creek

Plantation Community Development District
(i) were charged an impact fee in connection with the construction or purchase of their home, and (ii) have been or will be assessed non ad valorem special assessments for the servicing of bonds sold by the Julington Creek Plantation Community Development District to pay for certain improvements to roads and infrastructure.

If such a class is not certified or if a final judgment approving this Settlement Agreement and binding such a class is not entered by the court in the class action suit, this Settlement Agreement will be null and void and of no force or effect whatsoever.

31. This Settlement Agreement will be null and void if a final judgment approving this Settlement Agreement is not entered in the class action suit by December 31, 2002.

COOPER RIDGE & LANTINBERG, P.A.

By *Richard J. Lantinberg*
Richard J. Lantinberg, Esquire
200 West Forsyth Street
Suite 1200
Jacksonville, Florida 32202

Attorneys for Class Plaintiffs

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 17th day of July, 2002, by Richard J. Lantinberg. He is [] personally known to me or [] has produced _____ as identification.

Janet S. DeLoach
Signature of Notary

[SEAL]



HENDERSON & KEASLER

By AD Henderson
Alan D. Henderson, Esquire
4309 Pablo Oaks Court, Suite 5
Jacksonville, Florida 32224-9667

Attorneys for Class Plaintiffs

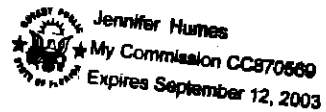
STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 17th day of July, 2002, Alan D. Henderson. He is [] personally known to me or [] has produced as identification.

Jennifer Humes
Signature of Notary

[SEAL]



JULINGTON PARTNERS LIMITED PARTNERSHIP,
a Delaware limited partnership

By: Julington-Cypress Limited Partnership

By: Julington-Cypress, Inc.

By: *Nader G.M. Salour*
Nader G.M. Salour
Its Senior Vice President

[CORPORATE SEAL]

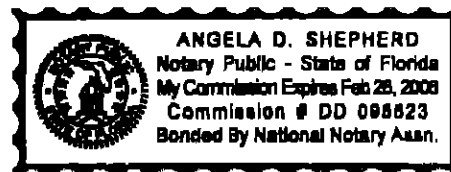
STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 15th day of July, 2002, by Nader G.M. Salour, the Senior Vice President of Julington-Cypress, Inc., a Delaware corporation, the General Partner of Julington-Cypress Limited Partnership, the General Partner of Julington Partners Limited Partnership, a Delaware limited partnership, for and on behalf of the partnership. He is [] personally known to me or [] has produced _____ as identification.

Angela D. Shepherd
Signature of Notary

[SEAL]



ST. JOHNS COUNTY, FLORIDA, by its
Board of County Commissioners

By: _____

Its: Chairman

Attest: _____
Its Clerk

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me this
_____ day of July, 2002, by _____, the Chairman
of the Board of County Commissioners of St. Johns County, Florida,
on behalf of St. Johns County, who is [_____] personally known to me
or [_____] has produced _____ as
identification.

Signature of Notary

[SEAL]

JULINGTON CREEK PLANTATION COMMUNITY
DEVELOPMENT DISTRICT

[Signature] 7/9/02

By: JAY J CARPENTER

Its: CHAIRMAN

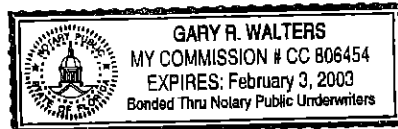
STATE OF FLORIDA

COUNTY OF St. Johns

The foregoing instrument was acknowledged before me this 9th day of July, 2002, by Jay J. Carpenter, its Chairman, who is [] personally known to me or [] has produced _____ as identification.

[Signature]
Signature of Notary

[SEAL]



SEDA CONSTRUCTION COMPANY

By: [Signature]
Its: President

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 24 day of July, 2002, by John A. Semanik, its [], who is [] personally known to me or [] has produced John A. Semanik as identification.

Jennifer Koski
Signature of Notary

[SEAL]



Exhibit "A"

D.R. Horton, Inc. - Jacksonville
D.R. Horton, Inc., d/b/a Fortress Homes
Taylor Woodrow Communities
Taylor Woodrow Homes Florida, Inc.
Monarch Homes of Florida, Inc.
Panitz Signature Homes, LLC
Weekley Homes, L.P., d/b/a David Weekley Homes
J.L. Smith Construction, Inc.
Morrison Homes, Inc.
Beazer Homes Corporation, d/b/a Panitz Homes
Kicklighter Custom Homes, Inc.
North Florida Builders/W. Howard White, Inc.
Sid Higginbotham Builder, Inc.
D.S. Ware Homes, LLC
River City Homes & Development Corp.
Mercedes Homes, Inc.
Richard R. Dostie, Inc.
Atlantic Builders, Inc.
Providence Homes, Inc.
Centex Homes
JCP-16/80, LLP
Julington Creek Ventures, LLP
Interwest Construction of Jax, Inc.

EXHIBIT B

DEPOSITORY AGREEMENT

This Depository Agreement dated as of _____, 2002 (the "Agreement" or "Depository Agreement"), is by and between Julington Creek Plantation Community Development District ("CDD") and Wachovia Bank, N.A., a national banking association (the "Depository").

WHEREAS, pursuant to a Settlement Agreement and Mutual Release dated as of _____, 2002, (the "Settlement Agreement") by and among CDD, St. Johns County, Florida (the "County"), Julington Partners Limited Partnership ("JPLP"), SEDA Construction Company and the class specified therein, CDD has agreed to create with an agent selected by CDD an account (the "Depository Account") into which 100% of all road impact fees collected by the County in connection with development within the geographic boundaries of CDD since February 26, 2001, and remitted by the County to CDD, shall be deposited; and

WHEREAS, CDD and the Depository, desire to enter into this Depository Agreement to make provision for the creation of the Depository Account, all as required under the Settlement Agreement, and to provide for other related matters;

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. Creation of Depository Account. CDD hereby establishes with the Depository a special account to be designated the "Julington Creek Plantation Community Development District Depository Account." Such account shall be maintained by CDD with the Depository or its successor hereunder for the term of this Agreement. The Depository Account shall be held separate from all other funds of the County, the Depository and CDD and applied solely as provided herein.

Section 2. Deposits to Depository Account. CDD will make deposits into the Depository Account as follows:

a. The County will pay \$251,288 to the law firm of Cooper, Ridge & Lantinberg, for, to the extent approved by the court under the Settlement Agreement, a one-time \$65,000 payment to SEDA and payment of class action counsels' attorneys' fees and costs. Any amounts remaining from this \$251,288 after the payment of court awarded costs and attorneys' fees will be transferred by Cooper, Ridge & Lantinberg to CDD and will be deposited by CDD into the Depository Account and applied to the reduction of CDD's outstanding bond indebtedness, in accordance with the provisions of Section 3f of this Agreement. Any attorneys' fees and costs awarded by the court in the class action suit in excess of \$186,288 will be paid by the Depository out of the proceeds which would have otherwise been held for the benefit of CDD under the provisions of Section 2b below, upon receipt of an invoice for the same from Cooper, Ridge & Lantinberg together with a certification from such firm that the court has approved the payment of such invoice.

b. The County will pay 100% of all road impact fees it has collected in connection with development within the geographic boundaries of CDD since February 26, 2001 through the effective date of the Settlement Agreement to CDD. CDD will, within ten (10) days of its receipt of said funds, transfer said funds to the Depository. Within ten (10) days of its receipt of the road impact fees, the Depository will pay, less its charges and expenses, 43% of the road impact fees to JPLP at the address provided in Section 12 below, and 57% of the fees, less any attorneys' fees and costs paid as provided in Section 2a above will be held by the Depository for the benefit of CDD and will be disbursed by the Depository in accordance with the provisions of Section 3 of this Agreement.

c. The County will, subject to Section 2, paragraph d below, beginning on the effective date of the Settlement Agreement and continuing until the earlier of (i) the time the Julington Creek Plantation is fully built out in accordance with the DRI Development Order, or (ii) the road impact fees transferred by the County to CDD and thence to Depository pursuant to the terms of the Settlement Agreement total \$3,947,425 transfer to CDD, on a quarterly basis, all road impact fees it collects in connection with development within the geographic boundaries of CDD. Within ten (10) days of receipt, CDD will deposit such fees into the Depository Account.

d. Notwithstanding Section 2, paragraph c above, road impact fees collected by the County in connection with development of parcels of land whose owners are class members who opt out of the Settlement Agreement, plus an additional \$175,000, will be retained by the County until January 2, 2008, or six years after the effective date of the Settlement Agreement, whichever is later, at which time said funds, provided they are not then the subject of litigation and have not been otherwise expended in settlement or defense of litigation, will be paid by the County to CDD. Within ten (10) days of receipt, CDD will deposit such fees into the Depository Account.

Section 3. Disbursements from Depository Account. The Depository will retain or disburse funds from the Escrow Account as follows:

a. To Depository as payment of its fees and expenses in accordance with Section 8 herein.

b. With respect to the first four quarterly transfers of funds from CDD to the Depository, (as provided for in Section 2 above) 100% of those funds will be retained by the Depository for the benefit of CDD, for later disbursement in accordance with the provisions of Section 3f below.

c. With respect to the second four quarterly transfers of funds from CDD to the Depository, 86% of the funds will be paid by the Depository to JPLP at the address provided in Section 12 below, and 14% of the funds will be retained by the Depository for the benefit of CDD, for later disbursement in accordance with the provisions of Section 3f below.

d. All subsequent funds received from CDD will, after the adjustments referenced in Section 3e below, be disbursed as follows: 41% of the funds will be paid by the Depository to JPLP at the address provided in Section 12 below, and 59% of the funds will be retained by the Depository for the benefit of CDD, for later disbursement in accordance with the provisions of Section 3f below.

e. As soon as practicable after the eighth quarterly payment following the effective date of the Settlement Agreement, an adjustment payment (and, if required, further adjustment payments) will be made by the Depository from funds available for distribution to ensure that CDD received the benefit of 57% of and JPLP received 43% of the total funds disbursed or retained by the Depository in accordance with Sections 3b and 3c above.

f. After disbursement of all sums from the Depository Account as hereinabove provided, all sums held by the Depository for the benefit of CDD pursuant to the terms of this Agreement shall be remitted to the District Trustee, Wachovia Bank, N.A., formerly known as First Union National Bank of Florida, Corporate Trust Department, Attention: Vivian C. Cerecedo, First Union Financial Center, Fourteenth Floor, 200 South Biscayne Boulevard, Miami, Florida, 33131, in accordance with the wiring instructions set forth in Exhibit A.

Section 4. Investment. Amounts on deposit from time to time in the Depository Account shall be invested at the direction of CDD pursuant to the CDD investment policy, a copy of which is attached hereto and incorporated herein as Exhibit B. Such investments shall mature or be available at such time and in such amounts as shall be required to provide moneys to make

payments required to be made from the Depository Account. All investment earnings, gains and losses on such moneys shall accrue to and remain within the Depository Account until such time as the last disbursement is made by Depository.

Section 6. No Liability for Loss. The Depository shall not be liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof.

Section 7. Indemnification of Depository. CDD shall indemnify, hold harmless and defend the Depository from and against any and all losses, claims, liabilities, and reasonable expenses, including the reasonable fees of its counsel, specifically including in-house counsel fees, which it may suffer or incur in connection with the performance of its duties and obligations under this Depository Agreement, except for those losses, claims, liabilities and expenses resulting solely and directly from Depository's own gross negligence, willful misconduct, or unlawful act or omission. The Depository may seek the advice of counsel at any time and such reasonable attorney fees shall be in addition to the administrative fees charged by the Depository for serving as Depository. Despite the foregoing, nothing in this Agreement shall be construed as a waiver of any limitation on the liability of the CDD contained in Section 768.28, Florida Statutes (2001), or other laws.

Section 8. Payment of Fees. CDD shall pay all necessary and proper fees, compensation and expenses of the Depository from the Depository Account. Depository shall provide the CDD with an itemization of such fees, charges and expenses prior to withdrawing payment from the Depository Account.

Section 9. No Implied Duties. The Depository agrees to perform only those duties and obligations expressly imposed upon it by this Agreement and no implied obligations shall be read into this Agreement. Depository shall incur no liability hereunder or in connection herewith for anything whatsoever other than any liability resulting from its own gross negligence or

To the County, by addressing the same to:

James Sisco, Esq.
County Attorney
4020 Lewis Speedway
St. Augustine, Florida 32085

To the Depository, by addressing the same to:

Wachovia Bank, National Association
Corporate Trust Department
225 Water Street, 3rd Floor
Jacksonville, FL 32202

To CDD, by addressing the same to:

Julington Creek Plantation Community Development District
District Offices
10300 Northwest 11th Manor
Coral Springs, Florida 33071

With a copy to:

Hopping Green & Sams, P.A.
Attention: Jonathan Johnson
P.O. Box 6526
Tallahassee, Florida 32314

To JPLP, by addressing the same to:

Nader Salour
Julington Creek Plantation
In care of Abacoa Development Company
1200 University Boulevard
Suite 210
Jupiter, Florida 33458

Any party may, however, at any time, change its address for notification purposes by mailing as herein provided a notice stating the change and setting forth the new address.

Section 13. Assignment and Benefit. Except as herein otherwise, expressly provided, this Agreement and the several covenants, restrictions, conditions, agreements, stipulations, and provisions herein contained shall be binding upon the legal representative, successors, and assigns

of the respective parties hereto. This Agreement may not be assigned by any party hereto without the prior written consent of the other parties hereto.

Section 14. Waivers. No delay or omission by any party hereto to exercise any right or power accruing upon any noncompliance or default by any other party with respect to any of the terms of this Agreement shall impair any such right or power or be construed to be a waiver thereof, except as otherwise herein provided. A waiver by any of the parties hereto of any of the covenants, conditions, or agreements hereof to be performed by another party shall not be construed to be a waiver of any succeeding breach thereof or of any other covenant, condition, or agreement herein contained.

Section 15. Article and Section Headings. The article and section headings herein are for convenience and reference only, and in no way define or limit the scope and content of this Agreement or in any way affect its provisions.

Section 16. Entire Agreement. This Agreement contains the entire agreement between the parties, except as provided in other written agreements between the parties, and any agreement hereafter made shall be ineffective to change, modify, or discharge this Agreement or any other existing written agreement in whole or in part unless such agreement hereafter made is in writing and signed by the parties hereto.

Section 17. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts shall together constitute but one and the same instrument.

Section 18. Governing Law; Jurisdiction and Venue. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of Florida. Any suit, action or proceeding seeking to interpret or enforce any provision of, or based on any right arising out of,

this Depository Agreement shall be brought in a court of original jurisdiction for matters involving contract, equity and damage claims in the State of Florida.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

Julington Creek Plantation Community
Development District

By: _____
Jay Carpenter
Chairman

WACHOVIA BANK, N.A.

By: _____
Sherry Wilson
Trust Officer

**JULINGTON CREEK
PLANTATION COMMUNITY DEVELOPMENT DISTRICT DISCLOSURE**

This information is being provided to you pursuant to the terms of a settlement between the parties in Minnis, et al. vs. Julington Partners Limited Partnership, et al., Case No. 99-0025, In the Circuit Court in and for the Seventh Judicial Circuit, ST. Johns County, Florida.

The Julington Creek Plantation Community Development District is located within St. Johns County and generally serves the residents of the Julington Creek Plantation development. A community development district is a local unit of special purpose government created as an alternative method to manage and finance basic services for community development. Its powers and rights are established by Florida law and enumerated in Chapter 190, Fla. Stat. In addition to the general powers necessary to operate, it has special enumerated powers relating to public improvements and community facilities; including, the power to finance, fund, plan, establish, acquire, construct, enlarge or extend, equip, operate, and maintain systems, facilities, and basic infrastructure related to water management, bridges, roads, transportation, conservation or mitigation areas, wild life, parks, fire prevention, school structures, security waste collection and other functions. A CDD also has ad-valorem taxing and non ad-valorem assessing power.

The CDD is governed by a board of supervisors consisting of five members. The board of supervisors is initially elected by a vote of owners of Land within the district. See Fla. Stat. §190.006. The Board of Supervisors is charged with the responsibility of managing the district and hiring a district manager to supervise the works of the district. The district manager is responsible for preserving and maintaining any improvement or facility constructed

and other acts directed by the Board of Supervisors. A list of the Board of Supervisors of the CDD is located at the CDD's office.

Initially, the Board of Supervisors is composed of individuals elected by the developer. Over time the composition of the board will change as the ownership of the development shifts from the developer to individual landowners. Elections are held on the second Tuesday in November every two years. The elections are for staggered terms. While it is impossible to predict precisely when the individual homeowners will hold a majority of the seats on the board of supervisors, one would expect the composition to change when the owners of individual lots hold more than 1/2 of the total land.

Julington Creek only: The CDD is an operating limited purpose governmental entity. In August 1996 and February 1997, the CDD adopted resolutions pursuant to which it authorized issuance and sale of approximately \$23 million in special Assessment Bonds to finance certain road and other improvements in and around the geographic boundaries of the CDD. These bonds are special obligation bonds and are secured by and to be repaid by non-ad valorem special assessments levied on lands within the CDD. Beginning in November 1997, the CDD assessed each benefited property within the District toward repayment of the bonds. The bond indebtedness is scheduled to be satisfied through the collection of non-ad valorem special assessments over 20 or 22 years.

The bonds were issued to pay for road improvements, which were required to be made as a part of the Julington Creek Development of Regional Impact Restated Development Order (St. Johns County Resolution No. 93-159), as amended. The bond proceeds have been used, among other things, for the (i) design, construction, and acquisition or dedication of a right-of-way for the four-laning of a portion of Racetrack Road; (ii) design,

construction, and dedication of a right-of-way for the four-laning of a portion of S.R. 13, plus payment of a \$100,000 fee for other related S.R. 13 right-of-way acquisitions; and (iii) provision of \$1.8 million for either (a) the future paving of Russell Sampson Road, Racetrack Road to C.R. 210; or (b) for additional four-laning of Racetrack Road.

The current total annual assessment to serve the bonds is approximately \$2,500,000 or \$380 per single-family unit.

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