

A. Settlement Statement		U.S. Department of Housing and Urban Development	
		HUD-1 (3/86) OMB No. 2502-0265	
B. Type of Loan			
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv. Unins.	6. File Number 52914-532C
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.	7. Loan Number	8. Mortgage Insurance Case Number
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
D. Name and Address of Borrower NASSAU COUNTY, a political subdivision within the State of Florida 220 Nassau Place Yulee, FL 32097		E. Name and Address of Seller THE TRUST FOR PUBLIC LAND, a nonprofit California corporation 306 N. Monroe St. Tallahassee, FL 32301	
		F. Name and Address of Lender	
G. Property Location Lots 4, 5, & 6, Block 2 of Unit 1, Section 3, American Beach, Plat Book 3, Page 19, Nassau County, Florida, less road row		H. Settlement Agent Timothy A. Burleigh, P.A., The Trust for Public Land	
		Place of Settlement 26 River Street Dover- Foxcroft, ME 00426-1321	I. Settlement Date 09/08/06
J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract sales price	1,300,000.00	401. Contract sales price	1,300,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	3,999.00	403.	
104. Reimburse Survey & ESA	2,825.00	404. Reimburse Survey & ESA	2,825.00
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	1,306,824.00	420. Gross Amount Due To Seller	1,302,825.00
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due To Seller	
201. Deposit or earnest money	100.00	501. Excess deposit (see instructions)	100.00
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	7,564.50
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	100.00	520. Total Reduction Amount Due To Seller	7,664.50
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross Amount due from borrower (line 120)	1,306,824.00	601. Gross amount due to seller (line 420)	1,302,825.00
302. Less amounts paid by/for borrower (line 220)	(100.00)	602. Less reductions in amt. due seller (line 520)	(7,664.50)
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	1,306,724.00	603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	1,295,160.50

L. Settlement Charges

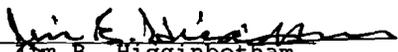
700. Total Sales/Broker's Commission based on price \$ @ % =		Paid From Borrower's Funds At Settlement	Paid From Seller's Funds At Settlement
Division of Commission (line 700) as follows:			
701. \$	to		
702. \$	to		
703. Commission paid at Settlement			
704.			
800. Items Payable In Connection With Loan			
801. Loan Origination Fee	%		
802. Loan Discount	%		
803. Appraisal Fee	to		
804. Credit Report	to		
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Fee to			
807. Assumption Fee			
808.			
809.			
810.			
811.			
812.			
813.			
814.			
900. Items Required By Lender To Be Paid In Advance			
901. Interest from	to @ \$ /day		
902. Mortgage Insurance Premium for	months to		
903. Hazard Insurance Premium for	years to		
904.	years to		
905.			
1000. Reserves Deposited With Lender			
1001. Hazard Insurance	months @ \$ per month		
1002. Mortgage Insurance	months @ \$ per month		
1003. City property taxes	months @ \$ per month		
1004. County property taxes	months @ \$ per month		
1005. Annual assessments	months @ \$ per month		
1006.	months @ \$ per month		
1007.	months @ \$ per month		
1008. Aggregate adjustment	months @ \$ per month		
1100. Title Charges			
1101. Settlement or closing fee	to		
1102. Abstract or title search	to Timothy A. Burleigh, P.A.	250.00	
1103. Title examination	to		
1104. Title insurance binder	to		
1105. Document preparation	to		
1106. Notary fees	to		
1107. Attorney's fees	to		
(includes above items numbers:)			
1108. Title insurance	to Timothy A. Burleigh, P.A.	3,630.00	
(includes above items numbers:)			
1109. Lender's coverage	\$		
1110. Owner's coverage	\$ 1,300,000.00		
1111.			
1112.			
1113.			
1200. Government Recording and Transfer Charges			
1201. Recording fees: Deed \$27.00	; Mortgage \$; Release \$		27.00
1202. City/county tax/stamps: Deed \$; Mortgage \$		
1203. State tax/stamps: Deed \$; Mortgage \$		
1204. Record Restrictive Covenant		119.00	
1205.			
1300. Additional Settlement Charges			
1301. Survey	to Manzie & Drake \$525.00 POC Seller		
1302. Pest inspection to			
1303. Environmental Site Assessment to ECT, Inc. \$2300.00 POC Seller			
1304. Deposit 2006 Property Taxes to Nassau Co. Tax Collector			7,537.50
1305.			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		3,999.00	7,564.50

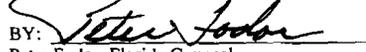
This page is attached to and made part of the Settlement Statement in the matter described on Page 1 of the Settlement Statement.

I have carefully reviewed this Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

Borrower(s) NASSAU COUNTY, a political subdivision within the State Seller(s) of Florida

THE TRUST FOR PUBLIC LAND, a nonprofit California corporation

BY: 
Name: Jim B. Higginbotham
Title: Vice Chairman

BY: 
Peter Fodor, Florida Counsel

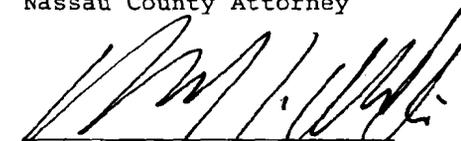
The Settlement Statement which I have prepared is a true and accurate account of funds received and funds disbursed or to be disbursed for this transaction.

Timothy A. Burleigh, P.A., Settlement Agent

Attest:


JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney


MICHAEL S. MULLIN, Esquire

Florida Communities Trust

August 28, 2006

Trust for Public Land
306 North Monroe Street
Tallahassee, FL 32301

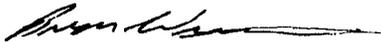
RE: FCT Project Number 04-026-FF4
American Beach Historic Park
Nassau County

Dear Sellers:

Please find attached a fully-executed original of the Option Agreement for Sale and Purchase for the above-referenced Florida Communities Trust projects. Also, in compliance with the agreement, please find attached a state warrant in the amount of \$100.00.

If you have any questions, please call Kristen Coons at (850) 922-1700.

Sincerely,



Bryan Wirick
OMCI
Florida Communities Trust

bw/

Enclosure

cc: Mr. Mike Mahaney

Project: **American Beach Historic Park**
Project #: **04-026-FF4**
Parcel #: **TPL-Nelson**

Contract #: 07-67-22-04-FV-61-026
Property Tax I.D.#: 5500-00-30-010C-0002-0040; 5500-00-30-010C-0002-050; 5500-00-30-010C-0002-060

OPTION AGREEMENT FOR SALE AND PURCHASE

THIS AGREEMENT is made this 23rd day of AUGUST 2006, between **THE TRUST FOR LAND, a California Non-Profit Corporation**, as ("Seller"), whose address is 306 North Monroe Street, Tallahassee, Florida 32301 and the **FLORIDA COMMUNITIES TRUST**, a nonregulatory agency within the Department of Community Affairs, ("Acquiring Agency") whose address is 2555 Shumard Oak Boulevard, Tallahassee, Florida 32399, and **NASSAU COUNTY**, a political subdivision within the State of Florida, ("Local Government"), whose address is 220 Nassau Place, Yulee, Florida 32097. Acquiring Agency and Local Government will be collectively referred to as ("Purchaser").

1. **GRANT OF OPTION.** Seller hereby grants to Purchaser the exclusive option to purchase the real property located in Nassau County, Florida, described in Exhibit "A", together with all improvements, easements and appurtenances ("Property"), in accordance with the provisions of this Agreement. This Option Agreement becomes legally binding upon execution by the parties but exercise of the option is subject to approval by Purchaser and is effective only if Acquiring Agency and Local Government give written notice of exercise to Seller. Purchaser and Seller acknowledge that the Seller is not the current owner of the Property, but holds an option to purchase the Property. Consequently, this Option Agreement, and the party's obligations hereunder, are contingent upon the Seller acquiring marketable title to the Property.
2. **OPTION TERMS.** The option payment is \$100.00 ("Option Payment"). The Option Payment, in the form of a state warrant, will be forwarded to Seller upon its receipt by Acquiring Agency from the Comptroller of the State of Florida. The option may be exercised during the period beginning with the Purchaser's approval of this Agreement and the Acquiring Agency's governing body granting project plan approval in accordance with Rule 9K-8.011, Florida Administrative Code, and ending on October 31, 2006 ("Option Expiration Date"), unless extended by other provisions of this Agreement. In the event Acquiring Agency's Purchase Price (as hereinafter defined in paragraph 3.A) or Local Government's Purchase Price (as hereinafter defined in paragraph 3.A) are not available by the Option Expiration Date the period of exercise of the option may be extended until such funds become available, not to exceed 60 days after the Option Expiration Date, by written notice to Seller.
- 3.A. **TOTAL PURCHASE PRICE.** The total purchase price ("Total Purchase Price") for the Property is ONE MILLION THREE HUNDRED THOUSAND and no/100 Dollars (\$1,300,000.00) which, after reduction by the amount of the Option Payment, will be paid by Acquiring Agency and Nassau County at closing. Seller hereby authorizes Acquiring Agency to issue a state warrant directly to an escrow agent who is authorized by law to receive such payment, and who is acceptable to Purchaser, and to require the escrow agent to pay Seller's expenses of sale and real estate taxes. The Total Purchase Price is subject to adjustment in accordance with paragraph 3.B. This Total Purchase Price presumes that the Property contains 0.31 total acres, more or less, to be confirmed by the Survey, as provided in paragraph 5. The determination of the final Total Purchase Price can only be made after the completion and approval of the survey required in paragraph 5. This Agreement is contingent upon approval of Total Purchase Price by Purchaser and upon confirmation that the Total Purchase Price is not in excess of the final maximum approved purchase price of the Property as determined in accordance with Rule 9K-8.007, Florida Administrative Code ("Maximum Approved Purchase Price").

The Total Purchase Price shall be paid to Seller as follows: Acquiring Agency shall pay \$1,225,000.00 of the final adjusted Acquiring Agency's Purchase Price for the Property as determined in accordance with paragraph 3.B., which after reduction by Acquiring Agency of the Option Payment, will be paid to Seller by state warrant at closing. Nassau County shall pay \$75,000.00 of the Total Purchase Price for the Property, as determined in accordance with paragraph 3.B., will be paid to Seller by check at closing.

Acquiring Agency and Nassau County agree that Nassau County shall take fee simple title to all of the Property at the closing. Conveyance of the Property in fee simple from Seller to Nassau County will take place at the closing in accordance with the provisions of this Agreement. ~~Should the funds for acquisition not be available for any reason, Purchaser or Seller may elect to terminate this Agreement by written notice to the parties without liability to any party.~~

This Agreement is also contingent upon the Local Government requesting and receiving an increase in the amount of the grant award from the governing board of the Acquiring Agency in an amount sufficient to close in accordance with this Agreement.

3.B. ADJUSTMENT OF TOTAL PURCHASE PRICE. If, prior to closing, Acquiring Agency determines that the Total Purchase Price stated in paragraph 3.A. exceeds the final Maximum Approved Purchase Price of the Property, the Total Purchase Price will be reduced to the final Maximum Approved Purchase Price of the Property. Upon determination of the final adjusted Total Purchase Price, Acquiring Agency's Purchase Price and Local Government's Purchase Price will be determined and adjusted in accordance with paragraph 3.A. If the final adjusted Total Purchase Price is less than 100% of the Total Purchase Price stated in paragraph 3.A. because of a reduction in the Maximum Approved Purchase Price of the Property, Seller shall, in his sole discretion, have the right to terminate this Agreement and neither party shall have any further obligations under this Agreement. If Seller elects to terminate this Agreement, Seller shall provide written notice to Acquiring Agency and Local Government of his election to terminate this Agreement within 10 days after Seller's receipt of written notice from Acquiring Agency of the final adjusted Total Purchase Price. In the event Seller fails to give Acquiring Agency and Local Government a written notice of termination within the aforesaid time period from receipt of Acquiring Agency's written notice, then Seller shall be deemed to have waived any right to terminate this Agreement based upon a reduction in the Total Purchase Price stated in paragraph 3.A.

4.A. ENVIRONMENTAL SITE ASSESSMENT. Seller shall, at Seller's sole cost and expense and at least 30 days prior to the Option Expiration Date, furnish to Local Government and Acquiring Agency an environmental site assessment of the Property, which meets the standard of practice of the American Society of Testing Materials ("ASTM"). Seller shall use the services of competent, professional consultants with expertise in the environmental site assessing process to determine the existence and extent, if any, of Hazardous Materials on the Property. For purposes of this Agreement "Hazardous Materials" shall mean any hazardous or toxic substance, material or waste of any kind or any other substance which is regulated by any Environmental Law (as hereinafter defined in paragraph 4.B.). The examination of hazardous materials contamination shall be performed to the standard of practice of the ASTM. For Phase I environmental site assessment, such standard of practice shall be the ASTM Practice E 1527. The environmental site assessment shall be certified to Purchaser and the date of certification shall be within 90 days before the date of closing. Acquiring Agency shall reimburse Seller for the Acquiring Agency approved cost of the environmental site assessment, not to exceed \$8,500.00 upon Seller's submission of the necessary documentation to Acquiring Agency which evidences payment in full of the environmental site assessment costs by Seller. This reimbursement is contingent upon a sale of the Property to Purchaser.

5. SURVEY. Seller shall, at Seller's sole cost and expense and not less than 35 days prior to the Option

Expiration Date, deliver to Local Government and Acquiring Agency a current boundary survey of the Property prepared by a professional land surveyor licensed by the State of Florida, which meets the standards and requirements of Acquiring Agency ("Survey"). It is Seller's responsibility to ensure that the surveyor contacts the Acquiring Agency regarding these standards and requirements and the cost of the Survey prior to the commencement of the Survey. The Survey shall be certified to Purchaser and the title insurer and the date of certification shall be within 90 days before the date of closing, unless this 90 day time period is waived by Purchaser and by the title insurer for purposes of deleting the standard exceptions for survey matters and easements or claims of easements not shown by the public records from the owner's title policy. If the Survey shows any encroachment on the Property or that improvements intended to be located on the Property encroach on the land of others, the same shall be treated as a title defect. Acquiring Agency shall reimburse Seller for the Acquiring Agency approved cost of Survey, not to exceed \$9,500.00 upon Seller's submission of the necessary documentation to Acquiring Agency, which evidences payment in full of the Survey costs by Seller. This reimbursement is contingent upon a sale of the Property to Purchaser.

6. TITLE INSURANCE. Seller shall, at Seller's sole cost and expense and at least 35 days prior to the Option Expiration Date, furnish to Purchaser a marketable title insurance commitment, to be followed by an owner's marketable title insurance policy (ALTA Form "B") from a title insurance company, approved by Acquiring Agency, insuring marketable title to the Property in the amount of the Purchase Price. Seller shall require that the title insurer delete the standard exceptions of such policy referring to: (a) all taxes, (b) unrecorded rights or claims of parties in possession, (c) survey matters, (d) unrecorded easements or claims of easements, and (e) unrecorded mechanics' liens. Acquiring Agency shall reimburse Seller for Seller's cost for the owner's title insurance policy required hereunder. Acquiring Agency's reimbursement shall not exceed an amount which is equal to the minimum promulgated rate permitted by the Florida Insurance Commissioner's rules and regulations. Acquiring Agency shall not be required to reimburse Seller until Seller has submitted the necessary documentation to Acquiring Agency which evidences payment in full of the title insurance cost by Seller and until the final owner's title insurance policy has been received and approved by Acquiring Agency. This reimbursement is contingent upon a sale of the Property to Purchaser.

7. DEFECTS IN TITLE. If the title insurance commitment or survey furnished to Purchaser pursuant to this Agreement discloses any defects in title which are not acceptable to Purchaser, Seller shall, within 90 days after notice from Purchaser, remove said defects in title. Seller agrees to use diligent effort to correct the defects in title within the time provided therefore, including the bringing of necessary suits. If Seller is unsuccessful in removing the title defects within said time or if Seller fails to make a diligent effort to correct the title defects, Purchaser shall have the option to either: (a) accept the title as it then is with no reduction in the Total Purchase Price, (b) terminate this Agreement, thereupon releasing Purchaser and Seller from all further obligations under this Agreement.

8. INTEREST CONVEYED. At closing, Seller shall execute and deliver to Local Government a statutory warranty deed in accordance with Section 689.02, Florida Statutes, conveying marketable title to the Property in fee simple free and clear of all liens, reservations, restrictions, easements, leases, tenancies and other encumbrances, except for those that are acceptable encumbrances in the opinion of Purchaser and do not impair the marketability of the title to the Property. The grantee in Seller's Warranty Deed shall be Nassau County.

9. PREPARATION OF CLOSING DOCUMENTS. Upon execution of this Agreement, Seller shall submit to Purchaser a properly completed and executed beneficial interest affidavit and disclosure statement as required by Sections 286.23, and 380.08(2), Florida Statutes. Seller shall prepare the deed described in paragraph 8. of this Agreement, Seller's closing statement, the title, possession and lien affidavit certified to Purchaser and title insurer in accordance with Section 627.7842, Florida Statutes, and an environmental affidavit. The deed, title, possession and lien affidavit and environmental affidavit shall be prepared on

Acquiring Agency forms which will be provided by Acquiring Agency. Acquiring Agency shall prepare Purchaser's closing statement. All prepared documents shall be submitted to Local Government and Acquiring Agency for review and approval at least 30 days prior to the Option Expiration Date.

10. PURCHASER REVIEW FOR CLOSING. Purchaser will approve or reject each item required to be provided by Seller under this Agreement within 30 days after receipt by Purchaser of all of the required items. Seller will have 30 days thereafter to cure and resubmit any rejected item to Purchaser. In the event Seller fails to timely deliver any item, or Purchaser rejects any item after delivery, Purchaser may in its discretion extend the Option Expiration Date.

11. EXPENSES. Seller will pay the documentary revenue stamp tax and all other taxes or costs associated with the conveyance, including the cost of recording the deed described in paragraph 8. of this Agreement and any other recordable instruments which Purchaser deems necessary to assure good and marketable title to the Property.

12. TAXES AND ASSESSMENTS. All real estate taxes and assessments which are or which may become a lien against the Property shall be satisfied of record by Seller at closing. In the event the Local Government acquires fee title to the Property between January 1 and November 1, Seller shall, in accordance with Section 196.295, Florida Statutes, place in escrow with the county tax collector an amount equal to the current taxes prorated to the date of transfer, based upon the current assessment and millage rates on the Property. In the event the Local Government acquires fee title to the Property on or after November 1, Seller shall pay to the county tax collector an amount equal to the taxes that are determined to be legally due and payable by the county tax collector.

13. CLOSING PLACE AND DATE. The closing shall be on or before 15 days after Purchaser exercises the option; provided, however, that if a defect exists in the title to the Property, title commitment, Survey, environmental site assessment, or any other documents required to be provided or completed and executed by Seller, the closing shall occur either on the original closing date or within 60 days after receipt of documentation curing the defects, whichever is later. The date, time and place of closing shall be set by Purchaser.

14. RISK OF LOSS AND CONDITION OF REAL PROPERTY. Seller assumes all risk of loss or damage to the Property prior to the date of closing and warrants that the Property shall be transferred and conveyed to the Local Government in the same or essentially the same condition as of the date of Seller's execution of this Agreement, ordinary wear and tear excepted. However, in the event the condition of the Property is altered by an act of God or other natural force beyond the control of Seller, Purchaser may elect, at its sole option, to terminate this Agreement and neither party shall have any further obligations under this Agreement. Seller represents and warrants that there are no parties other than Seller in occupancy or possession of any part of the Property.

15. RIGHT TO ENTER PROPERTY AND POSSESSION. Seller agrees that from the date this Agreement is executed by Seller, Purchaser and its agents, upon reasonable notice, shall have the right to enter the Property for all lawful purposes in connection with the this Agreement. Seller shall deliver possession of the Property to the Local Government at closing.

16. ACCESS. Seller warrants that there is legal ingress and egress for the Property over public roads or valid, recorded easements that benefit the Property.

17. DEFAULT. If Seller defaults under this Agreement, Purchaser may waive the default and proceed to closing, seek specific performance, or refuse to close and elect to receive the return of any money paid, each

without waiving any action for damages, or any other remedy permitted by law or in equity resulting from Seller's default. In connection with any dispute arising out of this Agreement, including without limitation litigation and appeals, Purchaser will be entitled to recover reasonable attorney's fees and costs.

18. BROKERS. Seller warrants that no persons, firms, corporations or other entities are entitled to a real estate commission or other fees as a result of this Agreement or subsequent closing, except as accurately disclosed on the disclosure statement required in paragraph 9. Seller shall indemnify and hold Purchaser harmless from any and all such claims, whether disclosed or undisclosed.

19. RECORDING. This Agreement, or notice of it, may be recorded by Purchaser in the appropriate county or counties.

20. ASSIGNMENT. This Agreement may be assigned by Purchaser to a governmental agency or to an entity from federal income tax pursuant to section 501 (c)(3)(IRC), in which event Purchaser will provide written notice of assignment to Seller. This Agreement may not be assigned by Seller without the prior written consent of Purchaser.

21. TIME. Time is of essence with regard to all dates or times set forth in this Agreement.

22. SEVERABILITY. In the event any of the provisions of this Agreement are deemed to be unenforceable, the enforceability of the remaining provisions of this Agreement shall not be affected.

23. SUCCESSORS IN INTEREST. Upon Seller's execution of this Agreement, Seller's heirs, legal representatives, successors and assigns will be bound by it. Upon Purchaser's approval of this Agreement and Purchaser's exercise of the option, Purchaser and Purchaser's successors and assigns will be bound by it. Whenever used, the singular shall include the plural and one gender shall include all genders.

24. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by the parties.

25. WAIVER. Failure of Purchaser to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any right herein contained, shall not be construed as a waiver or relinquishment for the future of any such covenant, condition or right; but the same shall remain in full force and effect.

26. AGREEMENT EFFECTIVE. This Agreement or any modification, amendment or alteration thereto, shall not be effective or binding upon any of the parties hereto until it has been executed by all of the parties hereto.

27. ADDENDUM. Any addendum attached hereto that is signed by the parties shall be deemed a part of this Agreement.

28. NOTICE. Whenever either party desires or is required to give notice unto the other, it must be given by written notice, and either delivered personally or mailed to the appropriate address indicated on the first page of this Agreement, or such other address as is designated in writing by a party to this Agreement.

29. SURVIVAL. The covenants, warranties, representations, indemnities and undertakings of Seller set forth in this Agreement shall survive the closing, the delivery and recording of the deed described in paragraph 8. of this Agreement and Local Government's possession of the Property.

THIS AGREEMENT IS INITIALLY TRANSMITTED TO THE SELLER AS AN OFFER. IF THIS AGREEMENT IS NOT EXECUTED BY THE SELLER ON OR BEFORE JULY 13 2006, THIS OFFER WILL BE VOID UNLESS THE PURCHASER, AT ITS SOLE OPTION, ELECTS TO ACCEPT THIS OFFER. THE EXERCISE OF THIS OPTION IS SUBJECT TO: (1) APPROVAL OF THIS AGREEMENT, TOTAL PURCHASE PRICE, ACQUIRING AGENCY'S PURCHASE PRICE, AND LOCAL GOVERNMENT'S PURCHASE PRICE BY PURCHASER, (2) ACQUIRING AGENCY'S GOVERNING BODY GRANTING PROJECT PLAN APPROVAL IN ACCORDANCE WITH RULE 9K-8.011, FLORIDA ADMINISTRATIVE CODE, (3) CONFIRMATION THAT THE TOTAL PURCHASE PRICE IS NOT IN EXCESS OF THE FINAL MAXIMUM APPROVED PURCHASE PRICE OF THE PROPERTY, AND (4) LOCAL GOVERNMENT AND ACQUIRING AGENCY APPROVAL OF ALL DOCUMENTS TO BE FURNISHED HEREUNDER BY SELLER. THE ACQUIRING AGENCY'S PERFORMANCE AND OBLIGATION TO PAY UNDER THIS CONTRACT IS CONTINGENT UPON AN ANNUAL APPROPRIATION BY THE LEGISLATURE.

THIS IS TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

SELLER

**THE TRUST FOR PUBLIC LAND, a
California non-profit corporation**

Bruce M. Ryan
Witness as to Seller
Caro Penrose
Witness as to Seller

BY: Gregory J. Chelius
Gregory J A Chelius
Title: Florida State Director

F.E.I.D. No. 23-7222333

6-5-06
Date signed by Seller

STATE OF LEON
COUNTY OF LEON

The foregoing instrument was acknowledged before me this _____ day of _____, 2006, by **Gregory J A Chelius, as Florida State Director of The Trust For Public Land, a California non-profit corporation** on behalf of said corporation. He is personally known to me.

(NOTARY PUBLIC
SEAL)



Bruce M. Ryan
Commission # DD563562
Expires June 13, 2010
Revised Notary Public - Insurance, No. 000-399-7010

Bruce M. Ryan
Notary Public

(Printed, Typed or Stamped Name of
Notary Public)

Commission No.: DD 563562
My Commission Expires: 6-13-10

PURCHASER

LOCAL GOVERNMENT

NASSAU COUNTY

Conna Archer

Witness as to Local Government

John S. Bradley

Witness as to Local Government

Approved as to Form and Legality

By:

County Attorney

Michael S. Mullin

Date: July 31, 2006

By:

Thomas D. Branan, Jr.

Name Nassau County Board of County Commissioners

Print Name

Its:

Chairman

Attest:

(Clerk or Deputy Clerk)

John A. Crawford, Ex-Officio Clerk

(OFFICIAL SEAL)

July 31, 2006

Date signed by Local Government

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me this 31st day of July, 2006, by Thomas D. Branan, Jr. as Chairman of Nassau County, Florida on behalf of the Local Government who is personally known to me.

(NOTARY PUBLIC)
SEAL

Ann R. Myers
Notary Public

ANN R. MYERS

(Printed, Typed or Stamped Name of
Notary Public)

Commission No.: _____

My Commission Expires: _____



Ann R. Myers
MY COMMISSION # DD268758 EXPIRES
January 3, 2008
BONDED THRU TROY FAIN INSURANCE, INC.

PURCHASER

ACQUIRING AGENCY

FLORIDA COMMUNITIES TRUST

By: [Signature]
JANICE BROWNING, Chief of Staff
Department of Community Affairs

8/23/06
Date signed by Acquiring Agency

[Signature]
Witness as to Acquiring Agency

Gayle H. Brett
Witness as to Acquiring Agency

Approved as to Form and Legality

By: [Signature]
Trust Counsel

Date: Aug. 7 2006

STATE OF FLORIDA

COUNTY OF LEON

The foregoing instrument was acknowledged before me this 23rd day of August, 2006, by **JANICE BROWNING, Chief of Staff, Department of Community Affairs** on behalf of the Acquiring Agency. She is personally known to me.

(NOTARY PUBLIC)
SEAL

Gayle H. Brett
Notary Public

(Printed, Typed or Stamped Name of Notary Public)

Commission No.:

My Commission Expires:



EXHIBIT "A"
Legal Description

Lots 4, 5 and 6, Block 2 of UNIT ONE (1) SECTION THREE (3) AMERICAN BEACH, according to the Plat thereof as recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

LESS AND EXCEPT any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, Page 484, Public Records of Nassau County, Florida.

The legal description will be determined upon receipt of the final survey and title commitment as required in Paragraphs 5 and 6 of the option agreement.

BENEFICIAL INTEREST AND DISCLOSURE AFFIDAVIT

STATE OF FLORIDA
 COUNTY OF LEON

Project #
 Tax ID # 23-7 222 333

Before me, the undersigned authority, personally appeared Peter Fodor, as Florida Counsel of The Trust for Public Land, this 7 day of July, 2006, who, first being duly sworn, deposes and says:

1) That The Trust for Public Land, a nonprofit California corporation, whose address is 306 North Monroe Street, Tallahassee, Florida 32301, is the holder of an irrevocable option to purchase, and at closing will be the record owner of the Property. The following is a list of every "person" (as defined in Section 1.01(3), Florida Statutes) holding 5% or more of the beneficial interest in the Property:

The Trust for Public Land is a not for profit corporation, therefore has no shareholders or individuals with any beneficial interest in the real property listed in Exhibit A.

The Trust for Public Land, authorized to transact business in the State of Florida, is a charitable nonprofit California corporation exempt from Federal taxation under Section 501 (c) (3) of the Internal Revenue Code organized for the purpose of preserving and protecting natural diversity. None of the members of its Board of Directors or Officers will personally receive any monetary compensation from nor hold a beneficial interest related to this transaction.

2) That to the best of the affiant's knowledge, all persons who have a financial interest in this real estate transaction or who have received or will receive real estate commissions, attorney's or consultant's fees or any other fees or other benefits incident to the sale of the Property are:

<u>Name & Address</u>	<u>Reason for Payment</u>	<u>Amount</u>
Manzie & Drake Land Surveying 117 S. 9 th St. Fernandina Beach, FL 32034	Survey	TBD
ECT, Inc. 1408 North Westshore Blvd., Ste. 115 Tampa, FL 33607	ESA	TBD
TBD	Title Insurance	TBD

3) That, to the best of the affiant's knowledge, the following is a true history of all financial transactions (including any existing option or purchase agreement in favor of affiant) concerning the Property which have taken place or will take place during the last five years prior to the conveyance of title to the State of Florida:

<u>Name and Address or Parties Involved</u>	<u>Date</u>	<u>Type of Transaction</u>	<u>Amount of Transaction</u>
Tony D. Nelson 4022 Murfield Ct. Jacksonville, FL 32225	1/20/06	Option	\$1,300,000.00

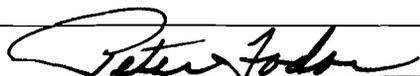
to

The Trust for Public Land
306 North Monroe Street
Tallahassee, Florida 32301

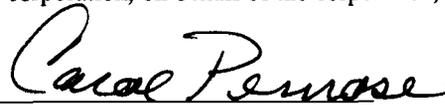
This affidavit is given in compliance with the provisions of Sections 286.23, 375.031(1), and 380.08(2), Florida Statutes.

AND FURTHER AFFIANT SAYETH NOT.

AFFIANT


Peter Fodor

SWORN TO and subscribed before me this 7 day of July, 2006, by Peter Fodor, as Florida Counsel of The Trust for Public Land, a nonprofit California corporation, on behalf of the corporation, who is personally known to me.


Notary Public



Carol Penrose
Commission # DD281830
Expires January 30, 2008
Bonded Troy Fain - Insurance, Inc. 800-385-7019

(NOTARY PUBLIC SEAL)

EXHIBIT "A"

Lots 4, 5 and 6, Block 2 of UNIT ONE (1) SECTION THREE (3) AMERICAN BEACH, according to the Plat thereof as recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

LESS AND EXCEPT any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, Page 484, Public Records of Nassau County, Florida.

ADDENDUM
(CORPORATE/NON-FLORIDA)

A. At the same time that Seller submits the closing documents required by paragraph 9 of this Agreement, Seller shall also submit the following to Purchaser:

1. Corporate resolution which authorizes the sale of the Property to Purchaser in accordance with the provisions of this Agreement and a certificate of incumbency,
2. Certificates of good standing from the Secretary of State of the State of Florida and the Secretary of State of the State of California, and
3. Copy of proposed opinion of counsel as required by paragraph B. below.

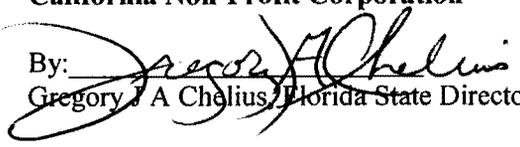
B. As a material inducement to Purchaser entering into this Agreement and to consummate the transaction contemplated herein, Seller covenants, represents and warrants to Purchaser as follows:

1. The execution of this Agreement and the performance by it of the various terms and conditions hereof, including, without limitation, the execution of all agreements, notices and other documents hereunder, have been duly authorized by the requisite corporate authority of Seller.
2. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California and is duly licensed and in good standing and qualified to own real property in the State of Florida.
3. This Agreement, when executed and delivered, will be valid and legally binding upon Seller and enforceable in accordance with its terms and neither the execution of this Agreement and the other instruments to be executed hereunder by Seller, nor the performance by it of the various terms and conditions hereto will violate the Articles of Incorporation or By-Laws of Seller.

At the closing, Seller shall deliver to Purchaser an opinion of counsel to the effect that the covenants, representations and warranties contained above in this paragraph B. are true and correct as of the closing date. In rendering the foregoing opinion, such counsel may rely as to factual matters upon certificates of other documents furnished by partners, officers, officials and other counsel of Seller, and upon such other documents and data as such partners, officers, officials and counsel may deem appropriate.

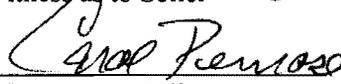
SELLER

**THE TRUST FOR PUBLIC LAND, a
California Non-Profit Corporation**

By: 
Gregory A. Chelius, Florida State Director

FEID: 23-7222333

6-³⁰~~29~~-06
Date signed by Seller


Witness as to Seller

Witness as to Seller

LOCAL GOVERNMENT

NASSAU COUNTY

Comie Arthur
Witness as to Local Government

Joseph Dudley
Witness as to Local Government

Approved as to Form and Legality

By: [Signature]
Michael S. Mullin, County Attorney
Date: July 31, 2006

By: [Signature]
Thomas D. Branan, Jr.

Its: Chairman, Nassau County Board
of County Commissioners

Attest: [Signature]
(Clerk or Deputy Clerk)
John A. Crawford, Ex-Officio Clerk
(OFFICIAL SEAL)

July 31, 2006
Date signed by Local Government

ACQUIRING AGENCY

FLORIDA COMMUNITIES TRUST

[Signature]
Witness as to Acquiring Agency

Raye A. Brew
Witness as to Acquiring Agency

By: [Signature]
JANICE BROWNING, Chief of Staff
Department of Community Affairs

8/23/06
Date signed by Acquiring Agency

Approved as to Form and Legality

By: [Signature]
Trust Counsel

Date: Aug 7, 2006

This instrument prepared by:
Kristen L. Coons, Esq.
Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399-2100

Record and Return to:

FLORIDA COMMUNITIES TRUST
FF4 AWARD #04-026-FF4
FCT Contract #05-CT-22-04-F4-A1-026
AMERICAN BEACH – NELSON PARCEL

AMENDMENT I
DECLARATION OF RESTRICTIVE COVENANTS

THIS AMENDMENT I to the DECLARATION OF RESTRICTIVE COVENANTS is entered into this 19th day of SEPTEMBER 2006, by and between the FLORIDA COMMUNITIES TRUST ("FCT"), a nonregulatory agency within the State of Florida Department of Community Affairs, and NASSAU COUNTY, a political subdivision of the State of Florida ("Recipient"), in order to impose terms, conditions, and restrictions on the use of the proceeds of certain bonds, hereinafter described, and the lands acquired with such proceeds and as described in Exhibit "A.I" attached hereto and made a part hereof ("Project Site"), as shall be necessary to ensure compliance with applicable Florida Law and federal income tax law and to otherwise implement provisions of Chapters 259.105, 259.1051, and 380, Part III, Florida Statutes.

WHEREAS, FCT and Recipient entered into a Declaration of Restrictive Covenants dated September 28, 2005, and recorded on October 10, 2005, in Official Records Book 01357, pages 808-824, Public Records of Nassau County, Florida, at the time of the acquisition of the oceanfront parcel of the Project Site, as described in Exhibit "A" to the Declaration of Restrictive Covenants;

WHEREAS, FCT has approved the terms under which the prior parcel of the Project Site was acquired by the Recipient and the Nelson Parcels of the Project Site shall be subject to such covenants and restrictions as are sufficient to ensure that the use of the Project Site at all times complies with Section 375.051, Florida Statutes and Section 9, Article XII of the State Constitution and such covenants and restrictions shall contain clauses providing for the conveyance of title to the Project Site to the Board of Trustees of the Internal Improvement Trust Fund upon the failure of the Recipient to use the Project Site acquired thereby for such purposes; and

WHEREAS, such covenants and restrictions shall be imposed by an agreement which shall describe with particularity the real property which is subject to the agreement and shall be recorded in the public records of **Nassau County, Florida**, the county in which the real property is located;

and

WHEREAS, Paragraph II of the Declaration of Restrictive Covenants states that either party may request modification of the provisions of this Agreement at any time. Changes which are mutually agreed upon shall be valid only when reduced to writing and duly signed by each of the parties hereto. Such amendments shall be incorporated into this Agreement.

WHEREAS, the purpose of this Amendment is to impose the covenants and restrictions of the Declaration of Restrictive Covenants on the Project Site, in addition to the Nelson Parcels of the Project Site, subsequent to payment of Recipient acquisition costs from FCT Florida Forever Bond Proceeds.

NOW THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FCT and Recipient do hereby contract and agree as follows:

The Declaration of Restrictive Covenants dated September 28, 2005 and recorded on October 10, 2005, in Official Records Book 01357, pages 808-824, Public Records of Nassau County, Florida, is hereby amended to impose the terms, covenants and restrictions of the Declaration of Restrictive Covenants on the Nelson Parcels of the Project Site as described in Exhibit "A.I" attached hereto, in addition to the Project Site as described in Exhibit "A" to the Declaration of Restrictive Covenants.

This Amendment I to the Declaration of Restrictive Covenants and the Declaration of Restrictive Covenants, including all exhibits to those documents, embody the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

Witness:

NASSAU COUNTY, a political subdivision of the State of Florida

Joyce T. Bradley
Print Name: Joyce T. Bradley

By: Jim B. Higginbotham
Print Name: Jim B. Higginbotham
Title: Vice Chairman

Ann R. Myers
Print Name: ANN R. MYERS

Date: 9/5/06

Attest:

Accepted as to Legal Form and Sufficiency for Recipient:

Michael S. Mullin
Print Name: MICHAEL S. MULLIN, Esquire

John A. Crawford
JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Date: 9/5/06

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me this 5th day of September, 2006, by Jim B. Higginbotham, as Vice Chairman of the Board *. This person is personally known to me, or has produced _____ as identification.



Ann R. Myers
MY COMMISSION # DD268758 EXPIRES
January 3, 2008
BONDED THRU TROY FAIN INSURANCE INC

Ann R. Myers
Notary Public
Print Name: ANN R. MYERS
Commission No. _____
My Commission Expires: _____

*of County Commissioners of Nassau County, Florida

Witnesses:

[Signature]
Print Name: BARBARA WIEBECK

[Signature]
Print Name: GAYLE H. BRETT

FLORIDA COMMUNITIES TRUST

[Signature]
Janice Browning, Chief of Staff

Date: 9/19/06

Accepted as to Legal Form and Sufficiency:

[Signature]
Kristen L. Coons, Trust Counsel
Date: Sept 13 2006

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 19th day of September, 2006 by Janice Browning, Chief of Staff. She is personally known to me.

[Signature]
Notary Public
Print Name: _____
Commission No. _____
My Commission Expires _____



Exhibit "A.I." to Amendment I to Declaration of Restrictive Covenants

Lots 4, 5 and 6, Block 2, Unit One of American Beach – Section Three, According to the Plat Thereof as Recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

Less and except any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, page 484, public records of Nassau County, Florida.

According to the
of 100% of the

(3) The County pe
(4) Disbursed to

The foregoing r
NASSAU CO

By: _____
Print Nf
Title: .
Date:

Environmental Audit
Total Acquisition Expenses

COMPUTATION OF GRANT AWARD AND LOCAL MATCH AMOUNT
FCT Award Computation (100%)

Share of Purchase Price
Share of Acquisition Expenses
Total Share of Project Costs

County Award Computation

Share of Purchase Price
Share of Acquisition Expenses
Total Share of Project Costs
Total Project Costs

COMPUTATION OF PREPAID, REIMBURSEMENTS, ADDITIONAL COSTS AND AMOUNTS DUE AT CLOSING
FLORIDA COMMUNITIES TRUST

FCT Prepaid Project Costs
Option Payment
Appraisal Review
Total Prepaid Costs

FCT Amount Due at Closing
Share of Total Project Costs
Less Total Prepaid Costs
Total Amount Due From FCT

\$10,500.00
1,255.50
250.00
3,630.00
525.00
2,300.00
\$1,300,000.00

\$18,460.50
\$

\$1,225,000.00 (2)
\$18,460.50
\$ 1,243,460.50

\$75,000.00
\$0.00
\$75,000.00

\$ 1,318,460.50

\$ 100.00
1,255.50
1,355.50

\$ 1,243,460.50
1,355.50
\$ 1,242,105.00

Local Government Name: Nassau County
 Project Name: American Beach Historic Park
 FCT Project #: 04-026-FF4
 Date: Aug. 15, 2006

PURCHASER'S RECONCILIATION STATEMENT

TOTAL PROJECT COSTS

Land Purchase Price			
Parcel	\$1,300,000.00	(1)	
Total Land Purchase Price			<u>\$1,300,000.00</u>
Acquisition Expenses			
Appraisals	\$10,500.00		
Appraisal Review	1,255.50		
Title Reports	250.00		
Title Insurance	3,630.00		
Survey	525.00		
Environmental Audit	2,300.00		
Total Acquisition Expenses			<u>\$18,460.50</u>
Total Project Costs			<u>\$ 1,318,460.50</u>

COMPUTATION OF GRANT AWARD AND LOCAL MATCH AMOUNT

FCT Award Computation (100%)			
Share of Purchase Price	\$1,225,000.00	(2)	
Share of Acquisition Expenses	\$18,460.50		
Total Share of Project Costs			<u>\$ 1,243,460.50</u>
County Award Computation			
Share of Purchase Price	\$75,000.00		
Share of Acquisition Expenses	\$0.00		
Total Share of Project Costs			<u>\$75,000.00</u>
Total Project Costs			<u>\$ 1,318,460.50</u>

COMPUTATION OF PREPAID, REIMBURSEMENTS, ADDITIONAL COSTS AND AMOUNTS DUE AT CLOSING
FLORIDA COMMUNITIES TRUST

FCT Prepaid Project Costs

Option Payment	100.00	
Appraisal Review	\$ 1,255.50	
Total Prepaid Costs	<u>1,355.50</u>	

FCT Amount Due at Closing

Share of Total Project Costs	\$ 1,243,460.50	
Less Total Prepaid Costs	<u>1,355.50</u>	
Total Amount Due From FCT		<u>\$ 1,242,105.00</u>

Local Government Name: Nassau County
 Project Name: American Beach Historic Park
 FCT Project #: 04-026-FF4
 Date: Aug. 15, 2006
 Page 2

NASSAU COUNTY

County Prepaid Costs

Appraisals	<u>\$10,500.00</u> (3)
Total Prepaid Costs	\$10,500.00

County Amount Due

Share of Total Project Costs	\$75,000.00
Less Total Prepaid Costs	<u>\$10,500.00</u>
Amount Due From County	\$64,500.00

County Additional Costs

Record Declaration of Restrictive Covenants	<u>\$ 119.00</u> (4)
Total Additional Costs	119.00

Final Amount Due From County

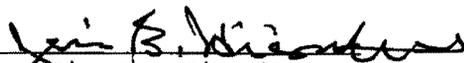
Amount Due From County	\$64,500.00
Plus Total Additional Costs	<u>\$119.00</u>
TOTAL AMOUNT DUE FROM COUNTY	\$64,619.00

Notes:

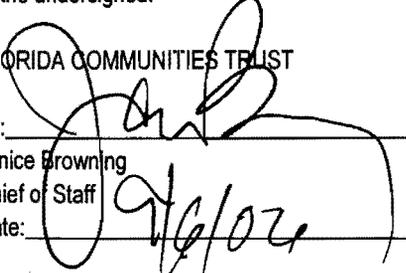
- (1) Pursuant to a memo dated August 14, 2006 from Caroline Sutton to Kristen Coons, the Maximum Approved Purchase Price is \$1,225,000.00.
- (2) Pursuant to the Grant Contract, FCT will reimburse for the land cost at either the actual purchase price or the Maximum Approved Purchase Price, whichever is less.
According to the Grant Contract and addendums, the amount of the grant shall not exceed the lesser of \$3,552,717.50 or 100% of the final total project costs.
- (3) The County paid \$10,500.00 of the appraisals costs and that expenditure will be reimbursed by FCT.
- (4) Disbursed to Clerk of the Court, Nassau County, at time of reimbursement.

The foregoing reconciliation of Purchasers' costs is hereby approved by the undersigned.

NASSAU COUNTY

By: 
 Print Name: Jim B. Higginbotham
 Title: Vice Chairman
 Date: 9/5/06

FLORIDA COMMUNITIES TRUST

By: 
 Janice Browning
 Chief of Staff
 Date: 9/6/06

ENVIRONMENTAL AFFIDAVIT

Peter Fodor ("Affiant"), being first duly sworn, deposes and says that Affiant on behalf of Seller (as hereinafter defined) makes these representations to **NASSAU COUNTY and FLORIDA COMMUNITIES TRUST**, and that:

1. Affiant is Florida Counsel of **THE TRUST FOR PUBLIC LAND, a non-profit California corporation** ("Seller"), and in such capacity has been authorized by Seller to make this Affidavit on Seller's behalf.
2. Seller is the sole owner in fee simple and now in possession of the following described property together with improvements located thereon located in Nassau County, Florida, to-wit:

See Exhibit A attached hereto and by this reference made a part hereof (hereinafter the "Property").

3. Seller is conveying the Property to **NASSAU COUNTY**.
4. For purposes of this Affidavit the term "Environmental Laws" shall mean any and all federal, state, and local statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements, or other governmental restrictions relating to the protection of the environment or human health, welfare, or safety, or to the emission, discharge, seepage, release, or threatened release of Hazardous Materials (as hereinafter defined) into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the handling of such Hazardous Materials. For purposes of this Affidavit the term "Hazardous Materials" shall mean any contaminant, chemical, waste, irritant, petroleum product, waste product, radioactive material, flammable or corrosive substance, explosive, polychlorinated biphenyls, asbestos, hazardous or toxic substance, material, or waste of any kind, or any other substance which is regulated by any Environmental Law.
5. As of the date of Seller's conveyance of the Property to **NASSAU COUNTY**, Seller warrants and represents to Purchaser, its successors and assigns that:
 - (i) Seller has not placed, or permitted to be placed, any Hazardous Materials on the Property, and, to the best of Affiant's knowledge, without independent inquiry, no other person or entity has placed, or permitted to be placed, any Hazardous Materials on the Property.
 - (ii) To the best of Affiant's knowledge, without independent inquiry, there does not exist on the Property any condition or circumstance which requires or may in the future require cleanup, removal, or other remedial action or other response under Environmental Laws on the part of Seller or a subsequent owner of all or any portion of the Property or

which would subject Seller or a subsequent owner of all or any portion of the Property to liability, penalties, damages, or injunctive relief.

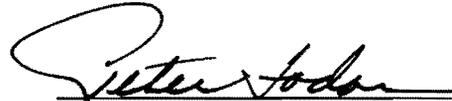
(iii) To the best of Affiant's knowledge, without independent inquiry, no buried, partially buried, or above ground storage tanks, storage vessels, sumps, drums, containers, water, gas, or oil wells, or landfills are or have ever been located on the Property.

(iv) To the best of Affiant's knowledge, without independent inquiry, the Property is presently in compliance with all Environmental Laws applicable to the Property.

(v) To the best of Affiant's knowledge, without independent inquiry, no warning notice, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice has been issued by any federal, state, or local environmental agency alleging that conditions on the Property are in violation of any Environmental Law.

(vi) To the best of Affiant's knowledge, without independent inquiry, Seller is not subject to any judgment, decree, order, or citation related to or arising out of Environmental Laws, and Seller has not been named or listed as a potentially responsible party by any governmental body or agency in a matter arising under any Environmental Law.

6. Seller makes this Affidavit for the purpose of inducing Purchaser to purchase the Property, and Seller acknowledges that Purchaser will rely upon the representations and warranties set forth in this Affidavit.



Peter Fodor, Florida Counsel for The Trust
for Public Land, a nonprofit California
corporation

STATE OF FLORIDA
COUNTY OF LEON

SWORN TO AND SUBSCRIBED before me this 30 day of August, 2006, by Peter Fodor, as Florida Counsel of **THE TRUST FOR PUBLIC LAND**, a nonprofit California corporation, who is personally known to me.



NOTARY PUBLIC

(NOTARY PUBLIC SEAL)



Carol Penrose
Commission # DD281830
Expires January 30, 2008
Bonded Troy Fain - Insurance, Inc. 800-385-7019

EXHIBIT "A"

Lots 4, 5 and 6, Block 2 of UNIT ONE (1) SECTION THREE (3) AMERICAN BEACH, according to the Plat thereof as recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

LESS AND EXCEPT any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, Page 484, Public Records of Nassau County, Florida.

TITLE, POSSESSION & LIEN AFFIDAVIT

Peter Fodor ("Affiant"), being first duly sworn, deposes and says that Affiant on behalf of Seller (as hereinafter defined) makes these representations to **NASSAU COUNTY and FLORIDA COMMUNITIES TRUST** ("Purchaser"), and to **TIMOTHY A. BURLEIGH, P. A. and COMMONWEALTH LAND TITLE INSURANCE COMPANY**, (collectively, "title insurer"), to induce Purchaser to purchase and title insurer to insure the fee simple title to that certain real property described below, and Affiant further states:

1. That the Affiant is the Florida Counsel of **THE TRUST FOR PUBLIC LAND, a nonprofit California corporation** ("Seller") and in such capacity has been authorized by the Seller to make this Affidavit on Seller's behalf.
2. Seller is the sole owner in fee simple and now in possession of the real property together with the improvements located thereon described as follows:

See Exhibit "A" attached hereto and by this reference made a part hereof (hereinafter the "Property").
3. To the best of Affiant's knowledge, without independent inquiry, the Property is free and clear of all liens, taxes, encumbrances and claims of every kind, nature and description whatsoever, except for easements, restrictions, or other title matters listed in the schedule of exceptions in the title insurance commitment to insure the fee simple title to be received by Purchaser.
4. To the best of Affiant's knowledge, without independent inquiry, there are no matters pending against the Seller that could give rise to a lien that would attach to the Property or cause a loss of title or impair the title between the last title insurance commitment effective date, and the recording of the fee simple title to be insured, and the Seller has not and will not execute any instrument that would adversely affect the fee simple title to be insured.
5. To the best of Affiant's knowledge, without independent inquiry, Seller has undisputed possession of the Property; there is no other person or entity in possession or who has any possessory right in the Property; and Seller knows of no defects in the fee simple title to the Property.
6. To the best of Affiant's knowledge, without independent inquiry, no "Notice of Commencement" has been recorded which pertains to the Property since the last title insurance commitment effective date, there are no unrecorded laborer's, mechanic's or materialmen's liens against the Property, and no material has been furnished to the Property for which payment has not been paid in full.
7. To the best of Affiant's knowledge, without independent inquiry, within the past 90 days there have been no improvements, alterations, or repairs to the Property for which the costs thereof remain unpaid, and that within the past 90 days there have been no claims for labor or material furnished for repairing or improving the same, which remain unpaid.
8. To the best of Affiant's knowledge, without independent inquiry, there are not due, or to come due, unpaid bills, liens or assessments for mowing, water, sanitary sewers, paving or other public utilities, or improvements made by any governmental authority. Should any bill be found which relates to the period of Seller's possession, Seller will pay such bill upon demand. No notice has been received of any public hearing regarding future or pending zoning changes, or assessments for improvements by any governmental authority.
9. To the best of Affiant's knowledge, without independent inquiry, there are no unrecorded deeds, agreements for deed, judgments, liens, mortgages, easements or rights of way for users, or adverse interests with respect to the Property.

10. To the best of Affiant's knowledge, without independent inquiry, if this is improved Property that Seller is the owner of, there are no claims, liens or security interests whatsoever of any kind or description against the furniture, fixtures, equipment and personal property located in the improvements on the Property and sold as part of this transaction. All tangible personal property taxes are paid in full.
11. To the best of Affiant's knowledge, without independent inquiry, there are no existing contracts for sale affecting the Property except for the contract between Seller and Purchaser.
12. To the best of Affiant's knowledge, without independent inquiry, there is no civil action pending which involves the Property in any way.
13. To the best of Affiant's knowledge, without independent inquiry, there are no federal tax claims, liens or penalties assessed against the Seller either individually or in any other capacity.
14. To the best of Affiant's knowledge, without independent inquiry, no proceedings in bankruptcy have ever been brought by or against Seller, nor has an assignment for the benefit of creditors been made at anytime, nor is there now in effect any assignment of rents of the Property or any part thereof.
15. The real estate taxes will be paid to the date of closing pursuant to Section 196.295, Florida Statutes.
16. That Seller is not a "non-resident alien" for the purposes of United States income taxation, nor is Seller a "foreign person" (as such term is defined in Section 1445 of the Internal Revenue Code of the United States and its related Income Tax Regulations); that Seller's **F.E.I. Number is 23-7222333**; that Seller understands that the certification made in this Paragraph may be disclosed to the Internal Revenue Service by the Purchaser; that any false statement contained in this paragraph could be punished by fine, imprisonment, or both; and that the information contained in this paragraph is true and correct and as provided under penalties of perjury.
17. This Affidavit is executed in duplicate, each of which shall be considered an original, with one original to be delivered to the Purchaser and one original to be delivered to the title insurer.

THIS AFFIDAVIT is made pursuant to Section 627.7842, Florida Statutes, for the purpose of inducing the Purchaser to close and the title insurer to insure the fee simple title to the Property and to disburse the proceeds of the sale. Seller intends for Purchaser and the title insurer to rely on these representations.


 Peter Fodor, Florida Counsel for The Trust
 for Public Land, a non-profit California
 corporation

STATE OF FLORIDA
 COUNTY OF LEON

SWORN TO and subscribed before me this 30 day of August, 2006, by Peter Fodor, as Florida Counsel of **THE TRUST FOR PUBLIC LAND, a nonprofit California corporation**, on behalf of said corporation. He is personally known to me.


 Notary Public



Carol Penrose
 Commission # DD281830
 Expires January 30, 2008
 Bonded Troy Fain - Insurance, Inc. 800-365-7019

(NOTARY PUBLIC SEAL)

EXHIBIT "A"

Lots 4, 5 and 6, Block 2 of UNIT ONE (1) SECTION THREE (3) AMERICAN BEACH, according to the Plat thereof as recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

LESS AND EXCEPT any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, Page 484, Public Records of Nassau County, Florida.

EXHIBIT B
to Warranty Deed

This document prepared by:
Kristen L. Coons, Esq.
Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399

FLORIDA COMMUNITIES TRUST
FF4 AWARD #04-026-FF4
FCT Contract #06-CT-22-04-F4-01-026
AMERICAN BEACH

DECLARATION OF RESTRICTIVE COVENANTS

THIS AGREEMENT is entered into by and between the FLORIDA COMMUNITIES TRUST ("FCT"), a nonregulatory agency within the State of Florida Department of Community Affairs, and NASSAU COUNTY, a local government of the State of Florida ("Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

WHEREAS, the intent of this Agreement is to impose terms and conditions on the use of the proceeds of certain bonds, hereinafter described, and the lands acquired with such proceeds, as described in Exhibit "A" attached hereto and made a part hereof ("Project Site"), that are necessary to ensure compliance with applicable Florida law and federal income tax law and to otherwise implement the provisions of Sections 259.105, 259.1051 and Chapter 380, Part III, Florida Statutes;

WHEREAS, Chapter 380, Part III, Fla. Stat., the Florida Communities Trust Act, creates a non-regulatory agency within the Department of Community Affairs ("Department") that will assist local governments in bringing into compliance and implementing the conservation, recreation and open space, and coastal elements of their comprehensive plans or in conserving natural resources and resolving land use conflicts by providing financial assistance to local governments and nonprofit environmental organizations to carry out projects and activities authorized by the Florida Communities Trust Act;

WHEREAS, FCT is funded through either Section 259.105(3)(c), Fla. Stat. of the Florida Forever Act, which provides for the distribution of twenty-two percent (22%), less certain reductions, of the net Florida Forever Revenue Bond proceeds to the Department, or any other revenue source designated by the Florida Legislature, to provide land acquisition grants to local governments and nonprofit environmental organizations for the acquisition of community-based projects, urban open spaces, parks and greenways to implement local comprehensive plans;

DRC\04-026-FF4
September 1, 2005

1

WHEREAS, the Florida Forever Revenue Bonds are issued as tax-exempt bonds, meaning the interest on the Bonds is excluded from the gross income of bondholders for federal income tax purposes;

WHEREAS, Rule 9K-7.009(1), Florida Administrative Code ("F.A.C."), authorizes FCT to impose conditions for funding on those FCT applicants whose projects have been selected for funding;

WHEREAS, FCT has approved the terms under which the Project Site was acquired and the deed whereby the Recipient acquired title to the Project Site. The deed shall contain such covenants and restrictions as are sufficient to ensure that the use of the Project Site at all times complies with Section 375.051, Florida Statutes and Section 9, Article XII of the State Constitution and it shall contain clauses providing for the conveyance of title to the Project Site to the Board of Trustees of the Internal Improvement Trust Fund ("Trustees") upon the failure of the Recipient to use the Project Site acquired thereby for such purposes; and

WHEREAS, the purpose of this Agreement is to set forth the covenants and restrictions that are imposed on the Project Site subsequent to disbursing FCT Florida Forever funds to the Recipient for Project Costs.

NOW THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FCT and the Recipient do hereby contract and agree as follows:

I. PERIOD OF AGREEMENT

1. This Agreement shall begin upon execution by both parties. The covenants and restrictions contained herein shall run with the Project Site and shall bind, and the benefit shall inure to, FCT and the Recipient and their respective successors and assigns.

II. MODIFICATION OF AGREEMENT

1. Either party may request modification of the provisions of this Agreement at any time. Changes which are mutually agreed upon shall be valid only when reduced to writing and duly signed by each of the parties hereto. Such amendments shall be incorporated into this Agreement.

III. RECORDING AND APPROVAL OF DECLARATION OF RESTRICTIVE COVENANTS

1. Upon execution by the parties hereto, the Recipient shall cause this Agreement to be recorded and filed in the official public records of Nassau County, Florida, and in such manner and in such other places as FCT may reasonably request. The Recipient shall pay all fees and charges

DRC\04-026-FF4
September 1, 2005

incurred in connection therewith.

2. The Recipient and FCT agree that the State of Florida Department of Environmental Protection shall forward this Agreement to the Department of Environmental Protection Bond Counsel for review. In the event Bond Counsel opines that an amendment is required to this Agreement so that the tax-exempt status of the Florida Forever Bonds is not jeopardized, FCT and the Recipient shall amend the Agreement accordingly.

IV. NOTICE AND CONTACT

All notices provided under or pursuant to this Agreement shall be in writing and delivered either by hand delivery or first class, certified mail, return receipt requested, to the addresses specified below. Any such notice shall be deemed received on the date of delivery if by personal delivery or upon actual receipt if sent by registered mail.

FCT: Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399-2100
ATTN: Program Manager

Recipient: Board of County Commissioners
96160 Nassau Place
Yulee, FL 32097
ATTN: Michael Mahaney

2. In the event that a different representative or address is designated for paragraph 1. above after execution of this Agreement, notice of the change shall be rendered to FCT as provided in paragraph 1. above.

V. PROJECT SITE TITLE REQUIREMENTS IMPOSED BY CHAPTER 259, CHAPTER 375 AND CHAPTER 380, PART III, FLA. STAT.

1. Any transfer of the Project Site shall be subject to the approval of FCT and FCT shall enter into a new agreement with the transferee containing such covenants, clauses or other restrictions as are sufficient to protect the interest of the State of Florida.

2. The interest acquired by the Recipient in the Project Site shall not serve as security for any debt of the Recipient.

3. If the existence of the Recipient terminates for any reason, title to the Project Site shall be conveyed to the Trustees unless FCT negotiates an agreement with another local government, nonprofit environmental organization, the Florida Division of Forestry, the Florida Fish and Wildlife Conservation Commission, the Department of Environmental Protection or a Water

DRC\04-026-FF4
September 1, 2005

Management District who agrees to accept title and manage the Project Site.

4. In the event that the Project Site is damaged or destroyed or title to the Project Site, or any part thereof, is taken by any governmental body through the exercise or the threat of the exercise of the power of eminent domain, the Recipient shall deposit with FCT any insurance proceeds or any condemnation award and shall promptly commence to rebuild, replace, repair or restore the Project Site in such manner as is consistent with the Agreement. FCT shall make any such insurance proceeds or condemnation award moneys available to provide funds for such restoration work. In the event that the Recipient fails to commence or to complete the rebuilding, repair, replacement or restoration of the Project Site after notice from FCT, FCT shall have the right, in addition to any other remedies at law or in equity, to repair, restore, rebuild or replace the Project Site so as to prevent the occurrence of a default hereunder.

Notwithstanding any of the foregoing, FCT shall have the right to seek specific performance of any of the covenants and restrictions of this Agreement concerning the construction and operation of the Project Site.

VI. MANAGEMENT OF PROJECT SITE

1. The Project Site shall be managed only for the conservation, protection and enhancement of natural and historical resources and for compatible passive, natural resource-based public outdoor recreation, along with other related uses necessary for the accomplishment of this purpose. The proposed uses for the Project Site are specifically designated in the Management Plan approved by FCT.

2. The Recipient shall ensure that the future land use designation assigned to the Project Site is for a category dedicated to open space, conservation or outdoor recreation uses, as appropriate. If an amendment to the applicable comprehensive plan is required, the amendment shall be proposed at the next comprehensive plan amendment cycle available to the Recipient.

3. The Recipient shall ensure, and provide evidence thereof to FCT, that all activities under this Agreement comply with all applicable local, state, regional and federal laws and regulations, including zoning ordinances and the adopted and approved comprehensive plan for the jurisdiction, as applicable. Evidence shall be provided to FCT that all required licenses and permits have been obtained prior to the commencement of any construction.

4. The Recipient shall, through its agents and employees, prevent the unauthorized use of the Project Site or any use thereof not in conformity with the Management Plan approved by FCT.

5. FCT staff or its duly authorized representatives shall have the right at any time to inspect the Project Site and the operations of the Recipient at the Project Site.

DRC\04-026-FF4
September 1, 2005

6. All buildings, structures, improvements and signs shall require the prior written approval of FCT as to purpose. Further, tree removal, other than non-native species, and major land alterations shall require the written approval of FCT. The approvals required from FCT shall not be unreasonably withheld by FCT upon sufficient demonstration that the proposed structures, buildings, improvements, signs, vegetation removal or land alterations will not adversely impact the natural resources of the Project Site. FCT's approval of the Recipient's Management Plan addressing the items mentioned herein shall be considered written approval from FCT.

7. If archaeological and historic sites are located on the Project Site, the Recipient shall comply with Chapter 267, Fla. Stat. The collection of artifacts from the Project Site or the disturbance of archaeological and historic sites on the Project Site shall be prohibited unless prior written authorization has been obtained from the Department of State, Division of Historical Resources.

8. As required by Rule 9K-7.013, F.A.C., each year after FCT reimbursement of Project Costs the Recipient shall prepare and submit to FCT an annual stewardship report that documents the progress made on implementing the Management Plan.

VII. SPECIAL MANAGEMENT CONDITIONS

The management plan for the project site is mentioned throughout this Agreement, and is particularly described in Section IV. above. In addition to the various conditions already described in this Agreement, which apply to all sites acquired with FCT funds, the Management Plan shall address the following conditions that are particular to the project site and result from either representations made in the application that received scoring points or observations made by the FCT staff during the site visit described in Rule 9K-7.009(1), F.A.C.:

1. Two or more resource-based outdoor recreational facilities including a picnic pavilion and wildlife observation platform shall be provided. The facilities shall be located and designed to have minimal impacts on natural resources on the project site.
2. A permanent recognition sign, a minimum size of 4' x 6', shall be maintained in the entrance area of the project site. The sign shall acknowledge that the project site was purchased with funds from the Florida Communities Trust and Nassau County.
3. At least 12 regularly scheduled and ongoing educational classes or programs that promote the protection of natural resources shall be provided at the project site.
4. A survey of the natural communities and plant species on the project site shall be conducted prior to the development of the project site. The survey shall be used during development of the site to ensure the protection, restoration, and preservation of the natural communities on the project site.

5. The beach dune community that occurs on the project site shall be appropriately managed to ensure the long-term viability of this community.

6. Approximately 0.50-acres of the degraded upland beach dune community shall be restored in terms of biological composition and ecological function.

7. The development and management of the project site shall be coordinated with the managers of other conservation and recreation lands in the area.

8. The project site shall be managed in a manner that protects and enhances habitat for listed wildlife species that utilize or could potentially utilize the project site. The development of the management plan shall be coordinated with the Fish and Wildlife Conservation Commission's Office of Environmental Services to ensure the preservation and viability of listed and non-listed native wildlife species and their habitat. Periodic surveys shall be conducted of listed species using the project site.

9. Any proposed stormwater facility for the project site shall be designed to provide recreation open space or wildlife habitat.

10. Bike parking stands shall be installed at the project site to provide an alternative to automobile transportation to the project site.

11. An ongoing monitoring and control program for invasive vegetation including exotic (non-native) and nuisance native plant species shall be implemented at the project site. The objective of the control program shall be the elimination of invasive exotic plant species and the maintenance of a diverse association of native vegetation. The management plan shall reference the Exotic Pest Plant Council's List of Florida's Most Invasive Species to assist in identifying invasive exotics on the project site.

12. A feral animal removal program shall be developed and implemented for dogs, cats, and other non-native wildlife that may be found on the project site.

13. A professional survey of the historic structures on the project site shall be conducted to determine the integrity and extent of these historical features. The results of this survey shall be reviewed in conjunction with the Division of Historical Resources to develop an appropriate protection plan for historic resources on the project site.

14. The location and design of the parking facility shall be designed to have minimal impacts on natural resources. The parking area shall incorporate pervious material wherever feasible.

15. The requirements imposed by other grant program funds that may be sought for activities associated with the project site shall not conflict with the terms and conditions of this award.

VIII. OBLIGATIONS OF THE RECIPIENT RELATING TO THE USE OF BOND PROCEEDS

1. FCT is authorized by Section 380.510, Fla. Stat. to impose conditions for funding on the Recipient in order to ensure that the project complies with the requirements for the use of Florida Forever Bond proceeds including, without limitation, the provisions of the Internal Revenue Code and the regulations promulgated thereunder as the same pertain to tax exempt bonds.

The Recipient agrees and acknowledges that the below listed transactions, events, and circumstances, collectively referred to as the "disallowable activities," may be disallowed on the Project Site as they may have negative legal and tax consequences under Florida law and federal income tax law. The Recipient further agrees and acknowledges that these disallowable activities may be allowed up to a certain extent based on guidelines or tests outlined in the Federal Private Activity regulations of the Internal Revenue Service:

- a. any sale or lease of any interest in the Project Site to a non-governmental person or organization;
- b. the operation of any concession on the Project Site by a non-governmental person or organization;
- c. any sales contract or option to buy or sell things attached to the Project Site to be severed from the Project Site with a non-governmental person or organization;
- d. any use of the Project Site by a non-governmental person other than in such person's capacity as a member of the general public;
- e. any change in the character or use of the Project Site from that use expected at the date of the issuance of any series of Bonds from which the disbursement is to be made;
- f. a management contract for the Project Site with a non-governmental person or organization; or
- g. such other activity or interest as may be specified from time to time in writing by FCT to the Recipient.

3. If the Project Site, after its acquisition by the Recipient and/or the Trustees, is to remain subject to any of the disallowable activities, the Recipient shall provide notice to FCT, as provided for in paragraph III.1. above, at least sixty (60) calendar days in advance of any such transactions, events or circumstances, and shall provide FCT such information as FCT reasonably

DRC\04-026-FF4
September 1, 2005

7

requests in order to evaluate for approval the legal and tax consequences of such disallowable activities.

4. In the event that FCT determines at any time that the Recipient is engaging, or allowing others to engage, in disallowable activities on the Project Site, the Recipient shall immediately cease or cause the cessation of the disallowable activities upon receipt of written notice from FCT. In addition to all other rights and remedies at law or in equity, FCT shall have the right to seek temporary and permanent injunctions against the Recipient for any disallowable activities on the Project Site.

DELEGATIONS AND CONTRACTUAL ARRANGEMENTS BETWEEN THE RECIPIENT AND OTHER GOVERNMENTAL BODIES, NONPROFIT ENTITIES OR NON GOVERNMENTAL PERSONS FOR USE OR MANAGEMENT OF THE PROJECT SITE WILL IN NO WAY RELIEVE THE RECIPIENT OF THE RESPONSIBILITY TO ENSURE THAT THE CONDITIONS IMPOSED HEREIN ON THE PROJECT SITE AS A RESULT OF UTILIZING BOND PROCEEDS TO ACQUIRE THE PROJECT SITE ARE FULLY COMPLIED WITH BY THE CONTRACTING PARTY.

IX. RECORDKEEPING; AUDIT REQUIREMENTS

1. The Recipient shall maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement. These records shall be available at all reasonable times for inspection, review or audit by state personnel, FCT and other personnel duly authorized by FCT. "Reasonable" shall be construed according to the circumstances, but ordinarily shall mean the normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

2. If the Recipient expends a total amount of State financial assistance equal to or in excess of \$500,000 in any fiscal year of such Recipient, the Recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Fla. Stat., the applicable rules of the Executive Office of the Governor and the Comptroller and Chapter 10.550 (local government entities) or Chapter 10.650 (nonprofit organizations), Rules of the Auditor General. In determining the State financial assistance expended in its fiscal year, the Recipient shall consider all sources of State financial assistance, including State funds received from FCT, other state agencies and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for Federal program matching requirements. The funding for this Agreement was received by FCT as a grant appropriation.

In connection with the audit requirements addressed herein, the Recipient shall ensure that the audit complies with the requirements of Section 215.97(7), Fla. Stat. This includes submission of a reporting package as defined by Section 215.97(2)(d), Fla. Stat. and Chapter 10.550 (local government entities) or 10.650 (nonprofit organizations), Rules of the Auditor General.

3. If the Recipient expends less than \$500,000 in State financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Fla. Stat. is not required. If the Recipient elects to have an audit conducted in accordance with the provisions of Section 215.97, Fla. Stat., the cost of the audit must be paid from non-State funds (i.e., the cost of such an audit must be paid from Recipient funds not obtained from a State entity).

4. The annual financial audit report shall include all management letters, the Recipient's response to all findings, including corrective actions to be taken, and a schedule of financial assistance specifically identifying all Agreement and other revenue by sponsoring agency and agreement number. Copies of financial reporting packages required under this Article shall be submitted by or on behalf of the Recipient directly to each of the following:

Department of Community Affairs (at each of the following addresses):

Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

and

Florida Communities Trust
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

State of Florida Auditor General at the following address:

Auditor General's Office
Room 401, Claude Pepper Building
11 West Madison Street
Tallahassee, Florida 32302-1450

5. If the audit shows that any portion of the funds disbursed hereunder were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to FCT of all funds not spent in accordance with the applicable regulations and Agreement provisions within thirty (30) days after FCT has notified the Recipient of such non-compliance.

6. The Recipient shall retain all financial records, supporting documents, statistical records and any other documents pertinent to this Agreement for a period of five years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the five-year period, the records shall be retained until the litigation or audit findings have been resolved.

7. The Recipient shall have all audits completed in accordance with Section 215.97,

DRC\04-026-FF4
September 1, 2005

Fla. Stat. performed by an independent certified public accountant ("IPA") who shall either be a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above.

DEFAULT; REMEDIES; TERMINATION

9. If any essential term or condition of the Declaration of Restrictive Covenants is violated by the Recipient or by some third party with the knowledge of the Recipient, the Recipient shall be notified of the violation by written notice given by personal delivery, registered mail or registered expedited service. The recipient shall diligently commence to cure the violation or complete curing activities within thirty (30) days after receipt of notice of the violation. If the curing activities cannot be reasonably completed within the specified thirty (30) day time frame, the Recipient shall submit a timely written request to the FCT Program Manager that includes the status of the current activity, the reasons for the delay and a time frame for the completion of the curing activities. FCT shall submit a written response within thirty (30) days of receipt of the request and approval shall not be unreasonably withheld. It is FCT's position that all curing activities shall be completed within one hundred twenty (120) days of the Recipient's notification of the violation. However, if the Recipient can demonstrate extenuating circumstances exist to justify a greater extension of time to complete the activities, FCT shall give the request due consideration. If the Recipient fails to correct the violation within either (a) the initial thirty (30) day time frame or (b) the time frame approved by FCT pursuant to the Recipient's request, fee simple title to all interest in the Project Site shall be conveyed to the Trustees unless FCT negotiates an agreement with another local government, nonprofit environmental organization, the Florida Division of Forestry, the Florida Fish and Wildlife Conservation Commission, the Department of Environmental Protection or a Water Management District, who agrees to accept title and manage the Project Site. FCT shall treat such property in accordance with Section 380.508(4)(e), Fla. Stat.

XI. STANDARD CONDITIONS

1. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict and shall be severable, but shall not invalidate any other provision of this Agreement.

2. No waiver by FCT of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of FCT hereunder, or affect the subsequent exercise of the same right or remedy by FCT for any further or subsequent default by the Recipient.

DRC\04-026-FF4
September 1, 2005

10

3. The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications.

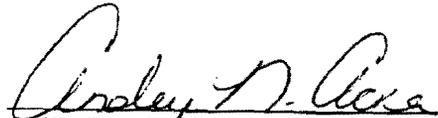
4. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime or on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit lease bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list or on the discriminatory vendor list.

5. No funds or other resources received from FCT in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

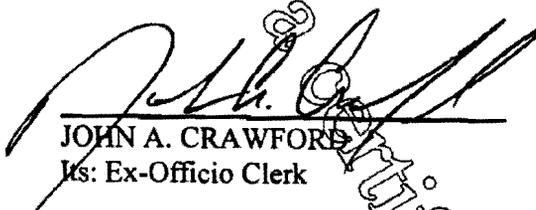
This Agreement including Exhibit "A" embodies the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

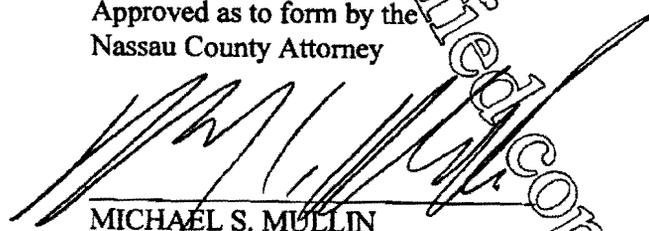
BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA


ANSLEY N. ACREE
Its: Chairman

ATTEST:

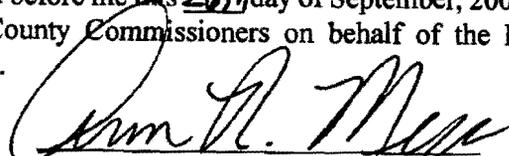

JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney


MICHAEL S. MULLIN

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me this 26th day of September, 2005, by Ansley N. Acree, as Chairman of Board of County Commissioners on behalf of the Local Government, and who is personally known to me.


Notary Public

Print Name: ANN R. MYERS
Commission No. _____
My Commission Expires: _____



Ann R. Myers
MY COMMISSION # DD268758 EXPIRES
January 3, 2008
BONDED THRU TROY FARM INSURANCE, INC

DRC\04-026-FF4
September 1, 2005

Witness:

[Signature]
Print Name: TRAM WEEBIC

[Signature]
Print Name: MIRIAM SNIPES

FLORIDA COMMUNITIES TRUST

By: [Signature]
Janice Browning, Director, Division of
Housing and Community Development

Kimball Love
Date: 9.27.05

Approved as to Form and Legality:

By: [Signature]
K. COOK
Trust Counsel

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 28th day of Sept,
2005, by Janice Browning, Director, Division of Housing and Community Development. She is
personally known to me. Kimball Love

[Signature]
Notary Public

Print Name: _____
Commission No. _____
My Commission Expires: _____



DRC\04-026-FF4
September 1, 2005

Exhibit "A"

Lot 2 and Lot 3, Block 1, Unit One of American Beach - Section Three as recorded in Plat Book 3, page 19 of the public records of Nassau County, Florida, together with a part of that out parcel excluded from the above described plat lying between Lot 1 and Lot 2 of said Block 1, Unit 1 of American Beach - Section 3, said out parcel being a part of Section 18, Township 2 North, Range 28 east of said county, all being more particularly described as follows:

For a point of reference commence at the northeast corner of Government Lot 2 of said Section 18, thence South 01 degrees 55 minutes 23 seconds East, along the east line of said Government Lot 2, a distance of 50.00 feet to a point on a line dividing said Lot 1 and said out parcel, said point also being the POINT OF BEGINNING; thence North 85 degrees 01 minutes 07 seconds East along said line dividing Lot 1 and the out parcel, a distance of 155.63 feet to a point on the Erosion Control Line as established by the maps prepared for the Department of Natural Resources, dated January 17, 1983 and recorded in April 1983 by the Clerk of the Circuit Court of said county; thence South 02 degrees 23 minutes 21 seconds West along said Erosion Control Line to its intersection with the southerly line of said Lot 3, a distance of 218.88 feet; thence South 88 degrees 04 minutes 37 seconds West, leaving said Erosion Control Line and along the southerly line of said Lot 3, a distance of 248.86 feet to the southwest corner of said Lot 3, said corner lying on the easterly right-of-way line of Greeg Street (a 50 foot right-of-way) as established by said plat of Unit One of American Beach - Section 3; thence North 02 degrees 01 minutes 53 seconds West along said right-of-way line, a distance of 18.24 feet to the point of curve of a curve concave easterly, having a radius of 443.83 feet; thence northerly along said right-of-way line of Greeg Street and along the arc of said curve, an arc distance of 106.83 feet, said arc being subtended by a chord bearing of North 04 degrees 58 minutes 22 seconds East and a chord distance of 106.58 feet to a point of reverse curve; thence northerly continuing along said right-of-way line and along the arc of a curve, said curve being concave westerly, having a radius of 450.00 feet, an arc distance of 82.40 feet, said arc being subtended by a chord bearing of North 06 degrees 37 minutes 22 seconds East and a chord distance of 82.29 feet to its intersection with aforesaid line dividing Lot 1 from the out parcel; thence North 85 degrees 01 minutes 07 seconds East, leaving said right-of-way line and along said line dividing Lot 1 and the out parcel, a distance of 59.03 feet; thence South 02 degrees 44 minutes 36 seconds East, leaving said dividing line, a distance of 1.18 feet; thence North 87 degrees 15 minutes 24 seconds East, a distance of 21.13 feet; thence North 04 degrees 05 minutes 54 seconds West along a line to its intersection with said line dividing Lot 1 and the out parcel, a distance of 2.00 feet; thence North 85 degrees 01 minutes 07 seconds East along said dividing line, a distance of 4.93 feet to the POINT OF BEGINNING.

TPL to Nassau County
American Beach

DRC04-026-FF4
September 1, 2005

14

AND the said grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons claiming by, through or under the said GRANTOR, but against none other.

IN WITNESS WHEREOF the grantor has hereunto set grantor's hand and seal, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

THE TRUST FOR PUBLIC LAND, a non-profit California corporation

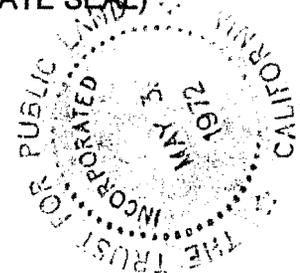
Stacy Gayhart
(Signature of first witness)

By: [Signature]
W. Dale Allen, Senior Vice President

Stacy Gayhart
(Printed name of first witness)

(CORPORATE SEAL)

Carol Penrose
(Signature of second witness)



CAROL PENROSE
(Printed name of second witness)

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 3 day of August, 2006, by W. Dale Allen, Senior Vice President of **The Trust for Public Land, a non-profit California corporation**, on behalf of said corporation. He is personally known to me.

Carol Penrose
NOTARY PUBLIC



(NOTARY PUBLIC SEAL)

TPL to Nassau County
American Beach/Nelson

**EXHIBIT A TO
SPECIAL WARRANTY DEED**

Lots 4, 5 and 6, Block 2 of UNIT ONE (1) SECTION THREE (3) AMERICAN BEACH, according to the Plat thereof as recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

LESS AND EXCEPT any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, Page 484, Public Records of Nassau County, Florida.

**EXHIBIT B
TO SPECIAL
WARRANTY DEED**

This instrument prepared by:
Kristen L. Coons, Esq.
Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399-2100

Record and Return to:

FLORIDA COMMUNITIES TRUST
FF4 AWARD #04-026-FF4
FCT Contract #05-CT-22-04-F4-A1-026
AMERICAN BEACH – NELSON PARCEL

**AMENDMENT I
DECLARATION OF RESTRICTIVE COVENANTS**

THIS AMENDMENT I to the DECLARATION OF RESTRICTIVE COVENANTS is entered into this 28 day of August, 2006, by and between the FLORIDA COMMUNITIES TRUST ("FCT"), a nonregulatory agency within the State of Florida Department of Community Affairs, and NASSAU COUNTY, a political subdivision of the State of Florida ("Recipient"), in order to impose terms, conditions, and restrictions on the use of the proceeds of certain bonds, hereinafter described, and the lands acquired with such proceeds and as described in Exhibit "A.I" attached hereto and made a part hereof ("Project Site"), as shall be necessary to ensure compliance with applicable Florida Law and federal income tax law and to otherwise implement provisions of Chapters 259.105, 259.1051, and 380, Part III, Florida Statutes.

WHEREAS, FCT and Recipient entered into a Declaration of Restrictive Covenants dated September 28, 2005, and recorded on October 10, 2005, in Official Records Book 01357, pages 808-824, Public Records of Nassau County, Florida, at the time of the acquisition of the oceanfront parcel of the Project Site, as described in Exhibit "A" to the Declaration of Restrictive Covenants;

WHEREAS, FCT has approved the terms under which the prior parcel of the Project Site was acquired by the Recipient and the Nelson Parcels of the Project Site shall be subject to such covenants and restrictions as are sufficient to ensure that the use of the Project Site at all times complies with Section 375.051, Florida Statutes and Section 9, Article XII of the State Constitution and such covenants and restrictions shall contain clauses providing for the conveyance of title to the Project Site to the Board of Trustees of the Internal Improvement Trust Fund upon the failure of the Recipient to use the Project Site acquired thereby for such purposes; and

WHEREAS, such covenants and restrictions shall be imposed by an agreement which shall describe with particularity the real property which is subject to the agreement and shall be recorded in the public records of **Nassau County, Florida**, the county in which the real property is located;

and

WHEREAS, Paragraph II of the Declaration of Restrictive Covenants states that either party may request modification of the provisions of this Agreement at any time. Changes which are mutually agreed upon shall be valid only when reduced to writing and duly signed by each of the parties hereto. Such amendments shall be incorporated into this Agreement.

WHEREAS, the purpose of this Amendment is to impose the covenants and restrictions of the Declaration of Restrictive Covenants on the Project Site, in addition to the Nelson Parcels of the Project Site, subsequent to payment of Recipient acquisition costs from FCT Florida Forever Bond Proceeds.

NOW THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FCT and Recipient do hereby contract and agree as follows:

The Declaration of Restrictive Covenants dated September 28, 2005 and recorded on October 10, 2005, in Official Records Book 01357, pages 808-824, Public Records of Nassau County, Florida, is hereby amended to impose the terms, covenants and restrictions of the Declaration of Restrictive Covenants on the Nelson Parcels of the Project Site as described in Exhibit "A.I" attached hereto, in addition to the Project Site as described in Exhibit "A" to the Declaration of Restrictive Covenants.

This Amendment I to the Declaration of Restrictive Covenants and the Declaration of Restrictive Covenants, including all exhibits to those documents, embody the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

Witness:

NASSAU COUNTY, a political
subdivision of the State of Florida

Joyce T. Bradley
Print Name: Joyce T. Bradley

By: Jim B. Higginbotham
Print Name: Jim B. Higginbotham
Title: Vice Chairman

Ann R. Myers
Print Name: ANN R. MYERS

Date: 9/15/06

Accepted as to Legal Form and
Sufficiency for Receipt:

Attest:

Michael S. Mollie
Print Name: Michael S. Mollie

Date: 9/1/06

John A. Crawford
JOHN A CRAWFORD
Its: Ex-Officio Clerk



STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me this 5th day of
September, 2006, by Jim B. Higginbotham
as Vice Chairman of the Board *. This person is personally known to
me, or has produced _____ as identification.



Ann R. Myers
MY COMMISSION # DD268750 EXPIRES
January 3, 2008
BONDED THRU TROY FAIN INSURANCE, INC.

Ann R. Myers
Notary Public
Print Name: ANN R. MYERS
Commission No. _____
My Commission Expires: _____

*of County Commissioners of Nassau County, Florida

Witnesses:

Print Name: _____

Print Name: _____

FLORIDA COMMUNITIES TRUST

Janice Browning
Janice Browning, Chief of Staff

Date: 9/6/06

Accepted as to Legal Form and
Sufficiency:

Kristen L. Coons
Kristen L. Coons, Trust Counsel

Date: Sept 6, 2006

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 1st day of
September, 2006 by Janice Browning, Chief of Staff. She is personally known to me.

Paula P. Ford

Notary Public

Print Name: _____

Commission No. _____

My Commission Expires: _____

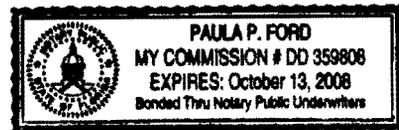


Exhibit "A.I." to Amendment I to Declaration of Restrictive Covenants

Lots 4, 5 and 6, Block 2, Unit One of American Beach – Section Three, According to the Plat Thereof as Recorded in Plat Book 3, Page 19, of the Public Records of Nassau County, Florida.

Less and except any part of caption lying in road right of way and/or any part of caption conveyed to Nassau County in Deed recorded in Book 91, page 484, public records of Nassau County, Florida.