

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made and entered into effective the 14th day of December, 2007 by and between **SMURFIT-STONE CONTAINER ENTERPRISES, INC.**, a Delaware corporation, whose address is Forest Resources, Post Office Box 457, Fernandina Beach, Florida 32035 (hereinafter referred to as "SSC"), and the **BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA**, a political subdivision of the State of Florida, whose mailing address is Post Office Box 1010, Fernandina Beach, Florida 32035 (hereinafter referred to as "Buyer").

W I T N E S S E T H:

WHEREAS, SSC has agreed to sell and Buyer has agreed to purchase upon the terms and conditions set forth in this Agreement, certain real property and improvements located in Nassau County, Florida.

NOW, THEREFORE, for good and valuable consideration in hand received and acknowledged both as to receipt and sufficiency, the Parties, SSC and BUYER, do hereby agree as follows:

1. SSC hereby agrees to sell and Buyer agrees to purchase that certain parcel located in Nassau County, Florida consisting of approximately 108 acres, more or less, including all improvements and more particularly depicted in Exhibit "A" attached. Exhibit "A" attached hereto is expressly made a part of this Agreement (hereinafter the "Property").

2. The purchase price of said Property shall be **one million ninety thousand and 00/100 (\$1,090,000.00)** Dollars to be payable in the following manner:

(a) Upon execution of this Agreement by Buyer a binder deposit of **five percent of the purchase price (\$54,500.00)** Dollars shall be deposited with SSC, which subject to the contingencies set forth in this Agreement, shall be non-refundable except in the event SSC is unable to provide marketable title [including the clearing of mineral rights reservations] to the property. Said Binder Deposit will be applied against the purchase price at closing.

(b) The balance of the purchase price shall be paid by cashier's check at Closing.

3. Buyer may undertake a survey of the Property to determine the exact acreage of the tract. The cost of the survey shall be at the Buyer's expense. SSC shall have no obligation for a survey of the Property.

4. Title to the Property is to be conveyed by Special Warranty Deed, or like kind deed, free and clear of all mortgages, security agreements, executions, and liens, subject only to: (a) the lien of current ad valorem taxes not yet due and payable; (b) all easements and restrictions serving or affecting the Property [except those easements and restrictions that would impair the Buyer's ability to use the property for the intended use, to wit: a regional park]; (c) all zoning ordinances and regulations affecting the Property; (d) ~~any outstanding mineral reservations of record,~~ any and all matters not of record which would be disclosed by a current survey.

5. Buyer shall have through the tenth (10th) day following the receipt by the Buyer of the title commitment ~~sixtieth (60th) day following the effective date of this Agreement~~ to examine the title to the Property and furnish SSC with written notice of the objections to the title to the Property. Unless Buyer notifies SSC of any objections to the title to the Property within such period, all exceptions to title existing as of the date of this Agreement shall be deemed to be permitted exceptions and the conveyance of the Property as herein contemplated shall be subject to the same; provided, however, that, except as otherwise specifically permitted herein, SSC shall be obligated to have the Property released from any unpaid money judgments, liens, or security interests affecting the Property. In the event Buyer has valid objections to title and has notified SSC thereof as hereinabove provided, SSC shall have ten (10) days from receipt of said notice in which to notify Buyer in writing if SSC is unwilling to satisfy said objections and to notify Buyer that this Agreement is terminated. Unless SSC notifies Buyer within such period that SSC is unwilling to satisfy said objections, then SSC shall have until the time of Closing to satisfy each objection, and shall use reasonable efforts to do so. If SSC is unwilling to satisfy the objections, then it may terminate this Agreement and return any deposits or earnest monies to Buyer and neither party shall have any further obligations to the other hereunder. If SSC fails to satisfy such objections by the time of Closing, Buyer may: (a) cancel this Agreement by giving SSC written notice of its intention to cancel, and all further obligations of the Parties hereunder shall cease other than for Buyer's indemnity in Paragraph 6(b) hereof; or (b) consummate the transaction contemplated herein by taking title subject to such objections without any adjustment in the purchase price, except that, in any event, SSC shall be obligated to have the Property released from any unpaid money judgments, liens or security interests affecting the Property, and, if necessary, Buyer may satisfy the same at Closing from SSC's proceeds of the purchase price.

6. (a) During the term of this Agreement, SSC shall not cut or dispose of any timber on the property.

(b) SSC shall deliver possession of the property to Buyer at closing. During the term of this Agreement and upon advance notice to SSC's representative, ~~Terry D. Willaford~~, Merle Conkin, Telephone No. 904-277-5818, Buyer shall have the right to enter upon said Property for purposes of inspection or investigation of the same. SSC will not be responsible to Buyer, its members, agents, servants, employees, contractors, licensees, or guests, or to any person claiming through Buyer, for injury, loss or damage, whether to person, including death arising therefrom, or to property suffered by Buyer or any such person upon said lands from any cause whatever. Buyer agrees to indemnify and hold SSC harmless from any loss, damage, liability, or expense arising from personal injury or death or property damages to any person, including, but not limited to, SSC, or its contractors, agents, servants and employees, occurring as a direct or indirect result of, or in any way connected with, the exercise of the rights hereunder. SSC shall have the right to require proof of insurance from any of Buyer's contractors or consultants prior to any entry upon the Property. This indemnity shall survive the termination of this Agreement.

(c) Buyer acknowledges and understands (i) that Buyer has had the right and has exercised said right to inspect the Property prior to the execution of this Agreement and, prior to closing, Buyer may and shall further inspect the Property thereon to the extent it deems necessary as provided in Paragraph 6(b) hereof; (ii) that Buyer will not be relying on any representations or warranties by SSC regarding the condition of the Property; and (iii) that Buyer shall accept the Property in its "AS-IS" "WHERE-IS" condition without warranties of any kind, express or implied, by SSC. SSC shall have no obligation to Buyer for any remediation that may be necessary in connection with the Property. Buyer is relying solely on its own inspections, engineering studies and reports, environmental audits, feasibility studies and examinations of the Property in making Buyer's determination of the condition of the Property.

7. Ad valorem taxes on the Property shall be prorated as of the date of the Closing. Buyer shall pay the costs of the abstract update and/or title insurance for the Property, transfer costs and recording the Deed. Each party shall pay their own legal costs.

8. Each party represents, covenants, and warrants to the other that there are no real estate brokers or any third parties entitled to receive any compensation or payment in connection with the sale and purchase of the Property as set forth in this Agreement. Each party agrees to indemnify and hold harmless the other party for any breach of this representation and warranty, said representations and indemnities to survive closing.

9. This Agreement may be assigned by Buyer upon written notice to SSC. Any assignment must occur no later than fifteen (15) working days prior to any scheduled closing date. In the event that Buyer does assign its rights to a third party or enters into a third party exchange, then SSC shall have no obligation for any expenses associated with the exchange but only those normal and customary closing expenses for a sale of real property.

10. This transaction shall be closed no later than **December 28, 2007**, at such place as the Parties may mutually agree upon. After notification of approval of SSC's title to the Property and the resolution of any of the outstanding contingencies, the Parties shall fix the "Closing Date" for this transaction, which shall be no later than **December 28, 2007**. The closing date will be extended by the Parties if SSC has not resolved all title issues by December 28, 2007, and the Parties mutually agree to such an extension.

11. If the Buyer fails to perform the covenants herein contained within the time periods herein specified respectively, SSC may cancel this Agreement.

12. If SSC fails to perform any of the covenants of this Agreement, Buyer may cancel this Agreement. SSC shall have no obligation to Buyer for specific performance.

13. This contract constitutes the sole and entire Agreement between the parties and no modification hereof shall be binding unless attached hereto and signed by each; and no representations, promises or inducements shall be binding upon either party except as herein set forth.

14. This Agreement shall be interpreted and construed in accordance with the law of the State of **Florida**.

15. All notices required or allowed by this Agreement shall be delivered in person, or mailed by Certified Mail-Return Receipt Requested, postage prepaid, to the party upon which such notice is to be given at the following addresses:

(a) SSC:
Smurfit-Stone Container Enterprises, Inc.
Forest Resources
1200 Franklin Street
Fernandina Beach, FL 32034
Attention: Merle Conkin
904-277-5818

(b) Buyer:
Board of County Commissioners of Nassau
County, Florida a political subdivision of the
State of Florida
96160 Nassau Place
Yulee, FL 32097
Attn: Edward L. Sealover, County Coordinator
904-491-7380

IN WITNESS WHEREOF, the parties hereto have set their seals
and executed this Agreement effective on the day and year first
above written.

SSC:

Signed, sealed and
Delivered in the presence of:

SMURFIT-STONE CONTAINER
ENTERPRISE, INC.
A Delaware corporation

Frances G. Burgess

By: John E. Davis
John E. Davis
Vice President

Kimberly B. Veche

BUYER:

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA
A political subdivision of the
State of Florida

Jim B. Higginbotham
JIM B. HIGGINBOTHAM
CHAIRMAN

Attest as to Chairman's
Signature:

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

Approved as to form by the
Nassau County Attorney,

DAVID A. HALTMAN

STATE OF FLORIDA

COUNTY OF NASSAU

I, ~~Judy J. Cannon~~ **FRANCES G. BURGESS**, a Notary Public in and for the State and County aforesaid, hereby certify that JOHN E. DAVIS, whose name as Vice President, of Smurfit-Stone Container Enterprises, Inc., a Delaware corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of said instrument, he executed the same voluntarily for and the act of said corporation.

WITNESS my hand and official seal this 20th day of December, 2007.

Frances G. Burgess
Notary Public

FRANCES G. BURGESS

My commission expires:



FRANCES G. BURGESS
Commission DD 634049
Expires March 16, 2011
Bonded Thru Troy Fair Insurance 800-386-7019

STATE OF FLORIDA

COUNTY OF NASSAU

I, Charlotte J. Young a Notary Public in and for the State and County aforesaid, hereby certify that JIM B. HIGGINBOTHAM, whose name as Chairman of the Board of County Commissioners of Nassau County, Florida, a political subdivision of the State of Florida, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of said instrument, he executed the same voluntarily for and the act of said corporation.

WITNESS my hand and official seal this 13th day of December, 2007.

Charlotte J. Young
Notary Public

My commission expires:



Charlotte J. Young
Commission # DD488687
Expires November 7, 2009
Bonded Troy Fair - Insurance, Inc 800-386-7019

EXHIBIT A

MAP OF BOUNDARY SURVEY

ALL THAT PORTION OF THE SOUTHWEST ONE-QUARTER AND THE NORTHWEST ONE-QUARTER OF SECTION 23, TOWNSHIP 3 NORTH, RANGE 24 EAST, NASSAU COUNTY, FLORIDA THAT LIES WESTERLY OF AND ADJOINS THE WESTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 1 (A 150.0 FOOT RIGHT-OF-WAY)

EXCEPTING THEREFROM THAT PORTION OF THE SOUTHWEST ONE-QUARTER OF SECTION 23 THAT LIES WITHIN THE RIGHT-OF-WAY OF PRATT SIDING ROAD (A 60.0 FOOT RIGHT-OF-WAY BY USAGE)

SAID PORTION BEING SUBJECT TO AT&T RIGHT-OF-WAY FOR UNDERGROUND COAXIAL CABLE, RIGHT-OF-WAY WIDTH UNKNOWN

FATIC 524

Policy No. **FA-35-971724**

POLICY OF TITLE INSURANCE



ISSUED BY

First American Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the Insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

First American Title Insurance Company

Gary L. Keruott PRESIDENT

ATTEST *Mark R. Arneson* SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured,

All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

(i) To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

(ii) Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A;

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured,

All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

(i) To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

(ii) Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A;

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

First American Title Insurance Company

Agent File No.: 31-15100

Note: All of the recording information contained herein refers to the Public Records of Nassau County, Florida, unless otherwise indicated. Any reference herein to a Book and Page is a reference to the Official Record Books of said county, unless indicated to the contrary.

Notices - Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department, 1 First American Way, Santa Ana, CA 92707.

Service, Quality and Availability

First American Title Insurance Company cares about its customers and their ability to obtain information and service on a convenient, timely and accurate basis. A qualified staff of service representatives is dedicated to serving you. A toll-free number is available for your convenience in obtaining information about coverage and to provide assistance in resolving complaints at 1-800-929-7186. Office hours are from 8:30 a.m. through 5:30 p.m. Monday through Friday.

First American Title Insurance Company

14. Florida Power & Light Co. Easements, if any, as referenced in Deed recorded in Book 264, page 167.
15. Covenants, conditions, restrictions, easements or servitudes, if any, appearing in the public records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

First American Title Insurance Company

SCHEDULE B

Agent File No. **31-15100**

Policy No.: **FA-35- 971724**

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
2. Any rights, interests, or claims affecting the land which a correct survey would disclose and which are not shown by the public records.
3. Any lien for services, labor, or materials in connection with improvements, repairs or renovations provided before, on, or after Date of Policy, not shown by the public records.
4. Any dispute as to the boundaries caused by a change in the location of any water body within or adjacent to the land prior to Date of Policy, and any adverse claim to all or part of the land that is, at Date of Policy, or was previously, under water.
5. Taxes or special assessments not shown as liens in the public records or in the records of the local tax collecting authority, at Date of Policy.
6. Any minerals or mineral rights leased, granted or retained by prior owners.
7. Taxes and assessments for the year **2008** and subsequent years.

NOTE: Exception(s) numbered 1,3 and 5 above is/are hereby deleted.

8. Rights of others in and to any roads crossing caption.
9. Subject to all rights of way lying within caption.
10. ATT&T Co. Easement recorded in Deed Book 160, page 333.
11. Drainage Easement in favor of State of Florida recorded in Deed Book 228, page 168.
12. Terms and conditions of any existing unrecorded lease(s), and all rights of lessee(s) and any parties claiming through the lessee(s) under the lease(s).
13. Borrow Pit Easement recorded in Deed Book 228, page 172.

Schedule A (Continued)

Agent File No.: **31-15100**

Policy No.: **FA-35-971724**

ALL THAT PORTION OF THE SOUTHWEST ONE-QUARTER AND THE NORTHWEST ONE-QUARTER OF SECTION TWENTY-THREE (23), TOWNSHIP THREE (3) NORTH, RANGE TWENTY-FOUR (24) EAST, NASSAU COUNTY, FLORIDA THAT LIES WESTERLY OF AND ADJOINS THE WESTERLY RIGHT OF WAY LINE OF U.S. HIGHWAY NO. 1 (A 150.0 FOOT RIGHT OF WAY).

EXCEPTING THEREFROM THAT PORTION OF THE SOUTHWEST ONE-QUARTER OF SECTION TWENTY-THREE (23) THAT LIES WITHIN THE RIGHT OF WAY OF PRATT SIDING ROAD (A 60.0 FOOT RIGHT OF WAY BY USAGE).

First American Title Insurance Company

COMMERCIAL [] RESIDENTIAL [] NEW HOME SALE [] RESALE [] FORECLOSURE [] OTHER []

SCHEDULE A

Agent File No. **31-15100**

Policy No. **FA-35- 971724**

Date of Policy: **12/28/2007** at **3:20 P.M.**

Amount of Insurance: **\$ 1,090,000.00**

1. Name of Insured:

Board of County Commissioners of Nassau County, Florida, a political subdivision of the State of Florida

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in:

Board of County Commissioners of Nassau County, Florida, a political subdivision of the State of Florida

4. The land referred to in this policy is described as follows:

See Schedule A attached hereto and made a part hereof

Poole and Poole, P.A.

By: Wesley R Poole
Authorized Signatory

76,300.00
7648.50

This instrument prepared by:
Wesley R. Poole, Esq.
POOLE & POOLE, P.A.
P. O. Box 1280
Fernandina Beach, FL 32035-1280
File #: 31-15100

INSTR # 200740253, OR Book 1543, Page 908, Pages 2.
Recorded 12/28/2007 at 03:20 PM.
John A Crawford, Nassau County Clerk of Circuit Court
Deed Doc. \$7630.00 Rec. Fee \$18.50
#1

RECORDING 11.20
DOC. STAMPS 2,130.00
INT. TAX
TOTAL 2,948.50

WARRANTY DEED

THIS INDENTURE, Made this 27th day of December, 2007, by SMURFIT-STONE CONTAINER ENTERPRISES, INC., a Delaware corporation, successor by merger to Jefferson Smurfit Corporation (U.S.), a Delaware corporation, successor by merger to Container Corporation of America, a Delaware corporation, which has an address of: P.O. Box 457, Fernandina Beach, FL 32035, Party of the First Part, and BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, a political subdivision of the State of Florida, which has an address of: P.O. Box 1010, Fernandina Beach, FL 32035, Party of the Second Part.

WITNESSETH:

That the said Party of the First Part, for and in consideration of the sum of **TEN AND NO/100 DOLLARS (\$10.00)**, to it in hand paid by the said Party of the Second Part, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Party of the Second Part, its heirs, successors and assigns forever, the following described land, situate, lying and being in the County of **NASSAU**, State of Florida, to wit:

ALL THAT PORTION OF THE SOUTHWEST ONE-QUARTER AND THE NORTHWEST ONE-QUARTER OF SECTION TWENTY-THREE (23), TOWNSHIP THREE (3) NORTH, RANGE TWENTY-FOUR (24) EAST, NASSAU COUNTY, FLORIDA THAT LIES WESTERLY OF AND ADJOINS THE WESTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 1 (A 150.0 FOOT RIGHT-OF-WAY)

EXCEPTING THEREFROM THAT PORTION OF THE SOUTHWEST ONE-QUARTER OF SECTION 23 THAT LIES WITHIN THE RIGHT-OF-WAY OF PRATT SIDING ROAD (A 60.0 FOOT RIGHT-OF-WAY BY USAGE)

SAID PORTION BEING SUBJECT TO AT&T 33.0 FOOT EASEMENT FOR UNDERGROUND COAXIAL CABLE PER INSTRUMENT RECORDED IN DEED BOOK 160, PAGE 333 OF THE PUBLIC RECORDS OF NASSAU COUNTY, FLORIDA;

PARCEL I. D. NO.: 23-3N-24-0000-0001-0000 (covers caption and other land)

SUBJECT to all Covenants, Restrictions, Easements, and Reservations of record, if any, **AND** to taxes accruing subsequent to **December 31, 2006**, and matters that would be discharged by an accurate survey of the property.

And the said Party of the First Part 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 but none other.

IN WITNESS WHEREOF, the said Party of the First Part has caused this instrument to be executed in its name by its Vice President, and caused its corporate seal to be affixed the day and year first above written.

SIGNED AND SEALED IN
IN OUR PRESENCE

SMURFIT-STONE CONTAINER ENTERPRISES, INC., a Delaware corporation, successor by merger to Jefferson Smurfit Corporation (U.S.), a Delaware corporation, successor by merger to Container Corporation of America, a Delaware corporation

Witness: Wesley R. Poole
WESLEY R. POOLE

F-1006673

FIRST AMERICAN TITLE INSURANCE COMPANY

*

Merle E. Conkin
Witness: MERLE E. CONKIN

By: John E. Davis
JOHN E. DAVIS
Its Vice President
P.O. Box 457
Fernandina Beach, FL 32035

(Corporate Seal)

STATE OF FLORIDA
COUNTY NASSAU

The foregoing instrument was acknowledged before me this 27th day of **December, 2007**, by **JOHN E. DAVIS**, the Vice President of **SMURFIT-STONE CONTAINER ENTERPRISES, INC.**, a Delaware corporation, successor by merger to Jefferson Smurfit Corporation (U.S.), a Delaware corporation, successor by merger to Container Corporation of America, a Delaware corporation, on behalf of the corporation, who is personally know to me or who has produced a current [state] _____ drivers license as identification.

Wesley R. Poole
WESLEY R. POOLE

Printed Name of Notary Public
My Commission Expires:



Wesley R. Poole
Commission # DD598068
Expires November 1, 2010
Bonded Tary Fan - Insurance, Inc. 800-385-7019

POOLE & POOLE, P. A.
Attorneys at Law
SUITE 200, ALLAN BUILDING
303 CENTRE STREET
FERNANDINA BEACH, FLORIDA 32034

WESLEY R. POOLE

H. PRICE POOLE, JR.
*PAIGE POOLE POECHMANN
* Admitted in Maryland

PLEASE REPLY TO:
POST OFFICE BOX 1280
FERNANDINA BEACH, FL 32035
PHONE #904-261-0742
FAX #904-261-0745

FRANCES G. BURGESS, C.L.A.

April 29, 2008

Board Of County Commissioners
of Nassau County, Florida
Post Office Box 1010
Fernandina Beach, FL 32035

RE: Board Of County Commissioners p/f Smurfit-Stone Container
Enterprises, Inc.
Property Address: 108 Acres
Nassau County, FL

Dear Sir/Madame:

In connection with the above referenced matter, enclosed you will find
your Owners Title Policy and original recorded Warranty Deed.

If you have any questions, please do not hesitate to contact our
office.

Sincerely,



Missie Bartlett
Closing Agent

Enclosure

08 APR 30 AM 10:43

COUNTY CLERK
OFFICE