

EXHIBIT B

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 7/19/2006

Contract/Lease Control #: C06-1396-WSI-172

Bid #: N/A

Contract/Lease Type: AGREEMENT

Award To/Lessee: D.R. HORTON, INC

Lessor:

Effective Date: 7/5/2006 \$0

Term: INDEFINITE

Description of Contract/Lease: PARTRIDGE HILLS SUBDIVISION RIGHT OF WAYS

Department Manager: WATER & SEWER

Department Monitor: J. LITTRELL

Monitor's Telephone #: 651-7172

Monitor's FAX #: 651-7193

Date Closed:

AGREEMENT

THIS AGREEMENT is made and entered into this 5th day of ^{July}~~June~~, 2006, by and between the **OKALOOSA COUNTY BOARD OF COUNTY COMMISSIONERS**, a political subdivision of the State of Florida ("County"), and **D.R. HORTON, INC.**, a Delaware corporation, its successors and/or assigns (collectively, "Developer").

RECITALS

WHEREAS, Developer has heretofore entered into a contract of sale with Victoria of Northwest Florida, Inc. and Denton, Inc. (both being Florida corporations wholly owned by Tom and Millie Young (collectively, "Young")) for the purchase and sale of certain land situated in Okaloosa County, Florida which is more particularly described on Exhibit A attached hereto (the "Property") and which is planned for a residential subdivision containing 127+/- single-family lots the "Lots") to be known as "Partridge Hills" (the "Subdivision"); and

WHEREAS, with Developer's assistance and consent, Young conveyed to the County 0.696 + acres along a portion of the northerly boundary of the Property, which such tracts are part of an extension of Airmen's Memorial Highway, a proposed 4 lane highway which is an integral part of a new hurricane evacuation route being implemented by the County. Developer acknowledges that such 0.696 + acres will NOT be part of the Property conveyed by Young to Developer; said 0.696 + acres are shown on the drawings attached hereto as Exhibit B and identified as the "Young ROW Tracts";

WHEREAS, the County has requested that Developer convey to the County, from and after Developer's acquisition of the remainder of the Property, additional acreage along portions of the northern boundary of the Property in the general locations identified on Exhibit C as the "Developer ROW Tracts" in order to continue the right-of-way for Airmen's Memorial Highway;

WHEREAS, in consideration of the conveyance to the County of the Young ROW Tracts and the Developer ROW Tracts (collectively, the "ROW Tracts"), Developer requires certain agreements and assurances from County, as hereinafter set forth.

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

1. **Developer's Agreements.**

(a) In reliance upon the County's agreements set forth in this Agreement, Developer hereby covenants and agrees to convey to the County (provided that Developer has duly acquired the same from Young), by special warranty deed, fee simple title to the Developer ROW Tracts, subject to the same permitted exceptions to title as shall be set forth in the deeds for the Young ROW Tracts and such other title exceptions as the County shall approve (such approval not to be unreasonably withheld, conditioned, or delayed). Developer shall not be required to expend any

funds in correction of title exceptions to which the County objects, other than obtaining releases of such Tracts from mortgages or liens claimed by or through Developer. The County will furnish Developer with a legal description and sketch of the Developer ROW Tracts prepared by a licensed Florida engineer; any survey desired of the Developer ROW Tracts shall be obtained by the County at its expense. County shall be responsible for the costs of any title insurance policy it may opt to obtain for the Developer ROW Tracts.

(b) The Developer acknowledges that it will submit to the County for approval a revised Development Plan (the "Revised Plan"), taking into account the conveyance of the ROW Tracts to the County. The Developer acknowledges that the Revised Plan has resulted in the shifting of various lot lines. The Developer shall be responsible for relocating the existing water and sewer services to the new lot lines. The new lot lines, the rights-of-way and easements shall be identified in the field and staked by the Developer. The Developer shall be required to install a new sewer lift station at the south western corner of the project and connect the new lift station to the County's force main in the right-of-way at the intersection of Kensington Lane and Airman's Memorial Way. The Developer shall also install, at the same location, a two (2) inch communication conduit.

2. **County Agreements.** County hereby covenants and agrees as follows:

(a) Young's development plan of the Subdivision (which has not yet been approved by the County) contains 127 Lots. Due to the conveyance of the ROW Tracts to the County, the total acreage of the Subdivision land will be reduced; however, the County represents and warrants and agrees with Developer that the remaining land is adequate to accommodate 127 Lots which will comply with the current zoning for the Property (being RSU zoning). The County agrees to cooperate in good faith with Developer in processing the Revised Plan, which contains not less than 127 Lots, provided that the same complies with the County's rules and regulations.

(b) The County acknowledges that Young has heretofore installed some of the streets and water lines for the Subdivision, and the County has heretofore installed some of the sewer lines for the Subdivision, in each case based upon Young's Preliminary Plan. One street (and the water and sewer utilities situated therein) which is shown on Exhibit D attached hereto will have to be relocated in order to account for the ROW Tracts and the Revised Plan. The County hereby covenants and agrees that it will cause to be removed, at the County's cost and expense, the existing water lines and sewer facilities which are situated within that portion of the street as identified on Exhibit D attached hereto, and will cause replacement water lines and sewer facilities to be installed in compliance with the Revised Plans and applicable building codes and other applicable regulations governing the same. The County agrees to construct a new force main within the right-of-way of Kensington Lane and Airman's Memorial Way. The County's obligation hereunder is collectively referred to herein as the "Work."

(c) Following conveyance of the ROW Tracts to the County, the Developer will give the County not less than thirty (30) days written notice of the date on which Developer is ready for the County to commence the Work, and the County covenants and agrees to commence the work (weather permitting) by the date set forth in Developer's notice, and to complete the same

within forty-five (45) days thereafter (subject only to delays incident to weather and force majeure). The County represents and warrants that the sanitary sewer system for the Subdivision, as heretofore or hereafter to be installed by the County, is or will be at the time that Developer commences selling houses in the Subdivision, fully functional and operational and of adequate capacity for the Subdivision. The County will be responsible for all maintenance and repairs of the sanitary sewer system. To the extent that it is discovered that the sanitary sewer lines have been damaged as a result of the actions of the Developer or by another utility provider, repair of such damage shall be the responsibility of the Developer.

3. **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective successors and assignors.

4. **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY DELETED]

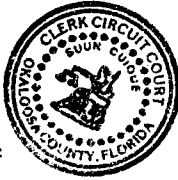
IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year first hereinabove written.

COUNTY:

OKALOOSA COUNTY BOARD OF COUNTY COMMISSIONERS

ATTEST:

Dany J. Stanford
Clerk



BY:

Shirley S. Campbell
Chair



APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

BY:

[Signature]

[COUNTY] ATTORNEY

DEVELOPER:

D.R. HORTON, INC.

BY:

[Signature]

Print Name:

Andrew J. Slavin

Title:

Division President

EXHIBIT A

LEGAL DESCRIPTION

Property Owned by Victoria of Northwest Florida, Inc.:

The North 1/2 of the East 1/2 of the Southwest 1/4 of Section 34, Township 3 North, Range 23 West and The Northeast 1/4 of the South 1/2 of the East 1/2 of the Southwest 1/4 of Section 34, Township 3 North, Range 23 West and Beginning at the Northwest corner of the East 1/2 of the Southwest 1/4 of Section 34, Township 3 North, Range 23 West; Thence proceed Westerly 210 feet, more or less to the West right of Way line of Kensington Lane as on the Plat of Kings Crossing Phase II as recorded in Plat Book 12, Page 82, Records of Okaloosa County, Florida; Thence South 60 feet; Thence Easterly 210 feet, more or less, to the East line of the West 1/2 of the Southwest 1/4; Thence North 60 feet to the Point of Beginning.
AND

East 1/2 of the Northeast 1/4 of the North 1/2 of the West 1/2 of the Southwest 1/4, of Section 34, Township 3 North, Range 23 West.

Less and Except:

Beginning at the NW Corner of the East 1/2 of the Southwest 1/4 of Section 34, Township 3 North, Range 23 West; Thence proceed Westerly 210 feet, more or less, to the West Right of Way Line of Kensington Lane as on the Plat of Kings Crossing Phase II as recorded in Plat Book 12, Page 82, Records of Okaloosa County, Florida; Thence South 60 feet; Thence Easterly 210 feet, More or Less, to the East line of the West 1/2 of The Southwest 1/4; thence North 60 feet To The Point of Beginning.

Property Owned by Denton, Inc.

Beginning at the NW Corner of the East 1/2 of the Southwest 1/4 of Section 34, Township 3 North, Range 23 West; Thence proceed Westerly 210 feet, more or less, to the West Right of Way Line of Kensington Lane as on the Plat of Kings Crossing Phase II as recorded in Plat Book 12, Page 82, Records of Okaloosa County, Florida; Thence South 60 feet; Thence Easterly 210 feet, More or Less, to the East line of the West 1/2 of The Southwest 1/4; thence North 60 feet To The Point of Beginning.

EXHIBIT B
YOUNG ROW TRACTS

[SEE ATTACHED 4 PAGES FROM DEED RECORDED IN BOOK 2665, PAGE 380]

EXHIBIT "A" Page 1 of 4

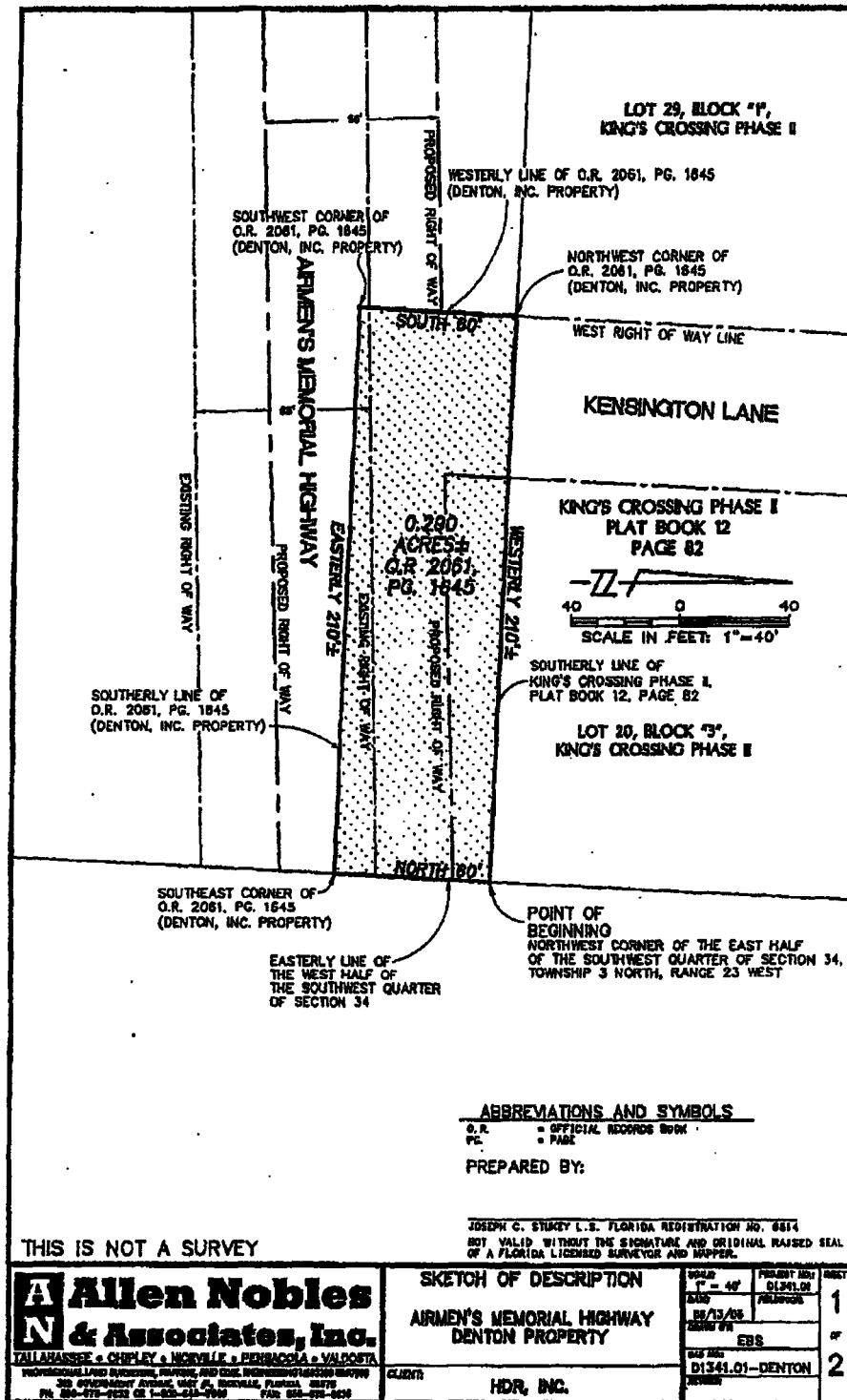


EXHIBIT "A" Page 2 of 4

Allen Hobbs
& Associates, Inc.

312 Government Avenue, Unit #1
Niceville, Florida 32578
Phone: 850-678-8932
Fax: 850-678-8936

Airmen's Memorial Road
ANA Project No. D1341.01
June 13, 2005
Sheet 2 of 2

Denton, Inc. Property

A portion of those lands described in Official Records Book 2061, Page 1645, of the Public Records of Okaloosa County, Florida, lying in Section 34, Township 3 North, Range 23 West, being more particularly described as follows:

BEGINNING at the northwest corner of the east half of the southwest quarter of Section 34, Township 3 North, Range 23 West; thence proceed Westerly 210 feet, more or less to the west right of way line of Kensington Lane as on the Plat of King's Crossing Phase II as recorded in Plat Book 12, Page 82, Records of Okaloosa County, Florida; thence South 60 feet; thence Easterly 210 feet, more or less, to the east line of the west half of the southwest quarter; thence North 60 feet to the POINT OF BEGINNING.

EXHIBIT "A" page 3 of 4

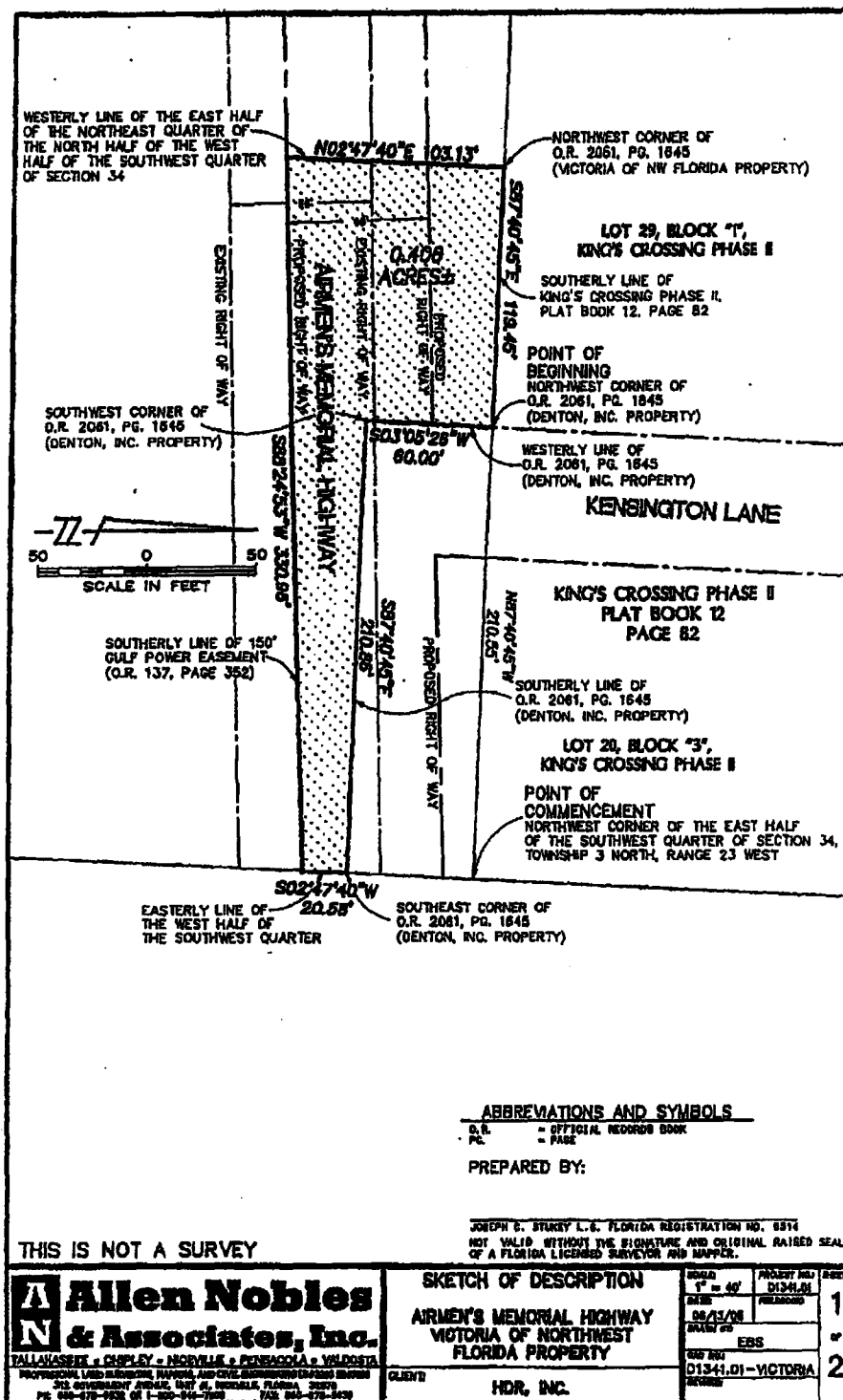


EXHIBIT "A" PAGE 4 OF 4

Allen Nobles
& Associates, Inc.

312 Government Avenue, Unit #1
Niceville, Florida 32578
Phone: 850-678-9932
Fax: 850-678-9939

Airmen's Memorial Road
ANA Project No. D1341.01
June 13, 2005
Sheet 2 of 2

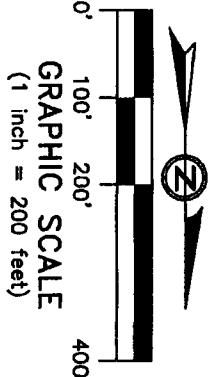
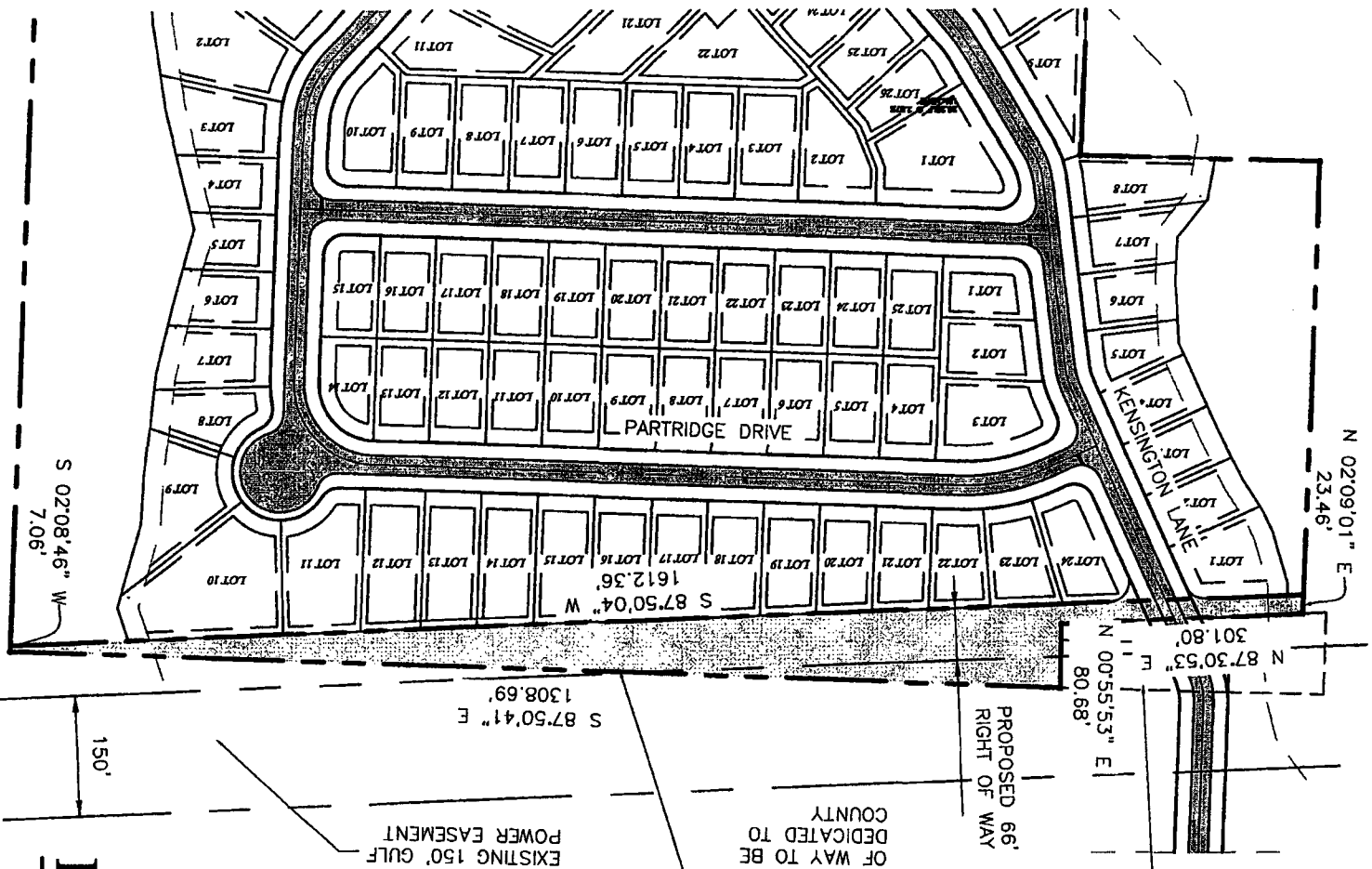
Victoria of Northwest Florida Property

A portion of those lands described in Official Records Book 2061, Page 1645, of the Public Records of Okaloosa County, Florida, lying in Section 34, Township 3 North, Range 23 West, being more particularly described as follows:

COMMENCE at the northwest corner of the east half of the southwest quarter of Section 34, Township 3 North, Range 23 West; thence along the southerly line of King's Crossing Phase II as per plat recorded in Plat Book 12, Page 82 of the Public Records of Okaloosa County, Florida, North 87 degrees 40 minutes 45 seconds West a distance of 210.55 feet to the northwest corner of a parcel of land described in Official Records Book 2061, Page 1645 of the Public Records of Okaloosa County, Florida known as the Denton, Inc. property, said corner being the POINT OF BEGINNING. From said POINT OF BEGINNING, leaving said southerly line and along the westerly boundary of said parcel, run South 03 degrees 05 minutes 26 seconds West a distance of 60.00 feet to the southwest corner of said parcel; thence departing said westerly line and along the southerly line of said parcel, run South 87 degrees 40 minutes 45 seconds East a distance of 210.86 feet to the southeast corner of said parcel lying on the easterly line of the west half of the southwest quarter of Section 34; thence departing said southerly line and along the easterly line of the west half of the southwest quarter of Section 34, run South 02 degrees 47 minutes 40 seconds West a distance of 20.58 feet to the southerly line of a Gulf Power easement as recorded in Official Records Book 137, Page 352; thence departing said easterly line and along said southerly line, run South 88 degrees 24 minutes 53 seconds West a distance of 330.96 feet to the westerly line of the east half of the northeast quarter of the north half of the west half of the southwest quarter of Section 34; thence leaving said southerly line and along said westerly line, run North 02 degrees 47 minutes 40 seconds East a distance of 103.13 feet to the said southerly line of King's Crossing Phase II; thence departing said westerly line and along said southerly line, run South 87 degrees 40 minutes 45 seconds East a distance of 119.45 feet to the POINT OF BEGINNING, containing 0.406 acres, more or less.

EXHIBIT C
DEVELOPER ROW TRACTS

[SEE ATTACHED]



LEGAL DESCRIPTION (AS PROVIDED BY SOUTHERN ENGINEERING GROUP, PA)

BEGINNING AT THE SOUTHEAST CORNER OF LOT 20, BLOCK 3, KINGS CROSSING PHASE II, AS RECORDED IN OKALOOSA COUNTY RECORDS PLAT BOOK 12, PAGE 83, THENCE PROCEED SOUTH 87°50'41" EAST A DISTANCE OF 1308.69 FEET TO A POINT; THENCE PROCEED SOUTH 02°08'46" WEST A DISTANCE OF 7.06 FEET TO A POINT; THENCE PROCEED SOUTH 87°50'04" WEST A DISTANCE OF 1612.36 FEET TO A POINT; THENCE PROCEED NORTH 02°09'01" EAST A DISTANCE OF 23.46 FEET TO A POINT; THENCE PROCEED BORTH 87°30'53" EAST A DISTANCE OF 301.80 FEET TO A POINT; THENCE PROCEED NORTH 00°55'53" EAST A DISTANCE OF 80.68 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED, CONTAINING 1.86 ACRES, MORE OR LESS.

EXHIBIT

SE Southern
ENGINEERING GROUP, P.A.

CIVIL AND ENVIRONMENTAL ENGINEERING - SURVEYING
P.L. EB 0008024
114 EAST CEDAR AVENUE
CRESTVIEW, FLORIDA 32336

PHONE: (850) 888-1371
PHONE: (850) 882-4288
FAX: (850) 888-1371
EMAIL: engineering@southernse.com

ADDITIONAL RIGHT OF WAY

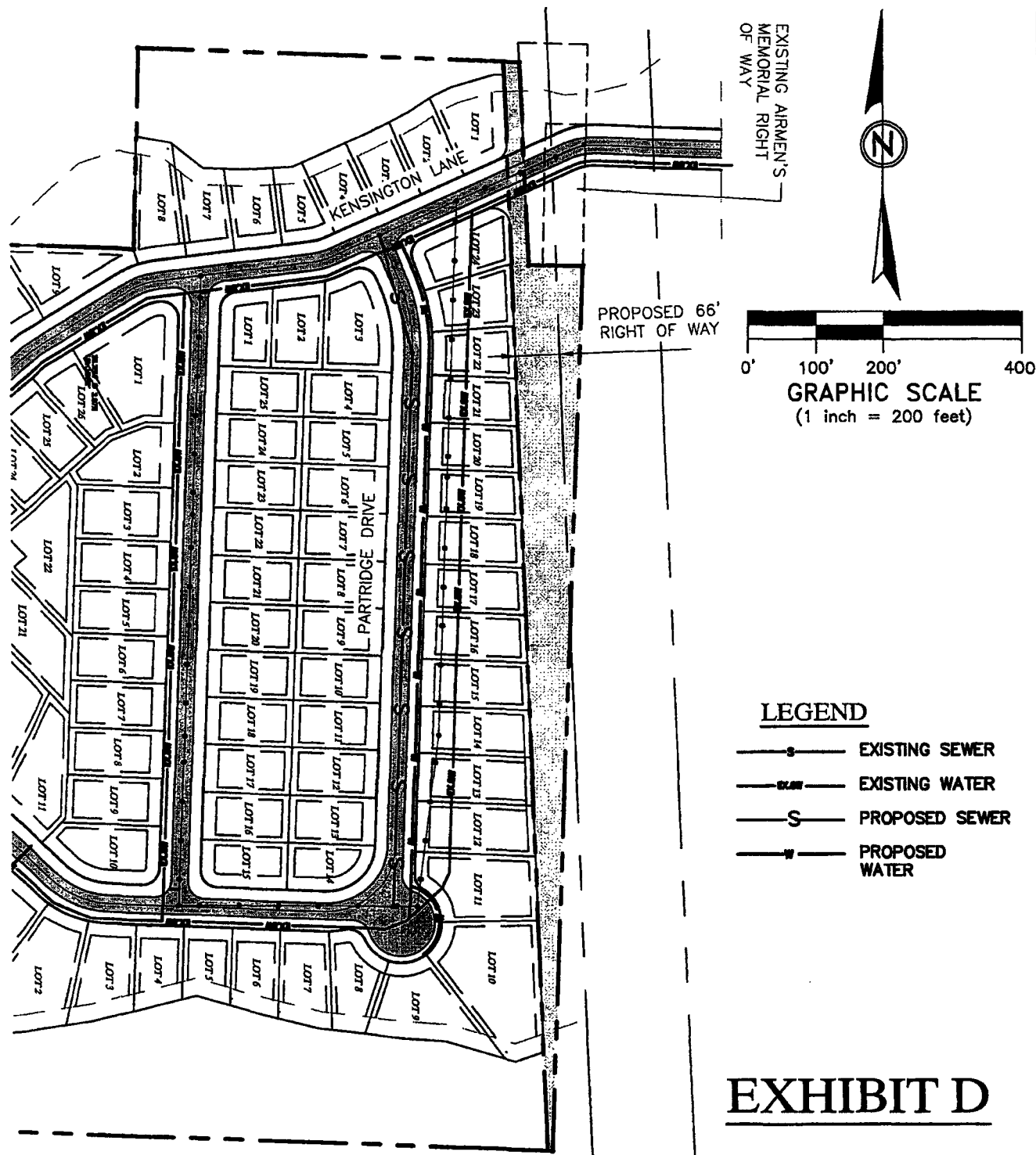
PARTRIDGE HILLS SUBDIVISION
OKALOOSA COUNTY, FLORIDA

DATE: 3/8/08
DRAWN BY: MFW
DESIGNED BY: MFW
CHECKED BY: MFW
767
DRAWING NUMBER:
767-EX2
SHEET 1 OF 1

EXHIBIT D

STREET AND UTILITIES TO BE RELOCATED BY COUNTY

[SEE ATTACHED]



southern
ENGINEERING GROUP, P.A.

CIVIL AND ENVIRONMENTAL ENGINEERING - SURVEYING
FL. EB 0008024

114 EAST CEDAR AVENUE
CRESTVIEW, FLORIDA 32636

FAX: (850) 688-1271
PHONE: (850) 682-4288
EMAIL: engineering@segpa.biz

WATERLINE RELOCATION

PARTRIDGE HILLS SUBDIVISION
OKALOOSA COUNTY, FLORIDA

DATE: 3/8/06

DRAWN BY: MFW

DESIGNED BY: MFW

CHECKED BY: MFW

767

DRAWING NUMBER:

767-EX2

SHEET 1 OF 1