

CO-TENANCY AGREEMENT

This Agreement made and entered into this 15<sup>th</sup> day of *December*, 1977, by and between SANDY COVE 2 ASSOCIATION, INC., a non-profit Florida corporation (hereinafter "Sandy Cove 2"), SANDY COVE 3 ASSOCIATION, INC., a non-profit Florida corporation (hereinafter "Sandy Cove 3") and SANDY COVE 4 ASSOCIATION, INC., a non-profit Florida corporation (hereinafter "Sandy Cove 4"). Sandy Cove 2, Sandy Cove 3 and Sandy Cove 4 shall hereinafter be collectively referred to as "the Associations."

RECITALS

A. Sandy Cove 2 is the condominium association for Sandy Cove 2, a Condominium, as per Declaration of Condominium thereof, recorded in Official Records Book 981, Pages 727, et seq., Public Records of Sarasota County, Florida, and Condominium Plat thereof recorded in Condominium Book 6, Pages 20, 20A-20F, Public Records of Sarasota County, Florida, and is charged with the overall management and operation of this condominium.

B. Sandy Cove 3 is the condominium association for Sandy Cove 3, a Condominium, as per Declaration of Condominium thereof, recorded in Official Records Book 996, Pages 23, et seq., as amended in Official Records Book 997, Page 1177, Public Records of Sarasota County, Florida, and Condominium Plat thereof recorded in Condominium Book 6, Pages 34 and 34A, Public Records of Sarasota County, Florida, and is charged with the overall management and operation of this condominium.

C. Sandy Cove 4 is the condominium association for Sandy Cove 4, a Condominium, as per Declaration of Condominium thereof recorded in Official Records Book 1044, Pages 882, et seq., as amended in Official Records Book 1045, Page 1656, Public Records of Sarasota County, Florida, and Condominium Plat thereof recorded in Condominium Book 8, Pages 22A-22E, both inclusive, Public Records of Sarasota County, Florida, and is charged with the overall management and operation of this condominium.

D. Sandy Cove 2, 3 and 4 each previously entered into a Non-Exclusive Community Facility Lease with W. W. Merrill, as Trustee, under that certain unrecorded Trust Agreement dated November 22, 1972, wherein they each leased the property described in Exhibit "A", attached hereto and made a part hereof, together with all improvements thereon, (herein the "property") for the benefit of their respective members. These leases are recorded in Official Records Book 981, Pages 791, et seq., Official Records Book 996, Pages 83, et seq., and Official Records Book 1044, Pages 948, et seq., respectively, Public Records of Sarasota County, Florida, and shall hereinafter be collectively referred to as the "Community Facility Leases".

E. Sandy Cove 2, Sandy Cove 3 and Sandy Cove 4 have now acquired title to all of the property and all right, title and interest of the lessor in, to and under the Community Facility Leases.

F. The Associations have concurrently herewith executed an agreement canceling and terminating the Community Facility Leases and they desire to enter into this Co-tenancy Agreement between themselves to define their respective rights and obligations and the respective rights and obligations of their members with respect to the continued use, operation, repair, maintenance and replacement of the property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein contained and other good and valuable considerations, the receipt whereof is hereby acknowledged, the parties hereto agree as follows:

1. Declaration of Intention. The parties by this Agreement declare that their relationship in the property will be as tenants-in-common with all the rights, obligations and privileges of such relationship accorded them by and in accordance with the law of the State of Florida, except as otherwise provided in this Agreement and subject, however, to all the terms and conditions hereinafter set forth in this Agreement.

2. Percentages of Ownership. The Associations acknowledge and agree that they each own the following undivided interest in the property: Sandy Cove 2 - 43.333%; Sandy Cove 3 - 26.6667%; and, Sandy Cove 4 - 30.000%.

3. Limitation of Agreement. Nothing herein contained shall be construed to make the parties partners or to constitute any of the parties the agent of the other, or in any manner constitute a merger of the Associations or their members, purposes or activities.

4. Non-exclusive Possession. All the parties agree that they shall all have an equal right to the possession of the property and that any possession by one party shall be non-exclusive and none of them shall have the right of exclusive possession as against the other.

5. Limitation on Use. The property shall be used only for the leisure time activity, health, use, benefit and enjoyment of the unit owners and/or occupants of the respective condominiums managed and operated by the Associations. The property shall be utilized on a non-exclusive basis by the Associations and their respective members.

6. Pass Key Association. The premises shall continue to be administered by the Pass Key Association which was established for this purpose in February 1977, with representatives from each association on a basis of one representative for each eight members, disregarding fractional remainders. Hence, Sandy Cove 2 shall continue to have three representatives, Sandy Cove 3 shall continue to have two representatives, and Sandy Cove 4 shall have two representatives.

The Pass Key Association shall be responsible for establishing and administering the budget for the property and approval of any special expenditures not covered in the budget. Pass Key Association expenditures shall be levied on the separate associations on a pro rata basis according to the ownership percentages and income derived from the premises shall be distributed to the associations in the same ratios. Financial decisions of the Pass Key Association shall require a majority vote of the representatives and shall be binding upon the separate associations.

The Pass Key Association shall have the right to pass reasonable rules and regulations governing the use of the premises by a majority vote of the representatives. Until rescinded or superceded, the Sandy Cove 2/3 Association Regulations relating to the property enacted in February, 1976, shall remain in effect where applicable.

X Representatives to the Pass Key Association shall be elected by each Association at its annual meeting, and shall be nominated by the same nominating committee which nominates the Association's directors. Vacancies occurring between annual meetings, or prior to the first annual meeting in the case of Sandy Cove 4, shall be chosen by the Board of Directors of the Association which they represent. Representatives may be removed by a vote of two-thirds of the membership of the condominium which they represent.

X The Pass Key Association shall have the prerogative of incorporating, if it should decide that this step is necessary to protect its interests. In this event, the representatives who comprise the association at the time of incorporation shall constitute the first board of directors of the corporation. Until incorporated, or until the adoption of more specific bylaws by the Association, it shall be governed in procedural matters by the bylaws of the separate associations when applicable. When not applicable, or when there is a difference in the bylaws of the separate associations, Roberts Rules of Order will be followed.

In addition to administering the property, the Pass Key Association may assume responsibility for any other matter of mutual interest if the boards of the associations concerned request that it do so.

7. Rules and Regulations Governing Use. The use of the property by the Associations and their members shall be subject to uniform and reasonable rules and regulations applicable to all persons having a right to use the property. The rules and regulations shall become effective upon being approved by the Boards of Directors of the Associations.

8. No Sale, Lease, Transfer or Encumbrance. Each of the parties to this Agreement agrees that it will not sell, transfer, lease or encumber its undivided interest in the property without the prior written consent of all other parties.

9. Term of Agreement. This Agreement shall continue in full force and effect until terminated by all of the parties hereto.

10. Persons Who May Use the Property. The persons who may use and enjoy the property shall be limited to the following:

a) Unit owner. Any person who is the owner of a condominium parcel (unit) in any of the condominiums, his spouse if in residence with him at the condominium parcel (unit) and other members of his immediate family if in residence with him at the condominium parcel (unit).

b) Occupants. An occupant is defined as any person not included in the foregoing subparagraph who is lawfully in residence at and in possession of the condominium parcel (unit). An occupant, his spouse if she be resident with him at the condominium parcel (unit) and other members of his immediate family who are in residence with him at the condominium parcel (unit).

c) Corporate unit owners or occupants. If a corporation be a unit owner or be entitled to possession as an occupant, the use of the property shall be limited at any one time to only two of its officers, directors or employees who have been approved by the particular association in connection with such corporation acquiring title as a unit owner or right to possession as an occupant, and who is in actual residence at the condominium parcel (unit). He, his spouse if she be resident with him in said unit and other members of his immediate family who are residents with him at such condominium parcel (unit).

d) Other Persons Generally. Guests of authorized users upon express invitation, except that the Pass Key Association may enact reasonable regulations limiting the number of guests, restricting their activity or requiring that they be escorted by their hosts.

None of the above shall be construed as restricting the Pass Key Association's right to limit specified areas to certain activities, or to preclude the policy of allowing the premises to be reserved on specific occasions, even though this may result in temporarily excluding authorized users from the premises.

11. Waiver of Partition Right. During the term of this Agreement, each of the parties hereto, in its own behalf and the behalf of all its members, knowingly waives any rights it may have to seek partition or partition sale of the property or its undivided interest therein.

12. Notices. Any and all notices, objections, requests or other communications required or permitted by this Agreement or by law to be served on or given to any of the parties hereto shall be in writing and shall be deemed duly served and given when deposited in the United States Mail, certified or registered, postage prepaid and properly addressed to Sandy Cove 2 at 100 PASS KEY RD, SARASOTA, FL 33581, Sandy Cove 3 at 100 PASS KEY RD, SARASOTA, FL 33581, and Sandy Cove 4 at P.O. DRAWER 4195, SARASOTA, FL 33578. Each party may change their address for purposes of this Agreement by giving written notice of such change to the other parties in the manner provided for in this paragraph.

13. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their members, grantees, successors and assigns.

14. Attorneys' Fees. Should any litigation be commenced between the parties hereto concerning the property, this Agreement or the rights and obligations of the parties in relation thereto, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorneys' fees in such litigation, which shall be determined by the Court in such litigation or in a separate action brought for that purpose. In addition the prevailing party in any appellate proceeding shall similarly be entitled to a reasonable sum as and for its attorneys' fees in such appellate proceedings.

15. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be interpreted in accordance with and governed by the laws of the State of Florida.

16. Entire Agreement. This Agreement embodies the full understanding of and agreement between the parties. This Agreement may not be changed orally. Any modifications or amendments hereto must be in writing and signed by all the parties hereto.

17. Cross-Indemnities. Subject to the terms and conditions of this Agreement, each of the parties hereto (hereinafter the "Indemnifying Party") agrees to indemnify and hold the other parties, and each of them, harmless from a proportionate share of all costs, expenses and liability incurred in connection with the management, operation, repair, maintenance and replacement of the property and all improvements thereon. Such proportionate share to be equal to such Indemnifying Party's undivided percentage interest in the property, excluding, however, from the terms of this indemnity all costs and expenses (including without limitation debt service) incurred by any party hereto as a result of such party encumbering its undivided interest in the property, and excluding all judgments, liabilities and liens arising from unauthorized acts or omissions of such other party or parties. For

example, if all such costs, expenses and liabilities are \$10,000.00 and such Indemnifying Party's interest in the Trust is 30%, his indemnity hereunder could not exceed \$3,000.00. Each such Indemnifying Party would be similarly indemnified by the other parties. Each party agrees to indemnify and save harmless the other party from any debts, liens, assessments and charges of any nature occurring against the property by reason of any unauthorized act or omission of such Indemnifying Party.

18. Time is of the Essence. Time is of the essence of this Agreement and each and every provision hereof.

19. Representation of Authority. Each of the parties hereto represents to the others that this Agreement has been authorized and approved by their respective Boards of Directors and members to the extent required by their respective Declaration of Condominium, and that each of them has full authority and power to enter into this Agreement.

20. Arbitration. Any dispute or controversy arising under or as a result of this Agreement shall be settled and determined by arbitration held in Sarasota, Florida, in accordance with the rules of the American Arbitration Association then in effect, and any award made pursuant to such arbitration may be entered in any Court having competent jurisdiction.

21. Sandy Cove 4 Development. Nothing in this Agreement will prevent or limit the use of the property by the Developers of Sandy Cove 4, a Condominium during the development and sale of units in Sandy Cove 4, a Condominium. Said use by the Developers may include but not be limited to the showing of the property to prospective unit purchasers, holding of meetings with prospective unit purchasers and using the property to enhance sales in Sandy Cove 4, a Condominium. When all units in Sandy Cove 4, a Condominium are sold, Developers rights under this provision will cease.

IN WITNESS WHEREOF, the parties herunto have set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of:

SANDY COVE 2 ASSOCIATION, INC.

Richard B. Handley 12/15/77 By: Richard W. Sellow President  
Lynna M. Combs 12-15-77  
ATTEST: William [Signature] Secretary

SANDY COVE 3 ASSOCIATION, INC.

[Signature]  
June Domagalaki By: [Signature] President

ATTEST: [Signature] Secretary

SANDY COVE 4 ASSOCIATION, INC.

[Signature]  
William A. Read By: Frank [Signature] President

ATTEST: [Signature] Secretary

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this  
15 day of DECEMBER, 1977, by RICHARD W. SELEW,  
President of Sandy Cove 2 Association, Inc., a non-profit Florida  
corporation, on behalf of the corporation.

Robert J. Moore  
Notary Public



My Commission Expires:  
4/18/79

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this  
15 day of DECEMBER, 1977, by THALIA T. FINDLAY,  
President of Sandy Cove 3 Association, Inc., a non-profit Florida  
corporation, on behalf of the corporation.

Robert J. Moore  
Notary Public

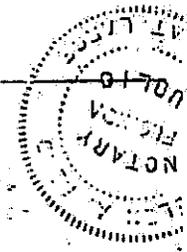


My Commission Expires:  
4/18/79

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this  
15 day of December, 1977, by Frank Peterson Smith & William W. Merrill  
President of Sandy Cove 4 Association, Inc., a non-profit Florida  
corporation, on behalf of the corporation.  
And Secretary

Walter A. Rad  
Notary Public



My Commission Expires:  
NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES OCT. 7 1981  
BONDED thru GENERAL INS. UNDERWRITERS

OFF  
REC 1217 pg 1571

LEGAL DESCRIPTION

The North 133 feet of the South 666.3 feet of U.S.  
Government Lot 1, Section 11, Township 37 South,  
Range 17 East, lying Westerly of the paved road  
(Ocean Boulevard, 50 foot wide) less the Easterly  
727.6 feet thereof.

FILED AND RECORDED  
IN THE OFFICE OF THE  
REGISTER OF DEEDS  
FEB 1 11 24 AM '78

814910

OFF  
REC 1217 pg 1571

EXHIBIT "A"

COMMUNITY FACILITY LEASE

This lease made and entered into this 27<sup>th</sup> day of November, 1972, by and between W. W. MERRILL, as Trustee under that certain unrecorded Trust Agreement dated the day of November, 1972, whose post office address is 2041 Main Street, of the City and County of Sarasota, Florida, herein referred to as "Lessor" and SANDY COVE 2 ASSOCIATION, INC., a non-profit Florida corporation, herein referred to as "Lessee".

## W I T N E S S E T H

1. DEMISE. Upon the terms and conditions herein set forth and in consideration of the prompt and continuous performance by the Lessee of each and every of its covenants and promises herein made, the Lessor does let, lease, and demise (but not exclusively so) unto the Lessee, and the Lessee does hereby lease (but not exclusively so) of and from the Lessor, the property, lying and being situate in Sarasota County, Florida, as more particularly set forth in Exhibit A attached hereto, all of which property together with its appurtenances, tenements and hereditaments and together with all improvements, buildings and structures now or hereafter placed thereon; and all furniture, furnishings, fixtures, machinery and equipment now thereon or hereafter brought or placed thereon or intended for use thereon, and all additions thereto and replacements thereof, is herein called the "demised premises".

2. TERM. TO HAVE AND TO HOLD the above described premises, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise incident or appertaining, together with the rents, issues and profits thereof (save and except the rents and other amounts due the Lessor by Lessee herein), unto said Lessee for the term of ninety-nine (99) years beginning on the 27<sup>th</sup> day of November, 1972, and ending on the 26<sup>th</sup> day of November, 2071, unless terminated prior to said date in accordance with the terms and conditions hereof.

3. ACTS OF OTHER LESSEES. No default by any other lessee in the performance of any of its covenants and promises contained in its lease or any other act of omission or commission by any other lessee shall be construed or considered (a) as a breach by the Lessor of any of its promises and covenants in this lease made; or (b) as an actual, implied

or constructive eviction of the Lessee from the demised premises by the Lessor or anyone acting by, through, under or for it; or (c) as an excuse, justification, waiver or indulgence by the Lessor to the Lessee of the Lessee's prompt, full, complete and continuous performance of its covenants and promises herein.

4. TITLE. Lessor covenants that it is the owner of the fee simple title to the demised real property and that said real property is free and clear of all liens and encumbrances except for the following:

- .1 Real estate taxes, and all other levies, assessments and taxes against the above described real property, if any, for the year 1972.
- .2 Restrictions and easements of record, if any.
- .3 Applicable zoning ordinances, and
- .4 A certain mortgage dated March 3, 1972, to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA, Sarasota, Florida, recorded in O.R. Book 952, pages 1749-1756, inclusive, and a certain mortgage dated February 3, 1972, to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SARASOTA, recorded in O.R. Book 952, pages 1757-1764, inclusive, both in Public Records of Sarasota County, Florida, which said mortgages will be paid and kept free from default so long as Lessee is in good standing hereunder.

5. USE OF PREMISES.

.1 Intention. The Lessee is the condominium Association of the condominiums known as Sandy Cove 2, a Condominium. Said condominium is herein called "The Condominium". The lands demised herein are improved with a building and appurtenances and are equipped and furnished to provide for recreation and leisure time activities. In entering into this Lease, the Lessee, as association of The Condominium, has done so to make available, on a non-exclusive basis, the demised premises for the recreation, leisure time activity, health, use, benefit and enjoyment of the unit owners and/or occupants of the property of The Condominium during the term of this Lease.

.2 Right to Use. The Lessee shall have the right to use, occupy and possess the demised premises on a

non-exclusive basis in common with each other persons, real and corporate, who may be other lessees of the demised premises.

.3 Laws and Regulations. Use of the premises shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authority and/or agencies and to rules and regulations of the National Board of Fire Underwriters or in the event it shall terminate its present functions, then of any other body exercising similar functions. All uses shall likewise comply with the requirements of all policies of insurance in force with respect to the demised premises.

6. OTHER LEASES.

.1 Lessor's Right to Make Additional Leases.  
 At any and all times during the term of this lease and from time to time the Lessor may, or shall have the right to, further and additionally lease, let and demise the demised premises to "other lessees" without the consent of the Lessee, and all such other leases to "other lessees" shall be valid for all intents and the purposes therein expressed and neither the granting of such leases nor the creation of the leasehold estate therein from time to time shall invalidate this lease or reduce or abate the rental due under the terms of this lease from the Lessee to the Lessor nor give the Lessee the right to avoid any of its covenants, agreements or obligations to be performed hereunder, except to the extent specifically provided for in this lease. The term "other lessee" or "other lessees" for the purpose of this lease shall mean any person or persons, individually or collectively, real or corporate, or any combination thereof, who is at the time of the execution and delivery of such other lease the owner in fee simple, their grantees, or the lessee of any piece or parcel of real property contained within the complexes of condominiums known as or to be known as Sandy Cove, Sandy Cove 2, Sandy Cove 3, Sandy Cove 4, or property described in Exhibit "B" hereof (which may or may not be a part of Sandy Cove 4, a proposed condominium) Sarasota County, Florida, or the condominium association having responsibility for the government and control of a condominium containing dwelling units constructed or existing in whole or in part upon real property contained within the complexes of condominiums known as or to be known as Sandy Cove, Sandy Cove 2, Sandy Cove 3, or Sandy Cove 4, Sarasota County, Florida. Such other leases to the lessees shall further be made only upon the following conditions:

(a) The lessee in any such other lease shall be any other lessee as defined above.

(b) The piece or parcel of land owned in fee simple or leased or governed by such other lessee is,

at the time of the execution of such other lease, or will be developed with improvements containing dwelling units or a unit.

(c) The lease as to the demised premises given to another lessee be substantially the same as this lease (except with regard to the amount of rent set forth in Section B hereof to be paid to the lessor) as the context and nature of such other lessee shall permit, to the end and extent that the use, occupancy and possession of the demised premises by any and all of such other lessees shall be in recognition and co-extensive with the rights of this Lessee under this lease and other lessees under other leases so that the burden of this Lessee in keeping and performing its covenants and promises herein made shall not be increased except as a greater use of the demised premises by reason of a greater number of lessees in possession may inevitably and unavoidably require.

6.2 Persons Who May Use. The persons contemplated by 5.1 who may use and enjoy the demised premises by, through or under the Lease shall be limited as follows:

(a) Unit Owners. Any person who is the owner of a condominium parcel (unit) in The Condominium, which owner is sometimes hereinafter called "unit owner", his spouse if in residence with him at the condominium parcel (unit) and other members of his immediate family if in residence with him at the condominium parcel (unit) may use and enjoy the demised premises.

(b) Occupants. An "occupant" is defined as any person not included in 6.2(a), who is lawfully in residence at and in possession of the condominium parcel (unit), which is owned by a person described in 6.2(a). An occupant, his spouse if she be resident with him at the condominium parcel (unit), and other members of his immediate family and who are resident with him at the condominium parcel (unit) may use and enjoy the demised premises.

(c) Corporate Unit Owners or Occupants. If a corporation be a unit owner as referred in 6.2(a) or be entitled to possession as an occupant as referred in 6.2(b), the use of the demised premises shall be limited at any one time to only two of its officers, directors or employees who has been approved by the Lessee in connection with such corporation acquiring title as a unit owner or right to possession as an occupant, and who is in actual residence at the condominium parcel (unit). He, his spouse if she be resident with him at such living unit, and other members of his immediate family who are residents with him at such condominium parcel (unit), may use and enjoy the demised premises.

(d) Notwithstanding anything above to the contrary, guests of unit owners and business associates of corporate unit owners or owners of professional suites, if any, may use and enjoy the demised premises upon express invitation of the unitowner, corporate unit owner, or owner of the professional suite unit.

(e) Other Persons, Generally. Such other persons not described in 6.2(a) or 6.2(b) upon whom all of the lessees of the demised premises may unanimously agree, subject to the approval of the Developer until the Developer's right shall have expired under 7.2, may use and enjoy the demised premises.

7. DEVELOPER.

.1 The Developer. Frank Folsom Smith, his heirs, executors, administrators and assigns, herein, as the context requires, called "Developer", is the promoter and developer of condominium complexes known as Sandy Cove, which complexes are known as Sandy Cove, a Condominium, Sandy Cove 2, a Condominium, proposed complex to be known as Sandy Cove 3, a Condominium, and proposed complex to be known as Sandy Cove 4, a Condominium.

.2 Rights of Developer. Until the Developer has completed the development, promotion and sales of all living units to be constructed in the Sandy Cove complexes of condominiums, it shall have the following rights with regard to the demised premises, notwithstanding any other provisions of this lease to the contrary:

(a) Sales and Promotion. The right to use and occupy, on a non-exclusive basis, the demised premises for the purpose of promoting and aiding in the sales or rentals of living units now on or to be constructed in the Sandy Cove complexes of condominiums. The Developer shall be entitled to maintain offices on the demised premises for sales personnel, demonstrate and display the premises to prospective purchasers or renters, maintain and keep signs and placard upon the premises and store, keep, exhibit and distribute printed, audio and visual materials on the premises and do such other things as the Developer may reasonably require to aid and assist in the promotion of the Sandy Cove complexes of condominiums. The exercise of such rights shall not reduce, abate, suspend or delay the Lessee's timely performance of its promises and covenants herein made.

(b) Rules and Regulations. Establish and promulgate rules and regulations, not inconsistent, with any of the provisions of this lease, concerning the use of

the demised premises, which shall be reasonable and uniform as to all lessees and which shall be binding upon the Lessee.

(c) Repair and Maintenance. Establish a program of repair and maintenance of the demised premises as defined in 9.4, including reserves therefor, perform and contract for the performance of repairs and maintenance, all for and at the cost and expense of the Lessee; perform or contract to be performed reconstruction, all for and at the cost and expense of the Lessee.

(d) Supervision. Generally supervise the demised premises, including the establishment and administration of all programs and activities thereon, including the right to purchase all materials in connection therewith, and the right to hire and fire all personnel employed in and about the repair, maintenance and programatic activities at the demised premises, all for and at the cost and expense of the Lessee.

(e) Lessor. The Lessor herein shall have the same rights as those set forth above for the Developer, such rights to be concurrent with that of the Developer.

.3 Acts of Developer and Lessor. No act of commission or omission by the Developer in its capacity as such or Lessor shall ever be construed or considered: (a) as a breach by the Lessor of any of its promises and covenants in this lease made; or (b) as an actual, implied or constructive failure by the Lessor to deliver possession of the demised premises to the Lessee; or (c) as an actual, implied or constructive eviction of the Lessee from the demised premises by the Lessor or anyone acting by, through, under or for it; or (d) as an excuse, justification, waiver or indulgence by the Lessor to the Lessee with regard to the Lessee's prompt, full, complete and continuous performance of its covenants and promises herein.

## 8. RENTAL.

.1 Minimum Amount. The amount of rent for each calendar year, that is, from and including January 1 through and including December 31 of each year during the term of this lease shall be the sum of \$360.00 per annum per condominium unit in Sandy Cove 2, a Condominium adjacent to the leased property herein. Sandy Cove 2, a Condominium, consists of a total of 26 units. Payments are to be made annually in advance and shall be due and payable on the first day of January of each and every year. Lessee shall be liable for said rental on a per Unit basis until all the Condominium

Units in SANDY COVE 2 have been first sold and conveyed by Developer, at which time said basic annual rental will become fixed at \$9,360.00 for each year thereafter, continuing through the term of this lease. Lessee's liability for annual rental payments shall commence and the first payment shall be due at the time of delivery of each Warranty Deed from the Developer. (For example, as each Deed is delivered the annual rental shall be increased by \$360.) The first payment for each Unit conveyed shall be prorated to the first day of January of the following year, and thereafter payments to be due and payable in advance on or before the first day of January of each year and every year thereafter for the balance of the term of this Lease, regardless of occupancy, subsequent sales or other transfers.

:2 Additional Rental Adjusted to Cost of Living.

Rent for the calendar year provided to be paid under 8.1 is based upon the cost of living for the month of December, 1967, as reflected in the "Consumers Price Index, United States Average - All Items and Food", published in the Monthly Labor Review of the Bureau of Labor Statistics of the United States Department of Labor and is herein called "basic rental". In addition to the basic rental specified above, Lessee agrees to pay to Lessor as additional rent hereunder in equal annual installments which are to be added to the installments of basic rental paid during each year, such additional sums as set forth in this paragraph. The basic rental shall never be less than as set forth in 8.1 and once increased pursuant to the provisions of this section, shall never thereafter be decreased. Subject to the foregoing, the basic rental shall be adjusted in the following manner to reflect increases in the cost of living as set forth in said Index, or, if there be no such Index, then by the most nearly comparable successor to the Index, adjusted to the December 1967 base. Increase in basic rental shall be computed and be due January 1, 1978, and on the first day of January of each and every fifth (5) year thereafter, each of which dates is herein called a "computation date". Each increase shall be in effect commencing from the computation date until the end of the term unless further increased at a subsequent computation date. The amount of increased rental shall be arrived at by multiplication of the basic rental by a fraction of which the numerator shall be the Index number for the December first preceding such computation date and the denominator shall be the Index figure for December, 1967. The increase in the basic rental so obtained shall be payable, together with the basic rental. If there be no Consumers Index or comparable successor thereto, then the increase contemplated herein shall be established by arbitration as elsewhere herein provided.

.3 General Provisions. All rent shall be payable in current legal tender of the United States of America as the same is constituted by law at the time when rent becomes due. Rent shall be payable at such place or places as the Lessor shall from time to time direct, in writing, and until notice of change being given, all rent shall be payable at the place notice is required to be given to the Lessor as hereinafter set forth. Extensions, indulgences or changes by the Lessor in the manner or time of payment of rent upon any occasion shall not be construed as a waiver, indulgence or change upon any subsequent occasion.

.4 Net Rental. The rent due hereunder, meaning the basic rental plus any increases thereof as above set forth shall be and constitute a net rental to Lessor and as an addition to the payment of real estate taxes, assessments, insurance premiums, maintenance expense or other expense to which Lessee may be put and has agreed to pay in accordance with the terms, provisions and conditions of this Lease, and no deductions for the foregoing shall be made from the said installments of rent.

9. OBLIGATION OF LESSEE TO PAY TAXES, INSURANCE PREMIUMS, UTILITIES, AND REPAIR AND MAINTAIN PREMISES.

.1 Taxes.

(a) Generally. The Lessee covenants and agrees to pay to the Lessor, no later than five (5) days after the same shall become payable, all real estate taxes, assessments, and other government levies and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, all of which are herein called "impositions", which are assessed, levied, confirmed, imposed or become a lien upon the demised premises, during the term of this lease, which become payable during the term of this lease; provided, however, that if any such imposition is payable or may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such imposition), Lessee, if so agreed by all other lessees of the demised premises, may pay the same (and any accrued interest on the unpaid balance of such imposition) to the Lessor in installments no less than forty-five (45) days before the same respectively becomes due.

(b) Provisio. Nothing in this lease shall require the Lessee to pay any franchise, corporate, estate inheritance, succession, capital levy or transfer tax of the Lessor, or any income, profits or revenue tax, or any other imposition upon the rent payable by the Lessee under this lease (except use or sales taxes due the State of Florida)

nor shall any tax, assessment, charge or levy of the character hereinabove described to be deemed to be included within the term "imposition" as defined above. Provided, however, that if at any time during the term of this lease under the laws of any political entity or subdivision thereof, a tax or excise on rents is levied or assessed against the Lessor as a substitution in whole or in part for taxes assessed or imposed by such political entity or subdivision thereof on land and buildings and personalty, the same shall be deemed to be included within the term "imposition" and the Lessee covenants to pay and discharge such tax or excise on rent.

(c) Lessee's Right to Contest. The Lessee, with the agreement of all other lessees of the demised premises, shall have the right to contest the amount or validity of any imposition or the assessment upon which it is based by appropriate proceedings. The Lessee shall nevertheless pay such imposition and nothing herein shall imply any right on the part of the Lessee to defer or postpone such payment for any such purpose unless such proceedings shall operate to prevent or stay the collection of the imposition so contested and the sale of the demised premises or any part thereof to satisfy the same and the Lessee shall have deposited with the Lessor the amount so contested and unpaid, together with all interest and penalties in connection therewith and all charges that may or might be assessed against or become a charge or lien on the demised premises, or any part thereof, in such proceeding or post a suitable bond for the payment thereof with a corporate surety acceptable to the Lessor. Upon termination of such proceedings, the Lessee shall pay the amount of any such imposition or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties or liabilities in connection therewith and upon such payment the Lessor shall return the amount above referred to to the Lessee without interest. If at any time during the continuance of such proceedings the Lessor shall deem the amount deposited with it as insufficient, the Lessee shall, upon demand, deposit with the Lessor such additional sums as the Lessor may reasonably request and upon failure of the Lessee to do so within 30 days of demand, the amount theretofore deposited may be applied to the payment, removal and discharge of such imposition and the costs, fees, interest, penalties or other liabilities in connection therewith and the balance, if any, shall be returned to the Lessee, provided the Lessee is not in default hereunder. If the amount so deposited shall be insufficient for that purpose, the Lessee shall forthwith pay to the Lessor such sums as may be necessary to pay the same. The Lessor shall not be required to join in any proceedings except that if any law shall require that such proceedings be brought by the Lessor or in the name of the Lessor, the Lessor agrees not to unreasonably withhold

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its consent to join in such proceedings or permit the same to be brought in its name. The Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any such proceedings and the Lessee covenants to indemnify and save harmless the Lessor from any such costs or expenses. The Lessee shall be entitled to a refund on any such imposition and penalties or interest thereon which shall have been reimbursed as a result of said proceedings.

(d) Proof of Liability. The certificate, advice or bill of an appropriate official designated by law to make or issue the same or to receive payment of such imposition or issue notice of nonpayment of any such imposition, shall be prima facie evidence that such imposition is due and unpaid at the time of making or issuance of such certificate, advice or bill.

.2 Insurance Premiums. The Lessee covenants and agrees it will pay to the Lessor, at least ten (10) days before the same shall become due, the premium for insurance policies which the Lessee is obligated to carry under the terms of this lease.

.3 The Lessee shall make deposits for and pay all bills and charges for all utilities and services used in and about the demised premises including water, sewage, gas, electricity and telephone.

.4 Repairs and Maintenance. The Lessee covenants that at its sole cost and expense it will take good care of the demised premises, particularly as the same is defined in 1, and repair and maintain the same in the same excellent condition as now exist. The term "repair" shall include replacements or renewals when necessary of all items of furniture, fixtures, furnishings, machinery and equipment and all such repairs, replacements and renewals shall be at least equal in quality and class to the original. Air conditioning, pool equipment and machinery shall be regularly serviced and maintained under service contracts. The Lessee shall keep and maintain all portions of the demised premises in clean and orderly condition, free of accumulation of dirt and rubbish and pest infestation. All buildings, structures and improvements, furniture, furnishings, fixtures, machinery and equipment now or hereafter placed or brought, or intended for use upon the demised premises shall be a part thereof and thereby the property of the Lessor, without payment therefor by the Lessor and shall be surrendered to the Lessor upon the expiration or earlier termination of this lease without cost or charge to the Lessor. The Lessee shall not change the design, color, materials or appearance of the improvements now or hereafter placed upon the demised premises, or any of the furniture,

furnishings, fixtures, machinery or equipment contained therein without the Lessor's approval.

.5 Lessor's Option. Notwithstanding anything contained in 9.1 and 9.2 the Lessor shall have the right (which it may exercise as frequently or infrequently as it may wish) to require the Lessee to pay to the Lessor on the first day of each month during the term hereof, or such portions thereof as the Lessor shall determine, the premiums for insurance which will next become due and payable, plus taxes (impositions) next due on the demised premises (or as reasonably estimated by the Lessor, notice of which shall be given to the Lessee), less all sums already paid therefor, divided by the number of months to elapse, one month prior to the date when said premiums and taxes (impositions) shall become payable.

.6 Lessor's Receipt in Trust. Sums so paid to and received by the Lessor pursuant to 9.1, 9.2 and 9.5 shall be held by it in trust to pay said premiums and taxes (impositions). All monies so paid to and received by the Lessor from the Lessee and other lessees shall be deposited, comingled, in an account in a bank or savings and loan association in Sarasota County, Florida, and interest, if any, thereon, shall enure to the benefit of the Lessee and such other lessees.

10. COMMENCEMENT OF OBLIGATION OF LESSEE TO PERFORM ITS COVENANTS.

.1 Commencement of Obligation. The Lessee shall be obligated to perform each and every of its promises and covenants other than those set forth in 9, as of the date of this lease. With regard to its promises and covenants set forth in 9, Lessee's obligation shall be payable in that proportion which the living units contained within the condominium that have been completed bear to the total number of living units to be constructed upon the lands of the condominium in accordance with its Declaration. The above procedure shall be followed upon the completion of each unit until all of the units described in the Declaration of Condominium of The Condominium shall have been completed whereby and at which time the Lessee shall be obligated to pay and perform in full all of its covenants and promises in 9.

.2 Definition of Completion. For the purpose of 10, living units contained therein shall be deemed completed when the same have been substantially completed, whether or not furnished or equipped, and whether or not appurtenances or any auxiliary structures or appurtenances have been completed. The foregoing shall be conclusively established by the issuance of a temporary or permanent certificate of occupancy by appropriate governmental authority or by the

certificate of an architect licensed to practice as such in the State of Florida who has supervision or is in consultation with the Developer in regard to such construction.

11. SECURITY. For the purpose of securing unto the Lessor the payment of rent, taxes and insurance premiums, and for the purpose of securing the performance of every and all of the covenants of the Lessee herein made for the use and benefit of the Lessor (and not another lessee of the demised premises), the Lessee hereby grant unto the Lessor the liens described in this section 11. The liens so described shall be cumulative and the Lessor may exercise one or some without waiving the others or may exercise all simultaneously.

.1 Lessee's Interest. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others upon any right, title and interest of the Lessor in and to this lease and the demised premises.

.2 Lessee's Assets. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others, including unit owners, upon its assets and common surplus.

.3 Condominium Property. The Lessee hereby does give and grant unto the Lessor a continuing lien in the nature of a mortgage upon all of the condominium property described in the Declaration of Condominium of The Condominium, its appurtenances, improvements, buildings now or hereafter placed thereon, all furniture, fixtures, furnishings, machinery and equipment now or hereafter placed, kept or used in and about the common elements, all condominium units and condominium parcels of the condominium, and all fixtures and equipment now or hereafter contained or placed upon any condominium parcel or unit, including air conditioners, stoves, ranges, refrigerators, hot water heaters, and dishwashers, which lien shall be prior and superior to all other liens and encumbrances except institutional first mortgages against condominium parcels or units. The Developer, as present owner of all condominium parcels of The Condominium, does hereby consent to the imposition of such lien and does hereby ratify, confirm and approve the same, and for these purposes hereby joined in the execution of this Lease. Each person, firm and corporation, upon acquiring any fee simple or other interest in a condominium parcel, upon and by reason of the event of acquisition, shall have reimposed, ab initio and anew, the lien rights against such condominium parcel and the Condominium property herein granted the Lessor. This lien shall secure the payment of all monies due the Lessor hereunder and may be foreclosed in a court of equity in the manner provided for the foreclosure of mortgages. In any such action or other action to enforce the provisions of this lien,

including appeals the Lessor shall be entitled to recover reasonable attorneys' fees incurred by it, abstract bills and court costs.

.4 Foreclosure Not Termination. The foreclosure or other actions to enforce the liens herein provided shall not be considered or construed as a termination or cancellation of this lease or operate as an extinguishment of such liens, except such liens shall not stand as security for any amounts realized and actually collected by the Lessor in foreclosure or such other action.

.5 Rights of Institutional First Mortgages. An institutional first mortgage referred to herein shall be a mortgage upon a condominium parcel originally granted to and owned by a bank, savings and loan association or insurance company or through their respective loan correspondents, intended to finance the purchase of a condominium parcel, or its refinance, or secure a loan where the primary security for the same is the condominium parcel involved.

(a) Subordination by Lessor. The Lessor does hereby subordinate its lien under 11.2 and 11.3 to the lien of any institutional first mortgage against a condominium parcel as to the condominium of which the Lessee is the Association, recorded in the Public Records of Sarasota County, Florida. The provisions, hereof, shall be self-operating as to such subordination by Lessor and it shall not be necessary for any institutional first mortgagee to obtain any other instrument of subordination.

(b) Foreclosure by Institutional First Mortgagee. If an institutional first mortgagee shall foreclose its mortgage against a condominium parcel and obtain title to the same by public sale held as a result of such foreclosure suit, or should such institutional first mortgagee acquire title to conveyance in lieu of foreclosure, then so long thereafter as such institutional mortgagee shall continue to hold the title to said condominium parcel, the rent provided under 8.1 above shall be reduced to the extent as if such condominium parcel did not exist. Said institutional first mortgagee shall receive the benefit of such reduction in rent by credit against its portion of the common expenses of the condominium of which the Lessee is the association. The same shall not reduce or abate any other of the promises and covenants of the Lessee herein. The foreclosure of an institutional first

mortgagee's lien shall not operate as an extinguishment of this lease in whole or in part or as a termination of the Lessor's lien, as aforesaid, as against the entire condominium property or the condominium parcel so aforesaid. Upon an institutional first mortgagee conveying its title to the condominium parcel so acquired by it, the foregoing abatement of rent shall immediately cease and terminate.

.6 Automatic Consent and Ratification of this Lease by Unit Owners and Others. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to The Condominium described in Exhibit A attached to the Declaration of Condominium, any of The Condominium's properties, or in or to any condominium parcels or units in The Condominium after the recording of this lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or other instrument granting, conveying, or providing for such interest, or by the mere first exercise of the rights or uses granted herein, shall be deemed to consent to and ratify without further act being required, the provisions of this lease and especially the provisions of the entire Sections 11 and 12 to the same effect and extent as if such person or persons had executed this lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person or persons' interests, in full, to the terms of this lease and granting, creating, constituting, affirming and imposing, ab initio and anew, the lien rights to Lessor provided for in Section 11.

12. LESSOR'S RIGHT TO ASSIGN AND ENCUMBER. The Lessor shall have the right to assign and encumber its interest under this lease and to the demised premises as herein provided.

.1 Existing Mortgages. The demised premises are subject to such existing mortgages as are set forth in Section 4.4.

.2 Further Mortgages. The Lessor shall have the right at all times to further and additionally mortgage and encumber its interests under this lease and in and to the demised premises, and the Lessee's interest in and to the same shall at all times be subordinate and inferior to those of such additional and further mortgages, provided the Lessee shall at all times have the right to use, occupy and enjoy the demised

premises in accordance with the provisions of this lease so long as it shall perform all of its promises and covenants as herein provided. The Lessee does hereby agree that it will for itself (and if required by the mortgagees) and/or as agent for all of the condominium parcel owners of The Condominium, and for each of their spouses and for each owner of any other interest in the property of The Condominium forthwith subordinate its and/or their respective interests in and to the demised premises and this lease to any such mortgage or mortgages by an instrument of subordination or by joinder as mortgagor in such mortgage, provided that by such joinder the Lessee and/or the principals for which it shall have acted as agent shall not assume the obligations of the mortgagor, as the mortgagee may require.

.3 Assignment. The Lessor may freely assign in whole or in part all or any of its rights, title and interest in and to this lease and the demised premises.

13. LESSEE'S RIGHT TO ASSIGN AND ENCUMBER. The Lessee shall have no right to mortgage or otherwise encumber any of its right, title and interest in and to this lease or the demised premises nor shall it have any right to assign the same or any part thereof except upon termination of The Condominium, the Lessee's interest in the leasehold created herein shall be distributed automatically to unit owners as an asset of the Lessee and the unit owners shall thereupon jointly and severally comprise the Lessee.

14. EMINENT DOMAIN.

.1 Total Taking. If during the term of this lease the entire demised premises shall be taken as a result of the exercise of the power of eminent domain, herein called "proceeding", this lease and all right, title and interest of the Lessee hereunder shall cease and come to an end on the date of the vesting of title pursuant to such proceeding and the Lessor shall be entitled to and shall receive the total award made in such proceeding and the Lessee hereby absolutely assigns such award to the Lessor.

.2 Partial Taking. If during the term of this lease less than the entire demised premises shall be taken in any such proceeding, this lease shall terminate as to the part so taken and the Lessor shall be entitled to and shall receive the total award made in any such proceeding and the Lessee hereby assigns such award to Lessor but the Lessee in such case covenants and agrees that at Lessee's sole cost and expense (subject to reimbursement hereinafter provided) promptly to restore, repair and replace those portions of the buildings on the demised premises not so taken to complete architectural units and replace buildings totally taken for the

use and occupancy of the Lessee as in this lease expressed. The Lessor agrees in connection with such restoration to apply or cause to be applied the net amount of any award or damage to the building or buildings on the demised premises that may be received by it in any such proceeding toward the cost of such restoration and replacement (but the amount so applied shall not however include the cost in any alteration, construction, change or improvement the Lessee may desire to make that is not necessary to restore that portion of the buildings not so taken to a complete architectural unit, it being understood that no alteration or change in the basic configuration of the improvement shall be made without the approval of the Lessor), and the said net award shall be paid out from time to time by Lessor as such restoration and replacement progresses.

(a) If the funds to be applied by Lessor shall be insufficient to pay the entire cost of such restoration, the Lessee agrees to pay any deficiency and to deposit the amount of such deficiency with Lessor, prior to any work being contracted for or performed.

(b) From and after the date of vesting of title in such proceeding, a just proportion of the rent, according to the nature and extent of such taking, shall abate for the remainder of the term of this lease.

(c) If, after making the payments provided for in 14.2, there remains any balance in Lessor's hands, it shall be retained by Lessor as its property.

.3 A Taking of Less Than Fee Simple Title.

If all or any of the demised premises shall be taken by exercise of the right of eminent domain for governmental occupancy for a limited period, the lease shall not terminate and the Lessee shall continue to perform and observe all of its covenants as though such taking had not occurred except only to the extent that it may be prevented from so doing by reason of such taking. In the event of such a taking, the Lessee shall be entitled to receive the entire amount of any award made for such taking (whether paid by way of damages, rent or otherwise), reduced to the percentage thereof that the Lessee is then obligated to pay for repairs and maintenance under the provisions of 9, unless the period of governmental occupancy extends beyond the term of this lease, in which case the award to the extent that it represents rent shall be apportioned between the Lessor and Lessee, reduced as aforesaid, as of the date of the end of the term of this lease. The Lessee covenants that at the termination of any such governmental occupancy, it will, at its cost and expense, restore the improvements on the demised premises in as good condition as when new but the Lessee shall

not be required to do such restoration work if on or prior to the date of such termination of governmental occupancy, the term of this lease shall have ended.

.4 Proration. In the event of the termination of this lease in full or as to any portion of the demised premises as a result of a total or partial taking by proceeding, the Lessee shall pay to the Lessor all rent and all other charges payable by the Lessee with respect to the demised premises or part thereof so taken justly apportioned to the date of taking.

15. DESTRUCTION OF LESSEE'S IMPROVEMENTS OR TERMINATION OF CONDOMINIUM OF WHICH THE LESSEE IS ITS ASSOCIATION.

The destruction, alteration, demolition or non-use or condition of the improvements now existing upon the lands of The Condominium, or to be constructed thereon in accordance with its Declaration, once completed, and any other structures which may hereafter be placed or put thereon, regardless of the nature or event which causes destruction, alteration, demolition, or non-use, shall not in any way reduce, abate or suspend the Lessee's promises hereunder nor shall the same effect a termination in whole or in part of this lease. A voluntary or involuntary termination of The Condominium shall not terminate this lease, but upon termination of The Condominium all of the unit owners of the condominium property, as unit owners or as tenants in common, or otherwise, shall automatically and by operation of this lease, jointly and severally, constitute the Lessee hereunder and shall jointly and severally be obligated to perform each and every of the Lessee's covenants and promises and undertakings. Likewise, an exclusion of a portion of the lands of The Condominium, effectuated under the provisions of its declaration, if so provided, shall not terminate this lease but upon the exclusion of such portion the unit owners who thereupon become tenants in common or owners in other capacities of such excluded portion, together with this Lessee, shall jointly and severally constitute the Lessee hereunder and all of them, including this Lessee, shall be jointly and severally obligated to perform each and every of the Lessee's covenants and promises and undertakings. Upon a unit owner acquiring an interest in the Lessee's rights under this lease, whether by termination of condominium or exclusion of a portion of the lands, his rights hereunder may thereafter be assigned only if there then be no default in any of the provisions of this lease and only if such assignment be in connection with a sale, transfer or hypothecation of all of his rights in the property which was, prior to termination or exclusion, condominium property. Provided, however, that any first mortgagee being a bank, insurance company, or savings and loan association which has become or becomes a unit owner or tenant in common by foreclosure or deed in lieu of foreclosure, shall not be made liable or obligated in any way by the provisions of this section but

the grantee of such mortgage shall be fully liable and obligated hereunder. All of the provisions of the Declaration of Condominium of the Condominium relative to this Lessee, specifically including those relative to the Lessor's approval and consent with respect to voluntary termination of condominium and to amendments of the Declaration of Condominium are hereby declared to be an integral part of the consideration given by the Lessee to the Lessor for this lease.

16. DUTY OF LESSEE TO ASSESS AND PAY. It shall be the duty of the Lessee to assess its unit owners in accordance with the Florida Condominium Act, its Declaration of Condominium and Bylaws in such amounts as shall be necessary to pay its obligations, payable in money to the Lessor hereunder, and to observe and perform its covenants and promises herein.

17. INSURANCE. The Lessee shall at its sole expense throughout the term of this lease keep in force insurance policies as follows:

Public Liability. Comprehensive, general public liability insurance in which the Lessor, Lessee, and all other lessees of the demised premises shall be named insureds, against claims for bodily injury, sickness or disease including death at any time resulting therefrom and for injury to or destruction of property, including the loss of use thereof arising out of ownership, maintenance, use or operation of the demised premises or any building or improvement or personalty located thereon, without maximum limitations.

Property Insurance. Policies of insurance insuring against damage to the buildings and improvements now or hereafter located upon the demised premises and all furniture, machinery, equipment and furnishings now or hereafter located or placed thereon insuring against loss by:

Fire. Fire, windstorm and such other hazards as may be included in the broadest form of extended coverage at any time to time available; and

Boiler. By boiler explosion, if boilers are now or hereafter located in the aforesaid buildings; and

Other. To the extent required by the Lessor, war, damage by civil insurrection or commotion as the same may be covered by other policies above referred.

The insurance required hereunder, shall be in an amount equal to the maximum insurable value, excluding foundation and excavation costs. In compliance with the foregoing, the Lessee shall furnish policies insuring actual replacement costs without deduction for depreciation and in such case the term "maximum insurable value" as used in the preceding sentence shall mean the actual replacement cost of the property required to be insured without deduction for depreciation. If policies insuring replacement costs are not available, then the said term "maximum insurable value" shall mean the actual cash value with due allowance for depreciation of the property required to be insured, to the extent insurance may be afforded under policies covered in that manner:

.3 Generally. All insurance required to be carried under 17.1 and 17.2 shall be effected under policies written in such form and issued by such companies as shall be approved by the Lessor who shall not unreasonably withhold such approval. All policies required by Section 17.2 shall be for the benefit of the Lessor and mortgagees as to the demised premises, as their interest may appear, and shall be subject to such provisions as mortgagees of the demised premises may require.

18. RECONSTRUCTION AND REPAIR. Upon the occurrence of any damage or total or partial destruction to any portion of the demised premises including improvements, buildings and structures, furniture, furnishings, fixtures, machinery and equipment now or hereafter placed thereon, whether or not the casualty causing such damage be insured against, and whether or not, if insured, any proceeds are paid therefor, the foregoing provisions shall apply:

.1 Reconstruction and Repair by Lessee. The Lessee, at its expense, shall repair and reconstruct, if necessary, any and all improvements, buildings and structures so damaged and replace or repair all personal property so damaged, so as to restore the same to first class condition. Such work shall be commenced no later than 60 days after the occurrence of damage and shall be completed no later than 10 months after date of commencement. The foregoing time limitations shall be extended due to any time lost by reason of an act of nature, war, civil commotion or disorder, material shortages, strikes or other events over which the Lessee has no control.

.2 Plans, Specifications and Estimates. Within 30 days after the occurrence of damage, the Lessee shall supply to the Lessor plans and specifications for reconstruction and repair which must be substantially of the nature to restore the damaged improvements, buildings, structures, and personal

property to first class condition. Said plans and specifications shall be prepared and be under the certificate of an architect, licensed to practice as such in the State of Florida, which architectural firm shall be Frank Folsom Smith & Partners, Architects, Inc., unless waived by said firm in writing. Within 30 days after furnishing said plans and specifications, the Lessee shall furnish to the Lessor a contract executed by an independent general contractor wherein the work, labor and materials indicated by such plans and specifications will be furnished at an agreed price and a performance, completion and payment bond is a part thereof. To the extent that the damages shall occur to personal property, other than fixtures, a bid need only be supplied from a supplier of the same with a firm price indicated thereon.

.3 Insurance.

(a) Fund. In the event proceeds of insurance shall be payable by reason of damage and/or total destruction of the demised premises, including improvements, buildings and structures and furniture, furnishings, fixtures, machinery and equipment now or hereafter placed thereon and as often as such insurance proceeds shall be payable, the same shall be paid to the Lessor and said sums so paid shall be deposited in a special account of the Lessor in a bank in Sarasota County, Florida, designated by the Lessor and such sums shall be available to the Lessee for the purpose of reconstruction and repair. Such monies shall be made readily available by the Lessor to the Lessee for reconstruction and repair and shall be paid out of said special account from time to time by the Lessor upon the estimates of the architect, licensed as such in the State of Florida, having supervision of such reconstruction and repair, certifying that the amount of such estimate is being applied to the payments of reconstruction and repair and that at reasonable cost therefor and not in excess of the fair value thereof, provided, however, that it shall be the duty of the Lessee at the time of contracting or undertaking for such repair or reconstruction and as frequently thereafter as the Lessor may require, provide evidence satisfactory to the Lessor that at all times the undisbursed portion of such fund in said bank account is sufficient to pay for the reconstruction and repair in its entirety and if at any time it should reasonably appear that said fund will be insufficient to pay the full cost of said repair and reconstruction, the Lessee will immediately and forthwith deposit into said fund such full cost and to procure receipted bills and full and final waiver of lien when the work shall have been completed and done.

(b) Surplus. When after the payment of repair or replacement of damage, pursuant to 18.3(a), there

shall remain insurance proceeds, said balance shall be distributed:

(i) Lessor. First to the Lessor those amounts necessary to pay all payments, from whatever lessee the same may be due, then in default.

(ii) Lessee. The remaining balance, if any, to the Lessee in that proportion which is its obligation to bear the burdens of this lease (except the obligation to pay rent) as fixed and determined in accordance with 20.

(c) Mortgagees. Notwithstanding anything contained in 18.3 and subsections thereunder, it is agreed that the provisions of any mortgage now hereafter encumbering the demised premises relative to insurance and proceeds thereof shall have priority and supersede all of the provisions hereof. In the event a mortgagee shall have an option to apply insurance proceeds to the reduction or payment of the mortgage debt and so elects to apply the same or portion thereof, the Lessor shall be required within 120 days after the application of said sums by such mortgagee, to create from its own funds or from the proceeds of a new mortgage upon the demised premises the same amount of monies so applied by such mortgagee, which monies shall be held by the Lessor or mortgagee pursuant to the provisions of 18.3 as if the same were the proceeds of such insurance. If a mortgagee shall elect to permit the application of insurance proceeds to reconstruction and repair, such mortgagee may hold such funds and may impose such terms and conditions relative to requiring the Lessee to supplement such funds in such amounts as may be necessary to pay for reconstruction and repair, to the disbursement of the same, and to such other matters relating to such fund and proceeds, as such mortgagee may require.

19. LESSEE'S COVENANTS TO THE LESSOR. None of the Lessee's covenants and promises, including by way of illustration and not limitation, its covenants to repair and maintain under 9.4 and its covenants to reconstruct and repair under 18 shall in any way be reduced, abated, suspended, or limited by reason of the fact that there are or may be other lessees as to the demised premises or that such other lessees have made similar or identical promises and covenants to the Lessor. Rather, the Lessee, by itself, shall be responsible for the full performance of each and every promise and covenant on the part of the Lessee herein made. No failure on the part of any other lessee to perform similar or identical covenants or promises contained in its lease with the Lessor or failure on the part of the Lessor to endorse the same shall operate as a waiver, extension or indulgence to this lease.

20. COVENANTS BETWEEN LESSEES. This lessee and each and every present and future other lessee of the demised premises covenants and agrees with each other that each of them shall bear the burden of the performance of such of their covenants to the Lessor as may be identical amongst them (except of the covenants to pay rent) and the cost and expense of all programs and activities carried on at the demised premises in the proportion which their total number of living units bear to each other. Subject to the rights of the Developer, as set forth in 7, no program or activity upon the demised premises shall be continued over the objection of lessees bearing seventy-five (75%) percent or more of the cost and expenses thereof. This Lessee and each and every present and future other lessee recognizes that the full and most beneficial use of the demised premises, because of the nature of the improvements, appurtenances, furnishings and equipment thereof, requires consolidated and coordinated administration. They do therefore covenant and agree with each other that the program conducted upon the demised premises and personnel involved therewith shall be subject to administration and direction by a common managing agent. The covenants contained in this section shall be construed as covenants by the Lessee running to the benefit of each and every present and future other lessee of the demised premises and likewise, similar covenants made by present and future other lessees shall be considered as covenants by them running to and for the benefit of this Lessee and every other lessee. Such covenants may be enforced by any party in interest in its own name without joinder of the Lessor and a party successfully enforcing such covenants shall be entitled to the recovery of reasonable attorneys' fees and costs. The covenants in this section are not covenants to the benefit of the Lessor, are not within the meaning of Section 23 of this lease, and may not be enforced by the Lessor.

21. DEMOLITION. The lessee shall not demolish any of the buildings, structures or improvements now or hereafter placed upon the demised premises without the prior consent, in writing, of the Lessor, which consent the Lessor may withhold in its absolute discretion or grant upon such terms as it shall deem appropriate.

22. ARBITRATION. Arbitration referred to in 8.2 shall be settled by arbitration in accordance with rules of the American Arbitration Association and judgment or decree upon the award rendered by the arbitrator or arbitrators may be rendered in any court having jurisdiction thereof.

23. LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS. If the Lessee shall fail to pay the costs in maintenance and repairs or if it shall fail to take out, maintain and deliver

insurance policies, or it shall fail to perform any other act on its part covenanted herein to be performed by it, then the Lessor may, but shall not be obligated so to do and without notice or demand upon the Lessee perform the act so omitted or failed to be performed by the Lessee. If such performance by the Lessor shall constitute in whole or in part the payment of monies, such monies so paid by the Lessor, together with interest thereon at the rate of 10 per cent per annum and reasonable attorneys' fees incurred by the Lessor in and about the collection of the same, shall be deemed additional rent hereunder and shall be payable to the Lessor on demand or, at the option of the Lessor may be added to any cent then due or thereafter becoming due under this lease and the Lessee covenants to pay any such sums with interest and reasonable attorneys' fees, as aforesaid, and the Lessor shall have, in addition to any and all other rights and remedies herein provided, the same rights and remedies in the event of non-payment as is the case of default by the Lessee in the payment of rent.

24. QUIET ENJOYMENT. The Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made, the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of other lessees and Developer to use, occupy and enjoy the same.

25. LESSOR'S RIGHT OF ENTRY. The Lessor and its agents shall have the right of entry upon the demised premises at all reasonable times to examine the condition and use thereof, provided only such right shall be exercised in such manner as to not interfere with the Lessee's operation of said premises and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

26. ADDITIONAL COVENANTS.

.1 No Termination Upon Casualty. No damage or destruction to buildings, structures, improvements of furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the demised premises by fire, wind-storm or any other casualty shall entitle the Lessee to surrender possession or to terminate this lease or to violate any of its provisions or to cause any rebate, abatement or adjustment in the rent then due or thereafter becoming due under the terms hereof.

.2 Redelivery of Premises. At the termination of this lease by lapse of time or otherwise the Lessee will peaceably and quietly deliver possession of the premises and

all improvements situated thereon including all personal property therein and thereon to the Lessor in good state and condition, subject to the provisions of 9.4 and that all buildings, improvements and personal property then situated upon the demised premises shall become and remain the property of the Lessor and that no compensation therefor shall be allowed or paid to the Lessee by the Lessor.

.3 Interest. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of 10 percent per annum from the date the same shall become due until the date the same shall be paid.

.4 Indemnification. The Lessee indemnifies and agrees to save harmless the Lessor from and against any and all claims, debts, demands or obligations which may be made against the Lessor or against the Lessor's title in the demised premises arising by reason of or in connection with the making of this lease, the ownership by the Lessee of its interests in this lease and in and to the demised premises, and the Lessee's use, occupancy and possession of the demised premises and if it becomes necessary for the Lessor to defend any actions seeking to impose any such liability, the Lessee will pay to the Lessor all costs and reasonable attorneys' fees incurred by the Lessor in effecting such defense in addition to any other sums which the Lessor may be called upon to pay by reason of the entry of a judgment against the Lessor in the litigation in which such claim is asserted.

.5 Mechanics' Liens. All persons are put upon notice of the fact that the Lessee shall never, under any circumstances, have the power to subject the interest of the Lessor in the premises to any mechanics' or materialmen's liens of any kind and all persons dealing with the Lessee are hereby put upon notice that they must look wholly to the interests of the Lessee in the demised premises and not to those of the Lessor. The Lessee will not permit or suffer to be filed or claimed against the interest of the Lessor in the demised premises during the continuance of this lease, any claim or lien of any kind and if such be claimed or filed it shall be the duty of the Lessee within 30 days after the claim shall have been filed amongst the Public Records of Sarasota County, Florida, or within 30 days after the Lessor shall have been given notice of such claim and shall have transmitted notice of the receipt of such unto the Lessee (whichever 30 day period expires first), to cause the demised premises to be released from such claim either by payment or posting of bond or the payment into court of the amount necessary to relieve and release the demised premises from such claim or in any other manner in which, as a matter of law will result, within said 30 day period in the

releasing of the Lessor and its interests in the demised premises from such claim or lien; and the Lessee covenants and agrees within said period of 30 days to so cause the premises and the Lessor's interest to be relieved from the legal effect of such claim or lien.

.6 Attorneys' Fees and Costs. The Lessee shall pay to the Lessor all costs of court, arbitration under 8.2 and reasonable attorneys' fees, including fees in connection with procedures in the nature of appeal, incurred or expended by the Lessor in enforcing the terms of this lease. The amount of such costs and fees may, at the option of the Lessor, be collected just as though the said amount were rent then maturing and becoming due thereunder.

.7 Waste. The Lessee shall not do or suffer any waste or damage, disfigurement or injury to the demised premises, to any improvements, structures, buildings and personal property now or hereafter placed or brought thereon.

.8 Relationship. Though this be a long term lease the parties understand and agree that the relationship between them is that of landlord and tenant and the Lessee specifically acknowledges and agrees that all statutory proceedings in the State of Florida relating to the relationship of landlord and tenant and respecting collection of rent or repossession of the premises shall be applicable at the option of the Lessor hereunder. Nothing herein is to be construed as limiting such rights and remedies as the Lessor may otherwise have, as set forth herein.

.9 Default. If default shall be made by the Lessee in the performance of any of its covenants herein set forth, then in addition to any other rights or remedies which the Lessor may have, including but not limited to those set forth in 11, the Lessor shall have the right to declare this lease cancelled and terminated and re-enter upon the demised premises either with or without process of law, and after notice of such declaration and upon demand for possession the Lessee will peaceably surrender and deliver up the demised premises to the Lessor.

Provided nothing in this lease shall be construed as authorizing the Lessor to declare this lease in default where the lease consists of nonpayment of rent, taxes and premiums for insurance until such nonpayment in violation of the terms of this lease shall have continued for 10 days and where the alleged default consists in some violation other than the nonpayment of rent, taxes and insurance premiums, the Lessor may not declare this lease in default until such violation shall have continued uncured for 20 days after the Lessor shall

have given the Lessee written notice of such violation; provided, however, that nothing contained herein shall be construed as precluding the Lessor from having such remedy as may become necessary in order to preserve the Lessor's rights and interests in and to the demised premises and this lease before the expiration of the grace or notice periods above provided if under the particular circumstances then existing the allowance of such grace or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in the demised premises and this lease. If the Lessee defaults in any of the payments of the sums required to be paid by it, including but not limited to rent, taxes and insurance premiums, the Lessee may cure said default at any time prior to a decree cancelling this lease or, a decree and/or judgment of eviction, or prior to a final decree of foreclosure of lien provided in 11, by payment unto the Lessor the sums then due and owing said Lessor and/or paid by the Lessor on behalf of the Lessee together with interest thereon at the rate of 10 percent per annum as well as payment to the Lessor of any and all costs incurred or expended by the Lessor, including reasonable attorneys' fees and court costs, and by the performance of all of the Lessee's defaulted covenants not performable by the payment of monies to the Lessor. This provision shall be in addition and supplemental to any provision elsewhere herein set forth with respect to the payment of interest or deferred or late payments except that the total interest due and payable on any rent payment made by the Lessor on behalf of the Lessee shall not exceed 10 percent per annum.

.10 Running of Grace Periods. All default and grace periods shall run concurrently and not consecutively.

.11 Cumulative Remedies. The various rights, remedies, powers, options, elections, preferences and liens of the Lessor set forth in this lease shall be construed as cumulative and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities allowed by law and the exercise of one or more shall not be construed as a waiver of the others.

.12 Construction of a Remedy as Election to Terminate. The exercise by the Lessor of any of its rights or remedies provided in this lease to enforce the provisions of this lease by decree, judgment or otherwise, shall not be construed as an election by the Lessor to terminate and cancel this lease except if the exercise of such right or remedy be: (a) the declaration by the Lessor that the lease is terminated and cancelled due to default on the part of the Lessee; or (b) the entry of a judgment, decree or writ of eviction as to the Lessee.

.13 Early Termination. If this lease shall terminate at any time prior to the expiration of the term provided, that is, *November 24*, 2071, by reason of the breach of any of the Lessee's covenants, then and in such case, all right, estate and interest of the Lessee in and under this lease and in and to the demised premises and all insurance policies and all utility deposits and all pre-paid expenses as to the demised premises shall, without any compensation made therefor unto the Lessee at once pass to and become the property of the Lessor.

.14 Solvency of Lessee. If, during the term of this lease, (a) the Lessee shall make an assignment for the benefit of creditors; or (b) a voluntary or involuntary petition be filed by or against the Lessee under any law having for its purpose the adjudication of the Lessee as a bankrupt or the extension of the time of payment, composition, adjustment, modification, settlement or satisfaction of the liabilities of the Lessee or the reorganization of the Lessee; or (c) a permanent receiver be appointed for the property of the Lessee; or (d) any governmental authority take possession of the lands described in the declaration of condominium of The Condominium, this lease, at the option of the Lessor, shall be terminated and shall expire as fully and completely as of the day of happening of such contingency coincided, with the date specifically fixed as the expiration of the term hereof, the provisions of 26.9 relative to notice and grace notwithstanding, and the Lessee shall then quit and surrender the demised premises to the Lessor but the Lessee shall remain liable as hereinafter provided. If the Lessee shall contest any proceeding of an involuntary nature which would be grounds or cause for the termination under this section, by suitable process according to law and shall prosecute said defense with due diligence, provided all other covenants of the Lessee herein made are otherwise kept and performed, the right of termination by the Lessor under this section shall be suspended until the ultimate determination of said matters by a court of competent jurisdiction or until the Lessee shall abandon or fail to take suitable action to preserve its rights to contest the proceedings. The Lessee shall, every 20 days, notify the Lessor of its continued intention to prosecute its defense and, further, advise the Lessor of the state of all litigation then pending, and the failure of the Lessee to do so shall be deemed a termination of the suspension of the Lessor's right to terminate as above provided. If a defense shall be brought by the Lessee and timely prosecuted and the Lessee shall comply with the above provisions with regard to notice and information to the Lessor, then the right of the Lessor to terminate by reason of the provisions of this section shall be controlled by the outcome of such litigation, that is:

(a) If such litigation be resolved in favor of the Lessee, the Lessor shall have no right to terminate by reason of the occurrence of the acts first listed in 26.14.

(b) If such litigation be resolved against the Lessee, the Lessor shall have the right to terminate above provided, but nothing herein shall be construed as relieving the Lessee of the performance of any of its covenants herein which became performable prior to the determination of the outcome of such litigation or the earlier abandonment of defense by the Lessee.

.15 Easements. The demised premises are subject to such easements for public utilities as now appear of public record and Lessor shall have at all times the exclusive right to create upon or over such of the demised premises for any and all public utilities, easements from time to time as the Lessor in its discretion shall deem appropriate, free and clear of the provisions of this lease, provided only that such future easements shall be for the purpose, in whole or in part, of supplying utilities to the demised premises.

.16 Time of the Essence. Time is of the essence in every particular and especially where the obligation to pay money is involved.

.17 Waiver, Extension and Indulgenjes. No waiver, extension or indulgence granted by the Lessor on any one occasion as to any breach shall be construed as waiver, extension or indulgence of any succeeding breach of the same covenant.

.18 Changes in Writing. No modification, release or discharge or waiver of any provision hereof shall be of any force, effect, or value unless in writing, signed by the Lessor.

.19 Covenants Running With the Land. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with demised premises and covenants running with the lands described in the Declaration of Condominium of The Condominium, and the same shall attach to and be binding upon the Lessor, its successors and assigns, and the Lessee, its successors and assigns, its present and future members and present and future owners of condominium parcels in The Condominium and their heirs, personal representatives, successors and assigns.

.20 Entire Agreement. This instrument together with the Exhibits attached hereto and the Declaration of

Condominium of The Condominium constitute the entire agreement between the parties hereto as of the date of execution and neither has been induced by the other by representations, promises or understandings not expressed herein and there are no collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this instrument which are not expressly contained herein.

.21 Notice. When either party desires or is required to give notice unto the other in connection with and according to the terms of this lease, such notice shall be given either by registered or certified mail, return receipt requested, and shall be deemed given for all purposes when it shall have been deposited in the United States mail, addressed to the Lessee or Lessor as the case shall require with sufficient postage prepaid thereon to carry it to its addressed destination. The notice in the case of the Lessor shall be at the place where the rental under this lease is then being paid or at such other address as Lessor may by notice in writing designate to Lessee, and in the case of the Lessee, at 4900 Ocean Boulevard, Siesta Key, Sarasota, Florida, or at such other address as Lessee may by notice in writing designate to Lessor, which notices shall be given in the manner provided for giving of notice under this lease.

.22 Construction. This lease is to be construed in accordance with the laws of the State of Florida.

.23 Captions and Titled. The captions and titles contained in this lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this lease or any part thereof nor in any way affect this lease.

.24 Severability. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word, or of any provisions of this lease or the Exhibits attached hereto or the Declaration of Condominium of The Condominium shall not affect the validity of the remaining portions thereof.

.25 Parties. The term "Lessor" and "Lessee" as used in this lease shall include the singular thereof, and the use of any gender shall include all genders, wherever the same shall be appropriate.

.26 Definitions. A "living unit" as the same is used in this lease shall mean a unit as defined in the Condominium Act. As to other lessees which may not be associations of condominiums, a "living unit" shall mean an apartment or other distinct living space designated or intended

as a place of residence for one person or a single family unit. Definitions of other terms contained in one section of this lease shall be pertinent and applicable to all sections unless the contents or context does not so permit. The definitions contained in the Florida Condominium Act relative to terms applicable to condominiums be and are hereby adopted as definitions of such terms so used in this lease.

27. EXECUTION. In Witness Whereof, the Lessor has executed and the Lessee has caused this instrument to be executed by their duly authorized officers and their corporate seal affixed this 27<sup>th</sup> day of November, 1972.

LESSOR

Witness:

Betty C. Shartar  
Beverly A. Long

W. W. Merrill  
W. W. MERRILL, as Trustee under that certain unrecorded Trust Agreement dated the 22<sup>nd</sup> day of November, 1972, and not individually

LESSEE

SANDY COVE 2 ASSOCIATION, INC.

Betty C. Shartar  
Beverly A. Long

By Frank Folsom Smith  
President  
ATTEST Joseph R. Kelly  
Secretary

(Corporate Seal)



Developer hereby joins in the execution of this Lease for the purposes expressed in 11.3 hereof.

Betty C. Shartar  
Beverly A. Long

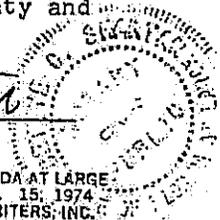
Frank Folsom Smith  
FRANK FOLSOM SMITH

COUNTY OF SARASOTA

BEFORE ME, the undersigned authority duly authorized in the state and county named above to take acknowledgments, personally appeared W. W. MERRILL, as Trustee under that certain unrecorded Trust Agreement dated the 22<sup>nd</sup> day of November, 1972, and not individually, to me known to be the person described in and who executed the foregoing instrument, and he acknowledged before me that he executed said instrument.

WITNESS my hand and official seal in the county and state named above this 27<sup>th</sup> day of November, 1972.

*Beth C. Shartar*  
Notary Public



My Commission Expires:

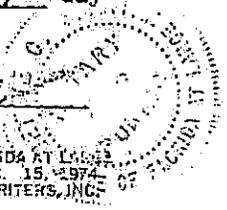
NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES DEC. 15, 1974  
GENERAL INSURANCE UNDERWRITERS, INC.

STATE OF FLORIDA  
COUNTY OF SARASOTA

BEFORE ME, the undersigned authority, personally appeared FRANK FOLSOM SMITH AND JAMES B. HOLLIDAY, President and Secretary respectively of SANDY COVE 2 ASSOCIATION, INC., who acknowledged before me that they as officers of said corporation executed the foregoing lease and affixed the seal of said corporation, and that the same is the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal at the said County and State this 27<sup>th</sup> day of November, 1972.

*Beth C. Shartar*  
Notary Public



My Commission Expires:

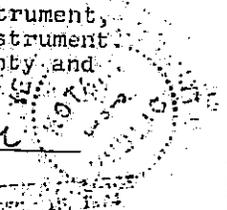
NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES DEC. 15, 1974  
GENERAL INSURANCE UNDERWRITERS, INC.

STATE OF FLORIDA  
COUNTY OF SARASOTA

BEFORE ME, the undersigned authority duly authorized in the state and county named above to take acknowledgments, personally appeared FRANK FOLSOM SMITH, to me known to be the person described in and who executed the foregoing instrument, and he acknowledged before me that he executed said instrument.

WITNESS my hand and official seal in the county and state named above this 27<sup>th</sup> day of November, 1972.

*Beth C. Shartar*  
Notary Public



My Commission Expires: