

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: November 16, 2011

Division: Growth Management

Bulk Item: Yes No

Department: _____

Staff Contact Person/Phone #: Susan Grimsley
305-289-2524

AGENDA ITEM WORDING: Discussion of amendment to Lease with Habitat for Humanity of the Upper Keys for property on First Avenue in Key Largo, amending the site plan and number of units.

ITEM BACKGROUND: The County entered into a 99 year lease with Habitat of Humanity of the Upper Keys for property located on 1st Avenue and 1st Street in Key Largo. The Lease required the construction of 14 attached dwelling units. Building Permits were supposed to be pulled by June 1, 2011 and construction completed no later than August 1, 2012. Because of homestead requirements as determined by the Property Appraiser the Lease was amended to be for 100 years with no rent on April 21, 2010. Technically, the lessee is in default. However, the lessee has written a letter dated October 14, 2011 requesting to change the site plan to construct seven single family homes and requesting an extension of the lease with a period of 1 year to obtain approval and five years to complete construction of all seven units.

PREVIOUS RELEVANT BOCC ACTION:

April 21, 2010 – BOCC approved 1st Amendment to Occupancy Agreement and Ground Lease to 100 Years

May 20, 2009 – BOCC approved Occupancy Agreement and 99 Year Lease.

December 17, 2007- BOCC awarded project to Habitat for Humanity of the Uppers Keys for a home ownership project.

October 19, 2005 – BOCC authorized acceptance from the Monroe County Housing authority for the above referenced parcels when appropriate.

September 25, 2001 – Land Authority deeded the property to Monroe County Housing Authority.

July 19, 2001 – Land Authority Resolution 06-2001 authorized the purchase by the Land Authority and conveyance to the Monroe County Housing Authority.

CONTRACT/AGREEMENT CHANGES: n/a

STAFF RECOMMENDATIONS: Approval to negotiate

TOTAL COST: _____ **INDIRECT COST:** _____ **BUDGETED:** Yes No

DIFFERENTIAL OF LOCAL PREFERENCE: _____

COST TO COUNTY: _____ **SOURCE OF FUNDS:** _____

REVENUE PRODUCING: Yes No **AMOUNT PER MONTH** _____ **Year** _____

APPROVED BY: County Atty OMB/Purchasing _____ Risk Management _____

DOCUMENTATION: Included Not Required

DISPOSITION: _____

AGENDA ITEM # _____

HL&Y
Hershoff, Lupino & Yagel, LLP
Attorneys At Law

ATTORNEYS AT LAW

JAY A. HERSHOFF
JAMES S. LUPINO
RUSSELL A. YAGEL
JESSICA ROTHENBERG
ROBERT C. STOBER
MATTHEW J. PIENCIAK
MICHAEL L. CRIMELLA

ALL CORRESPONDENCE TO:
90130 OLD HIGHWAY
TAVERNIER, FLORIDA 33070
(305) 852-8440
FAX (305) 852-8848

9155 S. DADELAND BLVD., SUITE 1012
MIAMI, FLORIDA 33156
(305) 670-7546

OF COUNSEL
RON SAUNDERS, STATE REPRESENTATIVE
LAND USE COORDINATOR
PETER D. BACHELER

October 14, 2011

Via Email: Hurley-Christine@monroecounty-fl.gov

Christine Hurley
Director, Growth Mgmt. for Monroe County
2798 Overseas Hwy
Suite 400
Marathon, FL 33050

Re: Key Largo, First Ave. Lease of Property

Dear Ms. Hurley:

With respect to the above referenced property, Habitat for Humanity of the Upper Keys ("Habitat") was awarded a lease by Monroe County in December of 2007 for the First Ave. property located at approximately Mile Marker 97 in Key Largo. At the time the lease was awarded, it was intended Habitat would develop a total of 14 affordable housing units in multi-family structures.

Following the award of the lease, the significant economic downturn already being experienced throughout the Country only worsened and this resulted in significant and unanticipated funding obstacles for Habitat. To overcome these challenges, in August of 2009 Habitat forged a partnership with Gorman & Co. with the expectation that Gorman could secure funding for construction through the Low Income Housing Tax Credit ("LIHTC") in the 2009 funding year. Unfortunately, Gorman was unable to secure the LIHTC funding.

By early 2010 it was quite apparent Habitat, due to the continuing funding issues, would not be able to commence and complete construction of the units within the originally contemplated time periods. Cognizant of this reality, the Habitat Board began investigating alternative development concepts which it felt it could complete without having to secure funding from sources that it has not traditionally relied upon (e.g. LIHTC).

In reviewing the various development options, the Board concluded that construction of detached single family homes would be the preferable course of action for multiple reasons, both financial and non-financial:

(1) There are considerable multi-family affordable housing units entering the market in the Upper Keys now and in the immediate future: Bluewater project in Tavernier (36 Units) and Keys Lake Villas, M.M. 106 (110 Units);

(2) Habitat believes that detached homes are more "family friendly" than multi-unit structures;

(3) Habitat both prefers and is better at constructing single family homes;

(4) Construction of single family detached homes over a multi-year period is financially feasible for Habitat and could be started as soon as the necessary approvals were obtained.

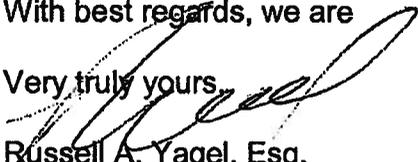
As a result of the above circumstances, Habitat is requesting the County agree to a modification of the existing lease which would allow it to build seven single family detached homes. Habitat proposes the lease provide it has one year from the date of execution to obtain all necessary development approvals and five years from the date it has obtained the necessary approvals to complete construction of all seven units.

I have attached a copy of the proposed site plan to this e-mail.

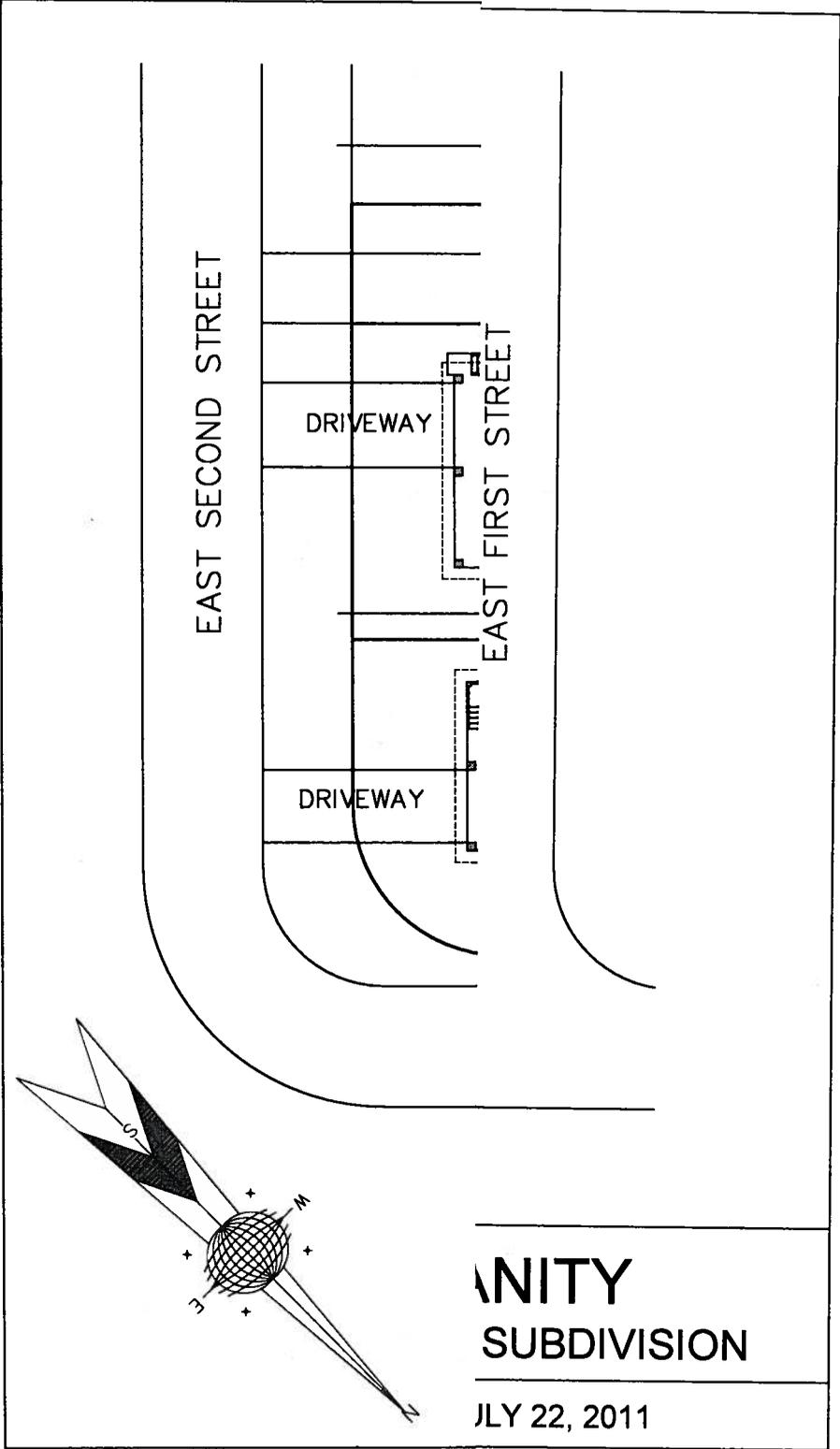
If you have any questions, please do not hesitate to contact the undersigned.

With best regards, we are

Very truly yours,



Russell A. Yagel, Esq.
Hershoff, Lupino & Yagel, LLP
90130 Overseas Highway
Tavernier, Fl. 33070
Phone: (305) 852-8440
Fax: (305) 852-8848
ryagel@tropicalaw.com



**UNITY
SUBDIVISION**

JLY 22, 2011

PREPARED BY AND RETURN TO:
SUSAN GRIMSLEY
MONROE COUNTY
2798 OVERSEAS HIGHWAY
MARATHON, FL. 33052

FIRST AMENDMENT TO OCCUPANCY AGREEMENT AND GROUND LEASE

THIS FIRST AMENDMENT TO OCCUPANCY AGREEMENT AND GROUND LEASE (First Amendment), dated this 21st day of April, 2010, is made by and between Monroe County, a political subdivision of the State of Florida (Lessor) and Habitat for Humanity of the Upper Keys, Inc., a Florida non-profit corporation (Lessee).

WITNESSETH:

WHEREAS, Lessor and Lessee entered into that certain 99-year Lease (Lease) dated May 20, 2009, for the property legally described on Exhibit A attached having RE# 00554720-000000 and RE#00554720-000100, known as 104 First Street, Key Largo, Monroe County for the development of Fourteen (14) affordable housing dwelling units, said Lease being recorded in Monroe County Public Records at Official Records Book 2414 at Page 490; and

WHEREAS, in drafting the Lease an Annual Base Rent in the amount of Ten Dollars (\$10.00) was included in the Lease as said language was considered usual and customary for consideration in a deed or lease; and

WHEREAS, Lessor and Lessee desire to amend the Lease to provide that there shall be no rent payable under the Lease, the intent being that the Lease will comply with Florida Statute 196.199(2)(b); and

WHEREAS, Lessor and Lessee desire to amend the Lease to also provide that the initial term shall be one hundred (100) years in order to be taxable as provided under Florida Statute 196.199(7);

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned parties agree as follows:

1. The recitals contained herein are true and correct and incorporated herein by reference.
2. The Lease is presently valid and in full force and effect.
3. In Article I Definitions, the definition of the word "Term" shall be amended as follows:

"Term" means the Commencement Date and continuing for One Hundred (100) years thereafter, plus any agreed upon extension of this Lease, and unless otherwise permitted by Lessor, all Subleases and rights or interests granted thereunder shall terminate at the end of the Term.

4. In Article I Definitions, the definition of the term "Affordable Housing Unit" shall be amended as follows:

“Affordable Housing Unit” shall mean a residential housing unit that meets the moderate or lesser income requirements set forth in applicable sections of the Monroe County Land Development Regulations, as may be amended from time to time without limitation of Lessor’s complete legislative prerogatives, said restrictions to encumber the Property for the term of the One Hundred (100) year lease. The singular includes the plural and the plural includes the singular when referenced herein.

5. Section 3.01 Term shall be amended as follows:

Term: To have and to hold the Demised Premises for a term of One Hundred (100) years commencing on the Commencement Date and ending One Hundred (100) years thereafter, both dates inclusive, unless sooner terminated or extended as hereinafter provided (the Termination Date). Lessee shall be given possession on the Effective Date and the terms and conditions set forth herein shall be binding on the parties as of the Effective Date. Lessee shall have the right to occupy the Demised Premises as of the Effective Date in order to allow Lessee to commence construction as well as other activities related to the development and construction of the Project. As herein set forth, the Term will not commence until an Affordable Housing Unit is completed and a Certificate of Occupancy has been issued for that Affordable Housing Unit, said date to be evidenced by the Commencement Date Agreement that the parties will, upon completion of construction of the first Affordable Housing Unit, execute in substantially the same form as that set forth in Exhibit C hereto, reflecting a term of One Hundred (100) years.

6. In Article I, Definitions, the definition of “Rent” is hereby deleted and notwithstanding anything contained in the Lease to the contrary there shall be no annual base rent due. However, obligations for any other payment considered as additional rent and any other financial obligations provided for in the Lease shall remain in full force and effect.

7. Section 4.01 of the Lease is hereby deleted to provide that there shall be no base rental payments due pursuant to this Lease so that the leasehold shall be taxed as real property with an ownership interest in Lessee or sub-lessees.

8. All other terms of the Lease referring to a ninety - nine (99) year lease shall reflect the change to One Hundred (100) Years if not specifically referenced in this First Amendment.

9. Exhibit D of the Lease shall be amended as attached as Exhibit B to reference the One Hundred (100) year term.

10. The effective date of the terms of this First Amendment shall be May 20, 2009, to reflect the original intent of the parties; therefore application is retroactive.

11. Except as expressly modified by the First Amendment, all terms and conditions of the Lease remain in full force and effect, binding upon the parties.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the undersigned executed this First Amendment to Occupancy Agreement and Ground Lease this 4th day of April, 2010.

LESSOR:
MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS

Sylvia J. Murphy
Mayor Sylvia J. Murphy
Sabell C. DeBartis
Deputy Clerk

(SEAL)
ATTEST: DANNY L. KOLHAGE, CLERK

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM
Sylvia J. Murphy
Date: 4-6-2010

STATE OF FLORIDA
COUNTY OF MONROE

Be it known, that on the 10th day of May, 2010, before me, a Notary Public in and for the State of Florida, County of Monroe, duly commissioned and sworn, personally came and appeared Sylvia J. Murphy, as Mayor of Monroe County, to me personally known. In testimony whereof, I have hereunto subscribed my name and affixed my seal of office the day and year last above written.



(Seal)

Pamela Hancock
NOTARY PUBLIC

LESSEE:
HABITAT FOR HUMANITY OF THE UPPER
KEYS, INC.

Witness:

(1) Stephanie J Clark
Print Name Stephanie J Clark

(2) Alice Butler
Print Name Alice Butler

J. Daniel McAfee
President
J. Daniel McAfee
Print Name

Jack Neidbalski
Executive Director
Jack Neidbalski
Print Name

STATE OF FLORIDA
COUNTY OF MONROE

Be it known, that on the 1st day of April, 2010, before me, a Notary Public in and for the State of Florida, County of Monroe, duly commissioned and sworn, personally came and appeared Daniel McAfee & Jack Neidbalski to me personally known or who provided FL. Drivers License as identification. In testimony whereof, I have hereunto subscribed my name and affixed my seal of office the day and year last above written.

(Seal)



Kenie Rodriguez

FILED FOR RECORD
2010 MAY 10 PM 3:41
DANNY L. KOLHAGE
CLERK
MONROE COUNTY
FLORIDA

Exhibit A

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the Plat thereof, as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida being more particularly described as follows:

Beginning at the Northwesterly corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run Northeasterly along the Northwesterly line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southeasterly direction along the arc, of a curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet; thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 62.50 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds and Southeasterly along the Northeasterly line of said Block 3 for a distance of 46.88 feet to a point of curvature; thence in a Southwesterly direction along the arc of a curve concave to the West, having a radius of 25.00 feet and a delta angle of 89 degrees 59 minutes and 30 seconds for a distance of 39.27 feet; thence run in a Southwesterly direction along the Southeasterly line of said Block 3 for a distance of 100.00 feet; thence run with a deflection to the right of 90 degrees 00 minutes 30 seconds from the last described course for a distance of 250.02 feet back to the Point of Beginning, containing 24,990.66 square feet, more or less.

AND ALSO:

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the plat thereof as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida, being more particularly described as follows:

Commencing at the Northwesterly corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run northeasterly along the Northwesterly line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southwesterly direction along the arc of a

curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet, thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet to the point of beginning of the parcel hereinafter described, thence run a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet, thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds and Northwesterly along the Northeasterly line of said Block 3 for a distance of 28.00 feet back to the point of beginning, containing 5994.29 square feet, more or less.

EXHIBIT D

LETTER OF ACKNOWLEDGEMENT

TO: Initial Lessee, or its assigns
Address of Initial Lessee, or its assigns

DATE: _____

This letter is given to (.....Initial Lessee....) as an acknowledgement in regard to the Affordable Housing Unit that I am purchasing. I hereby acknowledge the following:

- That I meet the requirements set forth in the Affordable Restrictions to purchase an affordable unit. I understand that the unit I am buying is being sold to me at a price restricted below fair market value for my, future similarly situated persons and Monroe County's benefits.
- That the Affordable Housing Unit that I am purchasing is subject to a 100-year ground lease by and between Monroe County, a political subdivision of the State of Florida, and _____ (hereinafter "Lease") and therefore I will be subleasing a parcel of land.
- That my legal counsel, _____, has explained to me the terms and conditions of the Lease, including without limitation the meaning of the term "Affordable Restrictions", and other legal documents that are part of this transaction. If I have not had legal counsel, I state here that I have had an opportunity to have obtain such counsel, understand its importance, and have knowingly proceeded to closing without it.
- That I understand the terms of the Lease and how the terms and conditions set forth therein will affect my rights as an owner of the Affordable Housing Unit, now and in the future.
- That I agree to abide by the Affordable Restrictions, as defined in the Lease, and I understand and agree for myself and my successors in interest that Monroe County may change some of the Affordable Restrictions over the 100-year term of the Lease and that I will be expected to abide by any such changes.
- That I understand and agree that one of the goals of the Lease is to keep the Affordable Housing Units affordable from one owner to the next, and I support this goal.
- That in the event I want to sell my Affordable Housing Unit, I must comply with the requirements set forth in the Lease, including but not limited to the price at which I might be allowed to sell it, the persons to whom I might be allowed to sell it to and that the timing and procedures for sales will be restricted.
- That my lease prohibits me from severing the improvements from the real property.
- That my family and I must occupy the Affordable Housing Unit and that it cannot be rented to third parties without the written approval of the Lessor.
- I understand that in the event that I die, my home may be devised and occupied by my wife, my children or any other heirs so long as they meet the requirements

for affordable housing as set forth in the Lease.

- That I have reviewed the terms of the Lease and transaction documents and that I consider said terms fair and necessary to preserve affordable housing and of special benefit to me.
- I hereby warrant that I have not dealt with any broker other than _____ in connection with the consummation of the purchase of the Affordable Housing Unit.

Occupant Signature

Occupant Signature

Prepared by and return to:
Susan Grimsley, Esq.
c/o Michelle Lee
Monroe County, 2798 Overseas
Highway, #400, Marathon, FL
33050

LEASE
BETWEEN
MONROE COUNTY
"LESSOR"
AND
HABITAT FOR HUMANITY OF THE UPPER KEYS, INC.
"LESSEE"

DATED May 20, 2009

FILED FOR RECORD
2009 MAY 22 AM 11:57
DANNY L. KOLHAGE
CLERK CIR. CT.
MONROE COUNTY, FL.

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OCCUPANCY AGREEMENT AND GROUND LEASE

THIS Agreement and Lease made and entered into in Key West, Monroe County, Florida, on this 20 day of May, 2009 by and between MONROE COUNTY (referred to as the "Lessor" or "Owner") and HABITAT FOR HUMANITY OF THE UPPER KEYS, INC., a Florida non-profit corporation (referred to as the "Lessee" or "Occupant").

RECITALS

WHEREAS, Lessor is the owner in fee simple of the property located at what is legally described on Exhibit A, known as 104 First Street, Key Largo, Monroe County, Florida, having RE#00554720-000000 and RE#00554720-000100 ; and

WHEREAS, it is Lessor's intent that the Property be developed to provide affordable housing for Monroe County;

WHEREAS, Lessee desires to develop the Property for sale or rental use fourteen (14) affordable housing units for qualified owner or tenant occupants;

WHEREAS, in order to preserve the affordability of the Units to be developed on the Property, Lessor desires to lease the Property to Lessee for ninety-nine (99) years, subject to the Affordable Restrictions as set forth and further defined herein; and

NOW THEREFORE, in consideration of the mutual covenants and obligations contained herein, and in any contemporaneous Related Agreements between the parties, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

Definitions

"Affordable Housing Unit" shall mean a residential housing unit that meets the moderate or lesser income requirements set forth in applicable sections of the Monroe County Land Development Regulations, as may be amended from time to time without limitation of Lessor's complete legislative prerogatives, said restrictions to encumber the Property for the term of the ninety-nine (99) year lease. The singular includes the plural and the plural includes the singular when referenced herein.

"Affordable Restrictions" shall mean the affordable or employee housing regulations as set forth in applicable sections of the Monroe County Land Development Regulations or County Code, as hereinafter amended, except that in no event shall the Lessor materially and adversely alter the obligations or rights of Lessee under this Lease or decrease the lawfully permissible sales price or rental rate for an Affordable Housing Unit to less than the specified sales price or rental rates for moderate income housing as set forth in the Land Development Regulations in effect at the time of execution of this Lease where the effect

upon an owner/Sublessee/mortgagee would be to divest such person or entity of value upon which such person reasonably and fairly relied to their detriment. The substance of the Affordable Restrictions may be freely amended in the Lessor's legislative discretion, particularly with respect to administrative, monitoring and enforcement mechanisms, but any such amendment shall not materially diminish the lawfully established and equitably vested resale value or the reasonable alienability of "home-ownership" Affordable Housing Units, or in the case of rental-only units or projects, shall not materially and adversely diminish or interfere with the Lessee's substantive benefits conferred under this Lease or any of its non-administrative terms. However, Lessor may restrict Affordable Housing Unit resales and rentals to use as "Employee Housing" as defined in the Affordable Restrictions, as amended from time to time. Moreover, Lessor may establish in its Affordable Restrictions "means" or "assets" criteria that limit potential buyer or rental pools. Any such amendment shall not increase Initial Lessee's responsibilities as set forth herein. It is the intent and purpose and shall be the effect of this Lease and any Affordable Restrictions to ensure that the affordability of Affordable Housing Units and dedicated real property upon which they are located is maintained and enforced such that any administrative rule, policy or interpretation thereof, made by Lessor or its designees relating to the maximum total amount of consideration and cost permitted to be in any way involved in a purchase or rental transaction (including but not limited to purchase price, lease assignment fees, rents or any other compensation given or received in or "outside" of a related transaction) shall never exceed the affordability criteria reasonably established by Monroe County for the dwelling units involved. In every case, the construction and interpretation of terms, conditions and restrictions imposed by this Lease and the Affordability Restrictions shall be made in favor of ensuring that long term affordability benefits for the respective housing resources inure to the benefit of Monroe County, its economy and its community character

"Commencement Date" shall mean the date when Initial Lessee receives a Certificate of Occupancy for the first Affordable Housing Unit.

"Demised Premises" shall mean the property leased pursuant to this Lease for development of the Affordable Housing Units. The Demised Premises is legally described on attached Exhibit A. Demised Premises, where the context requires and the construction is most appropriate, shall also mean portions of the Demised Premises and any improvements erected thereon.

"Effective Date" shall mean the date this Lease is fully executed and delivered by all parties and the date that the Lessee shall be entitled to begin to occupy the Demised Premises for purposes of development and construction of the Project.

"Initial Lessee" means Habitat for Humanity of the Upper Keys, Inc.

"Lease" shall mean this lease for the creation of the Affordable Housing Units on the Demised Premises, as may be amended from time to time by the parties. It is expressly contemplated and intended by Lessor, as fee title holder to the Demised Premises, and agreed to and accepted by Lessees, that any limitations, restrictions and/or other covenants of any nature, whether established pursuant to this Lease or by the Affordable Restrictions, be given the full force and effect of enforceable covenants running with the land, equitable

servitudes and all other cognizable legal and equitable real property conventions so as to ensure the overall public affordable housing purposes intended to be served, including appropriate application of cumulative enforcement theories.

"Lease Year" shall mean the twelve (12) month period beginning on the Commencement Date and each twelve (12) month period thereafter throughout the Term of this Lease.

"Lessor" means MONROE COUNTY, or its assigns or designees. Lessor as used herein and where the context requires, shall mean an agency or party designated by the Lessor, by written notice to all parties, to administer or enforce some or any portion of the provisions of this Lease or the Affordable Restrictions.

"Lessee" means the Initial Lessee and its successors and assigns, including the Association created by Initial Lessee for the Unit owners/tenants, if any, as well as the individual Unit owners/tenants.

"Project" shall mean the required development of the Demised Premises for a fourteen (14) unit complex for sale or rent for moderate to low income affordable employee housing, primarily the required construction of Affordable Housing Unit(s) as set forth in Article XIV, but also including related infrastructure, securing of required development approvals and permits, financing for the construction of the Affordable Housing Units, marketing/renting of the Affordable Housing Units and creation of any required governing Association.

"Related Agreements" shall mean any purchase and sale or other agreement entered into with Monroe County contemporaneously and in conjunction with this Lease and which is recorded.

"Rent" shall mean any sum of money due to the Lessor under this Lease for any reason. The term Rent as used herein, should not be misconstrued to preclude definition and distinguishing of rent, rental rates and other such other terms as may be provided for in Subleases and/or the Affordable Restrictions.

"Sale" and "Sell" as used herein shall be broadly and liberally construed so as to encompass, where contextually appropriate, any ground subleasing, sale, grant, assignment or other conveyance of an interest in any portion of the Demised Premises authorized pursuant to this Lease, but excluding any rental of an Affordable Housing Unit (which may be more particularly discussed herein or in the Affordable Restrictions) and any granting of any security, mortgage, note or other interest of a form and type customarily used with purchase money or home equity loans.

"Sublease" shall mean any combination of instruments that grant, convey or otherwise transfer a possessory use and/or title interest to any portion of the Demised Premises, including rental agreements with tenants or renters of an Affordable Housing Unit (which may be more particularly discussed herein or in the Affordable Restrictions) and any security, mortgage, note or other interest of a form and type customarily used with purchase money or home equity loans. The title or exact nomenclature used to describe such instruments may vary to suit particular circumstances and shall lie within Initial

Lessee's reasonable discretion and still remain within the meaning herein intended (e.g., a "deed of improvements" may in a given context be construed as an effective sublease for purposes herein). It is intended that the term Sublease encompasses such instruments that effectuate qualified end-user, title, possession and/or use of Affordable Housing Units developed on the Demised Premises.

"Sublessee" or "Owner" shall be broadly and liberally construed so as to mean an individual Affordable Housing Unit owner or tenant who, as of the date such person acquires or renews his interest in the Affordable Housing Unit, qualifies for "Affordable Housing" as in the Monroe County Code and who is gainfully employed at the time of their rental or purchase. Additionally, except as may be otherwise permitted by this Lease, in order to remain eligible to renew their sublease or rental agreement and to reside in their Affordable Housing Unit into retirement or disability, in addition to complying with any otherwise applicable provisions in the Affordable Restrictions, renters or tenants of all Affordable Housing Units shall be encouraged to be and must remain gainfully employed.

"Term" shall mean the Commencement Date, and continuing for ninety-nine (99) years thereafter, plus any agreed upon extension of this Lease, and unless otherwise permitted by Lessor, all Subleases and rights or interests granted thereunder shall terminate at the end of the Term.

ARTICLE II

Demised Premises

Section 2.01 Lessor's Demise. Upon the terms and conditions hereinafter set forth, and in consideration of the payment of the Rents and the prompt and full performance by the Initial Lessee of these covenants and the terms and conditions of any Related Agreements, to be kept and performed by the Initial Lessee, the Lessor does lease, let, and demise to the Initial Lessee (and permitted successor Lessees) and the "Initial Lessee" hereby leases from the Lessor, the following described premises, situate, lying and being in Monroe County, Florida: See Exhibit A known as 104 First Street, Key Largo, Monroe County, Florida, having RE#00554720-000000 and RE#00554720-000100

Section 2.02 Conditions. The demise is likewise made subject to the following:

- (a) Conditions, restrictions and limitations, if any, now appearing of record;
- (b) Zoning ordinances of the County of Monroe, State of Florida, and any other applicable governmental body now existing or which may hereafter exist by reason of any legal authority during the Term of this Lease; and
- (c) The proper performance by the Lessee of all of the terms and conditions contained in this Lease, the Affordable Restrictions and Related Agreements, if any.

ARTICLE III

Term

Section 3.01 Term. To have and to hold the Demised Premises for a term of ninety-nine (99) years commencing on the Commencement Date, and ending ninety-nine (99) years thereafter, both dates inclusive, unless sooner terminated, or extended, as hereinafter provided (the "Termination Date"). Lessee shall be given possession on the Effective Date and the terms and conditions set forth herein shall be binding on the parties as of the Effective Date. Lessee shall have the right to occupy the Demised Premises as of the Effective Date in order to allow Lessee to commence construction, as well as other activities related to the development and construction of the Project. As herein set forth, the Term will not commence until an Affordable Housing Unit is completed and a certificate of occupancy has been issued for that Affordable Housing Unit, said date to be evidenced by the Commencement Date Agreement that the parties will upon completion of construction of the first Affordable Housing Unit executed in substantially the same form as that set forth in Exhibit C hereto.

ARTICLE IV

Rent

Section 4.01 Annual Base Rent. Lessee covenants and agrees to pay to Lessor promptly when due, without notice or demand, and without deduction or offset, Annual Base Rent throughout the Term of this Lease beginning on the Commencement Date, in the amount of Ten Dollars (\$10.00) per Lease Year or partial Lease Year. Lessee shall pay to Landlord said Annual Base Rent on the first day of the second month of each Lease Year throughout the term of this Lease.

Section 4.02. All amounts payable under Section 4.01 hereof, as well as all other amounts payable by Lessee to Lessor under the terms of this Lease, shall be payable in lawful money of the United States which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, each payment to be paid to Lessor at the address set forth herein or at such other place within the continental limits of the United States as Lessor shall from time to time designate by notice to Lessee. Except for any income tax payable by the Lessor, Lessee shall pay any and all taxes, including any local surcharge or other tax, on the Rent payable pursuant to this Lease in addition to the sums otherwise set forth herein.

Section 4.03. It is intended that the Rent shall be absolutely net to Lessor throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities, charges or other deductions whatsoever, with respect to the Demised Premises and/or the ownership, leasing, operation, maintenance, repair, rebuilding, use or occupation thereof.

Section 4.04. All amounts payable by Lessee to Lessor under any of the provisions of this Lease, if not paid when due as provided for in this Lease, shall bear interest at the

highest rate allowable under Florida law from the time they become due until paid in full by Lessee. In addition, Lessee shall pay a late fee in the amount of ten (10%) percent of any amount due from Lessee to Lessor which is not paid within ten (10) days of the payment due date for any sums due for Rent and within thirty (30) days for any other sums due from Lessee pursuant to this Lease; provided, however, such payment shall not excuse or cure any default by Lessee under this Lease. It is agreed by the parties hereto that Lessee shall reimburse Lessor for collection charges incurred as a result of the overdue Rent which may include but shall not be limited to related attorneys' fees, regardless of whether suit is brought. Such late fee shall be in addition to any interest payable by Lessee as set forth herein from Lessee's failure to pay any Rent due hereunder. In the event that any check, bank draft, order for payment or negotiable instrument given to Lessor for any payment under this Lease shall be dishonored for any reason whatsoever not attributable to Lessor, Lessor shall be entitled to charge Lessee an administrative charge for dishonored checks pursuant to 125.0105, Florida Statutes, and/or any other applicable law. In addition, Lessor shall be reimbursed by Lessee for any costs incurred by Lessor as a result of a payment instrument being dishonored (e.g., legal fees).

ARTICLE V

Non-Subordination

Section 5.01 Non-Subordination. Notwithstanding anything to the contrary contained in this Lease, the fee simple interest in the Demised Premises shall not be subordinated to any leasehold mortgage, lien or encumbrance of any nature. Furthermore, the Lessor's right to receive payment or performance under the terms of this Lease or adherence to any of its conditions or to the Affordable Restrictions (or performance under or adherence to the terms of any Sublease or related instrument) shall not be subordinated to any debt or equity financing, leasehold mortgage, lien, encumbrance or obligation of any nature whatsoever.

ARTICLE VI

Payment of Taxes and Utilities

Section 6.01 Lessee's Obligations. From the Effective Date to the Commencement Date and as additional Rent during the Term of the Lease, the Lessee shall pay and discharge, as they become due, promptly and before delinquency, all taxes, assessments, water and sewer rents, rates and charges, transit taxes, charges for public utilities, excises, levies, licenses and permit fees and other governmental charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever, which at any time during the Term of this Lease may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or in respect of, or become a lien on, the Demised Premises, or otherwise arise out of the revenues received by the Lessee from the sale or rental of the Affordable Housing Units to Sublessees, or be associated with any document (to which the Lessee is a party) creating or transferring an interest or estate

in the Demised Premises. With regard to special assessments, if the right is given to pay either in one sum or in installments, Lessee may elect either mode of payment and Lessee's election shall be binding on Lessor.

Section 6.02 Sublessee's Obligations. As additional Rent, any Sublessee, unless Lessee fulfills all such obligations pursuant to Section 6.01, above, shall pay and discharge, as they become due, promptly and before delinquency, all taxes, assessments, water and sewer rents, rates and charges, transit taxes, charges for public utilities, excises, levies, licenses and permit fees and other governmental charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever, which at any time during the term of this Lease may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or in respect of, or become a lien on, the Sublessee's interest in the Demised Premises, or otherwise arise out of the revenue received by Sublessee from the sale of their Affordable Housing Unit (if contemplated or otherwise authorized under this Lease or the Affordable Restrictions), or be associated with any document (to which the Sublessee is a party) creating or transferring an interest or estate in the respective portion of the Demised Premises.

Section 6.03 Obligations Altered. Nothing herein shall require the Lessee to pay municipal, state, or federal income taxes assessed against the Lessor, municipal, state, or federal capital levy, estate, gift, succession, inheritance or transfer taxes of the Lessor, or Lessor's legal representative, corporate franchise taxes imposed upon any corporate owner of the fee of the Demised Premises; provided, however, that if at any time during the term of this Lease the methods of taxation prevailing at the commencement of the term hereof shall be altered so as to cause the whole or any part of the taxes, assessments, levies, impositions or charges now levied, assessed and imposed, wholly or partially as a capital levy, or otherwise, on the rents received therefrom, or of any tax, corporation franchise tax, assessments, levy (including, but not limited to any municipal, state or federal levy), imposition or charge, or any part thereof, shall be measured by or based in whole or in part upon the Demised Premises and shall be imposed upon the Lessor, then all such taxes, assessments, levies, impositions or charges, or the part thereof so measured or based, shall be paid and discharged by the Lessee. All rebates on account of any taxes, rates, levies, charges or assessments required to be paid shall belong to Lessee.

Section 6.04 Mode of Payment. The Lessee (and any Sublessee, as to their specific interests in the Demised Premises) shall pay the taxes and other charges as enumerated in this Article VI and shall deliver official receipts evidencing such payment to the Lessor (Sublessees shall only deliver receipts as may be required by the Affordable Restrictions), which payment of taxes shall be made and the receipts delivered, at least thirty (30) days before the tax, itself, would become delinquent in accordance with the law then in force governing the payment of such tax or taxes. If, however, the Lessee desires to contest the validity of any tax or tax claim, the Lessee may do so without being in default hereunder, provided the Lessee gives the Lessor notice of the Lessee's intention to do so and furnishes the Lessor or the applicable governmental agency with a bond with a surety made by a surety company qualified to do business in the State of Florida or pays cash to a recognized escrow agent in Monroe County, one and one half (1 1/2) times the amount of the tax item or items intended to be contested, conditioned to pay such tax or tax items when the validity

thereof shall have been determined, and which written notice and bond or equivalent cash shall be given by the Lessee to the Lessor, not later than sixty (60) days before the tax item or items proposed to be contested would otherwise become delinquent.

Section 6.05 Lessee's Default. If the Lessee shall fail, refuse or neglect to make any of the payments required in this Article, then the Lessor may, but shall not be required to, pay the same and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might be reasonably incurred because of or in connection with such payments, together with interest on all such amounts, at the highest rate allowed by law shall be repaid by the Lessee to the Lessor, upon the demand of the Lessor, and the payment thereof may be collected or enforced by the Lessor in the same manner as though such amount were an installment of Rent specifically required by the terms of this Lease to be paid by the Lessee to the Lessor, upon the day when the Lessor demands repayment thereof or reimbursement therefor of and from the Lessee; but the election of the Lessor to pay such taxes shall not waive the default thus committed by the Lessee. Notwithstanding the foregoing, Lessee shall have the right to contest any taxes and assessments levied against Lessee in accordance with paragraph 6.04, above; and provided Lessee files the appropriate documentation to contest said tax or assessment, Lessee shall not be in default of this Lease or obligated to pay any interest or other penalties to Lessor. Nothing herein shall be construed to prevent or inhibit the assessment measures and collection remedies lawfully available to any taxing authority.

Section 6.06 Sublessee's Default. If a Sublessee shall fail, refuse or neglect to make any of the payments required in this Article, then the Lessor may, but shall not be required to, pay the same, and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might be reasonably incurred because of or in connection with such payments, together with interest on all such amounts, at the highest rate allowed by law shall be repaid by the Sublessee to the Lessor, upon the demand of the Lessor, and the payment thereof may be collected or enforced by the Lessor in the same manner as though such amount were an installment of Rent specifically required by the terms of this Lease to be paid by the Sublessee to the Lessor, upon the day when the Lessor demands repayment thereof or reimbursement therefor of and from the Sublessee; but the election of the Lessor to pay such taxes shall not waive the default thus committed by the Sublessee. Notwithstanding the foregoing, Sublessee shall have the right to contest any taxes and assessments levied against Sublessee; and provided Sublessee files the appropriate documentation to contest said tax or assessment, Sublessee shall not be in default of this Lease or obligated to pay any interest or other penalties to Lessor. Nothing herein shall be construed to prevent or inhibit the assessment measures and collection remedies lawfully available to any taxing authority.

Section 6.07 Appraiser to Respect Effect of Affordable Restrictions. It is the intent of the parties that any appraisal of any portion of the Demised Premises for taxation, public assessment or utility service purposes fully reflect the effect of this Lease and the Affordable Restrictions on the lawfully realizable value of relevant portion(s) appraised, or where permissible by state law, "income approach" or other method of calculation.

ARTICLE VII

Mechanic's Liens

Section 7.01 No Lien. Neither the Lessee nor any Sublessee shall have the power to affect the interest of the Lessor in the Demised Premises to any mechanic's or contractor's lien of any kind whether or not the improvements are made with the consent of the Lessor.

Section 7.02 Release of Lien. Neither the Lessee nor any Sublessee shall 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 lien or claim of any kind, and if such lien be claimed or filed, it shall be the duty of the Lessee, or the Sublessee, in which the lien or claim is attributable, or both where the Affordable Housing Unit is a rental unit, within thirty (30) days after the Lessee or Sublessee shall have been given written notice of such a claim having been filed, or within thirty (30) days after the notice of the receipt of such written notice of such claim and shall have transmitted written notice of the receipt of such claim unto the Lessee or Sublessee, as the case may be, (whichever is the shorter period) expires earlier) to cause the respective portion of the Demised Premises to be released from such claim, either by payment or by the posting of bond or by the payment to a court of competent jurisdiction of the amount necessary to relieve and release the relevant portion of the Demised Premises from such claim, or in any other manner which, as a matter of law, will result, within such period of thirty (30) days, in releasing the Lessor and the title of the Lessor from such claim; and the Lessee covenants and agrees, with respect to any lien or claim attributable to it, within such period of thirty (30) days, so as to cause the affected portion of the Demised Premises and the Lessor's interest therein to be released from the legal effect of such claim.

Section 7.03 Lessee's Default. If the Lessee shall fail, refuse, or neglect to perform its obligations as required in this Article, then the Lessor may, but shall not be required to, pay any sums required to cause the Demised Premises and the Lessor's interest therein to be released from the legal effect of such claim and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might be reasonably incurred because of or in connection with such payments, together with interest on all such amounts at the highest rate allowed by law, shall be repaid by the Lessee to the Lessor, upon the demand of the Lessor, and the payment thereof may be collected or enforced by the Lessor in the same manner as though such amount were an installment of Rent specifically required by the terms of this Lease to be paid by the Lessee to the Lessor, upon the day when the Lessor demands repayment thereof or reimbursement therefor of and from the Lessee; but the election of the Lessor to pay such amount shall not waive the default thus committed by the Lessee.

Section 7.04 Sublessee's Default. If the Sublessee shall fail, refuse, or neglect to perform its obligations as required in this Article, then the Lessor may, but shall not be required to, pay any sums required to cause the Demised Premises and the Lessor's interest therein to be released from the legal effect of such claim and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might be

reasonably incurred because of or in connection with such payments, together with interest on all such amounts at the highest rate allowed by law, shall be repaid by the Sublessee to the Lessor, upon the demand of the Lessor, and the payment thereof may be collected or enforced by the Lessor in the same manner as though such amount were an installment of Rent specifically required by the terms of this Lease to be paid by the Sublessee to the Lessor, upon the day when the Lessor demands repayment thereof or reimbursement therefor of and from the Sublessee; but the election of the Lessor to pay such amount shall not waive the default thus committed by the Sublessee.

ARTICLE VIII

Governing Law, Cumulative Remedies

Section 8.01 Governing Law. All of the rights and remedies of the respective parties relating to or arising under this instrument and any related documents shall be governed by and construed under the laws of the State of Florida.

Section 8.02 Cumulative Remedies. All rights and remedies accruing to the Lessor shall be assignable in whole or in part and be cumulative; that is, the Lessor may pursue such rights as the law and this Lease afford to it in whatever order the Lessor desires and the law permits. Lessor's resort to any one remedy in advance of any other shall not result in waiver or compromise of any other remedy.

ARTICLE IX

Indemnification of Lessor

Section 9.01 Indemnification by Lessee. During the Term of the Lease, and from the Effective Date to the Commencement Date during which Lessee shall be entitled and obligated to maintain site control of and insurance for the Demised Premises for construction of the Affordable Housing Units, Lessee will indemnify, defend and save harmless the Lessor 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 out of, or in connection with, or in any way related to the Demised Premises. If it becomes necessary for the Lessor to respond to any claim, demand or unanticipated matter or to defend any action seeking to impose any such liability, the Lessee will pay the Lessor all costs of court and reasonable attorneys' fees incurred by the Lessor in effecting and preparing for such response or defense in addition to any other reasonable sums which the Lessor may be called upon to pay by reason of the entry of a judgment against the Lessor in any proceeding in which such claim is asserted.

Notwithstanding the foregoing, it is hereby acknowledged that, except as otherwise provided in Section 12.01, upon completion of the construction and sale or assignment of any portions of the Project in accordance with this Lease if contemplated and authorized as a home-ownership project, Initial Lessee shall be released from any and all liability related

to such transferred portions of the Demised Premises and the subsequent use thereof by the Sublessees, their employees, agents, contractors, guests or invitees, including without limitation any death, injury or damage to person or property in or about the transferred portions of the Demised Premises, except as otherwise set forth herein. However, this release shall not constitute a release or waiver of Lessor's rights, if any, or possible entitlement to insurance coverages required by this Lease.

Lessor shall not be liable to Lessee, or to Lessee's assignees or Sublessees or their employees, agents, contractors, guests or invitees for any death, injury or damage to person or property in, about or relating to the Demised Premises. Lessee, on its and its assignees' and their successors in interests' behalves, including any future Sublessees, or grantees or licensees of the Initial Lessee, or any guests, invitees or tenants of any of the foregoing, hereby assumes and covenants for its own and their own acceptance of sole responsibility and liability to all persons for death, injury or damage related to or arising from the ownership, possession, occupancy and for use of any portion of the Demised Premises, and also, for all such future occupants, owners, Lessees, Sublessees, tenants, guests, invitees and licensees, waives and releases forever all claims, demands and causes of action against Lessor and its officers, employees, agents, successors, assigns, contractors and representatives for loss of life or injury to person or property, of whatever nature.

Section 9.02 Insurance. On the Effective Date the Lessee shall cause to be written and put in full force and effect a policy or policies of insurance as noted in Article X insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for death, injuries or damages received in connection with the possession, operation and maintenance of the Demised Premises. All such policies shall name the Lessee and the Lessor (and any lender holding a mortgage on the Demised Premises), as their respective interests may appear, as the persons insured by such policies. Any loss adjustment shall require the written consent of both the Lessor and Lessee.

Section 9.03 Policy Limit Changes. The policy limits for the comprehensive liability insurance may be reviewed by Lessor every five (5) years and adjusted upward, if, in the reasonable discretion of Lessor such increase in coverage is prudent or if similar projects have begun to require greater insurance coverage.

ARTICLE X

Insurance

Section 10.01 Property Insurance. From and after the Effective Date, the Lessee will keep insured any and all buildings and improvements upon the Demised Premises against all loss or damage by fire, flood and windstorm, together with "all risks" "extended coverage," which said insurance will be maintained in an amount sufficient to prevent any party in interest from being or becoming a co-insurer on any part of the risk, which amount shall not be less than the full Replacement Cost value of the relevant portions of the Demised Premises, and all of such policies of insurance shall include the name of the Lessor

as an additional insured and shall fully protect both the Lessor and the Lessee as their respective interests may appear. In the event of destruction of buildings or improvements by fire, flood, windstorm or other casualty for which insurance shall be payable and as often as such insurance money shall have been paid to the Lessor and the Lessee, said sums so paid shall be deposited in a joint account of the Lessor and the Lessee in a bank designated by the Initial Lessee, Lessee or Lessee's Mortgagee and located in the County in which the Demised Premises is located, and shall be made available to the Lessee for the construction or repair (including any modification to the improvements sought by the Lessee and approved in writing by the Lessor with Lessor's approval not unreasonably withheld), as the case may be, of any building or buildings damaged or destroyed by fire, flood, windstorm or other casualty for which insurance money shall be payable and shall be paid out by the Lessor and the Lessee from said joint account from time to time on the estimate of any reliable architect licensed in the State of Florida officially overseeing of such reconstruction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor; provided, however, that the total amount of money necessary for the reconstruction or repair of any building or buildings destroyed or damaged has been provided by the Lessee for such purpose and its application for such purpose assured.

In the event of the destruction or damage of the improvements located on the Demised Premises, or any part thereof, and as often as any portion of said Demised Premises shall be destroyed or damaged by fire, flood, windstorm or other casualty, the Lessee shall, within fifteen (15) months (or twenty-four (24) months for a substantially total loss) from the date of such damage or destruction, rebuild and repair the same in such manner that the buildings or improvements so rebuilt and repaired, and the personal property so replaced or repaired, shall be of the same or of a value higher than were the buildings or improvements and the personal property prior to such damage or destruction, and Lessee shall diligently prosecute the reconstruction or repairs without delay and have the same rebuilt and ready for occupancy as soon as reasonably possible after the time when the loss or destruction occurred. The 15-month period (or twenty-four (24) month period for a substantially total loss) for reconstruction shall be enlarged by delays caused without fault or neglect on the part of the Lessee, by act of God, strikes, lockouts, or other conditions (other than matters of refinancing the property) beyond the Lessee's control. Notwithstanding the foregoing, and only with respect to insurance proceeds, the provisions of any leasehold mortgage substantially comporting with customary institutional lending industry standards and the foregoing Lessor's interests shall control as to the use and disbursement of insurance funds for reconstruction of the improvements in the event of any casualty or damage to such improvements.

While the Project, or any replacement thereof, is in the course of construction, and whenever appropriate while any alterations are in the course of being made, the aforesaid fire and extended coverage insurance shall be carried by Lessee in builder's risk form written on a completed value basis.

Notwithstanding anything to the contrary in the immediately preceding paragraph, in case of destruction of all of the improvements on the Demised Premises from any cause so as to make all Affordable Housing Units untenable occurring during the last ten (10)

years of the Term of this Lease, Lessee, if not then in default under this Lease and if there is no leasehold mortgage or other similar encumbrance on the Lessee's interest in the Demised Premises, may elect to terminate this Lease by written notice to Lessor within thirty (30) days after the occurrence of the destruction. In the event of termination, there shall be no obligation on the part of Lessee to restore or repair the improvements on the Demised Premises, nor any right of the Lessee to receive any proceeds collected under any insurance policies covering the improvements. If Lessee elects not to terminate this Lease in the event of destruction during the last ten (10) years of this Lease, the proceeds of all insurance covering the improvements shall be made available to Lessee for repairs, and Lessee shall be obligated to repair as set forth above.

Section 10.02 Commercial General Liability Insurance. The Initial Lessee shall maintain Commercial General Liability Insurance beginning on the Effective Date and continuing during the entire Term of this Lease. The Commercial General Liability Insurance shall cover those sources of liability which would be covered by the latest edition of the standard Commercial General Liability Coverage Form [ISO Form CG 00-01] as filed for use in Florida without the attachment of restrictive endorsements other than the elimination of medical payments and fire damage legal liability.

General Aggregate	\$1,000,000
Products/Completed Operations	\$1,000,000
[coverage for one (1) year after project completion]	
Each Occurrence	\$1,000,000
Contractual Liability	\$1,000,000

Additional Named Insured: Lessor, or its assigns or designees, as from time to time designated by written notice to Lessee, shall be included as additional insureds for Commercial General Liability.

Section 10.03 Environmental Impairment Responsibility. The Lessee and/or its contractors acknowledge that the performance of this Lease is, or may be, subject to Federal, State and local laws and regulations enacted for the purpose of protecting, preserving or restoring the environment. The Lessee shall, at the sole cost of the Lessee or its contractors, be responsible for full compliance with any such laws or regulations.

Section 10.04 Other Insurance. Lessee shall maintain such other insurance and in such amounts as may from time to time be reasonably required by the Lessor against other insurable hazards which at the time are commonly insured against in the case of construction of buildings and/or in the case of premises similarly situated, due regard being or to be given to the location, construction, use and occupancy. In the event the Lessee believes the Lessor's requirement for such additional insurance is unreasonable the reasonableness of Lessor's request shall be determined by mediation according to the rules of the Sixteenth Judicial Circuit in Monroe County, Florida. Such determination as to the requirement of coverage and the proper and reasonable limits for such insurance then to be carried shall be binding on the parties and such insurance shall be carried with the limits as thus determined until such limits shall again be changed pursuant to the provisions of this Section. The expenses of such determination shall be borne equally by the parties. This

procedure may only be requested on each five (5) year anniversary date of the Lease.

Section 10.05 Proceeds Payable to Mortgagee. If any mortgagee holding a mortgage created pursuant to the provisions of Article XV elects, in accordance with the terms of such mortgage, to require that the proceeds of any casualty insurance be held by and paid out by the mortgagee, then such payment may be made, but in such event, it shall still be obligatory upon the Lessee to create the complete fund with the leasehold mortgagee in the manner set forth in this Article to assure complete payment for the work of reconstruction and repair. Any mortgagee holding insurance proceeds shall require that such proceeds are properly used to ensure repairs, but any mortgagee shall not be liable for misuse of funds by Sublessee or Lessee.

Section 10.06 Damages; Insurance Proceeds; Joint Bank Account. Any excess of money received from insurance remaining in the joint bank account after the reconstruction or repair of such building or buildings, if the Lessee is not in default, shall be paid to the Lessee. Absent circumstances reasonably excused under the conditions set forth in paragraph 14.03, in the case of the Lessee not entering into the reconstruction or repair of the building or buildings within a period of six (6) months from the date of payment of the loss, after damage or destruction occasioned by fire, windstorm, flood or other cause, and diligently prosecuting the same with such dispatch as may be necessary to complete the same in as short a period of time as is reasonable under the circumstances after the occurrence of such damage or destruction, then the amount so collected, or the balance thereof remaining in the joint account, as the case may be, shall be paid to the Lessor and it will be at the Lessor's option to terminate the Lease, unless terminated by Lessee within the last ten (10) years of the Lease as set forth above, and retain such amount as liquidated and agreed upon damages resulting from the failure of the Lessee to promptly, within the time specified, complete such work of reconstruction and repair.

Section 10.07 Direct Repayment. The foregoing notwithstanding, in the event the insurance proceeds are the sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00) or less, then such proceeds shall be paid directly to the Lessee without the necessity of creating the joint bank account, and Lessee shall use such funds to make the replacements or repairs. Lessee shall provide proof satisfactory to Lessor that repairs are completed as required within fifteen (15) months from the date of such damage or destruction, unless said period is enlarged by delays caused without fault or neglect on the part of the Lessee.

Section 10.08 General Requirements. All insurance to be provided by Lessee under this Lease shall be effected under valid and enforceable policies in such forms, issued by insurers of recognized financial responsibility qualified to do business in Florida which have been approved by Lessor, which approval shall not be unreasonably withheld. All policies of insurance provided for in this Article shall, to the extent obtainable, contain clauses or endorsements to the effect that (i) no act or negligence of Lessee or anyone acting for Lessee or for any Sublessee or occupant of the Demised Premises which might otherwise result in a forfeiture of such insurance or any part thereof shall in any way affect the validity or enforceability of such insurance insofar as Lessor, and that (ii) such policy of insurance shall not be changed or cancelled without at least thirty (30) days written notice to the

Lessor, and that (iii) the Lessor shall not be liable for any premiums thereon or subject to any assessments thereunder.

Section 10.09 Subsequent Lessees, Assignees, Sublessees and Grantees.

Notwithstanding anything contained herein to the contrary, in the event an authorized Association chooses not to obtain insurance coverage to protect against loss or damage by fire, flood and windstorm for the individual Affordable Housing Units and therefore does not charge the Sublessees for said coverage as part of the Association fees to be paid by the individual Unit Owners (if this project is expressly authorized as a home-ownership project); then, in such event Sublessees shall secure the above-described insurance coverage for their individual Affordable Housing Units. Therefore, Lessor shall be entitled to require replacement cost and other customary and reasonable insurance coverage(s) at least but only to the full replacement value of any Sublessees' and/or any governing Association's insurable interest in the Demised Premises. Any parties who subsequently become holders of any title or possessory interest to a portion of the Demised Premises, shall upon request provide, in a form satisfactory to Lessor, proof of customary and reasonable insurance adequate and sufficient to cover and protect all interests of the Lessor as set forth in this Article X, at least to the extent and value of that subsequent interest holder's insurable interest. The same or similar procedures for the use and application of insurance proceeds as set forth above may be required for subsequent interest holders and the same remedies available to Lessor for Initial Lessee's failure to comply with such insurance requirements shall be available to Lessor with respect to any future interest holders. Future interest holders (including all Sublessees) shall name Lessor as an additional insured on any required insurance policies.

ARTICLE XI

Insurance Premiums

Section 11.01 Insurance Premiums. The Lessee shall pay premiums for all of the insurance policies which the Lessee is obligated to carry under the terms of this Lease. In the event Lessee fails to obtain and pay for the necessary insurance, Lessor shall have the right, but not the obligation, without notice to Lessee, to procure such insurance and/or pay the premiums of such insurance, in which case Lessee shall repay Lessor immediately upon demand by Lessor as additional Rent. The Lessor shall have the same rights and remedies with respect to procurement of such insurance and/or payment of such insurance premiums in the event a future subsequent partial interest holder (e.g., Sublessee, Association) fails to obtain and pay for the necessary insurance.

ARTICLE XII

Assignment/Transfer

Section 12.01 Assignment by Initial Lessee. Lessee may assign or sublease the affordable unit(s) using its own ground lease or building lease as long as it contains provisions for the affordable housing restrictions as set forth in this Lease and in the

Monroe County Code and is consistent with other provisions herein. In the event that **Low Income Housing Tax Credit financing is obtained, provisions controlling the rental amounts by such program shall be controlling.** Lessor consents to the assignment of Lessee's rights to a builder familiar with and experienced with low income housing tax credit financed projects to construct the project and finance the project by using Low Income Housing Tax Credit financing, along with all duties and obligations of Lessee to construct and build, including insurance and indemnification requirements under this Lease. However, Lessee shall be the managing entity and shall remain responsible for all duties and obligations under this Lease regardless of any such assignment. Without the written consent of Lessor, Initial Lessee shall not assign or sublet any portion of the Demised Premises, or change management of the Demised Premises, except as otherwise provided herein. Notwithstanding the foregoing, Lessor acknowledges and agrees that the Affordable Housing Unit(s) are to be developed as units for rent or sale to moderate or lesser income qualified third parties, as defined in the Affordable Restrictions. Therefore, the Affordable Housing Units may be rented and occupied without the Initial Lessee obtaining consent from Lessor for such subletting, provided that Initial Lessee shall follow the guidelines set forth herein. In the event an Affordable Housing Unit is to be rented to a qualified third party by Initial Lessee, said Unit shall only be rented at rates allowable under the Affordable Restrictions for moderate or lesser income-qualified third parties. Additionally, in the event Initial Lessee retains ownership of Affordable Housing Units for rental purposes, Initial Lessee shall have the right to assign its duties as property manager for said Units to a third party without obtaining consent from Lessor, but shall ultimately remain responsible for performance of such duties by any designated property manager.

Section 12.02 Initial Sale/Lease of Unit By Developer/Initial Lessee. Initial Lessee shall be authorized to sell the Affordable Housing Units to individuals qualified to own/occupy the Affordable Housing Units and subject to all other affordable housing covenants of record. Notwithstanding anything contained herein to the contrary, all purchasers/Sublessees of such Affordable Housing Units shall meet Monroe County's requirements of moderate or lesser income affordable housing, adjusted for family size, and any other applicable Affordable Restrictions. Initial Lessee shall upon Lessor's request provide verification in a form and manner reasonably determined by Lessor that purchasers/sublessees/tenants for all Affordable Housing Units meet the requirements herein.

Section 12.03 Assignment/Transfer by Sublessees. At such time as any individual Unit Owner or Sublessee desires to sell, assign or otherwise transfer their Affordable Housing Units and interests, the Sublessee shall be required to follow the procedures set forth herein and any procedure that may be set forth in the Affordable Restrictions, and any conveyance, transfer or other disposition and the acceptance of such transfers shall be automatically deemed an agreement to the conditions set forth herein.

Section 12.04 Required Notice of Restrictions. Any conveyance, lease, assignment, grant or other disposition of any interest made with respect to any portion of the Demised Premises, including but not limited to any recorded Association governing documents,

other than those mortgage interests provided for in Article XV, shall contain the following required Notice of Restrictions in a conspicuous location on the upper one-half of the first page of the relevant instrument effectuating the interest in bold capital typed letters greater than or equal to 14 point font:

NOTICE OF RESTRICTIONS

ANY INSTRUMENT OF CONVEYANCE, LEASE, ASSIGNMENT, GRANT OR OTHER DISPOSITION OF ANY INTEREST IN OR TO ANY PORTION OF THE DEMISED PREMISES OR TO ANY IMPROVEMENTS ERECTED THEREON WILL BE SUBJECT TO CERTAIN RESTRICTIONS INCLUDING BUT NOT LIMITED TO RIGHTS OF FIRST REFUSAL, USE, OCCUPANCY, INCOME, MEANS, RESALE PRICE, RENTAL AND MORTGAGE LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN OFFICIAL RECORDS BOOK __, PAGE __ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

The book and page numbers of the first recorded page of this Lease of the Demised Premises shall be set forth in the Notice of Restrictions. Any instrument of conveyance, lease, assignment or other disposition made without following the notice procedures set forth herein shall be void and confer no rights upon any third person, though such instruments may in some cases be validated by fully correcting them according to procedures established by Lessor, as determined in Lessor's sole discretion, so as to ensure compliance with the public affordability purposes furthered by this Lease and the Affordable Restrictions.

Section 12.05 Follow-on Sales and Assignments of Ground Lease Requirements; Right of First Refusal.

If Lessee or Sublessee can not find a suitable purchaser or sub lessee, or qualified tenant, for the Affordable Housing Unit(s) Lessee shall notify Lessor who may provide Lessee with a qualified person or Lessor may have the right of first refusal to purchase the premises.

Any rental agreement shall contain the following warning prominently set forth in writing:

BY SIGNING THIS RENTAL AGREEMENT THE TENANT AGREES THAT UPON SURRENDER OR ABANDONMENT, AS DEFINED BY CHAPTER 83 FLORIDA STATUTES, THE LESSOR SHALL NOT BE LIABLE OR RESPONSIBLE FOR STORAGE OR DISPOSITION OF THE LESSEE'S PERSONAL PROPERTY.

Section 12.06 Assignment by Lessor. This Lease shall be freely assignable by the Lessor, and upon such assignment, the Lessor's liability shall cease and Lessor shall be released from any further liability. In the event the ownership of the land comprising the Leased Premises is conveyed or transferred (whether voluntarily or involuntarily) by Lessor to any other person or entity, this Lease shall not cease, but shall remain binding and unaffected.

Section 12.07 Death of a Unit Owner. In the event the Owner of an Affordable Housing Unit dies, Lessor shall, unless for good cause shown, consent to a transfer of the leasehold interest to the spouse, child(ren) or other heirs, devisees, legatees or beneficiaries of the Affordable Housing Unit Owner provided that such persons state, in writing, under oath that they have reviewed the terms of this Lease and any related documents, and that they understand and accept the terms of this Lease by signing an acknowledgement, which is substantially in a form similar to that attached hereto as Exhibit D. All spouses, heirs, devisees, legatees or other beneficiaries must demonstrate to the Lessor's reasonable satisfaction that they qualify for ownership and/or occupancy of an affected Affordable Housing Unit as provided for under this Lease and in the Affordable Restrictions. All estates and leasehold or other interests granted in or conveyed with respect to any of the Demised Premises do not extend to any degree so as to limit or inhibit the intent and operation of this Lease and the Affordable Restrictions, it being expressly and irrevocably accepted on behalf of all future Sublessees and all those who would or might succeed to their interests, that these Demised Premises and each and every portion thereof, for the entire Term of this Lease, are to be used as affordable housing according to the Affordable Restrictions. In the event the spouse, heirs, devisees, legatees or beneficiaries of a deceased Owner do not meet the requirements for affordable housing, such persons shall not occupy the premises and shall not be entitled to possession, except and only to the extent that the Lessor permits same, under conditions that it determines furthers the goals and public purposes of this Lease and the Affordable Restrictions. Therefore, in such event, the heirs of the decedent shall, if required by Lessor, transfer their interest in the Affordable Housing Unit in accordance with the provisions of this Article XII and cooperate with the Lessor in accomplishing same. It is the intent of this Lease, to the full extent Florida law permits, that constitutional homestead rights not be construed to inhibit or limit the intended operation of this provision.

Section 12.08 Administrative Fees. Lessee may not charge more than one half of one percent (.005%) administrative fee based on the sales price for the transfer of improvements from one sublessee to another.

ARTICLE XIII

Condemnation

Section 13.01 Eminent Domain; Cancellation. If, at any time during the continuance of this Lease, the Demised Premises or any portion thereof is taken, appropriated or condemned by reason of eminent domain, there shall be such division of the proceeds and awards in such condemnation proceedings and such abatement of the Rent and other adjustments made as shall be just and equitable under the circumstances. If the Lessor and the Lessee are unable to agree upon what division, annual abatement of Rent or other adjustments as are just and equitable, within thirty (30) days after such award has been made, then the matters in dispute shall be determined in accordance with mediation according to the rules of the 16th Judicial Circuit in Monroe County. Such determination made by the mediation shall be binding on the parties. If the legal title to the entire Demised Premises be wholly taken by condemnation, the Lease shall be cancelled.

Section 13.02 Apportionment. Although the title to the building and improvements placed by the Lessee upon the Demised Premises will on the Termination Date pass to the Lessor, nevertheless, for purpose of condemnation, the fact that the Lessee placed such buildings on the Demised Premises shall be taken into account, and the deprivation of the Lessee's use (and any use of a Sublessee) of such buildings and improvements shall, together with the Term of the Lease remaining, be an item of damage in determining the portion of the condemnation award to which the Lessee or Sublessee is entitled. In general, it is the intent of this Section that, upon condemnation, the parties hereto shall share in their awards to the extent that their interests, respectively, are depreciated, damaged, or destroyed by the exercise of the right of eminent domain. In this connection, if the condemnation is total, the parties agree that the condemnation award shall be allocated so that the then value of the property, as though it were unimproved property, shall be allocated to the Lessor, and the then value of the building or buildings thereon shall be allocated between the Lessor and Lessee after giving due consideration to the number of years remaining in the Term of this Lease and the condition of the buildings at the time of condemnation. The Lessee shall not be precluded from any condemnation remedy otherwise available to it by law.

ARTICLE XIV

Construction

Section 14.01 Requirement to Construct Project.

(a) Initial Lessee shall commence construction of the Project by the earlier of one hundred twenty (120) days after the issuance of the building permits for the construction of the Project or June 1, 2011, and shall substantially complete construction of all 14 units within eighteen (18) months thereafter. Certificates of occupancy shall be issued for all fourteen (14) units no later than August 1, 2012. The foregoing limitation of time for the completion of the Project may be extended by written agreement between the parties hereto.

(b) During the course of construction of the Project, Initial Lessee shall provide to the Lessor quarterly written status reports on the Project. The Lessor and Initial Lessee shall allow and permit reasonable access to, and inspection of, all documents, papers, letters or other materials in their possession or under their control where such information is subject to public disclosure under the provisions of Chapter 119, F.S., or successor or supplemental statutes. However, nothing contained herein shall be construed to render documents or records of Initial Lessee or any other persons that would not be deemed public records under Chapter 119 to be such records only because of this provision. Lessees (but not individual sublessees occupying an Affordable Housing Unit as their primary residence) shall maintain all books, records, and documents directly pertinent to performance under this Lease in accordance with generally accepted accounting principles consistently applied. The County Clerk, State Auditor, or a designee of said officials or of the Lessor, shall, during the term of this Agreement and for a period of five (5) years from the date of termination of this Agreement, have access to and the right to examine and audit

any Records of the Lessee involving transactions related to this Agreement.

(c) The Project shall be constructed in accordance with the requirements of all laws, ordinances, codes, orders, rules and regulations of all governmental entities having jurisdiction over the Project, including, but not limited to, the Lessor.

(d) The Initial Lessee shall apply for and prosecute, with reasonable diligence, all necessary approvals, permits and licenses required by applicable governmental authorities for the construction, development, zoning, use and occupation of the Project. Lessor agrees to cooperate with and publicly support the Initial Lessee's effort to obtain such approvals, permits and licenses, provided that such approvals, permits and licenses shall be obtained at Initial Lessee's sole cost and expense. Nothing in this Lease is intended to or shall be construed to obviate or lessen any requirements for customary development approvals from any permitting authority, including the Lessor. Nothing in this Lease shall be construed as the Lessor's delegation or abdication of its zoning authority or powers and no zoning approval that Initial Lessee may require to complete its performance under this Lease has been or shall be deemed agreed to, promise or contracted for by this Lease.

(e) Construction of the Project on the Demised Premises prior to and during the Term of this Lease shall be performed in a good and workmanlike manner, pursuant to written contracts with licensed contractors and in accordance with any and all requirements of local ordinances and with all rules, regulations and requirements of all departments, boards, officials and authorities having jurisdiction thereof. It is understood and agreed that the plans and specifications for all construction shall be prepared by duly qualified architects/engineers licensed in the State of Florida.

(f) At all times and for all purposes hereunder, the Initial Lessee is an independent contractor/lessee and not an employee of the Board of County Commissioners of Monroe County or any of its agencies or departments. No statement contained in this Lease shall be construed as to find the Initial Lessee or any of its employees, contractors, servants or agents to be employees of the Board of County Commissioners of Monroe County, and they shall be entitled to none of the rights, privileges or benefits of County employees. No covenant or agreement contained herein shall be deemed to be a covenant or agreement of any member, officer, agent or employee of Monroe County or the Initial Lessee or Lessee in his or her individual capacity, and no member, officer, agent or employee of Monroe County or the Initial Lessee or Lessee shall be liable personally on this Lease or be subject to any personal liability or accountability by reason of the execution of this Lease.

(g) Initial Lessee agrees that it will not discriminate against any employees, applicants for employment, prospective Sublessees or other prospective future subinterest holders or against persons for any other benefit or service under this Lease because of their race, color, religion, sex, sexual orientation, national origin, or physical or mental handicap where the handicap does not affect the ability of an individual to perform in a position of employment, and to abide by all federal and state laws regarding non-discrimination.

(h) Lessee shall be entitled during the full term of this Lease to make alterations

to the Demised Premises in accordance with the requirements set forth in sub-paragraph (e), above.

14.02 Access to the Project and Inspection. The Lessor or its duly appointed agents shall have the right, at all reasonable times upon the furnishing of reasonable notice under the circumstances (except in an emergency, when no notice shall be necessary), to enter upon the common area of the Leased Premises to examine and inspect said area to the extent that such access and inspection are reasonably justified to protect and further the Lessor's continuing interest in the Demised Premises, as determined in Lessor's reasonable discretion. Lessor's designees, for purposes of this Article 14.02, shall include city, county or State code or building inspectors, and the like, without limitation. Initial Lessee shall permit building and code inspectors' access customary to the performance of their duties related to projects of the nature contemplated herein, said notice requirements notwithstanding.

14.03 Forced Delay in Performance. Notwithstanding any other provisions of this Lease to the contrary, the Initial Lessee shall not be deemed to be in default under this Lease where delay in the construction or performance of the obligations imposed by this Lease are caused by war, revolution, labor strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions, embargoes, litigation (excluding litigation between the Lessor and the Initial Lessee), tornadoes, hurricanes, tropical storms or other severe weather events, or inability to obtain or secure necessary labor, materials or tools, delays of any contractor, subcontractor, or supplier, or unreasonable acts or failures to act by the Lessor, or any other causes beyond the reasonable control of the Initial Lessee, except financing delays or delays caused by economic conditions. The time of performance hereunder shall be extended for the period of any forced delay or delays caused or resulting from any of the foregoing causes.

14.04 Easements. Lessee shall be authorized to grant reasonable and necessary easements for access and utilities customary for similar land uses and construction projects in Monroe County subject to Lessor's attorney's review and approval for substance and form of easement instruments, which approval shall not be unreasonably withheld, delayed or conditioned. Lessor shall make objection to any proposed easement instruments within fifteen (15) business days of receipt of copies thereof, or Lessor's approval shall be deemed granted.

ARTICLE XV

Mortgage Financing

Section 15.01 Construction Financing By Initial Lessee. Initial Lessee shall have the right to mortgage its interests in the Demised Premises.

(a) The Initial Lessee shall have the right to encumber by mortgage or other proper instrument Initial Lessee's interest under this Lease, together with all buildings and improvements placed by Initial Lessee on the Demised Premises, a Federal or State Savings & Loan Association, Bank or Trust Company, Insurance Company, Pension Fund or Trust (or to another private lender so long as the terms and conditions of the

financing from private lender are on substantially similar terms to those then existing by the other lenders referred to in this Section), or to similar lending institutions authorized to make leasehold mortgage loans in the State of Florida, or to any public or quasi-public lender.

(b) Until the time any leasehold mortgage(s) shall be satisfied of record, when giving notice to the Initial Lessee with respect to any default under the provisions of this Lease, the Lessor shall also serve a copy of such notice upon the Initial Lessee's leasehold mortgagee(s) at addresses for notice set forth in the mortgage instrument(s) (including assignments thereof) as recorded in the Public Records of Monroe County, Florida. No such notice to the Initial Lessee shall be deemed to have been given unless a copy of such notice has been mailed to such leasehold mortgagee(s), which notice must specify the nature of each such default. Initial Lessee shall provide Lessor with written notice of the book and page number of the Public Records of Monroe County, Florida for each mortgage by which it encumbers the Demised Premises, including modifications and assignments thereof.

(c) In case the Initial Lessee shall default under any of the provisions of this Lease, the Initial Lessee's leasehold mortgagee(s) shall have the right to cure such default whether the same consists of the failure to pay Rent or the failure to perform any other matter or thing which the Initial Lessee is required to do or perform and the Lessor shall accept such performance on the part of the leasehold mortgagee(s) as though the same had been done or performed by the Initial Lessee. The leasehold mortgagee(s), upon the date of mailing by Lessor of the notice referred to in subparagraph (b) of this Section 15.01 shall have, in addition to any period of grace extended to the Initial Lessee under the terms and conditions of this Lease for a non-monetary default, a period of sixty (60) days within which to cure any non-monetary default or cause the same to be cured or to commence to cure such default with diligence and continuity; provided, however, that as to any default of the Initial Lessee for failure to pay Rent, or failure to pay any amount otherwise required under the terms of this Lease (e.g., including, but not limited to, taxes or assessments), the leasehold mortgagee(s) shall have thirty (30) days from the date the notice of default was mailed to the mortgagee(s) within which to cure such default.

(d) In the event of the termination of this Lease with Initial Lessee for defaults described in this Article XV, or of any succeeding Lease made pursuant to the provisions of this Section 15.01(d) prior to the cure provisions set forth in Section 15.01(c) above, the Lessor will enter into a new Lease of the Demised Premises with the Initial Lessee's leasehold mortgagee(s), or, at the request of such leasehold mortgagee(s), to a corporation or other legal entity formed by or on behalf of such leasehold mortgagee(s) or by or on behalf of the holder of the note secured by the leasehold mortgage, for the remainder of the term, effective on the date of such termination, at the Rent and upon the covenants, agreements, terms, provisions and limitations contained in this Lease, provided that such leasehold mortgagee(s) make written request and execute, acknowledge and deliver to the Lessor such new Lease within thirty (30) days from the date of such termination and such written request and such new Lease is accompanied by payment to the Lessor of all amounts then due to the Lessor, including reasonable counsel fees, court costs and disbursements incurred by the Lessor in connection with any such default and

termination as well as in connection with the execution, delivery and recordation of such new Lease, less the net income collected by the Lessor subsequent to the date of termination of this Lease and prior to the execution and delivery of the new Lease, and any excess of such net income over the aforesaid sums and expenses to be applied in payment of the Rent thereafter becoming due under such new Lease.

Any new Lease referred to in this Section 15.01(d) shall not require any execution, acknowledgement or delivery by the Lessor in order to become effective as against the Lessee (or any Sublessees) and the Lessee (and any Sublessees) shall be deemed to have executed, acknowledged and delivered any such new Lease immediately upon receipt by the Lessor; and such new Lease shall be accompanied by (i) payment to the Lessor of all amounts then due to the Lessor of which the leasehold mortgagee(s) shall theretofore have received written notice; and (ii) an agreement by the leasehold mortgagee(s) to pay all other amounts then due to the Lessor of which the leasehold mortgagee(s) shall not theretofore have received written notice. In addition, immediately upon receipt by the Lessor such new Lease, as provided in this Section 15.01(d), the Lessor, where appropriate to the circumstances, shall be deemed to have executed, acknowledged and delivered to the leasehold mortgagee(s) an assignment of all Subleases covering the Demised Premises which theretofore may have been assigned and transferred to the Lessor and all Subleases under which Sublessees shall be required to attorn to the Lessor pursuant to the terms and conditions of such Subleases or this Lease. Such assignment by the Lessor shall be deemed to be without recourse as against the Lessor. Within ten (10) days after a written request therefore by the leasehold mortgagee(s), such assignment or assignments shall be reduced to a writing in recordable form and executed, acknowledged and delivered by the Lessor to the leasehold mortgagee(s).

(e) The Initial Lessee's leasehold mortgagee(s) may become the legal owner and holder of this Lease by foreclosure of its(their) mortgage(s) or as a result of the assignment of this Lease in lieu of foreclosure, which shall not require Lessor's consent, whereupon such leasehold mortgagee(s) shall immediately become and remain liable under this Lease as provided in Section 15.01(f) below.

(f) In the event that a leasehold mortgagee shall become the owner or holder of the Lessee's interest by foreclosure of its mortgage or by assignment of this Lease in lieu of foreclosure or otherwise, the term "Initial Lessee," as used in this Lease, means only the owner or holder of the Lessee's interest for the time period that such leasehold mortgagee is the owner or holder of the Lessee's interest. Accordingly, in the event of a sale, assignment or other disposition of the Initial Lessee's interest in this Lease by the leasehold mortgagee, where leasehold mortgagee took title or ownership of or to any or all of the Initial Lessee's interest in the Lease and/or any portion of the Demised Premises as a result of foreclosure or acceptance of an assignment in lieu thereof, the leasehold mortgagee shall be entirely freed and relieved of all covenants and obligations of performance relating to construction, marketing and transfer to Sublessees and it shall be deemed and construed, without further agreement between the Lessor and the mortgagee, or between the Lessor, the mortgagee and the mortgagee's purchaser or assignee at any such sale or upon assignment of Initial Lessee's interest by the leasehold mortgagee, that the purchaser or assignee of Initial Lessee's interest has assumed and agreed to carry out any and all

covenants and obligations of Initial Lessee, including but not limited to the construction, maintenance and management of the Affordable Housing Units contemplated herein. In no event shall any protections afforded the leasehold mortgagee under this Lease be construed to permit eventual use of the Demised Premises for purposes inconsistent with this Lease or the Affordable Restrictions.

(g) Within ten (10) days after Lessor's receipt of written request by Initial Lessee or by Initial Lessee's leasehold mortgagee(s), or after receipt of such written request in the event that upon any sale, assignment or mortgaging of Initial Lessee's interest in this Lease by Initial Lessee or Initial Lessee's leasehold mortgagee(s), an offset payment shall be required from the Lessor, and the Lessor agrees to deliver a recordable certificate to any proposed leasehold mortgagee(s), purchaser(s), assignee(s) or to Initial Lessee, certifying (if such be the case) (i) that this Lease is in full force and effect; (ii) that the Lessor has no knowledge of any default under this Lease, or if any default exists, specifying the nature of the default; and (iii) that there are no defenses or offsets which are known and may be asserted by the Lessor against the Lessee with respect to any obligations pursuant to this Lease.

(h) The Initial Lessee's interest in this Lease shall be mortgaged to a leasehold mortgagee(s), that the Lessor and the Lessee agree for the benefit of such leasehold mortgagee(s), that the Lessor shall not sell, grant or convey to the Initial Lessee all or any portion of the Demised Premises without the prior written consent of such leasehold mortgagee(s), nor shall they curtail, abridge, suspend, terminate, or accept a surrender of this Lease or any part of it, nor shall they otherwise modify this Lease or accept material prepayments of instalments of Rent or any other obligations which may become due without the prior written consent of such mortgagee(s) in each instance.

(i) Reference in this Lease to acquisition of the Initial Lessee's interests in this Lease by the leasehold mortgagee(s) shall be deemed to refer, where circumstances require, to acquisition of the Initial Lessee's interest in this Lease by any purchaser at a sale of foreclosure by the leasehold mortgagee(s) and provisions applicable to the leasehold mortgagee(s) in such instance or instances shall also be applicable to any such purchaser(s).

(j) So long as the Initial Lessee's interest in this Lease shall be mortgaged to a leasehold mortgagee(s), the parties agree for the benefit of such leasehold mortgagee(s) that the Lessor shall not sell, grant or convey to the Initial Lessee all or any portion of the Lessor's fee simple title to the Demised Premises without the prior written consent of such leasehold mortgagee(s). In the event of any such sale, grant or conveyance by the Lessor to the Initial Lessee, the Lessor and the Lessee agree that no such sale, grant or conveyance shall create a merger of this Lease into a fee simple title to the Demised Premises. This subparagraph (j) shall not be construed to prevent a sale, grant or conveyance of the Lessor's fee simple title by the Lessor to any person, firm or corporation other than the Initial Lessee, its successors, legal representatives and assigns, so long as this Lease is not terminated.

(k) Reference in this Lease to the Initial Lessee's leasehold mortgagee(s) shall be deemed to refer where circumstances require to the leasehold mortgagee(s)'s assignee(s); provided that such assignee(s) shall record proper assignment instruments in the Public Records of Monroe County, Florida, together with written notice setting forth the name and address of the assignee(s).

(l) In conjunction and contemporaneously with the sale or transfer of each Affordable Housing Unit, leasehold mortgagee(s) shall make arrangement to ensure the release of any and all applicable portions of its (their) mortgage(s) on the entire Demised Premises so as to grant clear title to the Sublessee. The details and release payment requirements shall remain within the reasonable business discretion of the Initial Lessee and the leasehold mortgagee(s).

(m) Lessor shall be entitled, in the event of any of the foregoing circumstances or events set forth in this Paragraph 15.01, to elect to deal primarily or exclusively with a mortgagee whose position is primary or in first order of priority with respect to foreclosable interests or rights according to the laws of the State of Florida or as contractually agreed by and among multiple mortgagees, where there are such.

Section 15.02 Permitted Mortgages for Sublessees (Unit Owners). The Lessee shall incorporate the following into its sublease:

The individual Affordable Housing Unit Owners/Sublessees shall have the right to encumber by mortgage their interests in any Sublease, improvements or any associated portions of the Demised Premises related to their interests in the individual Affordable Housing Units to a Federal or State Savings Loan Association, Bank, Trust Company or similar lending institution, subject to the following requirements:

(a) The mortgage(s) encumbering the Affordable Housing Unit shall not exceed 100% of the maximum allowable sale price of the Affordable Housing Unit as set forth in the Affordable Restrictions;

(b) Sublessees shall not be entitled to mortgage their respective leasehold interests in the event the terms of the note, which is secured by the mortgage, may result in negative amortization, unless otherwise approved by Lessor;

(c) For informational and record keeping purposes, Sublessees shall present to Lessor (i) a copy of approval(s) for loans encumbering their Affordable Housing Unit within five (5) business days after such loans are approved, and (ii) no sooner than five (5) business days before the scheduled loan closing date, a copy of the owner's and/or any lender's title insurance commitment. Lessor's failure to approve or object to any of the foregoing documents prior to the closing of a relevant loan shall not preclude closing of the relevant loan and shall not constitute an opinion or confirmation by Lessor that the corresponding loans or title insurance policies comply with or conform to the requirements of this Lease or the Affordable Restrictions, nor constitute any waiver or relinquishment of Lessor's rights to enforce same;

(d) In the event of foreclosure sale by a Sublessee's mortgagee or the delivery of an assignment or other conveyance to a Sublessee's mortgagee in lieu of foreclosure with respect to any real property subject to the provisions of this Lease, said mortgagee, or the purchaser at foreclosure, shall comply with the provisions of Article XII. No sale of any Affordable Housing Unit shall be permitted at an amount in excess of that allowed under the Affordable Restrictions and shall otherwise fully comply with all applicable Affordable Restrictions. Any Affordable Housing Unit accepted in lieu of foreclosure or as to which a mortgagee intends to foreclose shall be subject to the Lessor's right of first refusal as set forth in Article 12.05. Nothing herein shall preclude potential purchasers approved by Lessor from bidding at any foreclosure sale and, where successful, purchasing the subject Affordable Housing Unit at the foreclosure sale price in accordance with Article XII; and

(e) The parties recognize that it would be contrary to the fundamental affordable housing concept of this Lease and an incentive to abuse Sublessee's authorization to encumber its leasehold interest with a mortgage if Sublessee could realize more in loan or sale proceeds than their permitted purchase or resale price as a result of any transaction. Accordingly, Sublessee hereby irrevocably assigns to Lessor (or the Monroe County Housing Authority or other Lessor designee) any and all net proceeds from the sale of any interest in the Demised Premises remaining after payment of costs of foreclosure and satisfaction of the lien of any mortgage which would have otherwise been payable to Sublessee, to the extent such net proceeds exceed the net proceeds that Sublessee would have received had the interests been sold pursuant to the Affordable Restrictions. Sublessee hereby authorizes and instructs the mortgagee or any party conducting the closing of a sale or through an unauthorized transfer to pay the amount of said excess directly to Lessor. In the event, for any reason, such excess proceeds are paid to Sublessee, Sublessee hereby agrees to promptly pay the amount of such excess to Lessor.

ARTICLE XVI

Default

Section 16.01 Notice of Default. Lessee shall not be deemed to be in default under this Lease in the payment of Rent or the payment of any other monies as herein required unless Lessor shall first give to Lessee and any mortgagees ten (10) days written notice of such default and Lessee or any other party on its behalf fails to cure such default within ten (10) days of verifiable receipt of said notice.

Except as to the provisions or events referred to in the preceding paragraph of this Section, Lessee and Mortgagees shall not be deemed to be in default under this Lease unless Lessor shall first give to Lessee and Mortgagees thirty (30) days written notice of such default, and Lessee fails to cure such default within the immediate thirty (30) day period thereafter, or, if the default is of such a nature that it cannot be cured within thirty (30) days, Lessee fails to commence to cure such default within such period of thirty (30) days or fails thereafter to proceed to the curing of such default with all possible diligence. Mortgagees shall be entitled to cure Lessee defaults on the same terms and conditions as the Lessee.

Regardless of the notice and cure periods provided herein, in the event that more rapid action is required to preserve any right or interest of the Lessor in the Demised Premises due to any detrimental event or occurrence (such as, but not limited to, payment of insurance premiums, actions to prevent construction or judgment lien foreclosures or tax sales), then the Lessor is empowered to take such action and to request reimbursement or restoration from the Lessee as appropriate.

Section 16.02 Default. In the event of any material breach of this Lease by Lessee, Lessor, and after the necessary notice and cure opportunity provided to Initial Lessee and other parties, in addition to the other rights or remedies it may have, shall have the immediate right to terminate this Lease according to law. In any action by Lessor asserting a violation of the Affordable Restrictions, Lessee shall have the burden of proof with respect to such matter. Termination of the Lease, under such circumstances, shall constitute effective, full and immediate conveyance and assignment to Lessor of all of the Demised Premises, improvements and materials and redevelopment rights to and associated with the Demised Premises and the Project, subject to mortgagee protection as provided herein. Furthermore, in the event of any breach of this Lease by Lessee, Lessor, in addition to the other rights or remedies it may have, shall have the immediate right of re-entry (as may be lawfully conditioned per application of Chapter 83, Florida Statutes, as amended) and may remove all persons and personal property from the affected portions of the Demised Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee, or where statutory abandonment or unclaimed property law permits, disposed of in any reasonable manner by Lessor without liability or any accounting therefore.

Included in this right of reentry, and subject to Initial Lessee's rights, if any, shall be any instance wherein a Sublessee renounces the Lease or a Sublease or abandons all or any portion of the Demised Premises, in which case Lessor may, at its option, in an appropriate case and subject to any rights of a mortgage holder, obtain possession of the abandoned property in any manner allowed or provided by law, and may, at its option, re-let the repossessed property for the whole or any part of the then unexpired term, receive and collect all Rent payable by virtue of such reletting, and hold Sublessee liable for any difference between the Rent that would have been payable under this Lease and the net Rent for such period realized by Lessor, by means of such reletting. However, such Lessor rights shall not abrogate a mortgagee's rights to the extent those rights do not conflict with or injure Lessor's interests as established under this Lease. Personal property left on the premises by a Sublessee may be stored, sold, or disposed of by Lessor, and Lessor accepts no responsibility other than that imposed by law.

Should Lessor elect to re-enter, as herein provided, or should Lessor take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Lessor may either terminate this Lease or it may from time to time, without terminating this Lease, re-let the Demised Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such Rent or Rents and on such other terms and conditions as Lessor in its sole reasonable discretion may deem advisable with the right to make alterations and repairs to the Demised Premises. On each such re-letting Lessee shall be immediately liable to pay to Lessor, in addition to any indebtedness other than Rent due under this Lease, the expenses of such re-letting and of such alterations and repairs, incurred by Lessor, and the amount, if any, by which the Rent reserved in this Lease for the period of such re-letting (up to but not beyond the term of this Lease) exceeds the amount agreed to be paid as Rent for the Demised Premises for such period of such re-letting.

Notwithstanding any such re-letting without termination, Lessor may at any time thereafter elect to terminate this Lease for such previous breach. Should Lessor at any time terminate this Lease for any breach, in addition to any other remedy it may have, Lessor may recover from Lessee all damages incurred by reason of such breach, including the cost of recovering the Demised Premises, which amounts shall be immediately due and payable from Lessee to Lessor.

Section 16.03 Lessor's Right to Perform. In the event that Lessee, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease and such failure shall continue for a period of thirty (30) days after receipt of written notice from Lessor specifying the nature of the act or thing to be done or performed, then Lessor may, but shall not be required to, do or perform or cause to be done or performed such act or thing (entering on the Demised Premises for such purposes, with notice, if Lessor shall so elect), and Lessor shall not be or be held liable or in any way responsible for any loss, inconvenience or annoyance resulting to Lessee on account thereof, and Lessee shall repay to Lessor on demand the entire expense thereof, including compensation to the agents and employees of Lessor. Any act or thing done by Lessor pursuant to the provisions of this section shall not be construed as a waiver of any such default by Lessee, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Lessor, hereunder or otherwise. All amounts payable by Lessee to Lessor under any of the provisions of this Lease, if not paid when the amounts become due as provided in this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law. Lessor shall have the same rights set forth in this Section with respect to any future subinterest holder's respective portion of the Demised Premises.

Section 16.04 Default Period. All default and grace periods shall be deemed to run concurrently and not consecutively.

Section 16.05. Affordable Restrictions. In the event the Lessee or sublessee fails to comply with the Affordable Restrictions at any given time or any portion of the Demised Premises is used for purposes other than affordable housing by an interest holder of such portion, as they pertain to their respective interests in or portions of the Demised Premises,

such an occurrence will be considered a material default by the offending party. Should the foregoing type of use default occur with respect to only one or more subtenants' portion(s) of the Demised Premises, then the default termination provisions provided for in this subsection, shall apply only to those subtenant(s) and sublease(s) in default. In the foregoing event, Lessor (or the Initial Lessee (or its assigns) in the event of and with respect only to a default by a particular Sublessee) may terminate the subleases and tenancies involved, as the case may be, subject to Lessor's compliance with any applicable default notice provisions provided elsewhere in this Lease and Lessee's, and Mortgagees applicable cure rights, if any. Lessee hereby agrees that all occupants shall use the Leased Premises and Improvements for affordable residential purposes only and any incidental activities related to the residential use as well as any other uses that are permitted by applicable zoning law and approved by Lessor.

ARTICLE XVII

Repair Obligations

Section 17.01 Repair Obligations. During the continuance of this Lease the Lessee, and every Sublessee with respect to their leased or purchased portions of the Demised Premises, shall keep in good state of repair any and all buildings, furnishings, fixtures, landscaping and equipment which are brought or constructed or placed upon the Demised Premises by the Lessee, and the Lessee shall not suffer or permit any strip, waste or neglect of any building or other property to be committed, except for that of normal wear and tear. The Lessee will repair, replace and renovate such property as often as it may be necessary in order to keep the buildings and other property which is the subject matter of this Lease in first class repair and condition. Additionally, Lessor shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning or water or to make any repairs to the premises or to the Affordable Housing Units.

ARTICLE XVIII

Additional Covenants of Lessee/Lessor

Section 18.01 Legal Use. The Lessee covenants and agrees with the Lessor that the Demised Premises will be used primarily for the construction and operation of affordable housing dwelling unit(s) and for no other purposes whatsoever without Lessor's written consent.

Section 18.02 Termination. Upon termination of this Lease, the Lessee will peaceably and quietly deliver possession of the Demised Premises, unless the Lease is extended as provided herein. Therefore, Lessee shall surrender the improvements together with the leased premises. Ownership of some or all improvements shall thereupon revert to Lessor.

Section 18.03 Recovery of Litigation Expense. In the event of any suit, action or proceeding, at law or in equity, by either of the parties hereto against the other, or any other person having, claiming or possessing any alleged interest in the Demised Premises, by reason of any matter or thing arising out of or relating to this Lease, including any eviction proceeding, the prevailing party shall recover not only its legal costs, but reasonable attorneys' fees including appellate, bankruptcy and post-judgment collection proceedings for the maintenance or defense of said action or suit, as the case may be. Any judgment rendered in connection with any litigation arising out of this Lease shall bear interest at the highest rate allowed by law. Lessor may recover reasonable legal and professional fees attributable to administration, enforcement and preparation for litigation relating to this Lease or to the Affordable Restrictions from any person or persons from or to whom a demand or enforcement request is made, regardless of actual initiation of an action or proceeding.

Section 18.04 Condition of the Demised Premises. Lessee agrees to accept the Demised Premises in its presently existing condition "as-is". It is understood and agreed that the Lessee has determined that the Demised Premises are acceptable for its purposes and hereby certifies same to Lessor. Lessee, at its sole cost and expense, shall bring or cause to be brought to the Demised Premises adequate connections for water, electrical power, telephone, stormwater and sewage and shall arrange with the appropriate utility companies for furnishing such services with no obligation therefore on the part of Lessor. The Lessor makes no express warranties and disclaims all implied warranties. Lessee accepts the property in the condition in which it currently is without representation or warranty, express or implied, in fact or by law, by the Lessor, and without recourse to the Lessor as to the nature, condition or usability of the Demised Premises, or the uses to which the Demised Premises may be put. The Lessor shall not be responsible for any latent defect or change of condition in the improvements and personalty, or of title, and the Rent hereunder shall not be withheld or diminished on account of any defect in such title or property, any change in the condition thereof, any damage occurring thereto, or the existence with respect thereto of any violations of the laws or regulations of any governmental authority.

Section 18.05 Hazardous Materials. Lessee, its Sublessees and assignees shall not permit the presence, handling, storage or transportation of hazardous or toxic materials or medical waste ("hazardous waste") in or about the Demised Premises, except in strict compliance with all laws, ordinances, rules, regulations, orders and guidelines of any government agency having jurisdiction and the applicable board of insurance underwriters. In no event shall hazardous waste be disposed of in or about the Demised Premises. For purposes herein, the term hazardous materials or substances shall mean any hazardous, toxic or radioactive substance material, matter or waste which is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement and shall include petroleum products and asbestos as well as improper or excessive storage or use of common household cleaning and landscaping chemicals, pesticides, batteries and the like, and those materials defined as hazardous substance or hazardous waste in the Comprehensive Environmental Response Compensation and Liability Act and/or the Resource Conservation and Recovery Act.

Lessee shall notify Lessor immediately of any known discharge or discovery of any hazardous waste at, upon, under or within the Demised Premises. Lessee shall, at its sole cost and expense, comply with all remedial measures required by any governmental agency having jurisdiction, unless such discharge is caused by Lessor or any of its agents or employees.

Lessor and Initial Lessee hereby warrant and represent that to the best of their knowledge, the Demised Premises is free of any hazardous waste. Lessor shall be liable for environmental damages according to the extent made so by law for periods following its taking possession of the Demised Premises upon the Effective Date.

Section 18.06 Recordation. Lessee, or Lessor at Lessee's expense, shall within five (5) business days after execution of this Lease record a complete, true and correct copy of the Lease and any addenda or exhibits thereto and any Related Agreement(s) in the Public Records of Monroe County, Florida and shall provide Lessor with the written Clerk's receipt of the book and page number where recorded and the original Lease and Related Agreement(s) after recordation.

ARTICLE XIX

Representations, Warranties of Title and Quiet Enjoyment and No Unlawful or Immoral Purpose or Use

Section 19.01 Representations, Warranties of Title and Quiet Enjoyment. Lessor represents and warrants that to its knowledge, there are no material claims, causes of action or other proceedings pending or threatened in respect to the ownership, operation or environmental condition of the Demised Premises or any part thereof. Additionally, the Lessor and Lessee covenant and agree that so long as the Lessee keeps and performs all of the covenants and conditions required by the Lessee to be kept and performed, the Lessee shall have quiet and undisturbed and continued possession of the Demised Premises from claims by Lessor.

Section 19.02 No Unlawful or Immoral Purpose or Use. The Lessee, as long as it has any interest in or to any portion of the Demised Premises, shall not occupy or use such portion for any unlawful or immoral purpose and will, at Lessee's sole cost and expense during such period of interest, conform to and obey any present or future ordinance and/or rules, regulations, requirements and orders of governmental authorities or agencies respecting the use and occupation of the Demised Premises.

ARTICLE XX

Miscellaneous

Section 20.01 Covenants Running with Land. All covenants, promises, conditions and obligations contained herein or implied by law are covenants running with the land and, except as otherwise provided herein, shall attach and bind and inure to the benefit of

the Lessor and Lessee and their respective heirs, legal representatives, successors and assigns, though this provision shall in no way alter the restrictions on assignment and subletting applicable to Lessee hereunder. The parties agree that all covenants, promises, conditions, terms, restrictions and obligations arising from or under this Lease and the Affordable Restrictions benefit and enhance the communities and neighborhoods of Monroe County and the private and public lands thereof, and have been imposed in order to assure these benefits and enhancements for the full Term of this Lease. It is intended, where appropriate and to serve the public purposes to be furthered by this Lease, that its provisions be construed, interpreted, applied and enforced in the manner of what is commonly referred to as a "deed restriction."

Section 20.02 No Waiver. Time is of the essence in the performance of the obligations of the parties hereto. No waiver of a breach of any of the covenants in this Lease shall be construed to be a waiver of any succeeding breach of the same covenant.

Section 20.03 Written Modifications. No modification, release, discharge or waiver of any provisions hereof shall be of any force, effect or value unless in writing signed by the Lessor and Lessee, or their duly authorized agents or attorneys, and signed also by any mortgagee or their duly authorized agents or attorneys, as long as such mortgagee has both (i) filed in Public Records of Monroe County, Florida, a "Certificate of Notice" of their interest in this Lease and or the Demised Premises, said certificate setting forth complete and current contact information, the real estate parcel number assigned to the Demised Premises and the O.R. Records Book and Page Number of the first recorded page of this Lease, and (ii) provided a copy of the recorded certificate to the Lessor at its notice address(es) via certified mail, return receipt requested, or by national overnight tracked and delivery-receipt courier service, and unless otherwise required to be "received", it shall be deemed given when deposited in the United States mails or with the courier service with postage or courier fees prepaid. .

Section 20.04 Entire Agreement. This Lease, including the Preamble and any written addenda and all exhibits hereto (all of which are expressly incorporated herein by this reference) shall constitute the entire agreement between the parties with respect to this instrument as of this date. No prior written lease or prior or contemporaneous oral promises or representations shall be binding.

Section 20.05 Notices. If either party desires to give notice to the other in connection with and/or according to the terms of this Lease, such notice shall be given by certified mail return receipt requested or by national overnight tracked and delivery-receipt courier service, and unless otherwise required to be "received", it shall be deemed given when deposited in the United States mails or with the courier service with postage or courier fees prepaid. Nothing herein contained shall be construed as prohibiting the parties respectively from changing the place at which notice is to be given, or the addition of one additional person or location for notices to be given, but no such change shall be effective unless and until it shall have been accomplished by written notice given in the manner set forth in this Section. Notification of default or requests to modify this Lease shall also be provided according to the foregoing methods to any mortgagee of the Lessee that has complied with the provisions of Section 20.03, above. Notification to Lessor and Initial

Lessee shall be as set forth herein, to both of the following offices, unless a different method is later directed as prescribed herein or by the Affordable Restrictions:

<p>Initial Lessee: mail Habitat for Humanity of the Upper Keys, Inc. PO Box 2151 Key Largo, FL 33037</p> <p>Courier: 98970 Overseas Hwy Key Largo, FL 33037</p>	<p>Lessor:</p> <p>County Administrator Monroe County Gato Building 1100 Simonton Street Key West, FL 33040</p> <p>and</p> <p>MONROE COUNTY ATTORNEY PO Box 1026 Key West, Florida 33041 Tel. 305-292-3470</p>
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Section 20.06 Joint Liability. If the parties upon either side (Lessor and Lessee) consist of more than one person, such persons shall be jointly and severally liable on the covenants of this Lease.

Section 20.07 Liability Continued; Lessor Liability. All references to the Lessor and Lessee mean the persons who, from time to time, occupy the positions, respectively, of Lessor and Lessee. In the event of an assignment of this Lease by the Lessor, except for liabilities that may have been incurred prior to the date of the assignment or as specifically dealt with differently herein, the Lessor's liability under this Lease shall terminate upon such assignment. In addition, the Lessor's liability under this Lease, unless specifically dealt with differently herein, shall be at all times limited to the Lessor's interest in the Demised Premises.

Section 20.08 Captions. The captions used in this Lease are for convenience of reference only and in no way define, limit or describe the scope or intent of or in any way affect this Lease.

Section 20.09 Table of Contents. The index preceding this Lease under the same cover is for the purpose of the convenience of reference only and is not to be deemed or construed in any way as part of this Lease, nor as supplemental thereto or amendatory thereof.

Section 20.10 Governing Law, Venue. This Agreement shall be construed under the laws of the State of Florida, and the venue for any legal proceeding to enforce or determine the terms and conditions of this Lease shall be in Circuit Court for the 16th Judicial Circuit, Monroe County, Florida.

Section 20.11 Holding Over. Any holding over after the expiration of the Term of

this Lease, with consent of Lessor, shall be construed to be a tenancy from month to month, at twice the monthly Rent as required to be paid by Lessee for the period immediately prior to the expiration of the Term hereof, and shall otherwise be on the terms and conditions herein specified, so far as applicable.

Section 20.12 Brokers. Lessor and Lessee covenant, warrant and represent that no broker was instrumental in consummating this Lease, and that no conversations or negotiations were had with any broker concerning the renting of the Demised Premises. Lessee and Lessor agree to hold one another harmless from and against, and agree to defend at its own expense, any and all claims for a brokerage commission by either of them with any brokers.

Section 20.13 Partial Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall at any time or to any extent be held invalid or unenforceable, the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby.

Section 20.14 Force Majeure. If either party shall be delayed, hindered or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor trouble, inability to procure material, failure of power, riots, insurrection, severe tropical or other severe weather events, war or other reasons of like nature not the fault of the party delayed, in performing work or doing acts required under this Lease, the period for the performance of any such act shall be extended for a reasonable period. Economic hardship or economic conditions shall not be considered a basis for such extension.

Section 20.15 Lessor/Lessee Relationship. Non-Reliance by Third Parties. This Lease creates a lessor/lessee relationship, and no other relationship, between the parties. This Lease is for the sole benefit of the parties hereto and, except for assignments or Subleases permitted hereunder and to the limited extent thereof, no other person or entity shall be a third party beneficiary hereunder. Except as expressly provided under this Lease or under the Affordable Restrictions, no person or entity shall be entitled to rely upon the terms, or any of them, of this Lease to enforce or attempt to enforce any third-party claim or entitlement to or benefit of any service or program contemplated hereunder, and the Lessor and the Lessee agree that neither the Lessor nor the Lessee or any agent, officer, or employee of either shall have the authority to inform, counsel, or otherwise indicate that any particular individual or group of individuals, entity or entities, have entitlements or benefits under this Lease separate and apart, inferior to, or superior to the community in general or for the purposes contemplated in this Lease.

Section 20.16 Contingencies. Initial Lessee's obligations to proceed with and complete the project under this Lease Agreement is contingent upon Initial Lessee obtaining construction financing and all necessary permits to build the Affordable Housing Unit(s) described herein within the time specified. Termination of the Lease under such circumstances shall constitute effective, full and immediate conveyance and assignment to Lessor of all of the Demised Premises, improvements, interests in and materials and

redevelopment rights to and associated with the Demised Premises and the Project, subject to mortgagee protection as provided herein.

Section 20.17 Radon Gas Notification. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may pose health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county health unit. Lessor shall not be responsible for radon testing for any persons purchasing, leasing or occupying any portion of the Demised Premises, and all owners, Lessees and Sublessees shall hold Lessor harmless and indemnify Lessor for damages or claims related thereto and release Lessor from same.

Section 20.18 Mold Disclosure. Mold is a naturally occurring phenomenon that, when it has accumulated in a building in sufficient quantities, may pose health risks to persons who are exposed to it over time. Mold has been found in buildings in Monroe County. There are no measures that can guarantee against mold, but additional information regarding mold and mold prevention and health effects may be obtained from your county health unit or the EPA or CDC. Lessee and Sublessees accept responsibility to inspect for mold and take measures to reduce mold. Lessor shall not be responsible for mold testing for any persons purchasing, leasing or occupying any portion of the Demised Premises, and all owners, Lessees and Sublessees shall hold Lessor harmless and indemnify Lessor for damages or claims related thereto and release Lessor from same.

Section 20.19 Subsequent Changes in Law or Regulation. Where a change can reasonably be applied to benefit, enhance or support Lessor's affordable housing goals, objectives and policies, Lessor shall have the right to claim the benefit from any subsequent change to any applicable state or federal law or regulation that might in any way affect this Lease, the Affordable Restrictions, any Related Agreements or their respective application and enforceability, without limitation. In such instance, this Lease shall be construed or, where necessary, may be reformed to give effect to this provision.

Section 20.20 Government Purpose. Lessor, through this Lease and the Affordable Restrictions, furthers a government housing purpose, and, in doing so, expressly reserves and in no way shall be deemed to have waived, for itself or its assigns, successors, employees, officers, agents and representatives any sovereign, quasi-governmental and any other similar defense, immunity, exemption or protection against any suit, cause of action, demand or liability.

Section 20.21 Breach of Related Agreements/Remedies. To the extent that any purchase and sale or Related Agreement relating to the Demised Premises incorporates, relates to and/or is contingent upon the execution of and/or any performance under this Lease, any material breach under such other agreement shall be a material breach of this Lease and any material breach under this Lease shall be a material breach of such other agreement. Moreover, the parties agree that any remedy available for any breach under this Lease or any Related Agreements shall be cumulatively or selectively available at Lessor's complete discretion, with any election to avail itself or proceed under any particular remedial mechanism in no way to be construed as a waiver or relinquishment of Lessor's

right to proceed under any other mechanism at any time or in any particular sequence.

Section 20.22 Supplemental Administrative Enforcement. Lessor, or its appropriate agency, may establish under the Affordable Restrictions, as amended from time to time during the Term of this Lease, such rules, procedures, administrative forms of proceedings and such evidentiary standards as deemed reasonable within Lessor's legislative prerogative, to implement enforcement of the terms of this Lease and similar leases and the Affordable Restrictions. Such forums may include but in no way be limited to use of Code Enforcement procedures pursuant to Chapter 162, Florida Statutes, to determine, for and only by way of one example, and not as any limitation, the facts and legal effect of an allegedly unauthorized "offer to rent", or, for another example, an unauthorized "occupancy." However, nothing herein shall be deemed to limit Lessor, Initial Lessee or any mortgagee from access to an appropriate court of competent jurisdiction where the resolution of any dispute would be beyond the competence or lawful jurisdiction of any administrative proceeding.

Section 20.23 Exceptions to Lease/Rental Prohibition. Under this Lease, rental of Affordable Housing Units by the initial Lessee is not prohibited. Lessor or its designee, in its sole discretion, shall have the right to adopt as part of future Affordable Restrictions provisions to allow Sublessees the limited privilege to rent or lease their Affordable Housing Units to qualified persons. Requests for such approval shall be made in accordance with such procedures Lessor may in the future choose to adopt. It is contemplated, though not promised or required, that certain limited rental provisions may be adopted in the future for circumstances such as, for example, but without limitation:

- (a) A Sublessee's required absence from the local area for official military duty.
- (b) An illness that legitimately requires a Sublessee to be hospitalized for an extended period.
- (c) A family emergency legitimately requiring a Sublessee to leave the Keys for a period longer than thirty (30) days.

Lessor, in its discretion, shall have the right to amend, modify, extend, rescind, decrease or terminate any such exceptions under this Section 20.23 or the Affordable Restrictions at any time.

Section 20.24 Drafting of Lease and any Related Agreement. The parties acknowledge that they jointly participated in the drafting of this Lease and any Related Agreements with the benefit of counsel, or had the opportunity to receive such benefit of counsel, and that no term or provision of this Lease or a Related Agreement shall be construed in favor of or against either party based solely on the drafting of this Lease or the Related Agreement.

Section 20.25 Lessor's Duty to Cooperate. Where required under this Lease or Related Agreement, Lessor shall, to ensure the implementation of the public affordability purpose furthered by this Lease, cooperate with reasonable requests of Initial Lessee,

Sublessees, mortgagees, title insurers, closing agents, government agencies and the like regarding any relevant terms and conditions contained herein.

IN WITNESS WHEREOF, the Lessor and the Lessee have hereunto set their hands and seals, as of the day and year above written.

ATTEST:
DANNY L. KOLHAGE, CLERK

LESSOR
MONROE COUNTY

Isabel C. De Santis
By:

George R. Neugent
Mayor George Neugent

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM
Susan M. Summley
Date: 5-4-09

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM
Susan M. Summley
Date: 5-4-09

Witnesses:

LESSEE

(1) [Signature]
Print Name

HABITAT FOR HUMANITY OF THE
UPPER KEYS, INC.

(2) [Signature]
Lisebelle Cutler
Print Name

Joel C. Reed
JOEL C. REED President
[Signature] Exec. Director
Chadwick V. DUNCAN

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this 20 day of May, 2009, by Joel C. Reed, as President of Habitat for Humanity of the Upperkeys, Inc. who is personally known to me, or who has produced a drivers license as identification.

Laura Laskis-Carroll
Notary Public Monroe Co, FL
May 20, 2009

LAURA LASKIS-CARROLL
Notary Public - State of Florida
My Commission Expires Aug 26, 2010
Commission # DD 582791
Bonded By National Notary Assn.

Exhibit A

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the Plat thereof, as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida being more particularly described as follows:

Beginning at the Northwesterly corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run Northeasterly along the Northwesterly line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southeasterly direction along the arc, of a curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet; thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 62.50 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds and Southeasterly along the Northeasterly line of said Block 3 for a distance of 46.88 feet to a point of curvature; thence in a Southwesterly direction along the arc of a curve concave to the West, having a radius of 25.00 feet and a delta angle of 89 degrees 59 minutes and 30 seconds for a distance of 39.27 feet; thence run in a Southwesterly direction along the Southeasterly line of said Block 3 for a distance of 100.00 feet; thence run with a deflection to the right of 90 degrees 00 minutes 30 seconds from the last described course for a distance of 250.02 feet back to the Point of Beginning, containing 24,990.66 square feet, more or less.

AND ALSO:

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the plat thereof as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida, being more particularly described as follows:

Commencing at the Northwesterly corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run northeasterly along the Northwesterly line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southwesterly direction along the arc of a curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet, thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet to the point of beginning of the parcel hereinafter described, thence run a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet, thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet, thence run with a deflection angle to the

left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds and Northwesterly along the Northeasterly line of said Block 3 for a distance of 28.00 feet back to the point of beginning, containing 5994.29 square feet, more or less.

EXHIBIT B

**SITE PLAN AND ELEVATIONS WITH DIMENSIONS ARE NOT
AVAILABLE AT THIS TIME**

**CONDITIONAL USE APPROVAL AND SITE PLAN APPROVAL WILL BE OBTAINED
THROUGH MONROE COUNTY**

EXHIBIT D

LETTER OF ACKNOWLEDGEMENT

TO: Initial Lessee, or its assigns
Address of Initial Lessee, or its assigns

DATE: _____

This letter is given to (.....Initial Lessee.....) as an acknowledgement in regard to the Affordable Housing Unit that I am purchasing. I hereby acknowledge the following:

- That I meet the requirements set forth in the Affordable Restrictions to purchase an affordable unit. I understand that the unit I am buying is being sold to me at a price restricted below fair market value for my, future similarly situated persons and Monroe County's benefits.
- That the Affordable Housing Unit that I am purchasing is subject to a 99-year ground lease by and between Monroe County, a political subdivision of the State of Florida, and _____ (hereinafter "Lease") and therefore I will be subleasing a parcel of land.
- That my legal counsel, _____, has explained to me the terms and conditions of the Lease, including without limitation the meaning of the term "Affordable Restrictions", and other legal documents that are part of this transaction. If I have not had legal counsel, I state here that I have had an opportunity to have obtain such counsel, understand its importance, and have knowingly proceeded to closing without it.
- That I understand the terms of the Lease and how the terms and conditions set forth therein will affect my rights as an owner of the Affordable Housing Unit, now and in the future.
- That I agree to abide by the Affordable Restrictions, as defined in the Lease, and I understand and agree for myself and my successors in interest that Monroe County may change some of the Affordable Restrictions over the 99-year term of the Lease and that I will be expected to abide by any such changes.
- That I understand and agree that one of the goals of the Lease is to keep the Affordable Housing Units affordable from one owner to the next, and I support this goal.
- That in the event I want to sell my Affordable Housing Unit, I must comply with the requirements set forth in the Lease, including but not limited to the price at which I might be allowed to sell it, the persons to whom I might be allowed to sell it to and that the timing and procedures for sales will be restricted.
- That my lease prohibits me from severing the improvements from the real property.
- That my family and I must occupy the Affordable Housing Unit and that it

cannot be rented to third parties without the written approval of the Lessor.

- I understand that in the event that I die, my home may be devised and occupied by my wife, my children or any other heirs so long as they meet the requirements for affordable housing as set forth in the Lease.
- That I have reviewed the terms of the Lease and transaction documents and that I consider said terms fair and necessary to preserve affordable housing and of special benefit to me.
- I hereby warrant that I have not dealt with any broker other than _____ in connection with the consummation of the purchase of the Affordable Housing Unit.

Occupant Signature

Occupant Signature

This Instrument Prepared By,
Record and Return to:
MEYER & ERSKINE
31211 Avenue A
Big Pine Key, FL 33043

MONROE COUNTY
OFFICIAL RECORDS
FILE # 1 2 6 1 3 3 9
BK# 1 7 3 1 PG# 2 5 0
RCD Oct 11 2001 12:14PM
DANNY L KOLBAGE, CLERK

Parcel Identification Number: 00554720, 00554720-000100

SPACE ABOVE THIS LINE FOR RECORDING DATA

WARRANTY DEED

THIS INDENTURE, made this 25th day of Sept, 2001, between MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority under Section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 GRANTOR*, whose address is 1200 Truman Avenue, Suite 207, Key West, FL 33040 and THE MONROE COUNTY HOUSING AUTHORITY whose address is, 1403 12th Street, Key West, FL 33040, GRANTEE*:

(Wherever used herein the terms "Grantor" and "Grantee" shall include all the parties to this instrument and heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations.)

WITNESSETH, That said Grantor, for and in consideration of the sum of TEN AND 00/100 (\$10.00) DOLLARS and other good and valuable consideration, to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee and Grantee's heirs, successors and assigns forever the following described land located in the County of MONROE, State of Florida, to-wit:

SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"

SUBJECT TO: Restrictions as contained in Monroe County Comprehensive Plan Land Authority Resolution No. 06-2001, attached hereto and made a part hereof as Exhibit "B".

SUBJECT TO all restrictions, reservations and easements of record, if any; zoning restrictions and prohibitions imposed by governmental authority, and taxes for the year 2000 not yet due and payable.

TOGETHER WITH all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND THE SAID GRANTOR does hereby covenant with the said Grantee that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land, and hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal this day and year first above written.

Signed, sealed and delivered in the presence of:

Witness Signature [Signature]
Printed Signature MARK J. ROSCH
Witness Signature [Signature]
Printed Signature NORA L. WILLIAMS

MONROE COUNTY COMPREHENSIVE
PLAN LAND AUTHORITY

BY: [Signature]
NORA WILLIAMS, CHAIRMAN

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this 25 day of Sept, 2001, by NORA WILLIAMS who are personally known to me or () produced _____ as identification.

[Signature]
Notary Signature
NOTARY SEAL, COMMISSION EXPIRATION

Tamara Lundstrom
My Commission DD038218
Expires July 04, 2006

EXHIBIT "A"

FILE #1261339
BK#1731 PG#251

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the Plat thereof, as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida, being more particularly described as follows:

Beginning at the Northwestern corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run Northeasterly along the Northwestern line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southeasterly direction along the arc, of a curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet; thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 62.50 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet; thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3; thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds and Southeasterly along the Northeasterly line of said Block 3 for a distance of 46.88 feet to a point of curvature; thence in a southwesterly direction along the arc of a curve concave to the West, having a radius of 25.00 feet and a delta angle of 89 degrees 59 minutes 30 seconds for a distance of 39.27 feet; thence run in a Southwesterly direction along the Southeasterly line of said Block 3 for a distance of 100.00 feet; thence run with a deflection to the right of 90 degrees 00 minutes 30 seconds from the last described course for a distance of 250.02 feet back to the Point of Beginning, containing 24,990.66 square feet, more or less.

AND ALSO:

A part of the Northeasterly 125 feet of Block 3, Mandalay, according to the plat thereof as recorded in Plat Book 1, at Page 194 of the Public Records of Monroe County, Florida, being more particularly described as follows:

Commencing at the Northwestern corner of the Northeasterly 125 feet of Block 3, aforementioned Plat of Mandalay, run Northeasterly along the Northwestern line of said Block 3 for a distance of 99.99 feet to a point of curvature; thence in a Southwesterly direction along the arc of a curve concave to the South, having a radius of 25.00 feet and a delta angle of 90 degrees 01 minutes 03 seconds for a distance of 39.28 feet, thence run in a Southeasterly direction along the Northeasterly line of said Block 3 for a distance of 125.15 feet to the point of beginning of the parcel hereinafter described, thence run a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 44.50 feet, thence run with a deflection angle to the right of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 47.97 feet, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 75.97 feet, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds from the last described course for a distance of 107.00 feet to the Northeasterly line of said Block 3, thence run with a deflection angle to the left of 90 degrees 00 minutes 00 seconds and Northwesterly along the Northeasterly line of said Block 3 for a distance of 28.00 feet back to the point of beginning, containing 5994.29 square feet, more or less.