

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

Name of Condominium Bahama Village Condominium

Address of Condominium 710 Fort Street, Key West, Florida 33040

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If a document uses a different name, substitute the correct name or place in parenthesis. If an item does not apply, place "N/A" in the column.

DOCUMENT	RECEIVED BY HARD COPY	RECEIVED BY ALTERNATIVE MEDIA
Prospectus Text	X	
Declaration of Condominium	X	
Articles of Incorporation	X	
Bylaws	X	
Estimated Operating Budget	X	
Form of Agreement for Sale or Lease	X	
Rules & Regulations	X	
Covenants and Restrictions	X	
Ground Lease	X	
Management and Maintenance Contracts for More Than One Year	N/A	
Renewable Management Contracts	N/A	
Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominium(s)	N/A	
Lease of Recreational and Other Facilities to be Used by Unit Owners with Other Condominiums	N/A	
Declaration of Servitude	N/A	
Sales Brochures	N/A	
Phase Development Description	N/A	
Form of Unit Lease if a Leasehold	N/A	
Description of Management for Single Management of Multiple Condominiums	N/A	
Conversion Inspection Report	N/A	
Conversion Termite Inspection Report	N/A	
Plot Plan	X	
Floor Plan	X	
Survey of Land and Graphic Description of Improvements	X	
Frequently Asked Questions & Answers Sheet	X	
Financial information	N/A	
State or Local Acceptance/Approval of Dock or Marina Facilities	N/A	
Evidence of Developer's Ownership, Leasehold or Contractual Interest in the Land Upon Which the Condominium is to be Developed	X	
Executed Escrow Agreement	X	
Other Documents (Insert Name of Document)	N/A	
Alternative Media Disclosure Statement	X	
Plans and Specifications	Made Available	
Milestone inspection report	N/A	
Structural Integrity Reserve Study	N/A	

THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER AND RECEIPT BY THE BUYER OF ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER. THE AGREEMENT IS ALSO VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OF MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE DOCUMENTS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT CLOSING.

Executed this _____ day of _____, 20_____.

Signature of Purchaser or Lessee

Signature of Purchaser or Lessee

PROSPECTUS

BAHAMA VILLAGE CONDOMINIUM

1. THIS PROSPECTUS CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

2. THE STATEMENTS CONTAINED IN THIS PROSPECTUS ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF DEVELOPER. REFER TO THIS PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

1. THIS CONDOMINIUM WILL BE CREATED AND SOLD AS LEASEHOLD INTERESTS.

(See Section 2 of the Prospectus)

2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT IN FAVOR OF THE CONDOMINIUM ASSOCIATION TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP AND REPAIR OF COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF SUCH LIEN.

(See Section 5 of the Prospectus)

3. THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

(See Section 7 of the Prospectus)

4. DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

(See Section 9 of the Prospectus and Section 4.16 of the By-Laws appearing as Exhibit D to the Declaration of Condominium)

5. THE BUDGET CONTAINED IN THIS PROSPECTUS HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.

(See Section 13 of the Prospectus)

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- Exhibit 2: Schedule of Closing Expenses
- Exhibit 3: Question and Answer Sheet
- Exhibit 4: Declaration of Condominium
 - Exhibit A to Declaration: Legal Description of Property
 - Exhibit B to Declaration: Survey Exhibits Comprising Legal Description, Surveys, Plot Plan and Floor Plans
 - Exhibit C to Declaration: Description of Units and Allocation Shares of Common Expenses and Common Surplus
 - Exhibit D to Declaration: Association By-Laws and Rules and Regulations
 - Exhibit E to Declaration: Association Articles of Incorporation
 - Exhibit F to Declaration: Letter of Acknowledgement of Affordable Workforce Housing Restrictions
- Exhibit 5: Form Purchase Agreement
- Exhibit 6: Escrow Agreement
- Exhibit 7: Form Receipt for Condominium Documents
- Exhibit 8: Evidence of Developer's Leasehold Interest - Ground Lease Agreement between The Naval Properties Local Development Authority of the City of Key West and Bahama Village on Fort, Ltd., as amended by the Amendment to Ground Lease Agreement, and as amended by the Second Amendment to Ground Lease Agreement
- Exhibit 9: Declaration of Affordable Housing Restrictions, as amended by the Amendment to Declaration of Affordable Housing Restrictions
- Exhibit 10: Land Use Restriction Agreement
- Exhibit 11: Parking Agreement between Bahama Village on Fort, Ltd., Bahama Village Community, Ltd., and the Naval Properties Local Redevelopment Authority

Exhibit 12: Reciprocal Easement and Parking Agreement

Exhibit 13: Alternative Media Disclosure Form

BAHAMA VILLAGE CONDOMINIUM

Prospectus

The information contained in this Prospectus is provided pursuant to Florida Statutes, Section 718.504, in order to acquaint you, a prospective purchaser, with certain pertinent information concerning this Condominium and to aid you in your decision to purchase a Unit.

1. Condominium Name and Location

The name of the Condominium is Bahama Village Condominium (“Condominium”). The Condominium will be located at 710 Fort Street, Key West, Florida 33041, and will be developed by Bahama Village on Fort, Ltd., a Florida limited partnership (“Developer”), the owner of the unsold Units in the Condominium which are being offered for sale. The association responsible for the operation of the Condominium will be Bahama Village Condominium Association, Inc. (“Association”) as indicated in the Articles of Incorporation, By-Laws, and Declaration of Condominium (“Declaration”), attached as Exhibit 4 of this Prospectus.

2. Description of the Condominium

The Condominium consists of 28 residential units (“Units” or, individually, a “Unit”). The Units are described in Exhibit “B” to the Declaration attached to this Prospectus as Exhibit 4. The number of bedrooms and bathrooms in each Unit is set forth in Schedule “A” to this Prospectus.

Sale and purchase of the Units is limited to eligible households or persons whose total income shall not exceed 60% (“very low-income”), 80% (“low-income”), or 140% (“middle income”) of the median income for Monroe County (adjusted for family size), as more particularly described in: the Ground Lease Agreement Between The Naval Properties Local Redevelopment Authority of the City of Key West and Bahama Village on Fort, Ltd. recorded on July 19, 2022, in Official Records Book 3185, Page 1 of the Public Records of Monroe County, Florida, as amended by the Amendment to Ground Lease Agreement recorded on November 14, 2023, in Official Records Book 3250, Page 2166 of the Public Records of Monroe County, Florida, and as amended by the Second Amendment to Ground Lease Agreement recorded on December 10, 2024, in Official Records Book 3303, Page 469 and re-recorded on February 3, 2025, in Official Records Book 3310, Page 962 of the Public Records of Monroe County, Florida (collectively, “Ground Lease”); the Declaration of Affordable Housing Restrictions, recorded on July 20, 2022, in Official Records Book 3185, Page 113 of the Public Records of Monroe County, Florida, as amended by the Amendment to Declaration of Affordable Housing Restrictions recorded on December 10, 2024, in Official Records Book 3303, Page 479 of the Public Records of Monroe County, Florida (collectively, “Affordable Housing Restrictions”); and the Land Use Restriction Agreement recorded on January 13, 2025, in Official Records Book 3307, Page 1870 of the Public Records of Monroe County, Florida (“LURA”). Specifically, 3 Units shall be designated for very-low income persons, 11 Units shall be designated for low-income persons, and 14 Units shall be designated for

middle income persons. Copies of the Ground Lease, Affordable Housing Restrictions, and LURA can be found as Exhibits 8, 9, and 10 to this Prospectus, respectively.

The legal description for the Condominium is set forth in Exhibit “A” to the Declaration. The survey and plot plan for the Condominium, and a graphic description of the Condominium, are set forth in Exhibit “B” to the Declaration. The percentage shares of ownership with respect to each Unit are set forth in Exhibit “C” to the Declaration. The By-Laws of the Association are set forth in Exhibit “D” to the Declaration. The Articles of Incorporation of the Association are set forth in Exhibit “E” to the Declaration.

The Condominium will contain 14 surface parking spaces located on the Condominium Property (as defined in the Declaration), and 14 surface parking spaces located along Allen Avenue per the Parking Agreement between Bahama Village on Fort, Ltd., Bahama Village Community, Ltd., and The Naval Properties Local Redevelopment Authority recorded on February 2, 2023, in Official Records Book 3210, Page 2030 of the Public Records of Monroe County, Florida (“Parking Agreement”), and the Reciprocal Easement and Parking Agreement between Bahama Village on Fort, Ltd. and Bahama Village Community, Ltd. recorded on October 26, 2023, in Official Records Book 3248, Page 1505 of the Public Records of Monroe County, Florida (“Reciprocal Easement”). A copy of the Parking Agreement and Reciprocal Easement can be found as Exhibits 11 and 12 to this Prospectus, respectively.

The estimated latest date of completion of construction of the Condominium is December 31, 2025, or such other date which may be indicated in your purchase agreement.

3. Leasehold Interest

The ownership of the land upon which the Condominium building will be created is held by The Naval Properties Local Redevelopment Authority of the City of Key West (“Naval Redevelopment Authority”). The Naval Redevelopment Authority has given Developer a leasehold interest in the land pursuant to the terms of the Ground Lease described in this Prospectus.

THE CONDOMINIUM WILL BE CREATED AND SOLD AS LEASEHOLD INTERESTS.

4. Truman Waterfront in Historic Bahama Village

The Condominium will be part of an integrated affordable housing development on a portion of the Truman Waterfront property in Historic Bahama Village, consisting of two building sites, which Developer and one of its affiliates both have a 99-year ground lease for their respective sites. The two sites combined contain approximately 3.2 acres of land (“Property”). The Property is bordered by an existing parking lot on the north, Evans Street to the west, Naval Air Station Key West to the south, and Fort Street to the east. An affiliate of Developer will construct a rental building on the Property south of Allen Avenue to be known as the Lofts at Bahama Village. Allen

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Avenue, which runs between the Condominium and the Lofts at Bahama Village, must remain open to the public pursuant to the agreements with Truman Annex Master Property Owners' Association, which are attached to the Ground Lease.

The Naval Redevelopment Authority has leased the Property to Developer and its affiliate exclusively for affordable workforce housing, as described in the Ground Lease and Affordable Housing Restrictions. Developer's intent is to preserve the affordability of the Condominium, and it has assigned to the City the right to enforce compliance with the Affordable Housing Restrictions.

5. The Ground Lease from the Naval Redevelopment Authority

Pursuant to the Ground Lease, a portion of the Property shall be used by Developer exclusively for developing the Condominium. No other use is permitted without the express written consent of the Naval Redevelopment Authority, which consent may be unreasonably withheld at the sole and absolute discretion of the Naval Redevelopment Authority. Upon the expiration of the Ground Lease, the Owners' ownership of their Units shall expire as well.

The Association will be created to provide for the operation, maintenance, and repair of the common elements of the Condominium, as well as certain limited common elements designated in the Declaration (including landscaping and certain roadways). The Association will assess the Units for the Condominium's share of the expenses of the Association. The Association will have lien rights against each Unit to secure any unpaid assessments. It is contemplated that the Association will act as a collection agent for assessments payable to the Association.

THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT IN FAVOR OF THE ASSOCIATION TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP AND REPAIR OF COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF SUCH LIEN.

6. Facilities for Use by Unit Owners in this Condominium

Each Unit Owner will be assigned one parking space for his or her exclusive use. These spaces may be assigned by Developer, in its sole discretion. Any Unit Owner owning more automobiles than the number of exclusive parking spaces assigned to such Owner will be required to find parking outside of the Property.

Developer will not be purchasing any personal property for the Condominium.

7. Sale or Lease

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.

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Section 14 of the Declaration incorporates affordability restrictions running with the land that are established by the Ground Lease, Affordable Housing Restrictions, and LURA. Specifically, at the time a “very-low income” unit is sold, such sales price shall not exceed 75% of the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code; at the time a “low-income” unit is sold, such sales price shall not exceed 1.5x the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code; and at the time a “middle income” unit is sold, such sales price shall not exceed 3.5x the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code.

Pursuant to the Ground Lease, any agreement for the sale, deed, conveyance, lease, assignment, grant or other disposition of any interest in a Unit 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 in bold capital typed letters greater than or equal to 14 point font:

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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 469 AND RE-RECORDED IN OFFICIAL RECORDS BOOK 3310, PAGE 962 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 479 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3307, PAGE 1870 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

The Ground Lease further provides that the Naval Redevelopment Authority shall have a right of first refusal with respect to the sale of any Unit. Additionally, pursuant to the Ground Lease, the Naval Redevelopment Authority may establish rental right of first refusal procedures similar to those set forth with respect to the sale of any Units. Either way, all Owner leases shall be upon terms and on a form that has been reasonably approved by the Association and Naval Redevelopment Authority. Any lease may be terminated by the Association upon a tenant's failure to observe any of the provisions of the Condominium Documents or other applicable provisions of any agreement, document or instrument governing the Condominium or administered by the Association and evict the tenant for such noncompliance or if tenant or any member of tenant's household has been convicted of a criminal act.

8. Management of the Condominium and Service Contracts

There is no contract for the management of the Condominium Property. Developer, however, intends to contract on behalf of the Condominium, with an affiliate of Developer or a third party condominium management company for the management, maintenance and operation of the Condominium Property, including collection of assessments and maintenance of the Common Elements. Any management contract will be terminable by the Association, after Unit Owners control the Association, by a vote of 75% of the Unit Owners in accordance with Section 718.302 of the Florida Statutes.

9. The Association and Control of Association

DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

The provisions dealing with the right of the Unit Owners to elect Directors are contained within Section 4 of the By-Laws attached as Exhibit "D" to the Declaration.

The Board of Directors of the Association will initially consist of three Directors. Pursuant to the By-Laws, Developer has the right to appoint all of the Directors. Upon certain occurrences, as set forth in the By-Laws, and as provided by the Florida Condominium Act ("Act"), the Unit Owners will be entitled to elect Directors.

10. Restrictions Imposed on the Use of Units

Section 13 of the Declaration sets forth certain restrictions concerning the use of Units and the Condominium Property. In addition, certain other restrictions are set forth in the Rules and Regulations of the Association, appearing as Schedule "A" of Exhibit "D" to the Declaration attached as Exhibit 4 of this Prospectus. These restrictions and rules and regulations have been imposed in the best interests of all of the Unit Owners within the Condominium to make the Condominium a pleasant, clean and enjoyable community. Some of the notable restrictions and rules and regulations include:

(a) Units shall be used as a residence only and shall be subject to the exclusive possession of its Owner who must be an individual or individuals; legal entities cannot own Units. Use as a residence may include use as a home office to the extent permitted under applicable law. Home office use shall not include any use that would generate additional traffic to the Condominium, authorize any use or occupancy of the Unit by business employees, nor permit an Owner to receive customers or clients at the Unit or the Condominium.

(b) Except for small domestic birds or tropical fish and except as may otherwise be permitted by written consent of the Board which may be withheld in the sole discretion of the Board, each Owner of a Unit (regardless of the number of joint owners) may maintain up to two household pets in such Owner's Unit, limited to a dog (not to exceed 40 pounds at maturity), or a cat, provided they (i) are permitted to be kept by applicable laws and regulations, (ii) are not kept, bred or maintained for any commercial purpose, (iii) are not left unattended on balconies, terraces, roof decks, patios and/or lanais, and (iv) are not or do not do not become a nuisance or annoyance to neighbors as determined by the Board in its sole discretion. No guest, lessee or invitee may bring any animal upon the Condominium Property. No Person other than an Owner shall be permitted to keep a pet. Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be leashed at all times when outside the Unit. Dogs may not be kept in balcony or patio areas when the Owner is not in the Unit.

(c) Parking areas are solely for non-commercial automobiles with a current passenger vehicle registration. Unauthorized parking includes vehicles parked so as to impede ingress to or egress from other parking spaces, drives, driveways, or roads. Unauthorized parking shall be grounds for removal of the vehicle by the Association at the expense of the vehicle owner and/or operator. No vehicle of any kind shall be parked at any time on the Condominium Property except in designated parking places. The Association is not responsible for any injury to or loss from cars parked on the Condominium Property.

(d) Hard and/or heavy surface floor coverings, such as tile or wood, are permitted in foyers, kitchens and bathrooms. All other areas are to receive sound absorbent, less dense floor coverings, such as carpeting or LVT. Installation or use of a hard and/or heavy surface floor covering in any other location or installation of any heavy object must be submitted to and approved by the Board, meet applicable structural requirements, sound transmission standards and be compatible with the structural design of the Building. The Board may, from time to time, set standards for hard surface floor coverings and installation of such floor coverings.

(e) No one shall allow the corridor entrance door to his or her Unit to remain open for any purpose other than for immediate ingress and egress.

(f) An Owner who plans to leave any Unit vacant during the hurricane season must prepare his or her Unit prior to his or her departure by designating in writing to the Association a responsible firm or individual to care for such Owner's Unit should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

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(g) Food and beverages may not be consumed on the Condominium Property outside of a Unit except in areas, if any, designated in writing by the Board.

(h) No Unit Owner shall install, within his or her Unit, or upon the Common Elements or Association Property, non-breathable wall-coverings or low-permeance paints. Each Unit Owner shall operate the air conditioning system in the Unit, whether or not occupied, to maintain a temperature not exceeding 78°F, to minimize humidity in the Unit. If the Association reasonably believes that such provisions of Section 13.9 of the Declaration are not being complied with, then the Association shall have the right (but not the obligation) to enter a Unit (without requiring the consent of the Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required above (with all utility consumption costs to be paid and assumed by the Unit Owner).

11. Condominium Utilities

Utilities and other services will be furnished to the Condominium as follows:

(a) Water: Water for the Condominium, including the individual Units and the Common Elements, will be obtained through the Florida Keys Aqueduct Authority (“FKAA”). There will be a separate water meter for each Unit, and the cost for such water will be paid by the Unit Owners.

(b) Sewage and Waste Water: Sewage and waste water services will be provided by the City of Key West. The Unit Owners shall pay the sewer charges for the Units.

(c) Storm Drainage: Storm drainage for the Property will be provided through the City of Key West.

(d) Electricity: Keys Energy Services will serve the Condominium. Charges for electric service used in the Common Elements (which will be measured by a separate meter) will be paid by the Association and included in the assessments. There will be individual meters for each Unit and each Unit Owner will pay his or her own bill for electric services provided to his or her individual Unit.

(e) Trash Removal: Trash removal will be provided by Waste Management, Inc., and the charges for trash removal will be included in the assessments.

(f) Basic Cable, Telephone and Internet Services: Basic cable, telephone and internet services will be the responsibility of each Unit Owner, through an operator or operators to be selected by Developer. The Unit Owner will apply for and pay for such services.

12. Apportionment of Common Expenses

The Owner of each Unit will own an undivided interest in the Common Elements of the Condominium and Common Surplus of the Association and shall be obligated for a proportionate share of the Common Expenses. These expenses would include such items as casualty and liability insurance on the Condominium Property and maintenance and repair of the building structure. Each Unit's percentage interest in the Common Elements and Common Surplus and percentage of the Common Expenses is set forth in Exhibit "C" to the Declaration which has been calculated based upon the approximate square footage of each Unit.

13. Estimated Operating Budgets and Assessments

An estimated operating budget for the Association for Common Expenses appears as Exhibit 1 to this Prospectus. Each Unit Owner will be assessed an annual assessment payable monthly, as set forth in the budget and as shown on the estimated maintenance charges.

14. Developer Guaranty

Developer intends to provide a guaranty to each Unit Owner that the assessments for Common Expenses will not increase during the first year of operation of the Association over the allocated amount per month per Unit as provided in Schedule "B" to this Prospectus ("Guaranty Amount"). This Guaranty is subject to the qualification indicated below.

The first year of operation shall commence on the date of the recording of the Declaration ("Commencement Date") and end of the last day of the month of the first anniversary of the Commencement Date ("Guaranty Period"). Developer reserves an option to extend its guaranty beyond the Guaranty Period, upon the same terms and conditions, for two additional periods of six months each or until the date upon which Developer ceases to control the Association, whichever is earlier. Accordingly, and pursuant to the provisions of Section 718.116 of the Act, Developer will be excused from the payment of its share of the Common Expenses, which would have been assessed against Units owned by Developer during the Guaranty Period (or Guaranty Periods, if applicable). In such case, Developer shall contribute an amount of money to the Association sufficient to eliminate any deficit between the actual Common Expenses of the Condominium incurred during the Guaranty Period (or Guaranty Periods, if applicable) and the Guaranty Amount. No funds, including capital contributions or startup funds received from Owners by Developer on behalf of the Association, shall be used for payment of Common Expenses prior to the expiration of the Guaranty Period.

Notwithstanding the above, in the event of a natural disaster or Act of God ("Casualty"), the cost necessary to effect the restoration of the Condominium Property which is not covered by insurance proceeds from insurance maintained by the Association as required pursuant to Section 718.111(11)(a) of the Act shall be assessed against all Unit Owners owning Units on the date of such Casualty including Developer (with respect to any Developer-owned Units). In such an event, Unit Owner assessments may exceed the Guaranty Amount.

15. Contracts to be Assigned by Developer

Upon or before closing of title to the first Unit sold by Developer, Developer shall assign to the Association all of Developer's right, title and interest in and to the Ground Lease and all contracts relating to the provision of utilities, insurance, and other services to the Condominium and the Common Elements, and from and after such date, all benefits and burdens thereunder shall accrue and apply to the Association, and Developer shall be released therefrom. Developer shall be entitled to reimbursement for all prepaid premiums, rentals, and other consideration paid by Developer to such insurers, contractors, and utility companies, prorated as of the date of closing for each Unit, except that utility deposits will be reimbursed in full without proration, if the same are transferable. No reimbursement will be made from working capital contributions while any guaranty or assessment by Developer is in effect.

16. Easements Located or to be Located on the Condominium Property

In addition to the various easements to be provided for in the Declaration, the Condominium Property may be made subject to customary and usual ingress and egress and utility easements in favor of various public or private utilities, which may include water, sewer, drainage, electricity, telephone, cable television and other utility easements. Any easement in favor of a public or private utility or similar company or authority may be granted by Developer or the Association on a "blanket" basis or by use of a specific legal description.

17. Estimated Closing Expenses; Purchase Agreement; Escrow Agreement

At the time of closing of title, each purchaser will also make a contribution to the funds of the Association in an amount equal to twice the monthly assessment. This sum shall be deposited in the Association's accounts for the intended purpose of establishing initial operating funds and reserves for initial, non-recurring expenses. Notwithstanding the foregoing intent, however, all contributions may be used by the Association for such purposes as not otherwise prohibited under the Act.

Expenses related to the purchaser's Unit (*e.g.*, taxes and governmental assessments and current maintenance assessments due the Association) will be prorated between Developer and the purchaser as of closing.

All purchasers will be required to satisfy the requirements of the Affordable Workforce Housing Restrictions in a form and manner determined by the Naval Redevelopment Authority. All purchasers obtaining a mortgage also will pay any "points," origination fees, appraisal fees, documentary and intangible taxes, prepaid interest due, lender's title insurance premium, and all other charges the lender may charge at closing, and if required, an amount to be determined by the lender to establish an escrow for payment of real estate taxes and other charges relating to the Unit and any private mortgage insurance premiums, if applicable.

Purchasers will also pay the cost of documentary stamps on, and recording fees of, the deed, and the cost of an owner's title insurance policy. A full explanation of the costs to be incurred can be found both in the Purchase Agreement and in a schedule of estimated closing expenses to be paid by each buyer of Unit appearing as Exhibit 2 to this Prospectus. In the event that any closing expense described in such Exhibit is not fixed as to dollar amount, such dollar amount is, as of the effective date of this Prospectus, unknown. Developer is not obligated to provide a purchaser with a title opinion or an abstract of title.

The form of Purchase Agreement attached to this Prospectus as Exhibit 5 may be modified in any manner in any particular case or cases without the consent of any other purchasers or Unit Owners. The modification of any such Purchase Agreement shall not vest any rights in any purchaser or owner whose Purchase Agreement was not so modified.

Deposits made pursuant to a Purchase Agreement may be held in escrow in accordance with the terms and conditions of a separate Escrow Agreement as provided in Exhibit 6 or distributed directly to Developer, all as provided in Section 3 of the Purchase Agreement.

18. Identification of Developer

Developer is Bahama Village on Fort, Ltd., a Florida limited partnership. Developer is a single purpose entity with no prior real estate experience. One of the principals of Developer, John D. Rood, however, has more than 40 years of experience in residential development. Some of his developments and condominiums include the Marina San Pablo.

19. Insurance

The Association is required to purchase casualty insurance for the Condominium and liability insurance for injuries to persons or property. However, these policies will not include coverage for any electrical fixtures, air conditioning equipment, water heater, built-in cabinets, floor, wall or ceiling coverings within your Unit, or personal property and improvements you may install in your Unit. Liability coverage may not include personal liability which you may have for personal injury or property damage caused by you or in your Unit or damage to your Unit or property caused by a person other than the Association. Like any other homeowner, casualty insurance for your personal property and improvements and individual personal liability insurance, will be your responsibility.

20. Sales Commissions

Developer will pay the sales commissions, if any, of the on-premises sales agents employed by Developer in connection with the sale of the Units. The purchaser will be responsible for the commission of any other broker or salesman with whom purchaser may have dealt, unless Developer has specifically acknowledged such broker in the Purchase Agreement, or otherwise agrees in writing.

21. Nearby Activities

Any Purchaser of a Unit should understand that development of the Lofts at Bahama Village will take place simultaneously with the Condominium. Purchasers may be disturbed by the noise, dust, commotion and other unpleasant effects of nearby construction activity and impeded in using portions of the Condominium by this activity. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter, except as set forth in this Prospectus. Additionally, Purchasers acknowledge that the Condominium is located adjacent to Naval Air Station, Truman Annex. Purchasers waive any claim related to noise or other disturbances.

22. Environmental Restrictions

The Property on which the Condominium is located was previously part of a military base on which certain hazardous substances, including arsenic, were kept and used. Pursuant to the Ground Lease, Developer is responsible for removing and/or mitigating all hazardous substances (“Site Rehabilitation”) required by any governmental agency, including the Florida Department of Environmental Protection. In order to finalize and document the completion of the Site Rehabilitation, the Naval Redevelopment Authority will record a declaration of restrictive covenant in the Public Records of Monroe County outlining certain soil engineering controls and restrictions related to future excavation and construction on the Property (collectively, “Environmental Restrictions”). It will be the Association’s responsibility to ensure compliance with the Environmental Restrictions.

23. Radon

Under the laws of the State of Florida, each prospective purchaser is advised that radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present 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 in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Developer specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.

24. Prevention of Mold

By reason of climate and humid conditions in South Florida, it is likely that molds, mildew, toxins and fungi may exist and/or develop within the Unit and the Condominium Property. Certain molds, mildew, toxins and/or fungi may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. By acquiring title to a Unit, each Owner shall be deemed to have assumed the risks associated with molds, mildew, toxins and/or fungi and to have released Developer from any and all liability resulting from same.

25. Time-Share Estates Shall Not be Created

No time-share estates shall be created with respect to the Condominium.

26. General

The foregoing summary is not intended to present a complete description of all of the provisions of the various documents referred to in this Prospectus. Statements made as to the provisions of such documents are qualified in all respects by the content of such documents and a purchaser should review all of the documents in their entirety.

27. Definitions

The definitions set forth in the Declaration shall be applicable to this Prospects, unless otherwise specifically stated or unless inconsistent with the context.

28. Effective Date

This Prospectus is effective October 3, 2024.

SCHEDULE A

	Condominium Units	Bedroom/Bathroom
1	101	3/2
2	102	3/2
3	103	2/2
4	104	2/2
5	105	2/2
6	106	2/2
7	107	2/2
8	108	2/2
9	109	3/2
10	110	3/2
11	201	3/2
12	202	3/2
13	203	2/2
14	204	2/2
15	205	2/2
16	206	2/2
17	207	2/2
18	208	2/2
19	209	3/2
20	210	3/2
21	301	3/2
22	302	3/2
23	303	2/2
24	304	2/2
25	305	2/2
26	306	2/2
27	307	2/2
28	308	2/2

SCHEDULE B

THE GUARANTY AMOUNT

Unit Type	Unit Numbers	Monthly Fee	Annual Fee
2B-2.0	103, 105, 106, 108, 203, 205, 206, 208, 303, 305, 306, 308	\$876.49	\$10,517.83
2B-3.0	104, 107, 204, 207, 304, 307	\$841.34	\$10,096.12
3B-3.0	101, 102, 109, 110, 201, 202, 209, 210, 301, 302	\$951.94	\$11,423.26

EXHIBIT 1 TO PROSPECTUS

**ESTIMATED OPERATING BUDGET; SHARE OF OWNERSHIP AND ALLOCATION
OF MAINTENANCE**

BAMAHA VILLAGE CONDOMINIUM

Estimated Operating Budget for one year following the closing of first Unit

Budget Year: 1/1/2026 to 12/31/2026

28 Units

INCOME:

Assessment Fees

	<u>MONTHLY</u>	<u>ANNUALLY</u>
	\$ 25,085.27	\$ 301,023.25

EXPENSES:

Administration:

Office Supplies	\$ 100.00	\$ 1,200.00
Fee Payable to the Division	\$ 9.33	\$ 112.00
Accounting Fees	\$ 62.50	\$ 750.00
Corporate Annual Report	\$ 5.10	\$ 61.25
Management	\$ 1,250.00	\$ 15,000.00
Taxes on Association Property	N/A	N/A
Taxes on Leased Property	N/A	N/A
Operating Capital	N/A	N/A
Rent for Recreational & Other Common Facilities	N/A	N/A
Other Expenses	N/A	N/A
Security	N/A	N/A

Insurance:

Property	\$ 10,416.67	\$ 125,000.00
General Liability	\$ 166.67	\$ 2,000.00

Utilities:

Electricity	\$ 1,166.67	\$ 14,000.00
Water (Irrigation)	\$ 175.00	\$ 2,100.00
Refuse Service	\$ 833.33	\$ 10,000.00

Repairs & Maintenance:

Termite Bond/Pest Control	\$ 833.33	\$ 10,000.00
Elevator Maintenance	\$ 1,250.00	\$ 15,000.00
Building Repair/Maintenance & Supplies	\$ 350.00	\$ 15,000.00
Landscape/Irrigation Maintenance	\$ 2,000.00	\$ 24,000.00
Janitorial Service	\$ 1,000.00	\$ 12,000.00
Total Operating Expense:	\$ 20,518.60	\$ 246,223.25

Reserves:

Painting	\$ 2,166.67	\$ 26,000.00
Roofing	\$ 1,150.00	\$ 13,800.00
Paving	\$ 208.33	\$ 2,500.00
Elevators	\$ 833.33	\$ 10,000.00
Fire Alarm/Fire Protection	\$ 208.33	\$ 2,500.00
Total Reserves:	\$ 4,566.67	\$ 54,800.00

Total Operating Expenses and Reserves:	\$ 25,085.27	\$ 301,023.25
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Assessments (per SF)

Assessment

Unit 2B-3.0	814 SF	6	3.353935%	\$ 841.34	\$ 10,096.12
Unit 2B-2.0	848 SF	12	3.494026%	\$ 876.49	\$ 10,517.83
Unit 3B-3.0	921 SF	10	3.794808%	\$ 951.94	\$ 11,423.26

<u>Item</u>	<u>Estimated Life/Years</u>	<u>Estimated Replacement Cost</u>	<u>Est. Remain Life/Years</u>	<u>Annual Cost</u>	<u>Current Balance</u>
Painting	5	\$ 130,000.00	5	\$ 26,000.00	\$ -
Roofing	25	\$ 345,000.00	25	\$ 13,800.00	\$ -
Paving	15	\$ 37,500.00	15	\$ 2,500.00	\$ -
Elevator	20	\$ 200,000.00	20	\$ 10,000.00	
Fire Alarm/Fire Protection	25	\$ 62,500.00	25	\$ 2,500.00	

Square footage calculation

	Percent allocation by Unit Type	SF by Unit Type
Unit 2B-3.0	0.03353934899052330000000	4884
Unit 2B-2.0	0.03494025545941490000000	10176
Unit 3B-3.0	0.03794808405438810000000	9210
Total		24270

THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.

BAHAMA VILLAGE CONDOMINIUM

Line Item Explanation

Office Supplies	Mailings, Financials, Checks, Etc., Charged as used.
Fee Payable to the Division	\$4.00 per Unit per Year paid to the Division of Florida Condominiums, Timeshares, and Mobile Homes
Accounting Fees	Filing Fee for State and Federal Tax Return
Corporate Annual Report Management	Filed with the Florida Secretary of State ("Sunbiz")
Taxes on Association Property	Management and Bookkeeping Fee - \$30.00 per Unit per Month
Taxes on Leased Property	Not Accuable - Required Listing by the State of Florida
Operating Capital	Not Accuable - Required Listing by the State of Florida
Rent for Recreational & Other Common Facilities	Not Accuable - Required Listing by the State of Florida
Other Expenses	Not Accuable - Required Listing by the State of Florida
Security	Not Accuable - Required Listing by the State of Florida
Property / Flood (Insurance)	Property and Flood Insurance on Building
General Liability (Insurance)	General Liability Insurance for Building and Premises
Electricity	Electrical Consumption for Common Areas (Corridors/Elevator/Street/Parking Lights)
Water (Irrigation)	Water Consumption for Irrigation
Refuse Service	Weekly Garbage Removal
Termite Bond/Pest Control	Termite Treatment on Buildings
Elevator Maintenance	Repairs and Maintenance outside of reserves
Building Repair/Maintenance & Supplies	Repair and Maintenance as needed
Landscape/Irrigation Maintenance	Basic Lawn/Irrigation Care (Mowing, Edging, Trimming/Pruning)
Janitorial Service	Trash Pickup in Common Areas and Breezeways
Painting (reserves)	Deferred Expenses for Future Painting on Common Area (Exterior of Buildings)
Roofing (reserves)	Deferred Expenses for Future Roofing Replacement
Paving (reserves)	Deferred Expenses for Future Repaving on Common Parking and Roads
Elevators (reserves)	Deferred Expenses for Elevator Repair/Replacement

Annual Reserve Budget for Bahama Village Condominium
 From the date of recording of the Declaration of Condominium through December 31st of that year
 January 1st through December 31st 2026

Description	Estimated replacement cost or deferred maintenance expense of the asset	Developer's total funding obligation when all units are sold for each converter reserve account established pursuant to Section 718.618, F.S.	Estimated fund balance as of the beginning of the budget period	Estimated Useful Life (EUL) of the asset	Estimated remaining useful life of the asset	Remainig Funding per component	Monthly Amount	Yearly Amount Fully Funded 100%
Painting/Waterproofing	\$130,000.00	N/A	\$0.00	5	5	\$130,000.00	\$2,166.67	\$26,000.00
Roofing	\$345,000.00	N/A	\$0.00	25	25	\$345,000.00	\$1,150.00	\$13,800.00
Paving	\$37,500.00	N/A	\$0.00	15	15	\$37,500.00	\$208.33	\$2,500.00
Elevators	\$200,000.00	N/A	\$0.00	20	20	\$200,000.00	\$833.33	\$10,000.00
Fire Alarm/Fire Protection	\$62,500.00	N/A	\$0.00	25	25	\$62,500.00	\$208.33	\$2,500.00
TOTAL	\$775,000.00					\$775,000.00	\$4,566.67	\$54,800.00

EXHIBIT 2 TO PROSPECTUS
SCHEDULE OF CLOSING COSTS

SCHEDULE OF CLOSING EXPENSES

Documentary Stamp Taxes on Deed	0.7% of Purchase Price*
Recordation of Deed	\$27.00*
Owner's Policy of Title Insurance	\$ _____ *
Payment in an amount equal to two months' assessments (for establishing and maintaining Condominium Association)	\$ _____ **
Condominium Association assessments for the Unit for the current month prorated as of the day of closing	(to be determined)
Title Update and Exam Fee	\$150
Real estate taxes for the unit for the current year prorated as of the day of closing	(to be determined)
Utility deposits, installation charges or other charges advanced by Seller, if any	(to be determined)
Pending liens for any public improvements	(to be determined)
Reimbursement to Seller or closing agent for charges (photocopying, long distance telephone, messenger service, etc., if any) of coordinating closing	(to be determined)
Purchaser will pay all costs incurred in obtaining any financing of the purchase. If Developer's settlement agent also acts as settlement agent for purchaser's financing bank, purchaser will pay a fee of \$950 for such services.	

* Purchaser shall pay the costs of the owner's title insurance policy, the documentary stamp taxes on the deed, and the costs of recording the deed. The cost of the owner's policy of title insurance varies according to the Purchase Price, and will be determined at closing.

** See allocation of expenses per unit in Budget.

EXHIBIT 3 TO PROSPECTUS
QUESTION AND ANSWER SHEET

FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

Bahama Village Condominium Association, Inc.

As of July 24, 2025

Name of Condominium Association

Q: What are my voting rights in the condominium association?

A:

Each unit shall be entitled to one vote.

Q: What restrictions exist in the condominium documents on my right to use my unit?

A:

Each unit may only be used as a residence and/or home office (to the extent permitted by law). Except for temporary occupancy by visiting guests, occupancy may not exceed more than two persons per bedroom or studio. A home office is permitted to the extent that the office is not staffed by employees, is not used to receive clients and/or customers, and does not generate additional traffic into the unit or authorize use of the unit by business employees. See Section 13.1 of the Declaration of Condominium ("Declaration"). A maximum of two domesticated pets may be maintained in a unit. See Section 13.2 of the Declaration.

Q: What restrictions exist in the condominium document on the leasing of my unit?

A:

Unit owners may not lease units in the Condominium. See Section 13.7 of the Declaration.

Q: How much are my assessments to the condominium association for my unit type and when are they due?

A:

Monthly payments for condominium assessments are as follows: Assessments range from \$841.34 to \$951.94 monthly depending on the size of the unit.

Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?

A:

No.

Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?

A:

Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? If so, identify each such case.

A:

Q: Is the condominium created within a portion of a building or within a multiple parcel building?

A:

Note: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT, AND THE CONDOMINIUM DOCUMENTS.

EXHIBIT 4 TO PROSPECTUS
DECLARATION OF CONDOMINIUM

**This instrument prepared by
and when recorded return to:**

Kevin M. Koushel, Esq.
Bilzin Sumberg Baena Price & Axelrod LLP
1450 Brickell Avenue, Suite 2300
Miami, Florida 33131

(For Recorder's Use Only)

DECLARATION OF CONDOMINIUM

of

BAHAMA VILLAGE CONDOMINIUM

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**DECLARATION OF CONDOMINIUM
OF
BAHAMA VILLAGE CONDOMINIUM**

This Declaration of Condominium ("**Declaration**") made as of this ____ day of _____ 2025, by Bahama Village on Fort, Ltd., a Florida limited partnership, having an address at 1649 Atlantic Boulevard, Jacksonville, Florida 32207 ("**Developer**").

BACKGROUND

A. The Naval Properties Local Redevelopment Authority of the City of Key West ("**Ground Lessor**") and Developer are parties to the Ground Lease Agreement recorded on July 19, 2022, in Official Records Book 3185, Page 1 of the Public Records of Monroe County, Florida ("**Public Records**"), as amended by the Amendment to Ground Lease Agreement recorded on November 14, 2023, in Official Records Book 3250, Page 2166 of the Public Records, and as amended by the Second Amendment to Ground Lease Agreement recorded on December 10, 2024, in Official Records Book 3303, Page 469 and re-recorded on February 3, 2025, in Official Records Book 3310, Page 962 of the Public Records (collectively, "**Ground Lease**"), whereby Ground Lessor leases to Developer real property in the City of Key West located at the Truman Waterfront in Historic Bahama Village in Monroe County, Florida ("**Land**").

B. The Quitclaim Deed recorded on December 9, 2002, in Official Records Book 1839, Page 410 of the Public Records vested fee simple title to the Land in the City of Key West.

C. Section 2-450(3) of the City of Key West's Code of Ordinances authorizes Ground Lessor, as the Local Redevelopment Authority, to dispose of property acquired within the community development area for uses in accordance with the community redevelopment plan.

D. Pursuant to Ordinance No. 21-15 recorded on September 13, 2023, in Official Records Book 3242, Page 818 of the Public Records, the City of Key West City Commission authorized a referendum for Ground Lessor to enter into the Ground Lease for the development of affordable workforce housing, and such referendum was approved.

Developer declares as follows:

1. **INTRODUCTION AND SUBMISSION.**

1.1 **The Land.** Developer has a leasehold interest to the Land, which is described in attached Exhibit "A," pursuant to the Ground Lease.

1.2 **Submission Statement.** Developer submits its leasehold interest in the Ground Lease and all improvements erected or to be erected thereon, all easements, rights and appurtenances and all other property, real, personal or mixed, intended for use in connection therewith, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act, Chapter 718, Florida Statutes as it exists on this date, excluding all public and private utility lines, wiring, equipment and installations (including those for voice, video and data receiving or transmitting) and other personal property within any Unit, if any, which are not submitted to condominium ownership. The creation of the Condominium is subject to restrictions, reservations and easements recorded among the Public Records, prior to the recordation of this Declaration.

1.3 **Name.** The name by which this condominium is to be identified is: Bahama Village Condominium ("**Condominium**").

1.4 **Affordable Requirements.** The Condominium is intended to operate in accordance with the Declaration of Affordable Housing Restrictions made by Developer, recorded on July 20, 2022, in Official Records Book 3185, Page 113 of the Public Records, as amended by the Amendment to Declaration of Affordable Housing Restrictions, recorded on December 10, 2024, in Official Records Book 3303, Page 479 of the Public Records, and as it may be further amended from time to time (collectively, "**Affordable Declaration**"), and the Land Use Restriction Agreement made by Developer, The Naval Properties Local Redevelopment Authority of the City of Key West, The City of Key West, Florida, and the Monroe County Comprehensive Plan Land Authority, recorded on January 13, 2025, in Official Records Book 3307, Page 1870 of the Public Records, as it may be amended from time to time ("**LURA**"). The Association shall have no right to adopt Rules and Regulations that violate these requirements for so long as the requirements are in effect.

2. **DEFINITIONS.** The following terms when used in this Declaration and in its exhibits, as they may subsequently be amended, shall have the meaning indicated in this Article, except where the context clearly indicates a different meaning:

"**Abandoned Unit**" has the meaning indicated in Section 718.111(5)(b)1 of the Act.

"**Act**" means the Condominium Act (Chapter 718, Florida Statutes) as it exists on this date unless specifically otherwise provided to the contrary in this Declaration.

"**Affordable Code**" means Sections 122-1465 through 122-1500 of the City Code.

"**Affordable Declaration**" has the meaning indicated in Section 1.4.

"**Affordable Housing Unit**" means a Unit located within the Condominium which shall comply with the Affordable Workforce Housing Restrictions.

"**Affordable Workforce Housing Restrictions**" means the affordable housing regulations for the Affordable Housing Units as set forth in the Ground Lease, Affordable Declaration, LURA,

and Affordable Code, and in applicable sections of the 2021 City of Key West Land Development Regulations or 2021 City Code of Key West of Ordinances.

"Articles" means the Articles of Incorporation of the Association attached at Exhibit "E," as they may be amended from time to time.

"Assessment" or **"Assessments"** means a share of the funds required for the payment of Common Expenses which from time to time is assessed against an Owner.

"Association" means Bahama Village Condominium Association, Inc., a Florida not-for-profit corporation, the entity responsible for the operation of the Condominium.

"Association Property" means any real or personal property owned or leased by, or dedicated by plat to, the Association, including any improvements on such real property.

"Attorneys' Fees" means the reasonable fees, disbursements and court costs incurred for the services of any attorney, paralegal or other support personnel, including, without limitation, any accountant or other professional, providing services to the party engaging such attorney or attorney's firm.

"Board of Directors" or **"Board"** means the Board of Directors of the Association.

"Building" means the structure or structures on the Condominium Property in which the Units are located.

"By-Laws" means the By-Laws of the Association attached as Exhibit "D," as they may be amended from time to time.

"Charges" means any charge or charges due to the Association, which may include charges due to the Association for the use of Condominium Property or recreation areas, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner, and surcharges, fines and damages and other sums due from such Owner.

"City" means the City of Key West, Florida.

"City Code" includes, but is not limited to, Division 10 of Chapter 122 of the City Code. Owners shall derive at least 70% of their total income from gainful employment in Monroe County, provide that such restriction shall not disqualify an Owner previously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified. Any future modifications to the City Code shall not be deemed to modify the Affordable Workforce Housing Restrictions unless Developer consents to the application of such revised City Code.

"Common Elements" means and includes:

- (a) those portions of the Condominium Property not included within the Units;

(b) easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of Utility Services and other services to Units and the Common Elements;

(c) an easement of support in every portion of a Unit which contributes to the support of the Building;

(d) the property and installations required for the furnishing of Utility Services and other services to more than one Unit or to the Common Elements;

(e) any other parts of the Condominium Property designated as Common Elements in this Declaration; and

(f) the Life Safety Systems.

"Common Expenses" means all expenses incurred by the Association on behalf of the operation of the Association or on behalf of the Condominium, including, without limitation:

(a) expenses of administration, management, operation, maintenance, repair or replacement of the Common Elements and Association Property, if any, and the furniture and furnishings located on the Common Elements and Association Property, if any (excluding furniture and furnishings on the Limited Common Elements);

(b) costs of carrying out the powers and duties of the Association and for administration and management of the Association;

(c) to the extent applicable, the cost of bulk Communication Services obtained by the Association;

(d) all amounts for reserves for Common Elements required by the Act or otherwise established by the Association, regardless of when reserve funds are expended;

(e) if applicable, costs relating to reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, management, administrative, professional and consulting fees and expenses, and in-house and/or interactive communications and surveillance systems;

(f) all expenses related to the installation, repair, maintenance, operation, alteration and/or replacement of Life Safety Systems;

(h) the real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association or any Association Property and/or rental or other expenses owed in connection with any Units and/or Association Property leased by the Association;

(i) costs of water and sewer, electricity, gas and other utilities which are not consumed by and metered to individual Units;

(j) any and all costs, expenses, obligations (financial or otherwise) and/or liabilities of the Association and/or running with the Land pursuant to any restriction, covenant, condition, limitation, agreement, reservation and easement now or subsequently recorded in the Public Records, all of which are expressly assumed by the Association;

(k) any unpaid Common Expenses extinguished in a foreclosure of a Unit;

(l) the cost of providing insurance coverage by the Association or any deductible or restoration cost not covered by the Association's insurance coverage;

(m) except as otherwise provided to the contrary, all expenses for the installation, replacement, operation, repair, or maintenance of Hurricane Protection on Common Elements and Association Property; and

(n) any other expenses designated as Common Expenses by the Act or the Condominium Documents.

Common Expenses shall not include expenses related to any Limited Common Elements specified in this Declaration as the obligation of an Owner or group of Owners less than all of the Owners.

"Communication Services" includes, without limitation, cable television, telephone, data and voice transmission and reception, internet services and security services.

"Common Surplus" means the excess of all receipts of the Association collected on behalf of the Condominium, including, but not limited to, Assessments, rents, profits and revenues on account of the Common Elements, above the amount of Common Expenses.

"Condominium Documents" means collectively this Declaration, the Articles, the By-Laws and the rules and regulations of the Condominium, as they may amended from time to time.

"Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to that Unit; when the context permits, the term includes all other appurtenances to the Unit.

"Condominium Property" means the Land, the Improvements, all easements and rights appurtenant intended for use in connection with the Condominium and all other property, real, personal and mixed made subject to this Declaration.

"County" means the County of Monroe, State of Florida.

"Declaration" or **"Declaration of Condominium"** means this instrument, as it may be amended from time to time.

"Developer" means Bahama Village on Fort, Ltd., a Florida limited partnership, its successors and its assigns to which the rights of Developer are specifically assigned in whole or in part. Unless otherwise specifically indicated in the instrument of assignment, the assignee of a partial assignment of the rights of Developer shall not be deemed Developer but may exercise those of the rights of Developer specifically assigned to such assignee. An Owner shall not, solely by the purchase of a Unit, be deemed a successor, grantee or assign of Developer or of the rights of Developer under this Declaration, unless such Owner is specifically so designated as a successor, grantee or assign of such rights in the instrument of conveyance or any other instrument executed by Developer. If any Person obtains title to all of the interests in the Condominium Property then held by Developer as a result of foreclosure of a mortgage or deed in lieu thereof, such Person may elect to become Developer by a written election recorded in the Public Records, and, regardless of the exercise of such election, such Person may appoint as Developer any third party who acquires title to all or any portion of the Condominium Property, by written appointment recorded in the Public Records. Any subsequent Developer shall not be liable for any default or obligations incurred by any prior Developer, except as same may be expressly assumed by the subsequent Developer. Any prior Developer shall not be liable for any actions or inaction of any subsequent Developer.

"Division" means the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Florida Department of Business and Professional Regulation, or its successors.

"Ground Lease" has the meaning indicated in Section 1.1.

"Ground Lessor" means The Naval Properties Local Redevelopment Authority of the City of Key West or its assigns or designees.

"Hazardous Substances" means flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls, (PCBs), arsenic, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any governmental regulations.

"Hurricane Protection" means hurricane shutters, impact glass, code-compliant windows or doors, and other code-compliant hurricane protection products used to preserve and protect the Condominium Property or Association Property.

"Improvements" means all structures and artificial changes to the natural environment (exclusive of landscaping) located on the Condominium Property, including, but not limited to, the Building.

"Individual Assessment" means an Assessment against an individual Unit but not against all Units as permitted by the Act.

"Institutional Mortgagee" means any of the following as holder or guarantor of a first mortgage on a Unit: a bank, savings and loan association, insurance company, real estate or

mortgage investment fund or trust, pension fund, an agency of the United States government, a governmental sponsored entity or any governmental sponsored insurer or guarantor of a first mortgage on any Unit, mortgage banker, any other lender generally recognized as an institutional-type lender, the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Government National Mortgage Association ("GNMA"), any lender advancing funds to Developer secured by an interest in any portion of the Condominium Property and Developer.

"Legal Requirements" means any requirements, regulations, laws or rulings of the County, the federal government or any other governmental body, agency or official having jurisdiction over the Condominium Property.

"Life Safety Systems" includes any and all emergency lighting, audio and visual signals, safety systems, sprinkler systems in the Building, emergency generators and smoke detection systems, all means of emergency ingress and egress, including all stairways and stair landings, now or subsequently installed in the Building, whether or not within the Units, together with all conduits, wiring, electrical connections and systems related thereto.

"Limited Common Elements" means the Limited Common Elements described in Section 3.3 of this Declaration.

"Low-Income Unit" means one of the 11 Units described in Exhibit "C," which may be occupied by individuals collectively earning an income not exceeding 80% of the median household income (adjusted for family size) for the County in accordance with the Affordable Workforce Housing Restrictions.

"LURA" has the meaning indicated in Section 1.4.

"Middle Income Unit" means one of the 14 Units described in Exhibit "C," which may be occupied by individuals collectively earning an income not exceeding 140% of the median household income (adjusted for family size) for the County in accordance with the Affordable Workforce Housing Restrictions.

"Owner" or **"Unit Owner"** means any one or more persons, firms, associations, corporations or other legal entities holding legal title to a Condominium Parcel as shown by the real estate records in the office of the Clerk of the County, including Developer; "Owner" shall not mean or refer to (i) any holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure proceedings or deed in lieu of foreclosure, or (ii) any lessee or tenant of an Owner.

"Owner Property" has the meaning indicated in Section 10.1(f).

"Person" means an individual or individuals, firm, corporation, partnership, limited liability company, association, trust or other legal entity or any combination of any of the foregoing.

"Primary Institutional Mortgagee" means the Institutional Mortgagee which owns of record at any time first mortgages on the largest number of Units.

"Related Agreements" means any agreement entered into between Developer and Ground Lessor contemporaneously and in conjunction with the Ground Lease and which is recorded, including the Declaration of Affordable Workforce Housing Restrictions.

"Unit" means an Affordable Housing Unit part of the Condominium Property which is subject to exclusive ownership and intended for residential uses. A Unit may consist of a Very Low-Income Unit, a Low-Income Unit, or a Middle Income Unit.

"Utility Services" shall include, but not be limited to, electric power, domestic water, heating, air conditioning, trash removal, sewerage, master antenna, cable television, telephone and security systems.

"Very Low-Income Unit" means one of the 3 Units described in Exhibit "C," which may be occupied by individuals collectively earning an income not exceeding 60% of the median household income (adjusted for family size) for the County in accordance with the Affordable Workforce Housing Restrictions.

3. **DESCRIPTION OF CONDOMINIUM.**

3.1 **Identification of Units.** The Condominium Property includes one Building containing 28 Units. Each Unit is identified by a separate numerical or alpha-numerical designation. The designation of each Unit is set forth on Exhibit "B". Exhibit "B" consists of a survey of the Land, a graphic description of the Improvements, including, but not limited to, the Building in which the Units are located, and a plot plan thereof. Exhibit "B" together with this Declaration identify the Common Elements, the Limited Common Elements and each Unit and their relative locations and approximate dimensions. There shall pass with a Unit as appurtenances: (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as may be provided in this Declaration; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in airspace which is vacated shall be terminated automatically; (d) membership in the Association with full voting rights; and (e) other appurtenances as may be provided in this Declaration.

3.2 **Unit Boundaries.** Each Unit shall include a fee simple interest in that part of the Building lying within the boundaries of the Unit, which boundaries are as follows:

(a) **Upper and Lower Boundaries.** The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries:

(i) **Upper Boundaries** - the horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.

(ii) **Lower Boundaries** - the horizontal plane of the unfinished upper surface of the floor of the Unit.

(b) **Perimetrical Boundaries**. The perimetrical boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.

(c) **Apertures**. Where there are apertures in any boundary, including, but not limited to, windows, doors, conversation pits and skylights, such boundaries shall be extended to include the interior unfinished surfaces of such apertures, including the framework. Exterior surfaces made of glass or other transparent material, and all framing and casings, shall be included in the boundaries of the Unit and shall not be deemed a Common Element.

(d) **Exclusions**. The boundary of any Unit shall not include any unfinished interior surfaces of interior bearing walls or partitions or pipes, ducts, walls, conduits, chases or other facilities running through any interior wall or partition to furnish service to any other Unit or the Common Elements.

(e) **Conflict or Ambiguity**. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the survey of the Units set forth as Exhibit "B" shall control in determining the boundaries of a Unit.

3.3 **Limited Common Elements**. The Limited Common Elements shall consist of:

(a) **Terraces, Balconies and Patios**. The terraces, balconies and patios to which direct and exclusive access shall be afforded to a particular Unit shall be for the exclusive use of the Owner owning such abutting Unit. Such Owner shall be responsible for the maintenance and care of the balcony, terrace or patio, including, without limitation, all wiring, electric outlets, lighting fixtures and screening. The Association shall be responsible for the maintenance of the structural elements of such balcony or terrace. An Owner shall not enclose the exterior balconies, terraces or patios without the prior written approval of the Board.

(b) **Automobile Parking Spaces**. Each Unit shall be entitled to the exclusive use of one parking space. The parking space shall be assigned by Developer at the time of closing on the Unit. The Board shall be empowered to change such assignments and to make additional assignments provided the Owners affected by such change consent but no changes may be made without the prior consent of Developer so long as Developer holds any Units for sale in the ordinary course of business. Assignments (or changes in assignments) shall be in writing (but need not be recorded in the Public Records). Upon such assignment, each parking space so assigned shall be a Limited Common Element of the applicable Unit. An Owner's right to use such parking space or spaces shall become an appurtenance to the Unit and may be encumbered or conveyed thereafter as an appurtenance to the Unit without specific reference to the parking space. Except as indicated below, after exclusive use of any such parking space is assigned by Developer, it may not be conveyed, assigned or encumbered except as an appurtenance to the Unit to which it is assigned or as otherwise provided in this Section. An Owner may transfer the Owner's exclusive right to use an additional parking space by executing and delivering to another Owner a document

executed with the formalities of a deed transferring the exclusive right to such parking space. No assignment, conveyance or transfer of a parking space which would result in an Owner having no exclusive right to use at least one parking space will be valid or enforceable. After the sale of the last Unit in the Condominium by Developer, any parking spaces not assigned by Developer may be assigned by the Association.

Notwithstanding the above, some parking spaces assigned by Developer may not be on the Condominium Property, such as those located along Allen Avenue per the Parking Agreement between Bahama Village on Fort, Ltd., Bahama Village Community, Ltd., and the Naval Properties Local Redevelopment Authority recorded on February 2, 2023, in Official Records Book 3210, Page 2030 of the Public Records, and the Reciprocal Easement and Parking Agreement between Bahama Village on Fort, Ltd. and Bahama Village Community, Ltd. recorded on October 26, 2023, in Official Records Book 3248, Page 1505 of the Public Records.

(c) **Utility Installations.** Utility installations serving less than all the Units shall be deemed a Limited Common Element appurtenant to the Units served.

3.4 **Easements.** The following easements are created (in addition to any easements created under the Act):

(a) **Support.** An easement of support and of necessity is reserved for the benefit of each Unit and each Unit shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

(b) **Utility Services and Other Services; Drainage.** Easements in favor of governmental and quasi-governmental authorities, utility companies, cable television and communications companies, ambulance and emergency vehicle companies and parcel/mail carrier companies, over and across all roads and drives existing from time to time within the Condominium Property, and over, under, upon and across the Common Elements, as may be reasonably required to permit such providers, and their agents and employees, to provide their respective authorized services to and for the benefit of the Condominium Property. Easements for Utility Services, other services and drainage are reserved under, through and over the Condominium Property as may be required from time to time for all or portions of the Condominium Property. An Owner shall do nothing within or outside the Unit that interferes with or impairs, or may interfere with or impair, the provision of such Utility Services, other services or drainage facilities or the use of these easements. The Board of Directors or its designee shall have access to each Unit to inspect, maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits, other Utility Services, other services, drainage facilities and Common Elements contained in the Unit or elsewhere in the Condominium Property, and to remove any Improvements interfering with or impairing such facilities or easements. Except in the event of an emergency, such right of access shall not unreasonably interfere with an Owner's permitted use of a Unit, and shall not permit entry on less than one days' prior notice.

(c) **Encroachments.** If (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall subsequently occur as a result of (i) construction of the

Improvements; (ii) settling or shifting of the Improvements; (iii) any alteration or repair to the Common Elements made by or with the consent of the Association, or (iv) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for its maintenance so long as the Improvements exist.

(d) **Ingress and Egress.** A non-exclusive easement is created in favor of each Owner and occupant, their guests and invitees, for (i) pedestrian traffic over, through and across sidewalks, streets, paths, walks, other rights of way and other portions of the Common Elements as from time to time may exist and be intended and designated for such purpose and use, (ii) vehicular traffic over, through and across such portions of the Common Elements as from time to time may exist and be paved and intended for such purposes but the same shall not include parking and (iii) parking on those Common Elements designated for parking and not assigned as Limited Common Elements in accordance with this Declaration. Any lien or leasehold encumbering the easements described in this Section 3.4(d) (other than those on any Condominium Parcel) shall automatically be subordinate to the rights of Owners with respect to such easements.

(e) **Construction; Maintenance.** Developer (including its designees, contractors, successors and assigns) shall have the right, in its sole discretion, from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of (i) completing the construction or remodeling of the Condominium Property, (ii) making alterations or improvements to the Units or the Condominium Property and (iii) repairing, replacing or maintaining the Condominium Property upon the failure of Association to perform same. The Association (including its designees and contractors) shall have the right from time to time to enter the Condominium Property, including the individual Units, and to perform the Repairs and Alterations which may be performed by the Association pursuant to Articles 6 and 7. Any activity described in this paragraph shall not prevent or unreasonably interfere with the use or enjoyment by Owners of the Condominium Property.

(f) **Sales Activity.** For as long as there are unsold Units, Developer, its designees, successors and assigns, shall have the right to (i) use any such Units and parts of the Common Elements for model Units and sales offices, (ii) show model Units and the Common Elements to prospective purchasers and tenants of Units, (iii) erect signs and other promotional material on the Condominium Property advertising Units for sale or lease to purchasers of Units and (iv) take any and all actions which, in Developer's opinion, may be helpful for selling or leasing Units or promoting the Condominium Property generally. Developer shall not be charged for such use. Developer reserves the right to use any Units to which title has not been transferred as temporary accommodations for, but not limited to, prospective purchasers and Developer's agents, employees and licensees. Such temporary accommodations shall not be considered a leasing of the Unit and shall not be subject to Section 14.1.

(g) **Developer's Right of Entry.** For as long as Developer remains liable to the Association or any Owner under any warranty, whether statutory, express or implied, for any act or omission of Developer in the development, construction, conversion, sale and marketing of the Condominium, then Developer and its agents shall have the right, in Developer's sole discretion,

and from time to time, to enter the Condominium Property and any Unit for the purpose of inspecting, testing and surveying same, to determine the need for repairs, improvements or replacements, so as to permit Developer to fulfill its obligations under such warranties. Failure of the Association or of an Owner to grant such access may result in the appropriate warranty, if any, being nullified and of no further force or effect.

(h) **Additional Easements.** The Board, on its behalf and on behalf of the Association, and all Owners (each of whom appoints the Association as their attorney-in-fact for this purpose), each shall have the right to grant such additional electric, gas, water distribution or waste water collection or other utility or service or other easements, or relocate any existing easements or drainage facilities in any portion of the Condominium Property, and to grant access easements or relocate any existing access easements in any portion of the Condominium Property, as the Association shall deem necessary or desirable for the proper operations and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of Owners, or for the purpose of carrying out any provisions of this Declaration or otherwise. Such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes. The Board has the authority, without the joinder of any Owners, to grant, modify or move any easement, subject to the provisions of the easement, if the easement constitutes part of, or crosses, the Common Elements.

4. COMMON ELEMENTS, COMMON SURPLUS, COMMON EXPENSES AND VOTING RIGHTS.

4.1 **Percentage Ownership and Shares.** The undivided percentage interest in the Common Elements and Common Surplus, and the percentage share of the Common Expenses appurtenant to each Unit, is set forth in Exhibit "C." Allocation of percentage interest for Units is based upon the approximate square footage of each Unit in relationship to the approximate total square footage of all Units.

4.2 **Restraint Upon Separation and Partition of Common Elements.** The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and, except as otherwise provided in this Declaration, the exclusive right to use all appropriate appurtenant Limited Common Elements: (a) shall not be separated from the Unit but shall pass with the title to the Unit, whether or not separately described, and (b) shall remain undivided and cannot be conveyed or encumbered except together with the Unit. No action for partition of the Common Elements, the Condominium Property, or any part, shall lie, except as provided upon termination of the Condominium.

4.3 **Voting.** Each Unit shall be entitled to one vote to be cast by its Owner in accordance with the By-Laws and the Articles on all Association matters on which Owners are entitled to vote, unless such voting rights are suspended in accordance with Section 9.11. Each Owner shall be a member of the Association.

5. **AMENDMENTS.** Except as specifically otherwise provided, this Declaration may be amended only as follows:

5.1 **By the Association.** Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which it will be considered. A resolution to adopt the amendment may be proposed either by a majority of the Board of Directors or by not less than one-third of the members of the Association.

(a) Except as elsewhere provided, an amendment may be adopted and approved by:

(i) Owners owning in excess of 50% of the Units plus not less than 66-2/3% of the Board of Directors; or

(ii) After control of the Association has been turned over to Owners other than Developer, Owners owning not less than 67% of the Units represented at any meeting at which a quorum has been attained; or

(iii) Not less than 50% of the Board of Directors in the case of amendments to the Section of the Declaration entitled "Insurance" or other sections reasonably required by insurers or the Primary Institutional Mortgagee.

(b) Except to the extent otherwise specifically provided in this Declaration, no amendment shall (i) change the configuration or size of any Unit in any material fashion, (ii) materially alter or modify the appurtenances to any Unit, or (iii) change the percentage by which an Owner shares the Common Expenses and owns the Common Elements and Common Surplus (collectively "Material Amendments"), unless, in any such case, all affected record Owners, mortgagees and other lien holders join in the execution of the amendment. In addition, Material Amendments must be approved by 67% or more of the voting interests of Owners. The acquisition of property by the Association, material alterations or substantial additions to such property or the Common Elements by the Association, designation as Limited Common Elements of such portion of the Common Elements serving only a single Unit or a group of Units, and installation, replacement, operation, repair and maintenance of Hurricane Protection in accordance with the provisions of this Declaration or the Act is not considered a material alteration or substantial addition to the Common Elements or Association Property and shall not be deemed to constitute a material alteration or modification of the appurtenances or the Units, and accordingly, shall not constitute a Material Amendment.

(c) Any changes to the Condominium Property described in Section 3.3(c) shall not require an amendment to this Declaration.

5.2 **By Developer.** As long as Developer is in control of the Board of Directors, Developer may amend the Condominium Documents without approval or joinder of any other party to effect any change or addition, except that Developer may not in such manner (i) permit time share estates, (ii) materially adversely affect substantial property rights of Owners (unless the Owners affected consent in writing), (iii) affect rights of mortgagees under provisions in this

Declaration which require mortgagee consent or (iv) modify the Condominium Documents in a manner inconsistent with the Act or Sections 5.1(b) or 5.4(b). No amendment pursuant to this Section shall modify Sections 5.1(b) or 5.4(b) of this Declaration.

5.3 **Execution and Recording.** An amendment, other than amendments made solely by Developer pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association identifying the Declaration with its recording data. The certificate shall be executed in the form required for the execution of a deed. Amendments by Developer shall be made by written instrument in recordable form but no Association action is required. Any amendment of the Declaration is effective when recorded in the Public Records.

5.4 **Restrictions on Amendments.**

(a) Proposals to amend this Declaration shall contain the full text of the provision to be amended; new words shall be indicated by underlining and deletions shall be indicated by lining through the material to be deleted with hyphens or otherwise clearly indicating the deleted material. No amendment may be proposed or adopted solely by reference to the title of the provision being amended. If a proposed change is so extensive that the procedure set forth in this Section 5.4(a) would hinder rather than assist the understanding of the proposed amendment, it shall not be necessary to use underlining and hyphens as indicators of words added or deleted but instead a notation shall be inserted immediately preceding the proposed amendment in substantially the following language: "substantial rewording of declaration; see provision ___ for present text." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

(b) No amendment may eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to Developer or mortgagees of Units without the consent of Developer or such mortgagees in each instance. The Sections entitled "Insurance", "Reconstruction or Repair after Casualty" and "Condemnation" shall not be modified unless the Primary Institutional Mortgagee shall join in the amendment. Except as specifically provided in this Declaration, or if required by Fannie Mae or FHLMC, the consent and/or joinder of any lien or mortgage holder on a Unit shall not be required for the adoption of an amendment to this Declaration and, whenever the consent or joinder of a lien or mortgage holder is required, such consent or joinder shall not be unreasonably withheld.

(c) No amendment prohibiting an Owner from renting his or her Unit, altering the duration of the term of any rental or limiting the number of rentals during any particular period shall be applicable to any Owner at the time of the effective date of the amendment unless the Owner has consented to the amendment. Such amendment, however, shall be applicable to Unit Owners who acquire their Units after the effective date of that amendment.

5.5 **Scrivener's Errors.** If, through scrivener's error: (i) all of the Common Expenses or interest in the Common Surplus or all of the Common Elements have not been distributed in this Declaration so that the sum total of the shares of Common Elements which have been distributed or the shares of the Common Expenses or ownership of Common Surplus fails to equal 100%; (ii) more than 100% of the Common Elements or Common Expenses or ownership of the

Common Surplus shall have been distributed; (iii) a Condominium Parcel has not been designated an appropriate undivided share of the Common Elements, Common Expenses or Common Surplus; (iv) there is any other omission or error in this Declaration or in any of the Condominium Documents; or (v) the scrivener, by affidavit, acknowledges some other omission or error in preparation of this Declaration, then the Association may correct the error and/or omission by an amendment to this Declaration and/or any related documents by simple resolution of the Board of Directors approved by a majority of the Board or by a majority vote of Owners voting at a meeting of the Association called at least in part for the purpose, at which a quorum is present. Any amendment approved pursuant to this Section which modifies the shares of Common Expenses, Common Elements or Common Surplus appurtenant to one or more Units, shall not be effective unless the Owners of and holders of liens upon the Units affected consent in writing to the amendment. For the purpose of this Section and Section 5.2(b), no Owner's property rights shall be deemed to be materially adversely affected nor shall such Owner's share of the Common Elements, Common Expense or Common Surplus be deemed modified by reason of the modification of the shares of Common Expense, Common Elements or Common Surplus appurtenant or attributable to another Unit.

5.6 **Special Amendment.** As long as Developer owns any Unit, Developer may amend the Condominium Documents without approval or joinder of any other party (a) to comply with requirements of the FNMA, the FHLMC, the GNMA, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; and (b) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Units.

6. **MAINTENANCE AND REPAIRS.** All maintenance, repairs and replacements (collectively, "**Repairs**") to the Condominium Property shall be performed as follows:

6.1 **Units.** Except as otherwise expressly provided in this Declaration, an Owner shall make all Repairs to the Owner's Unit and any appurtenant Limited Common Elements, whether structural or nonstructural, ordinary or extraordinary, including, without limitation, screens, windows, the interior side of the entrance door and all other doors within or affording access to the Unit, the electrical, plumbing, heating and air-conditioning equipment, fixtures and outlets, appliances, paint and other wall covering, carpets and other floor covering, if any, within the Unit or the Limited Common Elements or belonging to the Owner. Where a Limited Common Element consists of a balcony or terrace, the Owner who has the right to the exclusive use of said balcony or terrace shall be responsible for the maintenance, care and preservation of the paint and surface of any walls, floor slab and/or railing, within said area, any fixed and/or sliding glass doors in the entrance ways or other portions of said area, any wiring, electrical outlets and fixtures thereon, and replacement of light bulbs, if any. All Repairs shall be made in accordance with the original plans and specifications or as otherwise directed by the Association. The Association shall make Repairs to the Unit (i) to the extent the Association receives proceeds for such Repairs under policies of insurance it maintains, (ii) occasioned by incidental damage arising from work done in the Unit by reason of any Repairs performed by the Association on the Common Elements, (iii) relating to

those portions of the Common Elements located within a Unit, or (iv) with respect to those structural elements of any Limited Common Element attached to and accessible from a Unit. The Board may, at its option, elect to treat the expense of exterior window washing as a Common Expense.

6.2 **Common Elements.** Except as otherwise provided, the Association shall make all Repairs to the Common Elements and Limited Common Elements (except to the extent indicated in Section 6.1) and the parking areas (including those constituting a portion of the Limited Common Elements) and Association Property. The cost of such Repairs shall be charged to all Owners as a Common Expense except to the extent arising from or necessitated by the negligence, misuse or neglect of any specific Owner, in which case such cost shall be paid solely by such Owner.

6.3 **Association's Right of Access to Units.**

(a) The Association has the irrevocable right of access to each Unit during reasonable hours when necessary for Repairs to any Common Elements or of any portion of a Unit or Limited Common Elements to be maintained by the Association pursuant to this Declaration, or for making emergency Repairs which are necessary to prevent damage to the Common Elements or to any other Unit.

(b) In addition to the Association's right of access in paragraph (a), at the sole discretion of the Board, the Association may enter an Abandoned Unit to inspect the Unit and adjoining Common Elements; make repairs to the unit or to the Common Elements serving the Unit, as needed; repair the unit if mold or deterioration is present; turn on the utilities for the unit; or otherwise maintain, preserve, or protect the Unit and adjoining Common Elements.

6.4 **Hurricane Protection.** Except as otherwise provided in this Declaration, the Association shall be responsible for the installation, maintenance, repair, or replacement of Hurricane Protection that is for the preservation and protection of the Condominium Property and Association Property. As to Hurricane Protection, in addition to the other provisions of this Declaration, the following shall be applicable with respect to the installation, maintenance, repair, or replacement of Hurricane Protection:

(a) The Board of Directors must, from time to time, adopt Hurricane Protection shutter specifications which may include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board must comply with the applicable building code. Subject to the provisions of Subsection 7.2, the Association may not refuse to approve the installation or replacement of Hurricane Protection by a Unit Owner which conforms to the specifications adopted by the Board. However, a Board may require the Unit Owner to adhere to an existing unified building scheme regarding the external appearance of the Condominium.

(b) The Board may, subject to the approval of a majority of the Unit Owners, install or require that Unit Owners install hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant Hurricane Protection that complies with or exceeds the applicable building code. A vote of the Unit Owners to require the installation of

Hurricane Protection must be set forth in a certificate attesting to such vote and include the date that the Hurricane Protection must be installed. The Board must record the certificate in the Public Records. Once the certificate is recorded, the Board must mail or hand deliver a copy of the recorded certificate to the Unit Owners at the Owners' addresses, as reflected in the records of the Association. The Board may provide to Unit Owners who previously consented to receive notice by electronic transmission a copy of the recorded certificate by electronic transmission. A vote of the Unit Owners is not required if the installation, maintenance, repair, and replacement of the Hurricane Protection, or any exterior windows, doors, or other apertures protected by the Hurricane Protection, is the responsibility of the Association pursuant to the Declaration, or if the Unit Owners are required to install Hurricane Protection pursuant to the Declaration as originally recorded or as amended. If Hurricane Protection that complies with or exceeds the current applicable building code has been previously installed, the Board may not install the same type of Hurricane Protection or require that Unit Owners install the same type of Hurricane Protection unless the installed Hurricane Protection has reached the end of its useful life or unless it is necessary to prevent damage to the Common Elements or to a Unit.

(c) To the extent that any Hurricane Protection consists of exterior storm shutters, the shutters shall remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare his or her Unit prior to departure by designating a responsible firm or individual to care for the Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual.

(d) To the extent that Developer provides exterior storm shutters for any portions of the Condominium (which it is not obligated to do) or if the Association obtains exterior storm shutters for any portion of the Condominium Property, the Association (as to shutters for the Common Elements) and the Unit Owners (as to shutters covering doors or windows to a Unit) shall be solely responsible for the opening and closing of such exterior storm shutters from time to time and the costs incurred by the Association (as to installation of shutters for the Common Elements) shall be deemed a part of the Common Expenses of the Condominium that are included in the Assessments payable by Unit Owners. The obligations of the Association assumed shall include, without limitation, development of appropriate plans to allow for the timely installation of the shutters for the Common Elements, and all obligations with respect to the repair, replacement and/or upgrade of the shutters for the Common Elements. Developer shall have no obligations with respect to the installation of the shutters, and/or for the repair, replacement and/or upgrade of the shutters. Nothing in this Subsection shall obligate the Association to install shutters protecting individual units, nor to open or close same as a storm is approaching, or after it passes.

6.5 **Miscellaneous**. All work performed on any portion of the Condominium Property shall be in compliance with all applicable Legal Requirements. All plumbing and electrical maintenance, repairs, and replacements shall be made only by plumbers or electricians duly licensed and qualified to perform such services in the State of Florida and, if applicable, in the County.

7. **ADDITIONS, ALTERATIONS OR IMPROVEMENTS.**

7.1 **By the Association.** Any additions, alterations or improvements (collectively "**Alterations**"), as distinguished from repairs and replacements, costing in excess of the greater of (i) 10% of the Association's budget for a particular calendar year or (ii) \$10,000 in the aggregate in any calendar year ("**Improvement Limit**"), shall be made by the Association only after the prior approval of a majority of the Units represented at a meeting at which a quorum is attained. Any Alterations to the Condominium Property costing in the aggregate less than the Improvement Limit in a calendar year may be made by action of the Board without approval of the Owners. The costs of any such Alterations shall constitute Common Expenses and shall be assessed to the Owners.

7.2 **By Unit Owners.**

(a) **In General.** An Owner shall not make any Alterations in or to the Common Elements, Association Property, such Owner's Unit or any Limited Common Elements, including, without limitation, installations of awnings on balconies and changes or additions to the plumbing, electrical, heating or air conditioning systems, without obtaining prior written consent from both the Board of Directors and the City (except as otherwise expressly provided in this Declaration, prior written consent shall not be required for Alterations to a Unit which do not adversely affect other Units, the Common Elements or any portion of the Condominium Property maintained by the Association, as determined in the sole discretion of the Association). Board consent may be withheld for any reason, including, without limitation, for purely aesthetic reasons. Board consent shall not be granted if it is determined that the Alterations would detrimentally affect the architectural design of the Condominium Property, but shall not be withheld in a discriminatory manner. An Owner shall not make any Alterations which would remove any portion of, or make additions to, or adversely affect the safety or soundness of the Common Elements or any portion of the Condominium Property maintained by the Association. The Board shall be deemed to have consented to a request if it fails to take any action within 30 days after the later of (i) receipt of such request, or (ii) receipt of all additional information requested by the Board within such 30-day period. Any Alterations by an Owner shall be made in compliance with all Legal Requirements and with any conditions imposed by the Association relating to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Any Owner making or causing to be made any such Alterations shall be deemed to have agreed, for such Owner and Owner's heirs, personal representatives, successors and assigns, to hold the Association and all other Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance of such Alterations from and after that date of installation or construction as may be required by the Association. The Board may appoint an architectural control committee to assume the functions of the Board for Owner Alterations. The Association's rights of review and approval of plans and other submissions under this Declaration are intended solely for the benefit of the Association. Neither Developer, the Association, nor any of their officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance or non-feasance arising out of or in connection with the approval or disapproval of any plans or submissions. Anyone submitting plans under this Declaration, by the submission of same, and any Owner, by acquiring title to a Unit, agrees not to

seek damages from Developer, the Association arising out of the review of any plans. Without limiting the generality of the foregoing, the Association shall not be responsible for reviewing, nor shall its review of any plans be deemed approval of, any plans from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with Legal Requirements. Further, each Owner (including the successors and assigns) agrees to indemnify and hold Developer and the Association harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including, without limitation, Attorneys' Fees), arising out of any review of plans by the Association.

(b) **Weight and Sound Restrictions.** Hard and/or heavy surface floor coverings, such as tile or wood, are permitted in foyers, kitchens and bathrooms. All other areas are to receive sound absorbent, less dense floor coverings, such as carpeting or LVT. Installation or use of a hard and/or heavy surface floor covering in any other location or installation of any heavy object must be submitted to and approved by the Board, meet applicable structural requirements, sound transmission standards and be compatible with the structural design of the Building. The Board may, from time to time, set standards for hard surface floor coverings and installation of such floor coverings. The Board may require the review of a structural engineer. Floor coverings on balconies shall meet the engineering design standards for the Building and be compatible with the structural and architectural designs and not adversely affect drainage. The Board will have the right to specify the exact material used on balconies consistent with good design practices for the waterproofing, soundproofing, and structural designs. Owners will be held strictly liable for violation of these restrictions and for all resulting damages. The Board has the right to require immediate removal of violations. Applicable warranties of Developer, if any, shall be voided by violations of these restrictions and requirements. Each Owner by acceptance of a deed or other conveyance of a Unit, acknowledges and agrees that sound transmission in high-rise buildings such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and or mechanical equipment can often be heard in another Unit. Developer does not make any representation or warranty as to the level of sound transmission between and among Units and other portions of the Condominium Property. Each Unit Owner waives and expressly releases any such warranty and claim for loss or damages resulting from sound transmission.

7.3 **Life Safety Systems.** No Owner shall make any additions, alterations or improvements to the Life Safety Systems, and/or to any other portion of the Condominium Property which may alter or impair the Life Safety Systems or access to the Life Safety Systems, without first receiving the prior written approval of the Board. In no event shall stairwell identification and emergency signage be altered or removed by any Owner. No barrier including, but not limited to personalty, shall impede the free movement of ingress and egress to and from all emergency ingress and egress passageways.

7.4 **By Developer.** The provisions of Section 7.1, and 7.2 shall not apply to Developer and any Units owned by Developer. Developer shall have the right, without consent or approval of the Board or other Owners, to (i) make Alterations, structural and nonstructural, interior and exterior, ordinary and extraordinary, in any Unit owned (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Improvements), (ii) add, expand or alter recreational facilities or (iii) change the layout of rooms in any owned Units. In making any

Alterations, Developer may relocate and alter Common Elements adjacent to such Unit provided that such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Owners other than Developer. Developer shall comply with all Legal Requirements in making any Alterations to Units owned. If Developer alters the floor plans of the Building, Developer will cause an amendment to the Declaration to be recorded indicating the changed floor plan. The provisions of this Section 7.4 may not be modified without prior written consent of Developer.

7.5 **Changes in Developer-Owned Units.** Without limiting the provisions of Section 7.4, Developer shall have the right, without the vote or consent of the Association or Owners, to (a) change the size of Developer owned Units by combining separate Developer owned Units into a single dwelling (although being kept as two separate Units under this Declaration), or otherwise; and (b) reapportion among Developer owned Units affected by any change in size their appurtenant interests in the Common Elements and share of the Common Surplus and Common Expenses. The percentage interests in the Common Elements and share of Common Surplus of any Units other than the affected Developer-owned Units shall not be changed by reason thereof unless the Owners of such Units shall consent thereto. Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making alterations, additions and improvements, Developer may relocate and alter Common Elements adjacent to or near such Units, incorporate portions of the Common Elements into adjacent Units and incorporate Units, or portions thereof, into adjacent Common Elements, to the extent such relocation and alteration does not materially adversely affect the market value or ordinary use of Units owned by Unit Owners other than Developer. Any amendments to this Declaration required by changes of the Developer made pursuant to this Section shall be effected by Developer alone pursuant to Subsection 5.2, without the vote or consent of the Association or Unit Owners (or their mortgagees) except to the extent that any of same is otherwise restricted pursuant to Section 5.1(b), in which event, the amendment must be approved as set forth in Section 5.1(b). Without limiting the generality of Section 5.2, the provisions of this Section may not be added to, amended or deleted without the prior written consent of Developer.

8. **OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION.**

8.1 **Powers and Duties.** The Association shall be responsible for the operation of the Condominium and the Association Property. The powers and duties of the Association shall include those set forth in the By-Laws and Articles. In addition, the Association shall have all the powers and duties set forth in the Act and in this Declaration, including, without limitation:

(a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for maintenance, repair or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to this Declaration, or at any time and by force, if necessary, for emergency repairs necessary to prevent damage or injury to the Common Elements or to any other Unit or Units.

(b) The power to make and collect Assessments and Charges and surcharges against Owners and to lease, maintain, repair and replace the Common Elements and Association Property.

(c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Owners or their authorized representatives at such reasonable times as established from time to time by the Board.

(d) The power to enter into contracts with others (whether or not affiliated with the Association or Developer), for a valuable consideration, for maintenance and management of the Condominium Property and Association Property and, in such connection, to authorize a management agent (which may be an affiliate of Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals for work or services, collection of Assessments and Charges and perfection of liens for nonpayment thereof on behalf of the Board, preparation of records, enforcement of rules and maintenance, repairs and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association shall, however, retain at all times the powers and duties granted by this Declaration, the Articles, By-Laws and the Act, including but not limited to the making of Assessments, Charges, promulgation of rules and execution of contracts on behalf of the Association.

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security mortgages and security interests in property owned by the Association, provided that such actions are approved by (i) a majority of the Board of Directors and of Owners represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Owners as may be specified in the By-Laws with respect to certain borrowing, and (ii) Developer during such time as Developer owns any Units. This provision shall not limit the power of the Board to finance payment of insurance premiums.

(f) The power to grant easements or use rights on or lease any portion of the Common Elements and charge a rental or use fee for any temporary or permanent use.

(g) When authorized by a majority of Owners represented at a meeting at which a quorum has been attained, the power to acquire and enter into agreements for the acquisition of fee interests, leaseholds, memberships and other possessory or use interests in lands or facilities, including, but not limited to, country clubs, golf courses, marinas and other recreational facilities and parking areas, whether or not contiguous to the lands of the Condominium, intended to be provided for the use or benefit of Owners (whether or not on an exclusive basis), but no consent of Owners shall be required to acquire, lease or sell Units. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.

(h) The power to adopt and amend rules and regulations covering the details of the operation and use of the Condominium Property.

(i) The power to (i) grant bills of sale for items of personal property owned or governed by the Association and (ii) take any other action on behalf of itself and all Owners (as attorney-in-fact for all Owners) to satisfy any requirement of a company or governmental agency

to which equipment, facilities or materials used in connection with Utility Services are to be transferred.

(j) The duty to notify Owners within a reasonable time of the institution of any action or proceeding against the Association in which the Association may be exposed to liability in excess of insurance coverage; any Owner shall have the right to intervene in and furnish additional defense for the Association.

(k) The power to adopt specifications for hurricane shutters, impact glass or other code compliant windows or doors for the Building and install hurricane shutters in accordance with Section 6.4.

(l) The power to levy reasonable fines against a Unit for failure of the Owner or its occupant, licensee or invitee to comply with any provision of the Condominium Documents.

(m) The power to sell or lease Association Property or any Unit acquired by the Association.

(n) Emergency powers as provided under Section 718.1265 of the Act.

(o) All of the powers which a corporation not for profit in the State of Florida may exercise.

8.2 **Limitation Upon Liability of Association.**

(a) Notwithstanding the duty of the Association to Repair parts of the Condominium Property and the Association Property, the Association shall not be liable to Owners for injury or damage, other than for the cost of Repairs pursuant to Section 6.2, caused by any latent condition of the Condominium Property or the Association Property. The Association shall not be deemed a guarantor or insurer of the health, safety or welfare of any Owner or any occupant or user of any portion of the Condominium Property. The Association is not empowered, and has not been created, to act as an entity for enforcement or compliance with Legal Requirements.

(b) Any provisions of the Condominium Documents setting forth the uses of Assessments which relate to health, safety and/or welfare shall be interpreted and applied only as limitations on the uses of Assessments and not as creating a duty of the Association to protect or further the health, safety or welfare of any person, even if Assessment funds are chosen to be used for any such reason.

(c) EACH UNIT OWNER (BY VIRTUE OF ACCEPTANCE OF TITLE TO A UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE CONDOMINIUM PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES), SHALL BE BOUND BY THIS SECTION 8.2 AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED

WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION.

(d) As used in this Section, "Association" shall include within its meaning all of the Association's directors, officers, committees and board members, employees, agents, contractors (including management firms), subcontractors, successors and assigns. The provisions of this Section shall also inure to the benefit of Developer and its affiliates.

8.3 **Restraint Upon Assignment of Shares in Assets.** An Owner's share in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such Owner's Unit.

8.4 **Approval or Disapproval of Matters.** Whenever the decision of an Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same individual who would cast the vote for the Unit if at an Association meeting, unless the joinder of record Owners is specifically required by the Declaration or By-Laws.

8.5 **Acts of the Association.** Unless approval or action of Owners or a specific percentage of the Board is specifically required by the Condominium Documents or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors, without the consent of Owners. The Board may so approve and act through the proper officers of the Association without a specific resolution. Whenever an approval or action of the Association is to be given or taken, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

9. **ASSESSMENTS.**

9.1 **Determination of Common Expenses and Assessments.** The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium and for the Association, determine the amount of Assessments payable by Owners to meet the Common Expenses and allocate and assess such expenses among Owners in accordance with the provisions of this Declaration and the By-Laws. The Board, promptly following its determination, shall advise all Owners in writing of the amount of Assessments payable by each Owner and shall furnish copies of the budget, on which such Assessments are based, to all Owners and (if requested in writing) to their respective mortgagees. Any budget adopted shall contain reserves for capital expenditures and deferred maintenance but reserves may be waived in accordance with the procedure set forth in the By-Laws. Any budget adopted may be changed at any time to cover actual expenses. Any such change shall be adopted consistent with the provisions of the By-Laws. Notwithstanding anything in the By-Laws to the contrary, the Board may allocate the cost of any Communication Services on a per Unit basis rather than on the basis of a percentage share in the Common Elements.

9.2 **Liability for Payment.** Each Owner, regardless of the manner in which title is acquired, including, without limitation, purchase at a judicial sale, or deed in lieu of foreclosure, shall be liable for all Assessments (including Individual Assessments) and Charges due with respect to that Unit while an Owner. Except as otherwise indicated in this Article, an Owner shall be jointly and severally liable with the previous Owner of a Unit for all unpaid Assessments and Charges against the Unit coming due to the time of the transfer of title. Such liability shall be without prejudice to any right the Owner may have to recover from the previous Owner any payment made. The liability for Assessments and Charges may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise.

9.3 **Unpaid Assessments.** Assessments and Charges paid within 10 days after the due date shall not bear interest but all sums not paid within such period thereafter shall bear interest at the highest lawful rate from the original due date until paid. The Association may charge an administrative late fee, in addition to such interest, in an amount not to exceed the greatest of (i) \$25.00, (ii) five percent of each delinquent Assessment payment and, to the extent allowed by law, each delinquent Charge or (iii) the highest amount as may be permitted by the Act. In addition, the Association may accelerate any unpaid Assessments in accordance with the By-Laws. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and Attorneys' Fees incurred in collection, and then to the delinquent Assessment (and/or Charges, to the extent allowed by law). The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee shall neither be subject to the provisions of Florida's interest and usury laws nor the provisions of the Condominium Act dealing with the levy of fines against a Unit. The Association has a lien on each Condominium Parcel for any unpaid Assessments (and Charges to the extent allowed by law), with interest and for Attorneys' Fees incurred by the Association incident to the collection of the Assessments (and Charges, to the extent allowed by law) or enforcement of the lien.

9.4 **Lien for Assessments.**

(a) The Association shall be entitled to a lien against a Condominium Parcel for any unpaid Assessments (including Individual Assessments) and unpaid Charges, to the extent allowed by law. Except as otherwise provided in Section 9.7, the lien is effective from and shall relate back to the date of the recording of this Declaration in the Public Records.

(b) No lien may be filed by the Association against a Condominium Parcel until 30 days after the date on which a notice of intent to file a lien has been delivered to the Owner of such Condominium Parcel by registered or certified mail, and by first-class United States mail addressed to the Owner at such Owner's last known address as reflected in the records of the Association if the address is within the United States, and delivered to the Owner at the address of the Unit if the Owner's address as reflected in the records of the Association is not the Unit address. If the address reflected in the records is outside of the United States, sending the notice to that address and to the Unit address by first-class United States mail with sufficient postage is sufficient. Delivery of the notice shall be deemed given upon mailing as required by this Section.

Alternatively, notice shall be completed if served on the Owner in the manner of service of process under Chapter 48 of the Florida Rules of Civil Procedure.

(c) The Association may record a claim of lien in the Public Records. The claim of lien shall contain the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amount due and the due dates and shall be executed and acknowledged by an officer of the Association or an authorized agent. The claim of lien shall secure all unpaid Assessments and Charges (to the extent allowed by law), interest, costs, and Attorneys' Fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to a issuance of a certificate of title.

(d) No such lien shall be effective longer than one year after the claim of lien was recorded, unless within that time an action to enforce the lien is commenced in a court of competent jurisdiction. The one year period shall be extended by the period the Association is prevented from filing an action to foreclose the lien by any automatic stay arising out of a bankruptcy proceeding of the Owner against whom enforcement is sought or of anyone else claiming an interest in the Unit.

(e) Upon payment the person making the payment is entitled to a satisfaction of the lien.

(f) The Association may bring an action in its name to foreclose a lien for unpaid Assessments (and Charges to the extent allowed by law) in the manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments (and Charges to the extent allowed by law) without waiving any claim of lien.

(g) Any filed claim of lien may be assigned by the Association to Developer or to any other Person ("**Association Assignee**"). If the Association or an Association Assignee acquires title to a Unit through foreclosure of the Association's lien, the Association or Association Assignee shall not be liable for any unpaid Assessments, late fees, interest or Attorneys' Fees or other costs arising prior to completion of the foreclosure action.

9.5 **Notice of Intention to Foreclose Lien.** No foreclosure judgment may be entered until at least 45 days after the Association gives written notice to the Owner of its intention to foreclose its lien for unpaid Assessments. If this notice is not given at least 45 days before the foreclosure action is filed, and if the unpaid Assessments (and Charges to the extent allowed by law), including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover Attorneys' Fees or costs. The notice must be given by delivery of a copy of it to the Owner or by certified or registered mail, return receipt requested, addressed to the Owner at such Owner's last known address; and, upon such mailing, the notice shall be deemed to have been given, and the court shall proceed with the foreclosure action and may award Attorneys' Fees and costs as permitted by law. The notice requirements of this Section are satisfied if the Owner records a Notice of Contest of Lien as provided in the Act. The notice requirements of this Section do not apply if an action to foreclose a mortgage on the Unit is pending before any court; if the Association's rights would be affected

by such foreclosure, and if actual, constructive, or substitute service of process has been made on the Owner.

9.6 **Collection of Rentals.** If an Owner who is delinquent in payment of Assessments has rented the Unit to a tenant, the Association may serve upon the tenant a written demand that the tenant pay to the Association all rental payments to be made subsequent to such demand and continue to make such payments to the Association until all monetary obligations of the delinquent Owner have been paid in full. Such tenant shall make all such rental payments until released of such obligation by the Association or tenant ceases to occupy the Unit. The demand for rent given to the tenant shall be in the form provided in Section 718.116(11) of the Act, as amended, from time to time. The Association shall provide the tenant with a receipt upon request. If the Owner remains in possession of the Unit and the lien is foreclosed, the court in its discretion may require the Owner to pay a reasonable rental for the Unit and the Association shall be entitled to the appointment of a receiver to collect the rent.

9.7 **Institutional Mortgagee.**

(a) If an Institutional Mortgagee obtains title to a Unit as a result of foreclosure of its mortgage by purchase at a public sale resulting from such mortgagee's judgment in a foreclosure suit in which the Association has been properly named as a defendant junior lienholder, or accepting a deed in lieu of foreclosure, such Institutional Mortgagee, its successors and assigns, shall not, except to the extent indicated in Section 9.7(b), be liable for Common Expenses, Assessments or Charges imposed by the Association attributable to such Condominium Parcel or chargeable to the former Owner becoming due prior to acquisition of title unless such Assessments or Charges are secured by a claim of lien recorded prior to the recording of the mortgage. Such unpaid share of Common Expenses, Assessments or Charges shall be deemed to be Common Expenses collectible from all Owners, including such acquirer, and its successors and assigns.

(b) An Institutional Mortgagee (or its designee) acquiring title to a Unit as indicated in this Section, shall be liable for unpaid Assessments arising prior to the acquisition of title to the extent of the lesser of (i) Common Expenses and Assessments accruing in the 12 month period prior to the acquisition of title or (ii) one percent of the principal amount of the original debt, or such greater amount as may be from time to time permitted by the Act. Such amount shall be paid within 30 days after acquisition of title. The provisions of this Section shall not be construed to excuse any Institutional Mortgagee from payments of Assessments subsequent to the acquisition of title to a Unit.

9.8 **Certificate of Unpaid Assessments.** Within 10 business days after receiving a written or electronic request therefor from an Owner or the Owner's designee, or a Unit mortgagee or the Unit mortgagee's designee, the Association shall provide an estoppel certificate in compliance with Section 718.116(8) of the Act with respect to the Unit. Any person other than the Owner who relies on such certificate shall be protected thereby. The Association or its authorized agent may charge a reasonable fee for the preparation of such certificate but not in excess of the amount permitted by the Act.

9.9 **Developer's Liability for Assessments.** Developer shall be excused from the payment of the share of the Common Expenses and Assessments relating to Units it is offering for sale, for a period beginning with the recording of this Declaration and ending the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs. Developer must pay the portion of Common Expenses incurred during that period which exceeds the amount assessed against other Owners.

9.10 **Special Assessments.** In addition to Assessments set forth in the annual budget of the Association, the Board may levy Assessments for nonrecurring costs or capital improvements. The specific purpose or purposes of any such Assessment approved in accordance with the Condominium Documents shall be set forth in a written notice of such special Assessment sent or delivered to each Owner. The funds collected pursuant to a special Assessment shall be used only for the specific purpose or purposes set forth in such notice, or, at the discretion of the Board, returned to the Owners or applied as a credit to future Assessments. Upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus.

9.11 **Suspension.** The Association may suspend, for a reasonable period of time, the right of a Unit Owner, or a Unit Owner's tenant, guest or invitee, to use the Common Elements, common facilities, or any other Association Property for failure to comply with any provision of the Declaration, the By-Laws or reasonable rules of the Association. A suspension may not be imposed unless the Association first provides at least 14 days' written notice and an opportunity for a hearing to the Unit Owner and, if applicable, its occupant, licensee, or invitee. The hearing must be held before a committee of other Unit Owners who are neither Board members nor persons residing in a Board member's household. If the committee does not agree, the suspension may not be imposed. If a Unit Owner is more than 90 days delinquent in paying a monetary obligation due to the Association, the Association may suspend the right of a Unit Owner or a Unit's occupant, licensee, or invitee to use Common Elements, common facilities, or any other Association Property until the monetary obligation is paid. This Subsection does not apply to Limited Common Elements intended to be used only by that Unit, Common Elements needed to access the Unit or utility services provided to the Unit or elevators. The notice and hearing requirements set forth above do not apply to suspensions imposed in connection with monetary delinquencies under this Subsection. Any suspension imposed pursuant to this Subsection must be approved at a properly noticed Board meeting. Upon approval, the Association must notify the Unit Owner and, if applicable, the Unit's occupant, licensee or invitee by mail or hand delivery.

The Association may suspend the voting rights of a Member due to nonpayment of any fee, fine, or other monetary obligation due to the Association which is more than \$1,000 and more than 90 days delinquent. Proof of such obligation must be provided to the Member 30 days before such suspension takes effect. At least 90 days before an election, the Association must notify a Member that his or her voting rights may be suspended due to a nonpayment of a fee or other monetary obligation. A voting interest or consent right allocated to a Unit Owner or Member which has been suspended by the Association shall be subtracted from the total number of voting interests in the Association, which shall be reduced by the number of suspended voting interests when calculating the total percentage or number of all voting interests available to take or approve any action, and the suspended voting interests shall not be considered for any purpose, including, but not limited to, the percentage or number of voting interests necessary to constitute a quorum, the

percentage or number of voting interests required to conduct an election, or the percentage or number of voting interests required to approve an action under Chapter 718 or pursuant to the Declaration, Articles of Incorporation, or By-Laws. The suspension ends upon full payment of all obligations currently due or overdue the Association. The notice and hearing requirements set forth in the initial paragraph of this Section do not apply to suspensions imposed under this paragraph. Any suspension imposed pursuant to this paragraph must be approved at a properly noticed Board meeting. Upon approval, the Association must notify the Member and, if applicable, the Unit's occupant, licensee or invitee by mail or hand delivery.

10. **INSURANCE.**

10.1 **Purchase, Custody and Payment.**

(a) **Purchase.** All insurance policies purchased by the Association concerning the Condominium Property shall be issued by an insurance company or companies authorized to do business in Florida. Insurance may also be provided through a self-insurance fund complying with the requirements of Sections 624.460 to 624.488 of the Florida Statutes.

(b) **Approval.** Each insurance policy, the agency and the company issuing the policy shall be subject to the approval of the Primary Institutional Mortgagee which approval shall not be unreasonably withheld.

(c) **Named Insured.** The named insured on the insurance policies shall be the Association, individually, and as agent for Owners of Units covered by the policy, without naming them, and as agent for their mortgagees, without naming them. The Ground Lessor and the Owners and their mortgagees shall be additional insured.

(d) **Custody of Policies and Payment of Proceeds.** All policies shall provide that payments for losses made by the insurer shall be paid in accordance with the Ground Lease. All policies and endorsements shall be deposited with the Insurance Trustee (if appointed) or in the absence of such appointment, with the Association.

(e) **Copies to Ground Lessor and Mortgagees.** One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements, shall be furnished by the Association, upon request, to Ground Lessor and each Institutional Mortgagee holding a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than 10 days prior to the beginning of the term of the policy or not less than 10 days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(f) **Personal Property and Liability.** An Owner may obtain, at Owner's expense, insurance coverage upon the personal property lying within the boundaries of the Owner's Unit, or any Limited Common Elements appurtenant to such Unit, including, but not limited to, floor, wall, and ceiling coverings, electrical fixtures, appliances, air conditioner and heating equipment, water heaters, water filters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, screens, hardware, and similar window treatment components, or replacements of any of the foregoing or other personal property owned, supplied or installed by

an Owner or Owner's tenants ("**Owner Property**") and for Owner's personal liability and living expense and for any other risks not otherwise insured in accordance with Section 10.2.

10.2 **Coverage**. The Association shall maintain the following insurance coverage:

(a) **Casualty**. The Improvements, including the Building and all fixtures, machinery and installations initially installed (in accordance with the original plans and specifications, or replacements of like kind or quality in accordance with the original plans and specifications or those existing at the time the Unit was originally conveyed, if the original plans are not available), and all alterations and additions made by the Association, including, in each case those portions of the Building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the Units but excluding Owner Property (collectively, "**Insured Property**"), shall be insured in an amount not less than 100% of full insurable replacement value, excluding foundation and excavation costs, against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks including, but not limited to, vandalism and malicious mischief, and windstorm as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use. The full replacement cost shall be determined at least once every 36 months by an independent insurance appraisal or an update of a prior appraisal. Such policies may contain reasonable deductible provisions as determined by the Board of Directors and the Act.

(b) **Liability**. Commercial general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Ground Lease, and with a cross liability endorsement to cover liabilities of Owners as a group to any Owner, and vice versa.

(c) **Worker's Compensation**. Worker's compensation and other mandatory insurance, when applicable.

(d) **Flood Insurance**. Flood insurance if required by the Primary Institutional Mortgagee or if the Association so elects.

(e) **Fidelity Insurance**. Fidelity insurance covering all persons who control or disburse funds, including, without limitation, all directors, officers and employees of the Association and managing agents. Such insurance shall be in an amount not less than the maximum amount of funds in the hands of persons who handle such funds.

(f) **Other Insurance**. Such other insurance as the Board of Directors shall determine from time to time to be desirable.

When appropriate and obtainable, each insurance policy shall waive the insurer's right to: (i) subrogation against the Association and Owners individually and as a group, (ii) pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage

upon the same risk, and (iii) avoid liability for a loss caused by an act of the Board of Directors, by a member of the Board or by one or more Owners.

10.3 **Additional Provisions**. All policies of physical damage insurance shall provide that such policies may not be canceled or substantially modified without at least 10 days' prior written notice to all of the named insureds, including all mortgagees of Units. The Board of Directors shall obtain an appraisal from a property insurance company or other competent appraiser, of the replacement cost of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Article. All or any portion of the insurance to be provided pursuant to Section 10.2 may be provided by a blanket policy obtained by others covering the Condominium Property and other property provided that any such blanket policy separately allocates insured amounts to the Condominium Property at least in the amounts set forth in Section 10.2.

10.4 **Premiums**. Insurance premiums for the Association's policies or for the Association's share of blanket policies shall be paid as a Common Expense. Premiums may be financed in such manner as the Board of Directors deems appropriate.

10.5 **Insurance Trustee; Share of Proceeds**. An Insurance Trustee may be designated by the Board of Directors with the approval of the Primary Institutional Mortgagee. If so appointed, the Insurance Trustee shall be a bank or trust company in Florida with trust powers. If the Association fails or elects not to appoint such Trustee, the Association will perform directly all obligations imposed upon such Insurance Trustee by this Declaration and shall be entitled to enforce all rights conferred upon such Trustee. Common Expenses shall include fees and expenses of any Insurance Trustee. The Insurance Trustee (if appointed) shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The Insurance Trustee (if appointed) shall receive the proceeds paid and hold them in trust for the purposes stated below, and for the benefit of the Owners and their respective mortgagees in the following shares which need not be set forth on the records of the Insurance Trustee:

(a) **Insured Property**. Proceeds on account of damage to the Insured Property shall be held for each Owner in undivided shares equal to each Owner's undivided share in the Common Elements appurtenant to the Unit; if the damaged Insured Property includes property lying within the boundaries of specific Units, that portion of the proceeds allocable to such property shall be held as if it were Optional Property described in paragraph (b) below.

(b) **Optional Property**. Proceeds on account of damage solely to Units and/or certain portions or all of their contents not included in the Insured Property (all as determined by the Association in its sole discretion) (collectively, "**Optional Property**"), if collected by reason of optional insurance which the Association elects to carry, shall be held for the benefit of Owners of Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

(c) **Mortgagees.** No mortgagee shall have any right to determine or participate in the determination of whether or not any damaged property shall be reconstructed or repaired. No mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions made to the Owner and mortgagee pursuant to this Declaration.

In the event of conflict or inconsistency between the provisions of this Section 10.5 and the Ground Lease, the Ground Lease shall take precedence.

10.6 **Distribution of Proceeds.** Proceeds of insurance received by the Insurance Trustee shall be distributed as follows:

(a) **Expenses of the Trustee.** All expenses of the Insurance Trustee (if appointed) shall be first paid or provision made therefor.

(b) **Reconstruction or Repair.** If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray such cost. Any proceeds remaining after defraying such costs shall be distributed in the manner provided in the last two sentences of Section 11.1(b).

(c) **Failure to Reconstruct or Repair.** If it is determined as elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial Owners as provided in Section 11.1(b), and distributed first to all Institutional Mortgagees in an amount sufficient to satisfy their mortgages, and the balance, if any, to the beneficial Owners. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(d) **Certificate.** In making distributions to Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Owners and their mortgagees and their respective shares of the distribution.

10.7 **Association as Agent.** The Association is irrevocably appointed as agent and attorney-in-fact for each Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property: (a) to adjust all claims for property damage up to and including \$50,000 arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims; and (b) with the consent of the Primary Institutional Mortgagee, to adjust all claims for property damage in excess of \$50,000, and to execute and deliver releases upon payment of claims. This provision shall not be construed to confer upon the Association any authority with regard to any claims which an Owner may have for personal injury.

10.8 **Benefit of Mortgagees.** Certain provisions in this Article 10 entitled "Insurance" are for the benefit of mortgagees of Units and may be enforced by such mortgagees.

11. **RECONSTRUCTION OR REPAIR AFTER FIRE OR OTHER CASUALTY.**

11.1 **Determination to Reconstruct or Repair.**

(a) **Repair of Damage.** In the event of damage or destruction to the Insured Property (and the Optional Property, if insured by the Association) as a result of fire or other casualty, the Board of Directors shall arrange for prompt repair and restoration of the Insured Property (and the Optional Property, if insured). The Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. The expression "prompt repair" as used in this Section, means repairs commencing not more than 60 days from the date the Insurance Trustee notifies the Board of Directors and Owners that it holds insurance proceeds sufficient to pay the estimated cost of restoration, or not more than 90 days after the Insurance Trustee notifies the Board and Owners that such insurance proceeds are insufficient to pay the estimated costs of restoration. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired. The term "Insurance Trustee" as used in this Section 11.1(a) shall mean the Board of Directors if an Insurance Trustee has not been appointed.

(b) **Non-Repair and Termination.** If (i) 75% or more of the insurable value of the Insured Property is substantially damaged or destroyed, (ii) Owners owning at least 75% of the applicable interests in the Common Elements duly and promptly resolve not to proceed with repair or restoration and (iii) the Primary Institutional Mortgagee approves such resolution, then the Condominium Property will not be repaired and shall be subject either to (x) a termination of the Condominium in accordance with the Act or (y) an action for partition instituted by the Association, any Owner, mortgagee or lienor, as if the Condominium Property were owned in common. In connection with such partition action, the net proceeds of insurance resulting from such damage or destruction shall be divided among all Owners in proportion to their respective interests in the Common Elements (with respect to proceeds held for damage to the Insured Property other than that portion of the Insured Property lying within the boundaries of the Unit), and among affected Owners in proportion to the damage suffered by each such affected Owner, as determined in the sole discretion of the Association (with respect to proceeds held for damage to the Optional Property, if any, and/or that portion of the Insured Property lying within the boundaries of the Unit). Payments otherwise payable to an Owner shall be applied first to payment of any mortgage on the Owner's Unit held by an Institutional Mortgagee, second to the Association for any due and unpaid Assessments, third to payment of all mortgages and liens on such Owner's Unit in their order of priority. The balance, if any, will be payable to the Owner.

In the event of conflict or inconsistency between the provisions of this Section 11.1 and the Ground Lease, the Ground Lease shall take precedence.

11.2 **Plans and Specifications.** Any reconstruction or repair shall be made either (a) substantially in accordance with the plans and specifications for the original Improvements or (b) in accordance with plans and specifications approved by the Board of Directors. If the Board approves alterations in the Building such alterations shall also be subject to approval by (i) Owners of not less than 75% of the interests in the Common Elements, (ii) the Primary Institutional

Mortgagee, (iii) all Owners of Units (and their respective mortgagees) the plans for which are to be altered, and (iv) the City.

11.3 **Responsibility**. If the Optional Property for which an Owner is obligated to maintain and repair is damaged, then the Owner or Owners shall be responsible for all necessary reconstruction and repair. To the extent there are insurance proceeds available with respect to such damage by reason of the purchase of optional insurance, the Association shall reconstruct and repair the damaged Optional Property, but the Owner or Owners of such damaged Unit(s) shall be individually responsible for any amount by which the cost of such repair or reconstruction exceeds such proceeds on a Unit by Unit basis, as determined in the sole discretion of the Association. In all other instances, the responsibility for all necessary reconstruction and repair shall be that of the Association.

11.4 **Estimate of Costs; Assessments**. Unless a determination has been made not to rebuild or repair in accordance with Section 11.1, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair. If the insurance proceeds are not sufficient to defray the estimated costs, or if at any time during, or upon completion of, reconstruction and repair the funds for payment are insufficient, Assessments shall be made against the Owners in sufficient amounts to provide for the payment of such costs. Such Assessments on account of the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements, and on account of damage to the Optional Property, in proportion to the cost of repairing the damage suffered by each Owner, as determined by the Association.

11.5 **Construction Funds**. The funds for payment of the costs of reconstruction and repair, which shall consist of proceeds of insurance held by the Association or the Insurance Trustee, if appointed, and funds collected by the Association from Assessments against Owners, shall be disbursed as follows:

(a) **Association**. If the insurance proceeds and Assessments by the Association to provide funds for reconstruction and repair are more than \$250,000, then the sums collected from such Assessments shall be deposited with the Insurance Trustee. In all other cases, the Association shall hold and disburse the sums collected in payment of the costs of reconstruction and repair except to the extent otherwise provided in Section 11.5(b)(i).

(b) **Disbursement**. The insurance proceeds and sums collected from Owners on account of such casualty shall constitute a construction fund to be disbursed as follows:

(i) **Association - Non-Major Damage**. If the estimated costs of reconstruction and repair by the Association is \$250,000 or less, then the construction fund shall be disbursed to pay such costs upon the order of the Board of Directors unless the Primary Institutional Mortgagee requests the Insurance Trustee to disburse the funds in the manner provided below for the reconstruction and repair of major damage.

(ii) **Association - Major Damage**. If the estimated costs of reconstruction and repair by the Association is more than \$250,000, then the construction fund shall be disbursed to pay such costs in the manner contemplated by paragraph (i)

above, but then only upon the further approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(iii) **Surplus.** The first monies disbursed in payment of costs of reconstruction and repair shall be charged against insurance proceeds. If there is a balance in the construction fund after payment of all costs relating to the reconstruction and repair, it shall be distributed to the beneficial owners of the fund in the manner provided in Section 11.1(b) but that portion of any surplus which is not in excess of Assessments paid by Owners into the construction fund shall be payable to Owners and shall be distributed to Owners in proportion to their actual payments of Assessments for restoration.

(iv) **Certificate.** Nothing in this Declaration shall obligate the Insurance Trustee to determine whether or not (i) sums paid by Owners for Assessments have been deposited by the Association with the Insurance Trustee (ii) disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect or otherwise, (iii) any disbursement is to be made from the construction fund, or (iv) surplus funds to be distributed are less than the Assessments paid by Owners. In addition, the Insurance Trustee shall not be obligated to determine the payees nor the amounts to be paid. The Insurance Trustee may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating (A) the sums to be paid are due and properly payable, and (B) the names of the payees and amounts to be paid.

11.6 **Owner Report.** A Unit Owner may undertake reconstruction work on portions of the Owner's Unit with the prior written consent of the Board. However, such work may be conditioned upon the approval of the repair methods, the qualifications of the proposed contractor, or the contract that is used for that purpose. An Owner shall obtain all required governmental permits and approvals prior to commencing reconstruction. Owners are responsible for the cost of reconstruction of any Owner Property and any such reconstruction work undertaken by the Association shall be chargeable to the Owner.

11.7 **Benefit of Mortgagees.** Certain provisions in this Article 11 are for the benefit of mortgagees of Units and may be enforced by any of them.

12. **CONDEMNATION.**

12.1 **Deposit of Awards with Insurance Trustee.** For purposes of this Declaration, the taking of portions of the Condominium Property by the exercise of the power of eminent domain or purchase in lieu thereof ("**Taking**") shall be treated as a casualty. The awards for a Taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee (if appointed, or otherwise with the Association) even if the awards may be payable to Owners. If the Owners fail to deposit the awards with the Insurance Trustee (if appointed, or otherwise with the Association), the Board of Directors, in its discretion, may impose Charges against a defaulting Owner in the amount of the Owner's award, or the amount of that award may be set off against the sums subsequently made payable to that Owner.

12.2 **Determination Whether to Continue Condominium.** The determination whether or not to continue the Condominium will be made in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty.

12.3 **Disbursement of Funds.** If the Condominium is terminated after a Taking, the proceeds of the awards and Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after a Taking, the size of the Condominium will be reduced and the property damaged by the Taking will be made useable in the manner provided below. The proceeds of the awards and any Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds after a casualty by the Insurance Trustee (if appointed, or otherwise with the Association) or as elsewhere provided in this Article.

12.4 **Unit Reduced but Habitable.** If the Taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion of the Association), the award for the Taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(a) **Restoration of Unit.** The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit.

(b) **Distribution of Surplus.** The balance of the award for the Unit, if any, shall be distributed to the Owner and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(c) **Adjustment of Shares in Common Elements.** If the floor area of the Unit is reduced by the Taking, the percentage representing the share in the Common Elements, the Common Expenses and Common Surplus attributable to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the Taking and the denominator of which shall be the area in square feet of the Unit before the Taking. The shares of all Owners in the Common Elements, Common Expenses and Common Surplus shall then be restated as follows:

(i) add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance");

(ii) divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance; and

(iii) The result of such division for each Unit shall be the adjusted percentage for such Unit.

12.5 **Unit Uninhabitable.** If the Taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion of the Association), then:

(a) **Payment of Award.** The award for the Taking shall be paid to the extent available: first, to the applicable Institutional Mortgagees in amounts sufficient to satisfy their mortgages on each Unit rendered uninhabitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Owners and other mortgagees of their Units. In no event shall the total of such distributions for a specific Unit exceed the market value of such Unit immediately prior to the Taking. The balance, if any, shall be applied to repairing and replacing the Common Elements, if the Common Elements were affected.

(b) **Addition to Common Elements.** The remaining portion of the Unit, if any, shall become part of the Common Elements and placed in a condition allowing, to the extent possible, for use by all Owners in the manner approved by the Board of Directors. If the cost of such work shall exceed the balance remaining of the fund from the award for the Taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

(c) **Adjustment of Shares.** The shares in the Common Elements, Common Expenses and Common Surplus shall be adjusted to distribute the shares among the reduced number of Owners (and among reduced Units) that continue as part of the Condominium as follows:

(i) add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Section 12.4(c) (the "Percentage Balance"); and

(ii) divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Section 12.4(c), by the Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

(d) **Assessments.** If the balance of the award for the Taking (after payments to the Owner and such Owner's mortgagees as above provided) is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all Owners who will continue as Owners after the changes in the Condominium effected by the Taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected by reason of the Taking.

(e) **Arbitration.** If the market value of a Unit prior to the Taking cannot be determined by agreement between the Owner and mortgagees of the Unit and the Association within 30 days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent

jurisdiction in accordance with the Florida Arbitration Code. The cost of arbitration proceedings shall be assessed against all Owners, including Owners who will not continue after the Taking, in proportion to the applicable percentage shares of such Owners as they exist prior to the adjustments to such shares affected by reason of the Taking.

12.6 **Taking of Common Elements.** Awards for the Taking of Common Elements shall be used to render the remaining portion of the Common Elements useable in the manner approved by the Board of Directors. If the cost of such work shall exceed the balance of the funds from the awards for the Taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the awards for the Taking of Common Elements, if any, shall be distributed to the Owners in the shares in which they own the Common Elements after adjustments to these shares by reason of the Taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit.

12.7 **Amendment of Declaration.** The changes in Units, the Common Elements and in the ownership of the Common Elements and the adjustment to the shares in the Common Expenses and Common Surplus that are effected by the Taking shall be evidenced by an amendment to this Declaration approved by, and executed at the direction of, a majority of the Board.

13. **OCCUPANCY AND USE RESTRICTIONS.** In order to provide for congenial occupancy of the Condominium Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

13.1 **Occupancy of Units.**

(a) **Units.** Each Unit shall be used as a residence only and shall be subject to the exclusive possession of its Owner who must be an individual or individuals; legal entities cannot own Units. Use as a residence may include use as a home office to the extent permitted under applicable law. Home office use shall not include any use that would generate additional traffic to the Condominium, authorize any use or occupancy of the Unit by business employees, nor permit an Owner to receive customers or clients at the Unit or the Condominium. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two persons per bedroom or studio. Children shall be permitted to reside in Units. A Unit may only be occupied by any of the following persons and the family of such occupant residing with the occupant: (i) an individual Owner, (ii) the fiduciary or beneficiary of an Owner which is a trust, or (iii) permitted occupants under a lease or sublease of the Unit (as described below). Occupants of a leased or subleased Unit must bear the same relationship to the tenant or subtenant as to the Owner in clauses (i) and (ii) as if such named tenant or subtenant were an Owner. The term "family" used in this Section shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting the Unit as or together with the Owner or permitted occupant thereof. Unless otherwise determined by the Board of Directors, a person occupying a Unit for more than one month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to lessees. The term "guest" used in this Section shall include only those persons who have a principal residence other than the Unit. The purpose of this

paragraph is to prohibit the circumvention of the provisions and intent of this Section 13.1 and the Board of Directors shall enforce, and Owners comply with, same with due regard for such purpose. The provisions of this Section 13.1 shall not be applicable to Units used by Developer for model apartments, sales offices or management services.

13.2 **Pets.** Except for small domestic birds or tropical fish and except as may otherwise be permitted by written consent of the Board which may be withheld in the sole discretion of the Board, each Owner of a Unit (regardless of the number of joint owners) may maintain up to two household pets in such Owner's Unit, limited to a dog (not to exceed 40 pounds at maturity), or a cat, provided they (i) are permitted to be kept by applicable laws and regulations, (ii) are not kept, bred or maintained for any commercial purpose, (iii) are not left unattended on balconies, terraces, roof decks, patios and/or lanais, and (iv) are not or do not do not become a nuisance or annoyance to neighbors as determined by the Board in its sole discretion. No guest, lessee or invitee may bring any animal upon the Condominium Property. No Person other than an Owner shall be permitted to keep a pet. Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be leashed at all times when outside the Unit. Dogs may not be kept in balcony or patio areas when the Owner is not in the Unit. Without limiting the generality of Article 13, violation of the provisions of this Section shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Owners (as provided in any applicable rules and regulations) and/or to require any pet to be permanently removed from the Condominium Property. No permission to allow a pet or refusal to allow a pet shall subject the Association, the Board or any director or officer of the Association to liability.

13.3 **Alterations.** Without limiting the generality of Article 7, no Owner shall cause or allow Alterations to any Limited Common Elements or Common Elements, including, but not limited to, painting or other decorating of any nature, installing any electrical wiring, television antenna, machinery or air-conditioning units or in any manner changing the appearance of any portion of the Building, without obtaining the prior written consent of the Association and the City (in the manner specified in Article 7).

13.4 **Use of Common Elements.** The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

13.5 **Nuisances.** No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants.

13.6 **No Improper Uses.** No immoral, improper, offensive, hazardous or unlawful use shall be made of any portion of the Condominium Property. All Legal Requirements shall be observed. Violations of Legal Requirements relating to any portion of the Condominium Property, shall be corrected by and at the sole expense of the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere provided.

13.7 **Leases.** No Unit or portion thereof at the Condominium may be rented.

13.8 **Exterior Improvements; Landscaping.** Without limiting the generality of Section 7.1 or 13.3, no Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, railings, fences or windows of the Building (including, but not limited to, antennas, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside such Owner's Unit, without the prior written consent of the Association. Notwithstanding the foregoing, an Owner may display one portable, removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, an Owner may display, in respectful way, portable, removable, official flags, no larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard.

13.9 **Prevention of Mold.** By reason of climate and humid conditions in South Florida, molds, mildew, toxins and fungi may exist and/or develop within the Unit and the Condominium Property. Certain molds, mildew, toxins and/or fungi may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. By acquiring title to a Unit, each Owner shall be deemed to have assumed the risks associated with molds, mildew, toxins and/or fungi and to have released Developer and the Association from any and all liability resulting from same. No Unit Owner shall install, within his or her Unit, or upon the Common Elements or Association Property, non-breathable wall-coverings or low-permeance paints. Each Unit Owner shall operate the air conditioning system in the Unit, whether or not occupied, to maintain a temperature not exceeding 78°F, to minimize humidity in the Unit. If the Association reasonably believes that the provisions of this Section 13.9 are not being complied with, then the Association shall have the right (but not the obligation) to enter a Unit (without requiring the consent of the Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required above (with all utility consumption costs to be paid and assumed by the Unit Owner). To the extent that electric service is not then available to the Unit, the Association shall have the further right, but not the obligation (without requiring the consent of the Owner or any other party) to connect electric service to the Unit with the costs thereof to be borne by the Unit Owner, or if advanced by the Association, to be promptly reimbursed by the Owner to the Association, with all such costs to be deemed Charges payable to the Association.

13.10 **Effect on Developer; Association.** The restrictions and limitations set forth in this Article (excluding Sections 13.1, 13.2 and 13.7) shall not apply to Developer or to Units owned by Developer except to the extent required under the Act. The provisions of Sections 13.1, 13.2 and 13.7 shall apply to Developer. The Association shall have the power (but not the obligation) to grant relief in particular circumstances from the provisions of specific restrictions contained in this Article for good cause shown but no indulgence in any instance shall constitute a waiver with respect to any other instance.

14. **SELLING AND MORTGAGING OF AFFORDABLE HOUSING UNITS.** No Owner other than Developer may sell an Affordable Housing Unit except by complying with the following provisions:

14.1 **Affordable Housing Restrictions.**

(a) Pursuant to the Affordable Workforce Housing Restrictions, all Units on the Condominium Property shall be Affordable Housing Units. Three Units shall be designated for "very-low income" persons, 11 Units shall be designated for "low-income" persons, and 14 Units shall be designated for "middle income" persons, as more particularly described in the Affordable Declaration and LURA.

(b) Any agreement for the sale, deed, conveyance, assignment, grant or other disposition of any interest in a Unit 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 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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 469 AND RE-RECORDED IN OFFICIAL RECORDS BOOK 3310, PAGE 962 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 479 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3307, PAGE 1870 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

Any instrument of conveyance, assignment or other disposition made without following the notice procedures set forth in this Section 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 the procedures established by Ground Lessor, as determined in Ground Lessor's sole discretion, so as to ensure compliance with the public affordability purposes furthered by the Ground Lease and the Affordable Workforce Housing Restrictions.

14.2 **Sales of Units.**

(a) **Initial Sale of Affordable Housing Units.** Developer shall be authorized to sell the Affordable Housing Units to individuals qualified to own/occupy the Affordable Housing Units, subject to the Affordable Workforce Housing Restrictions. Developer shall provide verification in a form and manner reasonably determined by Ground Lessor that prospective purchasers of Affordable Housing Units meet such requirements.

(b) **Assignment/Transfer by Owners.** At such time as any Owner desires to sell, assign or otherwise transfer the Owner's Affordable Housing Unit where Ground Lessor consents in writing to the sale or assignment of the Affordable Housing Unit, such Owner shall be required to follow the procedures set forth in this Declaration and any requirements under the Affordable Workforce Housing Restrictions. Any conveyance, transfer or other disposition and the acceptance of such transfers shall be automatically deemed an agreement to the Affordable Workforce Housing Restrictions and the conditions set forth in this Declaration.

14.3 **Procedure for Sale of Units.** In order for an Owner to sell his/her Affordable Housing Unit, the Owner shall be required to comply with the following:

(a) Owner shall notify Ground Lessor or its designee in writing of his/her desire to sell the Unit ("**Transfer Notice**"). The Transfer Notice shall include the proposed purchase price for the Unit, and any other compensation permitted the seller relating to the proposed sale, which shall be in accordance with the Affordable Workforce Housing Restrictions. Undisclosed compensation to a selling Owner or to any other party is prohibited and where it is found to have existed with respect to any transaction, the amount thereof shall be recoverable in law and equity from any party to or facilitating and benefitting from such transaction(s) with knowledge thereof.

(b) Ground Lessor shall have 10 business days from the date of receipt of the written Transfer Notice to exercise and/or to assign a right of first refusal granted under this Declaration to purchase the Unit or to find or identify to the selling Owner in writing a qualified purchaser who meets the income and other requirements for purchasing the Unit. Additionally, the total sales price for all interests to be transferred shall be the purchase price set forth in the Transfer Notice, which shall not exceed the highest price permitted under the Affordable Workforce Housing Restrictions. All additional terms of the contract shall be consistent with the Affordable Workforce Housing Restrictions. Owner must agree to execute a contract with a pre-qualified purchaser identified by Ground Lessor (or Ground Lessor if it exercises its right of first refusal) in the event Ground Lessor has provided timely notice of its exercise of its right of first refusal or identification of a qualified purchaser and to cooperate with reasonable closing procedures not in conflict with the Affordable Workforce Housing Restrictions.

(c) In the event Ground Lessor elects not to purchase or fails to identify a qualified purchaser who enters into a purchase contract within 10 business days, or if such Ground Lessor identified qualified purchaser fails to close, and provided that Owner has fully complied with all required procedures set forth in this Declaration and the Affordable Workforce Housing Restrictions, Owner shall be entitled to sell its Affordable Housing Unit to a qualified purchaser subject to the Affordable Workforce Housing Restrictions and the terms set forth in the complying

Transfer Notice. In this event, Owner shall allow Ground Lessor to review and approve all proposed contract terms to ensure that the terms and the proposed purchaser meet the requirements for purchasing the Unit. Owner shall provide Ground Lessor with a full copy of a written purchase and sale contract (and all addenda) within three business days of full execution of each contract document, Ground Lessor shall be deemed to have not objected to the closing of the proposed transaction though not to have waived enforceability of any applicable provisions of this Declaration or the Affordable Workforce Housing Restrictions, whether or not any non-compliance may have been apparent from or may have been indicated in documents provided. Owner and the potential buyer shall also provide any other information Ground Lessor reasonably deems necessary to verify purchaser/Owner qualifications. All purchase and sale contracts shall be deemed to be contingent on the buyer and transaction being qualified under the Affordable Workforce Housing Restrictions. Ground Lessor and the proposed parties to a transfer transaction may agree to additional time periods necessary to verify full compliance with all aspects of the Affordable Workforce Housing Restrictions. In no case shall Ground Lessor, or its designees, be deemed to waive with respect to any party any requirement applicable to that party under the Affordable Workforce Housing Restrictions where it turns out that such requirement was not in fact met, true or complied with. Ground Lessor reserves, to itself and its designees, all legal and equitable rights it deems necessary or appropriate to ensure that Affordable Housing Units are used for affordable housing, the purpose for which they were intended, including but not limited to forcing the sale and reassignment of any Unit.

(d) Ground Lessor shall be deemed reasonable in withholding its approval for any proposed sale if the contract terms and proposed purchaser do not meet requirements set forth in this Declaration or in the Affordable Workforce Housing Restrictions. After Ground Lessor has reviewed and approved a contract, Owner shall not have the ability to amend the terms of the contract unless Owner obtains Ground Lessor's approval of the amendment as set forth in Section 14.2(c) above. Owner shall only transfer his/her interest to approved persons, as defined by the Affordable Workforce Housing Restrictions, or to Ground Lessor in the event Ground Lessor and Owner are unable to find a qualified purchaser, so long as Ground Lessor chooses to purchase the Unit, in Ground Lessor's sole and absolute discretion.

(e) Ground Lessor may, in its sole and absolute discretion, so require that any Unit be sold as an affordable "ownership" and "owner-occupancy/occupied" Unit which is made the subject of any unauthorized/unconsented to (without Ground Lessor's express written consent) offer to rent, or which is attempted to be or is actually rented absent specific, express, Ground Lessor authorization/consent, be deemed to have become the subject of an irrevocable offer to sell the Unit and thus subject to the right of first refusal provisions of this Section and allow Ground Lessor or its designee to purchase the Unit at the lesser of (i) the purchase price paid by the Owner, or (ii) the highest price permitted under the Affordable Workforce Housing Restrictions.

(f) **Administrative Fees.** Seller will pay an administrative fee to Ground Lessor in accordance with the Ground Lease. With the exception of the initial sales by Developer to Owners, Ground Lessor or its designee/assignee shall be entitled to charge 3½% of the purchase price (gross compensation however described) for any transferred interest (other than simple security mortgage interests or rental agreements) in which Ground Lessor identified the purchaser, as an administrative fee for coordinating the closing on any Unit, said fee to be paid by the selling

Owner at the time of closing. This fee does not include other seller and buyer closing related costs such as title insurance, documentary stamps, intangible taxes, prorated taxes, real estate commissions, insurance, condominium association assessments, loan expenses and the like. In the event Ground Lessor was unable to identify a purchaser, Ground Lessor shall still be entitled to an administrative fee of 1½% of the purchase price for review of the contract and assistance with coordinating the closing on the Unit. After the initial sales by Developer, Ground Lessor or its designee shall be authorized to designate closing, escrow and title agents involved in all transactions involving interests subject to this Declaration. After the initial sale of each Unit by Developer, Ground Lessor or its designee may, initially and from time to time, establish, promulgate, revise and/or waive all or part of such fees related to the administration of the Ground Lease and this Declaration, but in no event may Ground Lessor increase the amount of the administrative fee to an amount in excess of 3½% for an Owner who purchased his or her Unit without actual, construction or regulatory notice of the potential applicability of a greater percentage fee.

14.4 **Right to Mortgage.** Owners shall have the right to encumber, by mortgage or other proper instrument, such Owner's interest in their individual Unit without obtaining the prior consent of the Ground Lessor, subject, however, to the other terms of this Declaration and the Ground Lease.

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

(b) Owner 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 other approved by Ground Lessor in writing.

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

(d) In the event of foreclosure sale by an Owner's mortgagee or the delivery of an assignment of other conveyance to an Owner's mortgagee in lieu of foreclosure with respect to any real property subject to the provisions of the Ground Lease, such mortgagee, or the purchaser

at foreclosure, shall comply with the provisions of Article 12 of the Ground Lease. No sale of any Unit shall be permitted at an amount in excess of that allowed under the Affordable Workforce Housing Restrictions and shall otherwise fully comply with all applicable Affordable Workforce Housing Restrictions. Any Unit accepted in lieu of foreclosure or as to which a mortgagee intends to foreclose shall be subject to the Ground Lessor's right first refusal as set forth in Article 12 of the Ground Lease. Nothing in this Section shall preclude potential purchasers approved by Ground Lessor from bidding at any foreclosure sale and, where successful, purchasing the Unit at the foreclosure sale price in accordance with Article 12 of the Ground Lease.

(e) The parties recognize that it would be contrary to the fundamental affordable housing concept of the Affordable Workforce Housing Restrictions and an incentive to abuse by Owners to encumber its Unit with a mortgage if Owner could realize more in loan or sale proceeds than their permitted purchase or resale price as a result of any transaction. Accordingly, each Owner irrevocably assigns to Ground Lessor (or other Ground Lessor designee) any and all net proceeds from the sale of any interest in the Condominium Property remaining after payment of costs of foreclosure and satisfaction of the lien of any mortgage which would have otherwise been payable to an Owner to the extent such net proceeds exceed the net proceeds that an owner would have received had the interests been sold pursuant to the Affordable Workforce Housing Restrictions. Each Owner 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 Ground Lessor. In the event, for any reason, such excess proceeds are paid to an Owner, such Owner agrees to promptly pay the amount of such excess to Ground Lessor.

14.5 **Death of an Owner/Occupant.** In the event the Owner/occupant of an Affordable Housing Unit dies, Ground Lessor shall, unless for good cause shown, consent to a transfer/conveyance of the Affordable Housing Unit 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 Declaration and any Related Agreements, and that they understand and accept the terms of this Declaration by signing an acknowledgement, which is substantially in a form similar to that attached to this Declaration as Exhibit "F." All spouses, heirs, devisees, legatees or other beneficiaries must demonstrate to Ground Lessor's reasonable satisfaction that they qualify for ownership and/or occupancy of an affected Affordable Housing Unit as provided for under this Declaration and in the Affordable Workforce Housing Restrictions. All estates and leasehold or other interests granted in or conveyed with respect to any Affordable Housing Unit do not extend to any degree so as to limit or inhibit the intent and operation of this Declaration and the Affordable Workforce Housing Restrictions, it being expressly and irrevocably accepted on behalf of all future Owner/occupants and all those who would or might succeed their interests, that the Condominium Property and each and every portion thereof, for the entire term of the Ground Lease, are to be used as affordable housing according to the Affordable Workforce Housing Restrictions (or in the case of any leases by an Owner/occupant, Affordable Workforce Housing Restrictions). In the event the spouse, heirs, devisees, legatees or beneficiaries of a deceased Owner/occupant do not meet the requirements under the Affordable Workforce Housing Restrictions, such persons shall not occupy the premises and shall not be entitled to possession, except and only to the extent that Ground Lessor permits same, under conditions that it determines furthers the goals and public purposes of

this Declaration and the Affordable Workforce Housing Restrictions. Therefore, in such event, the heirs of the decedent shall, if required by Ground Lessor, sell their interest in the Affordable Housing Unit in accordance with the provisions of this Section and cooperate with Ground Lessor in accomplishing same. It is the intent of this Declaration, to the full extent Florida law permits, that constitutional homestead rights not be construed to inhibit or limit the intended operation of this provision.

14.6 **Inapplicability to Institutional Mortgagee.** The restrictions contained in this Section shall not apply to Units owned by any Institutional Mortgagee acquiring title by foreclosure or by a deed in lieu of foreclosure. Such Institutional Mortgagee shall have the right to sell or lease Units they own without having to first offer the same for sale or lease to Ground Lessor.

14.7 **No Severance of Ownership.** Except as elsewhere provided, no part of the Common Elements may be sold, conveyed or otherwise disposed of, except as an appurtenance to the Unit in connection with a sale, conveyance or other disposition of the Unit to which such interest is appurtenant. Any sale, conveyance or other disposition of a Unit shall be deemed to include that Unit's appurtenant interest in the Common Elements.

15. **COMPLIANCE AND DEFAULT.** Each Owner, occupant of a Unit and the Association shall be governed by and shall comply with the terms of the Condominium Documents. The Association (and Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act.

15.1 **Negligence.** An Owner shall be liable for the expense of any maintenance, repair or replacement made necessary by such Owner's negligence or by that of any member of such Owner's family or such Owner's or their guests, employees, agents or lessees, but only to the extent such expense is not met by the proceeds of insurance actually collected in respect of such negligence by the Association.

15.2 **Compliance.** In the event an Owner or occupant fails to maintain, or to cause to be maintained, a Unit, or fails to observe and perform all of the provisions of the Condominium Documents or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed by judicial action to require performance and/or compliance, to impose any applicable fines, to sue for damages, to charge the Owner and the Unit for the sums necessary to do whatever work is required to put the Owner or Unit in compliance and to collect such charge and have a lien to the extent permitted by the Act. In addition, the Association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary) to the extent otherwise permitted in Section 6.3, without having committed a trespass or incurring any other liability to the Owner. Furthermore, the Association shall have the right to suspend, for a reasonable period, the right of such noncomplying Owner or a tenant, guest or licensee of such Owner to use any common facilities or Association property. Any such suspension cannot affect the right of a noncomplying Owner to use any Limited Common Elements associated with such Owner's Unit or affect access or utility

service to such Owner's Unit or such Owner's ability to park or use elevators on the Condominium in the same manner as prior to such suspension.

15.3 **Costs and Attorneys' Fees.** In any proceeding arising because of an alleged failure of an Owner or the Association to comply with the requirements of the Act or the Condominium Documents, the prevailing party shall be entitled to recover the costs of the proceeding and such Attorneys' Fees as may be awarded by the court.

15.4 **No Waiver of Rights.** The failure of the Association or any Owner to enforce any provision of the Act or the Condominium Documents, as the same may be amended from time to time, shall not constitute a waiver of their right with respect to future actions.

16. **TERMINATION OF CONDOMINIUM.** The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as the Condominium is terminated in accordance with the provisions of the Act and Affordable Workforce Housing Restrictions.

17. **ADDITIONAL PROVISIONS.**

17.1 **Additional Rights of Institutional Mortgagees.**

(a) In addition to all other rights set forth, Institutional Mortgagees shall have the right, upon written notice to the Association, to:

(i) Examine the Association's books and records during normal business hours;

(ii) Receive an unaudited financial statement of the Association within 90 days after the end of its fiscal year;

(iii) Receive notice of Association meetings and attend such meetings;

(iv) Receive notice of an alleged default by any Owner upon whose Unit such Mortgagee holds a mortgage, which is not cured within 60 days after notice of default to such Owner;

(v) Receive notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(vi) Receive notice of any substantial damage or loss to any portion of the Condominium Property; and

(vii) Receive notice of any proposed action that would require the consent of a specified percentage of Institutional Mortgagees.

Any Institutional Mortgagee giving notice pursuant to this Article shall serve its notice upon the Association in accordance with Section 17.5. Such notice shall: (1) identify each

Unit upon which each such Institutional Mortgagee holds any mortgage; and (2) designate the place to which notice are to be given by the Association to such Institutional Mortgagee.

(b) Whenever consent or approval of any holder(s) of any mortgage(s) encumbering any Condominium Parcel(s) or Condominium Property is required by the Condominium Documents to any amendment of the Condominium Documents, or to any action of the Association or to any other matter relating to the Condominium, it may not be unreasonably withheld. The Association may request such consent or approval of such holder(s) by written request sent in accordance with Section 17.5. Any holder receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested, in writing, by certified mail, return receipt requested, hand delivery or courier service, which response must be received by the Association within 60 days after the holder receives such request. If such response is not timely received by the Association, the holder shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by an officer of the Association. Such affidavit, where necessary, may be recorded in the Public Records and shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained.

17.2 **Assignment of Developer's Rights.** Developer may assign the whole or any portion of Developer's rights set forth in the Condominium Documents. In the event of a partial assignment, the assignee shall not be deemed "Developer" but may exercise any rights of Developer assigned to it. Any such assignment may be made on a non-exclusive basis.

17.3 **Limitation of Liability.** The liability of each Owner for Common Expenses shall be limited to the amounts assessed against the Owner from time to time in accordance with the Condominium Documents. An Owner may be personally liable for any damages caused by the Association in connection with the use of the Common Elements, but only to the extent of such Owner's prorata share of that liability in the same percentage as the Owner's interest in the Common Elements and in no event shall said liability exceed the value of the Owner's Unit. Each Owner shall be liable for injuries or damages resulting from an accident in such Owner's Unit to the same extent or degree that the owner of a house or any other property owner would be liable for such an occurrence and for personal injury and property damage outside of the Owner's Unit arising from the acts or negligence of the Owner as provided elsewhere in this Declaration.

17.4 **Covenant Running With the Land.** All provisions of the Condominium Documents shall, to the extent applicable and unless otherwise expressly provided to the contrary, be perpetual covenants running with the Land and with every part and interest therein. All of the provisions shall be binding upon and inure to the benefit of Developer and subsequent owner(s) of the Land or any part or interest therein, and their respective heirs, personal representatives, successors and assigns. This Section is not intended to create nor shall it be construed as creating any rights in or for the benefit of the general public. All present and future Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of the Condominium Documents, as they may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an

adoption and ratification of the provisions of the Condominium Documents, as they may be amended from time to time, by such Owner, tenant or occupant.

17.5 **Notices.** All notices to the Association required or desired under this Declaration or the By-Laws shall be sent by certified or registered mail (return receipt requested) or by hand delivery or overnight courier (such as Federal Express) to the Association care of its office indicated in its most current filing with the Florida Secretary of State's office, or to such other address as the Association may designate from time to time by notice in writing to all Owners. Except as otherwise specifically provided in the Act or this Declaration, all notices to any Owner shall be sent by hand delivery, overnight courier or first class mail to the Condominium address of such Owner, or such other address as may have been designated by an Owner from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by hand delivery, overnight courier or first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when delivered by hand or overnight courier or mailed in a postage prepaid sealed wrapper, or on the date delivery is refused by an Owner or mortgagee except notices of a change of address, which shall be deemed to have been given when received, or 5 business days after proper mailing, whichever shall first occur.

17.6 **No Time-Share Estates.** No time-share estates will or may be created with respect to any Unit.

17.7 **Interpretation.** The Board of Directors shall be responsible for interpreting the provisions of the Condominium Documents. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation. In the event of conflict or inconsistency between the provisions of any of the Ground Lease and Condominium Documents, the Ground Lease shall take precedence over the Declaration, Articles, By-Laws and applicable rules and regulations (to the extent the conflict or inconsistency does not violate the Act); the Declaration shall take precedence over the Articles, By-Laws and applicable rules and regulations; the Articles shall take precedence over the By-Laws and applicable rules and regulations; and the By-Laws shall take precedence over applicable rules and regulations.

17.8 **Mortgages.** The Association shall not be responsible to any holder of a mortgage or lien on any Unit and may assume the Unit is free of any mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

17.9 **Exhibits.** There is incorporated into this Declaration all materials in the Exhibits.

17.10 **Adjustment of Dollar Amounts.** Except to the extent inconsistent with the Act as it may be amended from time to time, all dollar amounts indicated in this Declaration shall be subject to adjustment commencing as of the fifth anniversary of the recording of this Declaration and thereafter at each succeeding five-year anniversary date (for example, on the 10th, 15th and 20th anniversary date of the recording of this Declaration). Each date upon which the dollar amounts shall be subject to adjustment shall be referred to as an "**Adjustment Date.**" The date of recording of this Declaration shall be referred to as the "**Recording Date.**" The Consumer Price

Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Commerce, All Items, U.S. Average (or, if such index ceases to be published, any index designated by the Board of Directors reflecting changes in the cost of living in the United States generally or in the State of Florida) shall be referred to as the "**Index**". At each Adjustment Date each of the dollar amounts appearing in this Declaration shall be adjusted in accordance with the following formula:

$$\frac{\text{Dollar Amount} \times \text{Index on Adjustment Date}}{\text{Index on Recording Date}}$$

The Index on any date shall mean the Index for the month in which the Adjustment Date or Recording Date occurs.

17.11 **Litigation.**

(a) No judicial or administrative proceeding shall be commenced or prosecuted by the Association in its own name and/or on behalf of the Owners unless it is approved by the Board.

(b) Notwithstanding anything in this Declaration to the contrary, the Association shall be required to obtain the approval of at least 75% of all Owners prior to (A) engaging any lawyer or other professional for the purpose of litigation to be brought by the Association or (B) the payment of legal or other fees to Persons engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit unless, in either case, one of the following purposes applies:

- (i) the collection of Assessments;
- (ii) the collection of other charges which Owners are obligated to pay, pursuant to the Condominium Documents;
- (iii) the enforcement of the restrictions contained in the Condominium Documents;
- (iv) in an emergency, when waiting to obtain the approval of the Owners would create a substantial risk of irreparable injury to the Common Elements or to Owners; but expenditures in such event shall not exceed \$25,000; or
- (v) in any condemnation proceeding.

17.12 **Warranties; Construction Litigation.**

(a) All Units and their appurtenant Common Elements have been or will be sold without any Developer's warranties except as provided in the Act. Developer disclaims any and all express or implied warranties, whether established by statutory, case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds,

mildew, toxins or fungi, furnishing and equipping of the Condominium Property, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans or warranties imposed by statute (other than those imposed by the Act, and then only to the extent applicable and not yet expired). Developer has not given and each Unit Owner has not relied on or bargained for any such warranties. Each Unit Owner, by accepting a deed to a Unit, or other conveyance thereof, shall be deemed to represent and warrant to Developer that in deciding to acquire the Unit, the Unit Owner relied solely on such Unit Owner's independent inspection of the Unit and the Condominium.

(b) As to such warranties imposed upon Developer under the Act, and as to any claim arising from or connected with the design or construction of any Unit or the Common Elements, including, without limitation, claims alleging negligent construction, failure to build in accordance with any particular plans or specifications or failure to comply with building or other codes, laws, ordinances or regulations (collectively, "**Construction Matters**"), it shall be a material condition precedent to the institution of any proceeding regarding Construction Matters that (i) the party or parties bringing same shall have first given notice to Developer and/or other party against whom which relief or recovery is sought ("**Defendant**") of the specific Construction Matters complained of and the actions necessary to cure or correct same and (ii) the Defendant shall have been given at least 120 days (subject to extension by reason of matters beyond the control of the Defendant or because of the nature of the applicable Construction Matters and the time necessary to cure or correct same) in which to cure or correct the applicable Construction Matters and shall have materially failed to do so. Without limiting the general binding effect of this Declaration, each Owner and other person acquiring any right, title or interest in or to any Unit shall be deemed, by virtue of the acceptance of the conveyance, grant, transfer or assignment, to be fully bound by the provisions of this Section as shall the Association. The provisions of this Section are intended to be in addition to, and not in lieu of, any rights of Developer or any other party under Chapter 558, Florida Statutes.

17.13 **Refund of Taxes, Fees and Other Charges.** Unless otherwise provided in this Declaration, Association agrees that any taxes, fees or Charges paid by Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to Developer in the event said refund is received by the Association.

17.14 **Future Development; Approvals; Execution of Documents.** To the extent not prohibited by any Legal Requirements, Developer reserves, for itself and its successors and assigns, any and all rights, whether now or subsequently existing, relating to any future improvements which may, from time to time, be permitted under Legal Requirements which may be developed on any portion of the Condominium Property or adjacent property. As long as Developer owns any Unit or any portion of the Condominium Property, Developer shall have the right and be entitled, from time to time, in its sole discretion and without the consent of any other party: (i) to re-plat or to further plat or further develop all or any part or parts of the Condominium Property, (ii) to execute a unity of title, declaration or covenant running with the land in lieu of unity of title, or any applications, permits or other documents needed to obtain any governmental approvals in connection therewith, (iii) to file, amend or modify subdivision restrictions and/or amendments thereto with respect to any part or parts of the Condominium Property without

consent of other parties, and (iv) to grant easements and designate the beneficiaries thereof, which easements shall be for the benefit of the health, safety or welfare of the Owners or which may be required by any governmental agency. Each Owner, by reason of the acceptance of a deed to such Owner's Unit, agrees to execute, at the request of Developer, all documents or consents which may be required by any governmental agency to allow Developer and its affiliates to complete the plan of development of the Condominium as such plan may be subsequently amended from time to time, or take any other action permitted by this Section. Each Owner appoints Developer as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of such Owner, any and all such documents, consents, covenants or declarations required in connection with the development plan for the Condominium or any adjacent property owned by Developer or any affiliate of Developer. This power of attorney is irrevocable and coupled with an interest. The provisions of this Section may not be amended without the consent of Developer.

17.15 **Environmental Restrictions.** The Land was previously part of a military base on which certain Hazardous Substances were kept and used. Pursuant to the Ground Lease, Developer was responsible for removing and/or mitigating all Hazardous Substances ("**Site Rehabilitation**") required by any governmental agency, including the Florida Department of Environmental Protection ("**FDEP**"), prior to developing the Condominium. However, in order to finalize and document the completion of the Site Rehabilitation, Developer reserves the right on behalf of Ground Lessor and the Association to record a declaration of restrictive covenant in the Public Records, which will outline certain soil engineering controls and restrictions related to future excavation and construction on the Land (collectively, "**Environmental Restrictions**"). Upon recording of the declaration of restrictive covenant, FDEP will issue a Conditional Site Rehabilitation Completion Order ("**Order**"), which will require future environmental compliance by the Association or the Order will be subject to revocation. It is thus in the best interest of Ground Lessee, the Association, and all Unit Owners that the Order be obtained and that the Land remain subject to the Environmental Restrictions. Ground Lessee, the Association, and all Unit Owners, by acceptance of a deed or other conveyance of a Unit, therefore authorize Ground Lessor to execute and record the declaration of restrictive covenant and consent to be bound by the Environmental Restrictions contained therein. Additionally, once in place, the Association shall be responsible for maintaining the Order until the sooner of (i) the release of the Order by FDEP in accordance with the declaration of restrictive covenant, or (ii) the termination of the Condominium.

17.16 **Signature of President and Secretary.** Wherever the signature of the President or the Secretary of the Association is required, the signature of a vice-president may be substituted for the President, and the signature of the assistant secretary substituted for the Secretary but the same person may not execute any single instrument on behalf of the Association in two separate capacities.

17.17 **Disputes; Governing Law.** Any dispute involving any Owners, the Association or Developer shall be subject to the provisions of Section 718.1255 of the Act to the extent applicable. Should any dispute or litigation arise between any parties whose rights or duties are affected or determined by the Condominium Documents, said dispute or litigation shall be governed by the laws of the State of Florida and shall be prosecuted only in the courts of the County.

17.18 **Severability.** The invalidity in whole or in part of any covenant or restriction, or any article, section, subsection, sentence, clause, phrase or word, or other provision of the Condominium Documents, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

17.19 **Waiver.** No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

17.20 **Ratification.** Each Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of such Owner's occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of the Condominium Documents are fair and reasonable in all material respects.

17.21 **Gender; Plurality.** Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

17.22 **Captions.** The captions contained in the Condominium Documents are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

Signed, sealed and delivered
in the presence of:

Sign Name: _____
Print Name: _____
Address: _____

Sign Name: _____
Print Name: _____
Address: _____

DEVELOPER:

BAHAMA VILLAGE ON FORT, LTD., a
Florida limited partnership

By: Bahama Village on Fort GP, LLC, a
Florida limited liability company, its General
Partner

By: Vestcor, Inc., a Florida
corporation, its Manager

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me by means of physical presence, this ____ day of _____, 2025, by _____, as _____ of Vestcor, Inc., a Florida corporation, the Manager of Bahama Village on Fort GP, LLC, a Florida limited liability company, the General Partner of Bahama Village on Fort, Ltd., a Florida limited partnership, on behalf of the partnership, who is personally known to me or has produced a Florida driver's license as identification.

NOTARY PUBLIC, STATE OF FLORIDA
Print Name: _____

MY COMMISSION EXPIRES: _____

JOINDER

BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation, agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached.

IN WITNESS WHEREOF, BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC., has executed this Joinder this ____ day of _____, 2025.

Signed, sealed and delivered _____
in the presence of:

Sign Name: _____
Print Name: _____
Address: _____

By: _____
Title: _____

Sign Name: _____
Print Name: _____
Address: _____

STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me by means of physical presence, this ____ day of _____, 2025, by _____, as _____ of BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation, on behalf of said corporation, who is personally known to me or has produced a Florida driver's license as identification.

NOTARY PUBLIC, STATE OF FLORIDA
Print Name: _____

MY COMMISSION EXPIRES: _____

JOINDER

THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached.

IN WITNESS WHEREOF, THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST has executed this Joinder this ____ day of _____, 2025.

Signed, sealed and delivered _____
in the presence of:

Sign Name: _____
Print Name: _____
Address: _____

By: _____
Title: _____

Sign Name: _____
Print Name: _____
Address: _____

STATE OF FLORIDA)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me by means of physical presence, this ____ day of _____, 2025, by _____, as _____ of THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST, on behalf of said authority, who is personally known to me or has produced a Florida driver's license as identification.

NOTARY PUBLIC, STATE OF FLORIDA
Print Name: _____

MY COMMISSION EXPIRES: _____

EXHIBIT A

Legal Description

A PORTION OF THE LANDS DESCRIBED IN A QUITCLAIM DEED FROM THE U.S. GOVERNMENT (GRANTOR) TO THE CITY OF KEY WEST (GRANTEE) AS RECORDED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DESCRIBED AS:

A PORTION OF LAND LOCATED ON THE ISLAND OF KEY WEST, MONROE COUNTY, FLORIDA, SAID PARCEL ALSO LOCATED IN TRUMAN ANNEX (FORMERLY U.S. NAVY) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NATIONAL OCEAN SURVEY TRIANGULATION STATION, GSL, BEING A BRASS DISC SET IN CONCRETE, LOCATED ON THE OUTER MOLE OF TRUMAN ANNEX, THE COORDINATES OF WHICH ARE N 81,406.14 AND E 386,795.78 (1983/89), BASED ON THE U.S. COAST AND GEODETIC SURVEY MERCATOR GRID COORDINATE SYSTEM WHICH HAS FOR ITS ZERO COORDINATE A POINT OF LATITUDE NORTH 24°20'00" AND 500.00 FEET WEST OF LONGITUDE WEST 81°00'00"; THENCE N 74°38'54" E, A DISTANCE OF 901.39 FEET TO THE POINT OF BEGINNING OF THE LANDS GRANTED TO THE CITY OF KEY WEST AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410 OF SAID PUBLIC RECORDS; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING EIGHT (8) COURSES AND DISTANCES: N 88°01'07" E, A DISTANCE OF 57.69 FEET (1); THENCE N 01°52'38" W, A DISTANCE OF 2.77 FEET (2); THENCE N 88°13'17" E, A DISTANCE OF 19.93 FEET (3); THENCE S 19°53'46" E, A DISTANCE OF 549.69 FEET (4); THENCE S 00°20'55" E, A DISTANCE 409.16 FEET (5); THENCE N 89°49'18" E, A DISTANCE OF 100.84 FEET (6); THENCE S 33°56'54" E, A DISTANCE OF 842.47 FEET (7) TO THE NORTHWEST RIGHT-OF-WAY OF ANGELA STREET; THENCE S 55°59'51" W ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 105.64 FEET (8) TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET ACCORDING TO THE CITY OF KEY WEST STREET MAP DATED MAY 26, 1955; THENCE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 52.55 FEET TO THE POINT OF BEGINNING OF THE SALE PARCEL HEREIN DESCRIBED; THENCE CONTINUE S 33°54'27" E ALONG SAID RIGHT-OF-WAY, 233.94 FEET TO A LINE BEING 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTHEASTERLY BOUNDARY LINE AND ITS NORTHEASTERLY EXTENSION OF TACTS TOWER AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF SAID PUBLIC RECORDS; THENCE S 56°05'33" W ALONG SAID PARALLEL LINE, A DISTANCE OF 305.76 FEET; THENCE N 33°49'42" W, 33.00 FEET TO THE SOUTHEASTERN BOUNDARY LINE OF SAID TACTS TOWER; THENCE N 56°05'33" E ALONG SAID BOUNDARY, A DISTANCE OF 175.87 FEET TO THE NORTHEAST BOUNDARY OF SAID TACTS TOWER; THENCE N 33°54'27" W ALONG SAID BOUNDARY, 100.00 FEET; THENCE S 56°05'33" W A DISTANCE OF 24.17 FEET; THENCE N 33°54'27" W, 30.82 FEET; THENCE N 56°58'05" W, 15.81 FEET; THENCE N 33°01'55" E, 37.25 FEET; THENCE S 56°58'05" E, 25.40 FEET; THENCE N 56°05'33" E, 30.69 FEET; THENCE N 33°54'27" W, 35.41 FEET; THENCE N 56°05'33" E, 15.48 FEET; THENCE N 12°49'09" E, 42.22 FEET; THENCE N 56°05'33" E, 39.07 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET AND THE POINT OF BEGINNING.

SAID LANDS LYING WITHIN SECTION 6, TOWNSHIP 68 SOUTH, RANGE 25 EAST, CITY OF KEY WEST, MONROE COUNTY, FLORIDA.

EXHIBIT B

Survey

CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 PLOT PLAN AND GRAPHIC DEPICTION OF EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA

SURVEYORS CERTIFICATION:

1. The undersigned, being a surveyor authorized to practice in the State of Florida, hereby makes this certification in compliance with F.S. 718.104 (4) (e) and certifies that the construction of improvements of the BAHAMA VILLAGE CONDOMINIUM, described in this survey, plot plan and graphic description is substantially complete so that such material, together with the Declaration of Condominium for BAHAMA VILLAGE CONDOMINIUM, describing the condominium property, is an accurate representation of the location and dimensions of the improvements and further that the identification, location and dimension of the common elements and each unit in the BAHAMA VILLAGE CONDOMINIUM, can be determined from these materials. I FURTHER CERTIFY that the construction of the Condominium is substantially complete and that all improvements, including, without limitation to, landscaping, utility services and access to the Condominium and common elements has been substantially completed in accordance with the provisions of Florida Statute 718.104.
2. The architectural plans used to prepare this Exhibit is based on the drawings by PQH Group, 4141 Southpoint Drive East, Jacksonville, Florida, 32216. Telephone: (904) 224-0001.
3. This Survey complies with Minimum Technical Standards set forth in Chapter 5J-17, Florida Administrative Code, pursuant to Section 472.027. This certification relates to matters of survey only, and is not to certify that the improvements have been properly constructed or is in accordance with any applicable building codes or governmental requirements.
4. Address: 710 Fort Street, Key West, FL 33040.




Digitally signed by Keith M. Chee-A-Tow, P.L.S.
 Date: 2025.07.10 12:05:35 -04'00'

Signed this 30th day of June, 2025.

 KEITH M. CHEE-A-TOW, P.L.S.
 Florida Registration No. 5328
 AVIROM & ASSOCIATES, INC.
 50 S.W. 2nd Avenue, Suite 102
 Boca Raton, Florida 33432
 L.B. No. 3300.
 E-mail: Keith@AviromSurvey.com

REVISIONS

09/29/2023: ADDED INGRESS-EGRESS
 08/06/2024: ADDED ADDRESS
 06/30/2025: FINAL MEASUREMENTS



AVIROM & ASSOCIATES, INC.
SURVEYING & MAPPING

50 S.W. 2nd AVENUE, SUITE 102
 BOCA RATON, FLORIDA 33432
 (561) 392-2594 / www.AVIROMSURVEY.com

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JOB #:	11558-9
SCALE:	N/A
DATE:	05/25/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	2162 PG. 22
SHEET:	1 OF 15

CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 PLOT PLAN AND GRAPHIC DEPICTION OF EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA

LEGAL DESCRIPTION of CONDOMINIUM LOT: (SEE SHEET 3)

A portion of the lands described in a Quitclaim Deed from the U.S. Government (Grantor) to the City of Key West (Grantee) as recorded in Official Records Book 1839, Page 410, of the Public Records of Monroe County, Florida, described as:

A portion of land located on the Island of Key West, Monroe County, Florida, said parcel also located in Truman Annex (formerly U.S. Navy) and being more particularly described as follows:

COMMENCE at the National Ocean Survey Triangulation Station, GSL, being a brass disc set in concrete, located on the outer mole of Truman Annex, the coordinates of which are N 81,406.14 and E 386,795.78 (1983/89), based on the U.S. Coast and Geodetic Survey Mercator grid coordinate system which has for it's zero coordinate a point of Latitude North 24°20'00" and 500.00 feet west of Longitude West 81°00'00"; thence N 74°38'54" E, a distance of 901.39 feet to the Point of Beginning of the lands granted to the City of Key West as described in Official Records Book 1838, Page 410 of said Public Records; thence along the boundary of the lands as described in said Quitclaim Deed for the following eight (8) courses and distances: N 88°01'07" E, a distance of 57.69 feet (1); thence N 01°52'38" W, a distance of 2.77 feet (2); thence N 88°13'17" E, a distance of 19.93 feet (3); thence S 19°53'46" E, a distance of 549.69 feet (4); thence S 00°20'55" E, a distance 409.16 feet(5); thence N 89°49'18" E, a distance of 100.84 feet (6); thence S 33°56'54" E, a distance of 842.47 feet (7) to the northwest right-of-way of Angela Street; thence S 55°59'51" W along said right-of-way, a distance of 105.64 feet (8) to the southwesterly right-of-way of Fort Street according to the City of Key West Street Map dated May 26, 1955; thence S 33°54'27" E, along said right-of-way, a distance of 52.55 feet to the POINT OF BEGINNING of the Sale Parcel herein described; thence continue S 33°54'27" E along said right-of-way, 233.94 feet to a line being 33.00 feet south of and parallel with the southeasterly boundary line and its northeasterly extension of Tacts Tower as described in Official Records Book 1839, Page 410, of said Public Records; thence S 56°05'33" W along said parallel line, a distance of 305.76; thence N 33°49'42" W, 33.00 feet to the southeastern boundary line of said Tacts Tower; thence N 56°05'33" E along said boundary, a distance of 175.87 feet to the northeast boundary of said "Tacts Tower"; thence N 33°54'27" W along said boundary, 100.00 feet; thence S 56°05'33" W a distance of 24.17 feet; thence N 33°54'27" W, 30.82 feet; thence N 56°58'05" W, 15.81 feet; thence N 33°01'55" E, 37.25 feet; thence S 56°58'05" E, 25.40 feet; thence N 56°05'33" E, 30.69 feet; thence N 33°54'27" W, 35.41 feet; thence N 56°05'33" E, 15.48 feet; thence N 12°49'09" E, 42.22 feet; thence N 56°05'33" E, 39.07 feet to the southwesterly right-of-way of Fort Street and the POINT OF BEGINNING.

Said lands lying within Section 6, Township 68 South, Range 25 East, City of Key West, Monroe County, Florida containing 33,962 square feet (0.78 acres) more or less.

REVISIONS

09/29/2023: ADDED INGRESS-EGRESS
 08/06/2024: ADDED ADDRESS
 06/30/2025: FINAL MEASUREMENTS



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JOB #: **11558-9**

SCALE: N/A

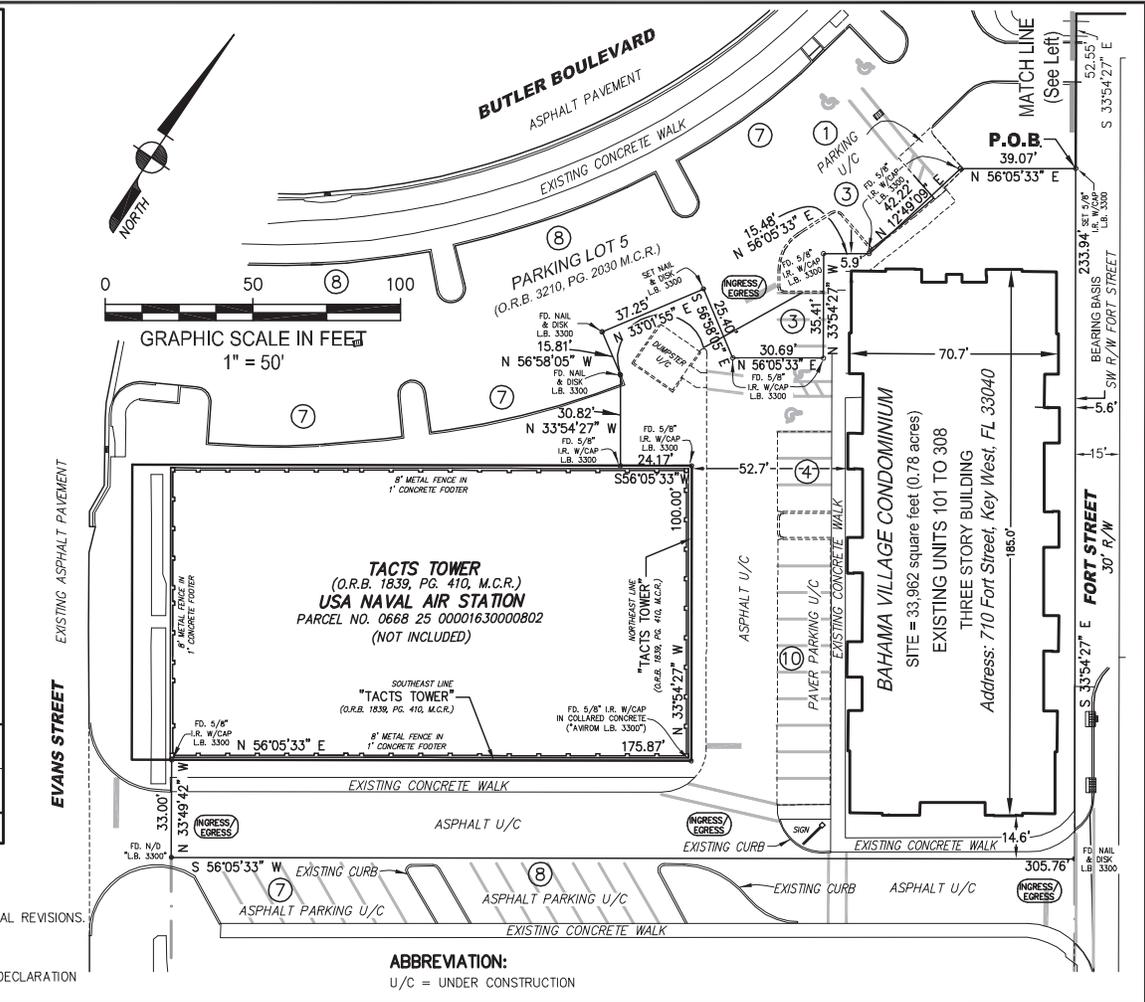
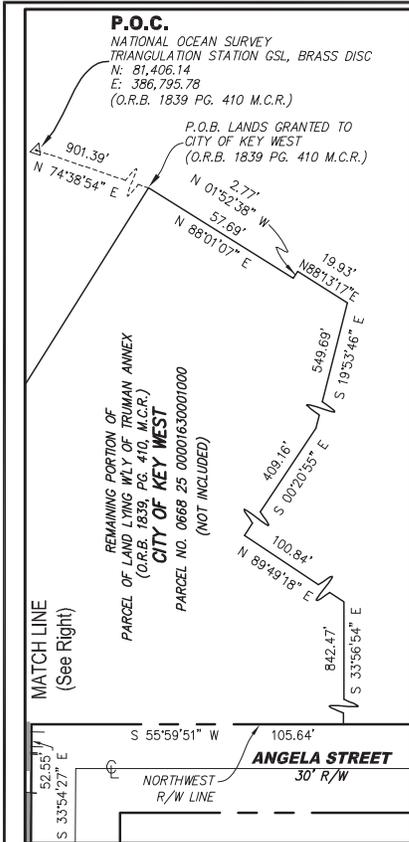
DATE: 05/25/2023

BY: K.C.

CHECKED: K.M.C.

F.B. 2162 PG. 22

SHEET: **2 OF 15**



GENERAL NOTES:

1. ALL IMPROVEMENTS ARE EXISTING (UNLESS NOTED).
2. ALL DIMENSIONS ARE MEASURED.
3. PLANS SUBJECT TO CHANGE DUE TO MINOR ARCHITECTURAL REVISIONS.
4. INTERIOR DIVIDING WALL WIDTHS VARY.
5. EXTERIOR WALL WIDTHS VARY.
6. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

AVIROM & ASSOCIATES, INC.
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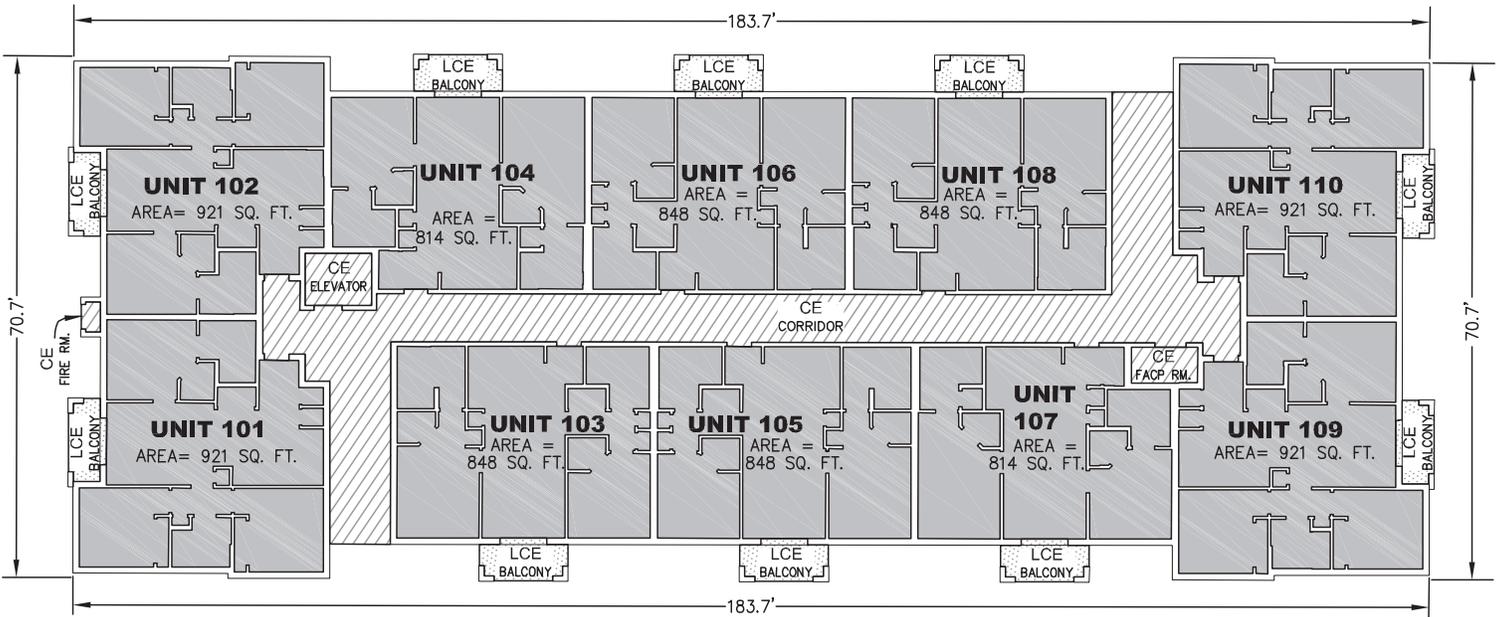
ESTABLISHED 1981

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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
PLOT PLAN AND GRAPHIC DEPICTION OF
EXISTING IMPROVEMENTS
TRUMAN ANNEX
CITY OF KEY WEST
MONROE COUNTY, FLORIDA.

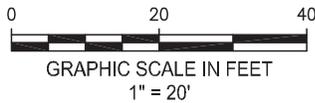
JOB #:	11558-9
SCALE:	1" = 50'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	2162 PG. 22
SHEET:	3 OF 15

BAHAMA VILLAGE CONDOMINIUM FIRST FLOOR PLAN



FIRST FLOOR UNITS:

ELEVATION OF LOWER LIMITS OF UNITS = 8.3'
 ELEVATION OF UPPER LIMITS OF UNITS = 16.9'
 ELEVATIONS ARE REFERENCED TO THE NATIONAL
 GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)



GENERAL NOTES:

1. ALL IMPROVEMENTS ARE EXISTING.
2. ALL DIMENSIONS ARE MEASURED.
3. INTERIOR DIVIDING WALL WIDTHS VARY.
4. EXTERIOR WALL WIDTHS VARY.
5. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
6. ADDRESS: 710 Fort Street, Key West, FL 33040.

LEGEND:

LCE DENOTES LIMITED COMMON ELEMENT
 CE DENOTES COMMON ELEMENT

REVISIONS

09/29/2023:	ADDED INGRESS-EGRESS
08/06/2024:	ADDED ADDRESS
06/30/2025:	FINAL MEASUREMENTS

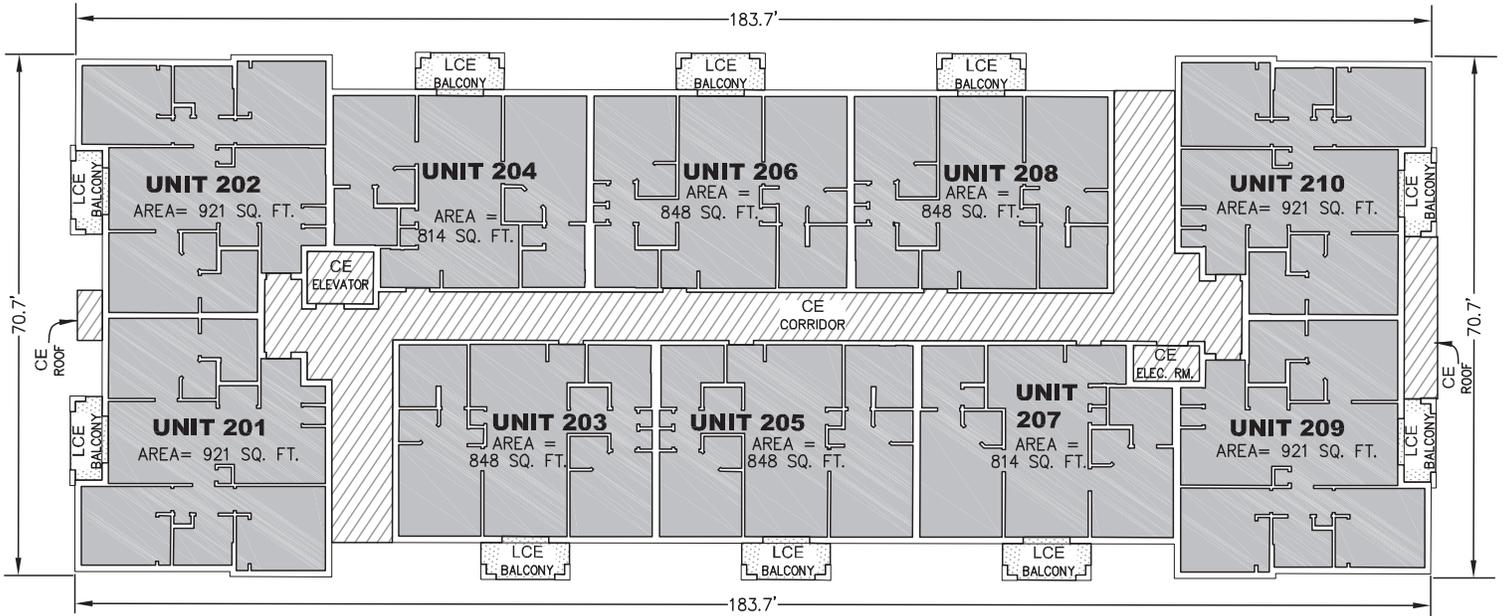


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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 FIRST FLOOR PLAN
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

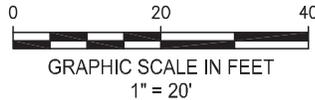
JOB #:	11558-9
SCALE:	1" = 20'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	4 OF 15

BAHAMA VILLAGE CONDOMINIUM SECOND FLOOR PLAN



SECOND FLOOR UNITS:

ELEVATION OF LOWER LIMITS OF UNITS = 17.8'
 ELEVATION OF UPPER LIMITS OF UNITS = 26.4'
 ELEVATIONS ARE REFERENCED TO THE NATIONAL
 GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)



LEGEND:

LCE DENOTES LIMITED COMMON ELEMENT
 CE DENOTES COMMON ELEMENT

GENERAL NOTES:

1. ALL IMPROVEMENTS ARE EXISTING.
2. ALL DIMENSIONS ARE MEASURED.
3. INTERIOR DIVIDING WALL WIDTHS VARY.
4. EXTERIOR WALL WIDTHS VARY.
5. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
6. ADDRESS: 710 Fort Street, Key West, FL 33040.

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

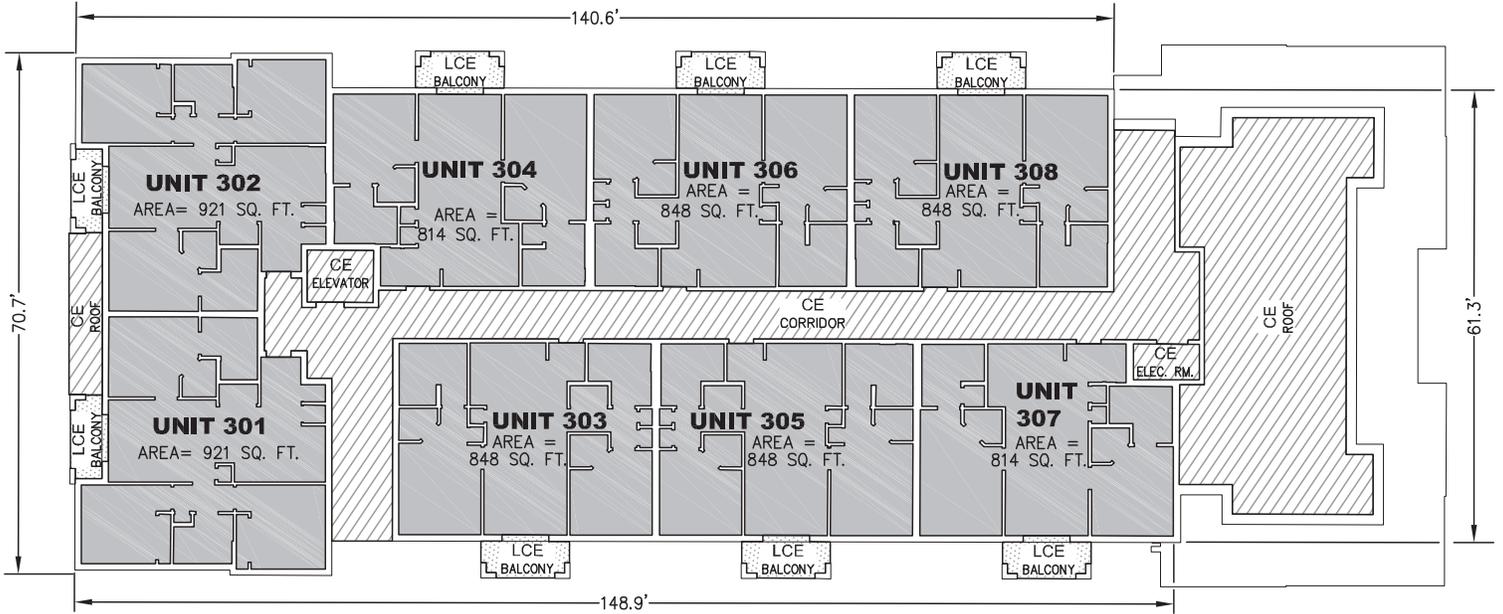


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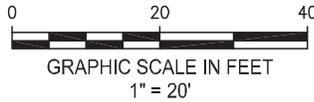
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 SECOND FLOOR PLAN
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 20'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	5 OF 15

BAHAMA VILLAGE CONDOMINIUM THIRD FLOOR PLAN



THIRD FLOOR UNITS:
 ELEVATION OF LOWER LIMITS OF UNITS = 26.4'
 ELEVATION OF UPPER LIMITS OF UNITS = 35.9'
ELEVATIONS ARE REFERENCED TO THE NATIONAL
 GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)



GENERAL NOTES:

1. ALL IMPROVEMENTS ARE EXISTING.
2. ALL DIMENSIONS ARE MEASURED.
3. INTERIOR DIVIDING WALL WIDTHS VARY.
4. EXTERIOR WALL WIDTHS VARY.
5. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
6. ADDRESS: 710 Fort Street, Key West, FL 33040.

LEGEND:

LCE DENOTES LIMITED COMMON ELEMENT
 CE DENOTES COMMON ELEMENT

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

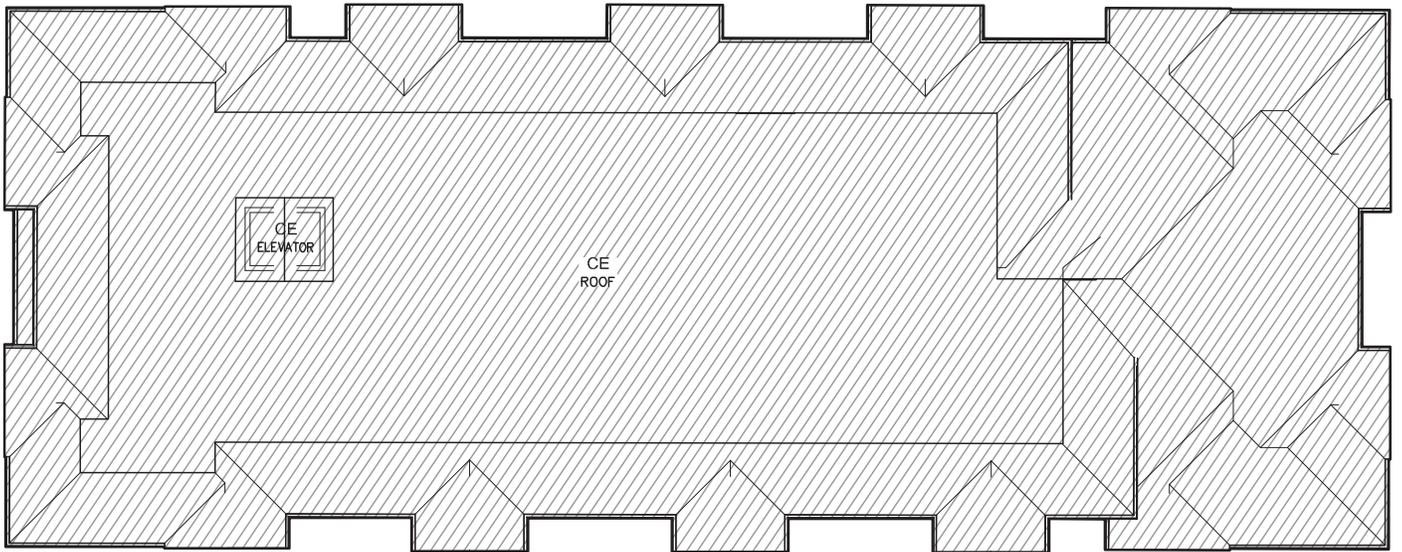


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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 THIRD FLOOR PLAN
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

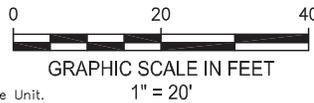
JOB #:	11558-9
SCALE:	1" = 20'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	6 OF 15

**BAHAMA VILLAGE CONDOMINIUM
ROOF PLAN**



NOTES:

- EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:*
- UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
 - LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
 - PERIMETRICAL BOUNDARIES**
The Perimetrical boundaries of the Unit shall be the Vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.



GENERAL NOTES:

- ALL IMPROVEMENTS ARE EXISTING.
- ALL DIMENSIONS ARE MEASURED.
- INTERIOR DIVIDING WALL WIDTHS VARY.
- EXTERIOR WALL WIDTHS VARY.
- FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
- ADDRESS: 710 Fort Street, Key West, FL 33040.

LEGEND:

- LCE DENOTES LIMITED COMMON ELEMENT
CE DENOTES COMMON ELEMENT

REVISIONS

09/29/2023:	ADDED INGRESS-EGRESS
08/06/2024:	ADDED ADDRESS
06/30/2025:	FINAL MEASUREMENTS

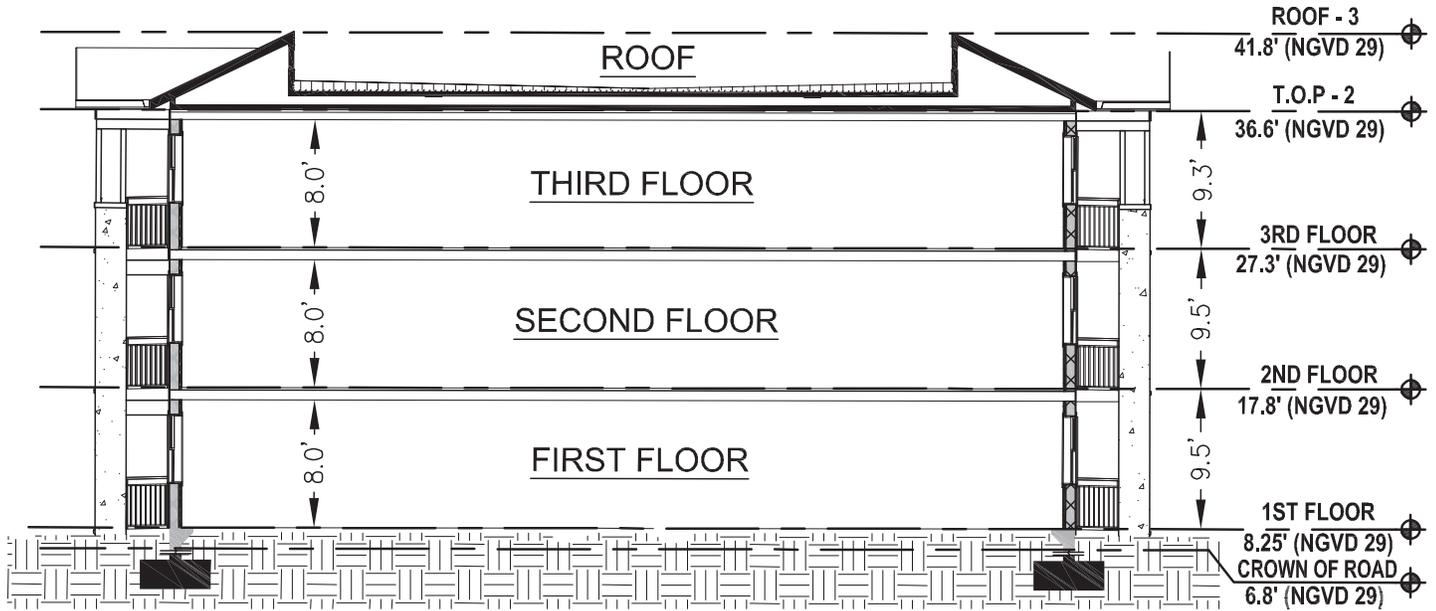


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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 ROOF PLAN
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 20'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	7 OF 15

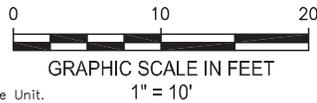
**BAHAMA VILLAGE CONDOMINIUM
SECTION-FACING WEST**



NOTES:

EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:

1. **UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
2. **LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
3. **PERIMETRICAL BOUNDARIES**
The Perimetrical boundaries of the Unit shall be the Vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.



GENERAL NOTES:

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2. ALL DIMENSIONS ARE MEASURED.
3. INTERIOR DIVIDING WALL WIDTHS VARY.
4. EXTERIOR WALL WIDTHS VARY.
5. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
6. ADDRESS: 710 Fort Street, Key West, FL 33040.

*ELEVATIONS ARE REFERENCED TO THE
NATIONAL GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)*

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

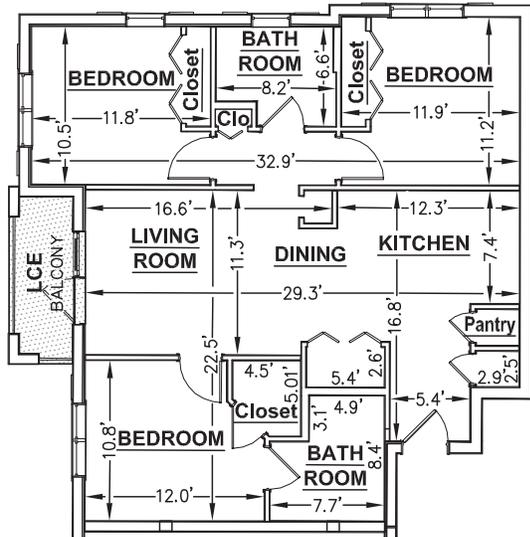


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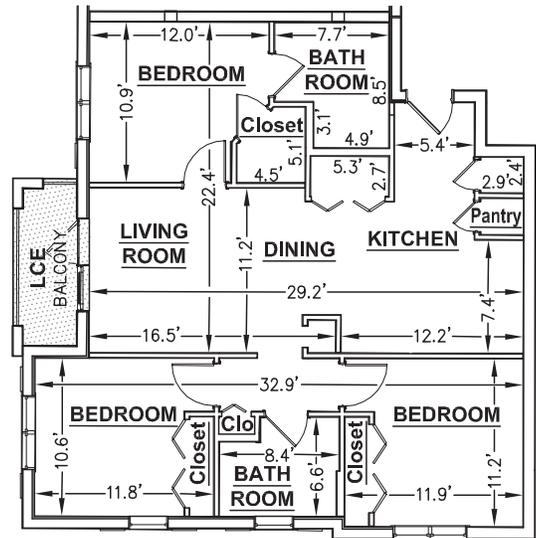
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 SECTION-FACING WEST
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	8 OF 15

**BAHAMA VILLAGE CONDOMINIUM
UNITS 3BR-3.0 & (MIRROR)**



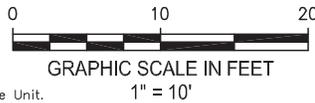
UNITS: 102, 202 & 302



UNITS: 101, 201 & 301

NOTES:

- EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:
- UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
 - LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
 - PERIMETRICAL BOUNDARIES**
The Perimetrical boundaries of the Unit shall be the Vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.



GENERAL NOTES:

- ALL IMPROVEMENTS ARE EXISTING.
- ALL DIMENSIONS ARE MEASURED.
- INTERIOR DIVIDING WALL WIDTHS VARY.
- EXTERIOR WALL WIDTHS VARY.
- FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
- ADDRESS: 710 Fort Street, Key West, FL 33040.

*ELEVATIONS ARE REFERENCED TO THE
NATIONAL GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)*

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

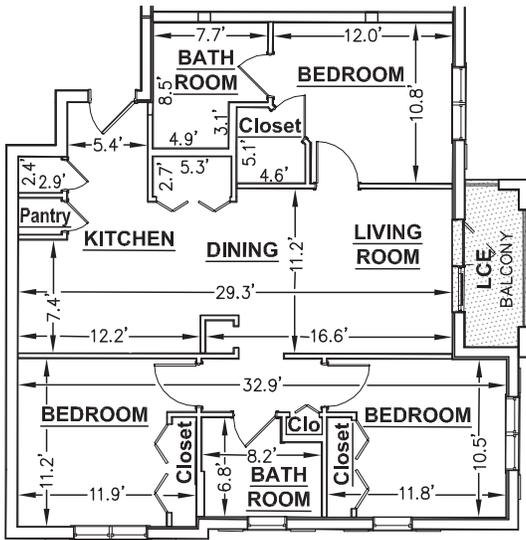


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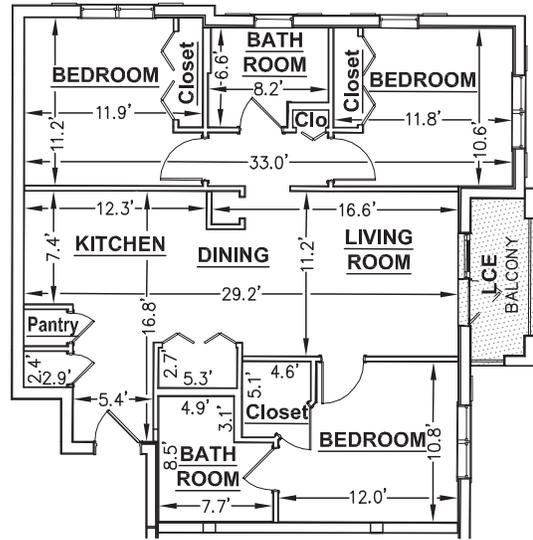
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
UNITS 3 BR-3.0 & MIRROR
EXISTING IMPROVEMENTS
TRUMAN ANNEX
CITY OF KEY WEST
MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A PG. N/A
SHEET:	9 OF 15

**BAHAMA VILLAGE CONDOMINIUM
UNITS 3BR-3.0 & (MIRROR)**



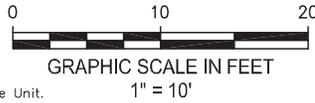
UNITS: 109 & 209



UNITS: 110 & 210

NOTES:

- EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:*
- UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
 - LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
 - PERIMETRICAL BOUNDARIES**
The Perimetrical boundaries of the Unit shall be the Vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.



GENERAL NOTES:

- ALL IMPROVEMENTS ARE EXISTING.
- ALL DIMENSIONS ARE MEASURED.
- INTERIOR DIVIDING WALL WIDTHS VARY.
- EXTERIOR WALL WIDTHS VARY.
- FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
- ADDRESS: 710 Fort Street, Key West, FL 33040.

*ELEVATIONS ARE REFERENCED TO THE
NATIONAL GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)*

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

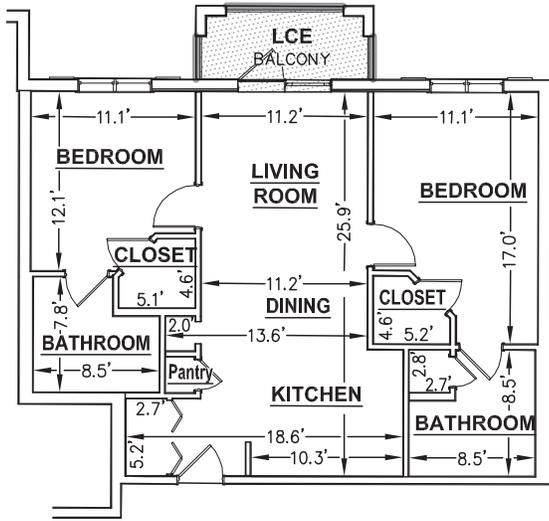


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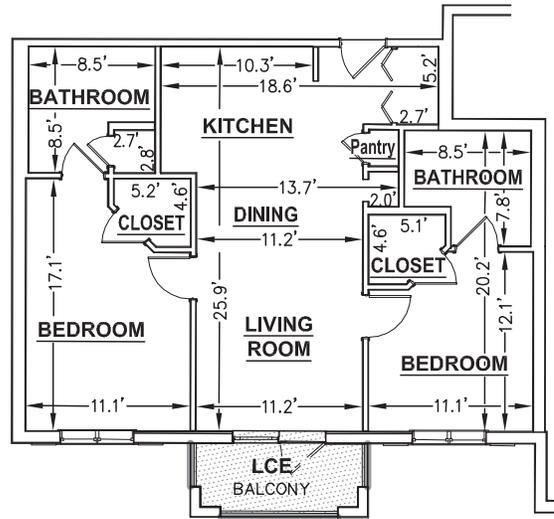
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 UNITS 3 BR-3.0 & MIRROR
 PROPOSED IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	06/07/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A PG. N/A
SHEET:	10 OF 15

**BAHAMA VILLAGE CONDOMINIUM
UNITS 2B-3.0 & (MIRROR)**



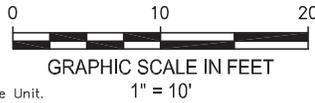
UNITS: 104, 204 & 304



UNITS: 107, 207 & 307

NOTES:

- EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:
- UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
 - LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
 - PERIMETRICAL BOUNDARIES**
The Perimetrical boundaries of the Unit shall be the Vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.



GENERAL NOTES:

- ALL IMPROVEMENTS ARE EXISTING.
- ALL DIMENSIONS ARE MEASURED.
- INTERIOR DIVIDING WALL WIDTHS VARY.
- EXTERIOR WALL WIDTHS VARY.
- FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.
- ADDRESS: 710 Fort Street, Key West, FL 33040.

ELEVATIONS ARE REFERENCED TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)

REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS

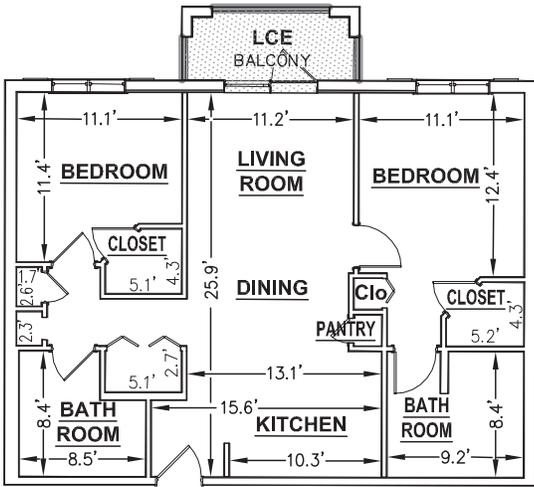


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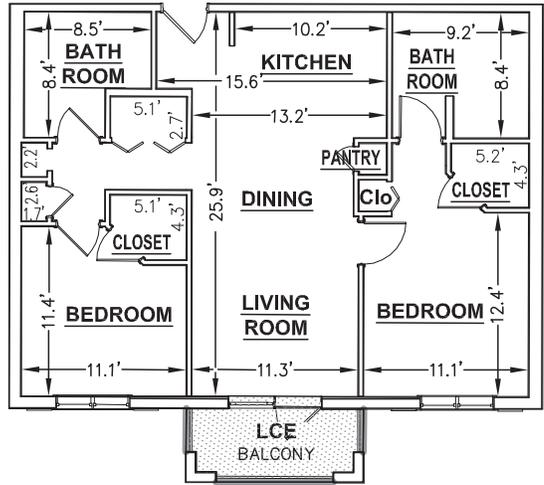
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
UNITS 2 B-3.0 & MIRROR
EXISTING IMPROVEMENTS
TRUMAN ANNEX
CITY OF KEY WEST
MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	06/07/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A PG. N/A
SHEET:	11 OF 15

**BAHAMA VILLAGE CONDOMINIUM
UNITS 2B-2.0 & (MIRROR)**



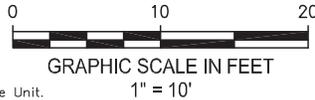
**UNITS: 106, 108, 206,
208, 306 & 308**



UNITS: 105, 205 & 305

NOTES:

- EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:*
- UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
 - LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
 - PERIMETRICAL BOUNDARIES**
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GENERAL NOTES:

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- EXTERIOR WALL WIDTHS VARY.
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- ADDRESS: 710 Fort Street, Key West, FL 33040.

*ELEVATIONS ARE REFERENCED TO THE
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REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
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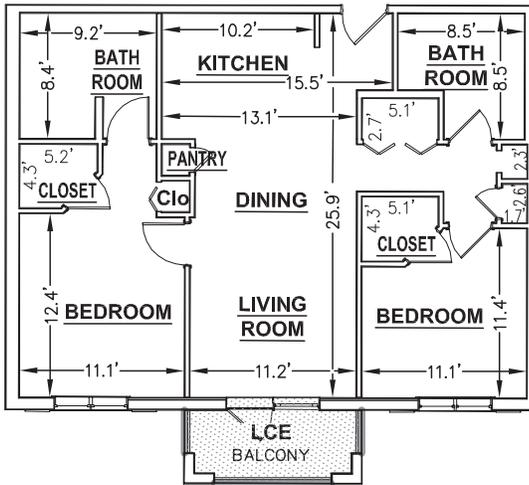


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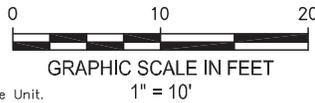
CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 UNITS 2 B-2.0 & MIRROR
 PROPOSED IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	06/07/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A PG. N/A
SHEET:	12 OF 15

**BAHAMA VILLAGE CONDOMINIUM
UNITS 2B-2.0 & (MIRROR)**



UNITS: 103, 203 & 303



NOTES:

EACH CONDOMINIUM UNIT CONSISTS OF THE SPACE BOUNDED BY:

1. **UPPER BOUNDARIES**
The Horizontal plane of the unfinished lower surface of the structural ceiling of the Unit.
2. **LOWER BOUNDARIES**
The Horizontal plane of the unfinished upper surface of the concrete floor of the Unit.
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6. ADDRESS: 710 Fort Street, Key West, FL 33040.

*ELEVATIONS ARE REFERENCED TO THE
NATIONAL GEODETIC VERTICAL DATUM OF 1929 (NGVD 29)*

REVISIONS
09/29/2023: ADDED INGRESS--EGRESS
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06/30/2025: FINAL MEASUREMENTS

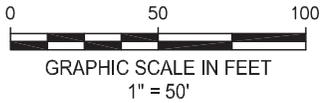


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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 UNITS 2 B-2.0 & MIRROR
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 10'
DATE:	06/07/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	N/A
PG.	N/A
SHEET:	13 OF 15

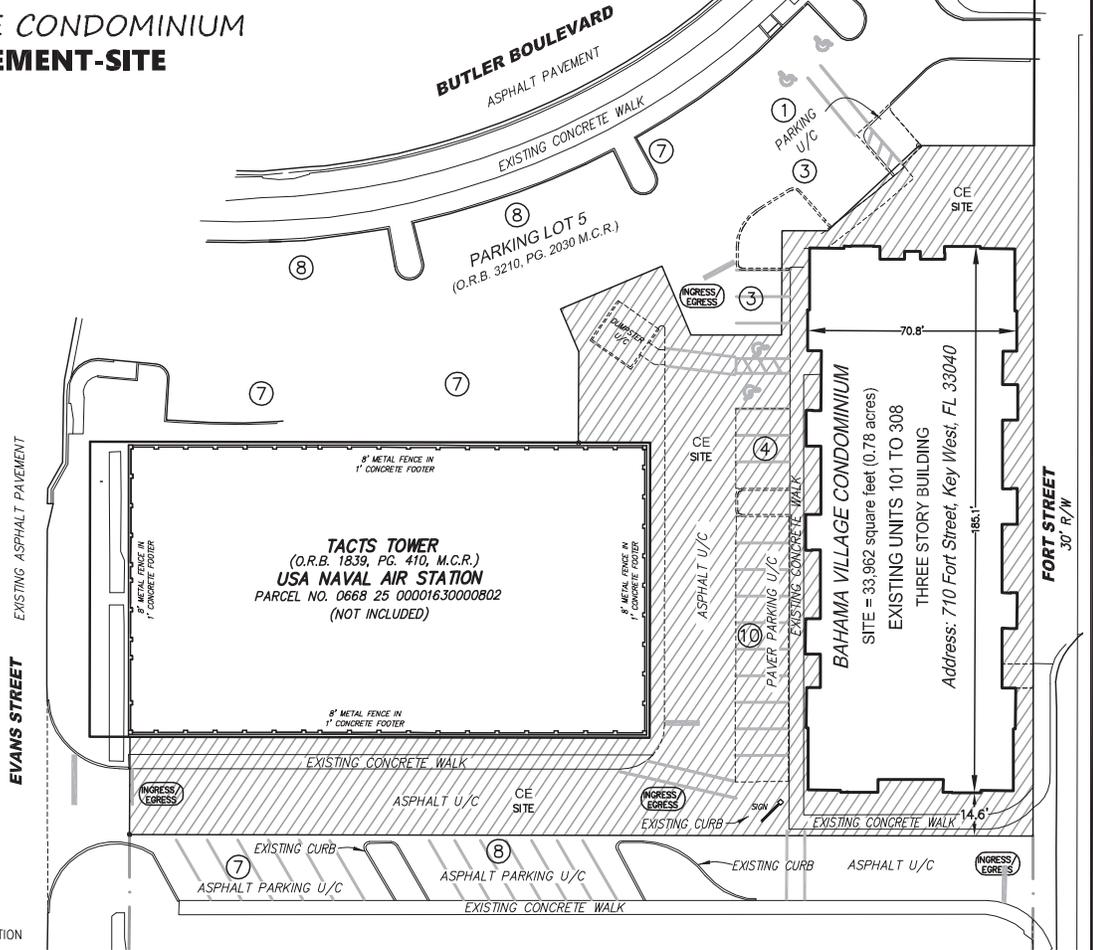
BAHAMA VILLAGE CONDOMINIUM COMMON ELEMENT-SITE



HATCHURE:
 COMMON ELEMENT

ABBREVIATION:
 U/C = UNDER CONSTRUCTION

- GENERAL NOTES:**
1. ALL IMPROVEMENTS ARE EXISTING (UNLESS NOTED).
 2. ALL DIMENSIONS ARE MEASURED.
 3. INTERIOR DIVIDING WALL WIDTHS VARY.
 4. EXTERIOR WALL WIDTHS VARY.
 5. FOR ALL OTHER PERTINENT INFORMATION REFER TO THE DECLARATION OF CONDOMINIUM.



REVISIONS
09/29/2023: ADDED INGRESS-EGRESS
08/06/2024: ADDED ADDRESS
06/30/2025: FINAL MEASUREMENTS



AVIROM & ASSOCIATES, INC.
SURVEYING & MAPPING
 50 S.W. 2nd AVENUE, SUITE 102
 BOCA RATON, FLORIDA 33432
 (561) 392-2594 / www.AVIROMSURVEY.com
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CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 COMMON ELEMENTS - SITE
 EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST
 MONROE COUNTY, FLORIDA.

JOB #:	11558-9
SCALE:	1" = 50'
DATE:	05/26/2023
BY:	K.C.
CHECKED:	K.M.C.
F.B.	2162 PG. 22
SHEET:	14 OF 15

CONDOMINIUM SURVEY
BAHAMA VILLAGE CONDOMINIUM
 PLOT PLAN AND GRAPHIC DEPICTION OF EXISTING IMPROVEMENTS
 TRUMAN ANNEX
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA

UNIT AREA TABULATION:

UNIT No.	AREA (Sq. Ft.)	PERCENTAGE (%)
101	921.02	3.79
102	920.75	3.79
103	847.82	3.49
104	814.06	3.35
105	847.82	3.49
106	847.79	3.49
107	813.95	3.35
108	848.08	3.49
109	921.09	3.79
110	921.11	3.79
201	921.02	3.79
202	920.75	3.79
203	847.82	3.49
204	814.05	3.35
205	847.82	3.49
206	847.79	3.49
207	813.95	3.35
208	848.08	3.49
209	921.09	3.79
210	921.11	3.79
301	921.02	3.79
302	920.75	3.79
303	847.82	3.49
304	847.82	3.49
305	847.82	3.49
306	847.79	3.49
307	813.95	3.35
308	848.08	3.49
TOTAL	24302.02	100.00

REVISIONS

09/29/2023: ADDED INGRESS-EGRESS
 08/06/2024: ADDED ADDRESS
 06/30/2025: FINAL MEASUREMENTS



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JOB #: **11558-9**

SCALE: N/A

DATE: 05/25/2023

BY: K.C.

CHECKED: K.M.C.

F.B. 2162 PG. 22

SHEET: **15 OF 15**

EXHIBIT C

**Description of Units and Allocation of Shares of Common Elements,
Common Expenses and Common Surplus**

Very Low-Income Units: 3 Units

Low-Income Units: 11 Units

Middle Income Units: 14 Units

Allocation of Shares of Common Elements,
Common Expenses and Common Surplus

Unit Type	Unit Square Feet (conditioned) ¹	Allocation per Unit (based on square feet)	# of Units
2 Bedroom/2 Bath (Unit 2B-3.0)	814	3.354%	6
2 Bedroom/2 Bath (Unit 2B-2.0)	848	3.4494%	12
3 Bedroom/2 Bath (Unit 3B-3.0)	921	3.795%	10

¹Unit Square Footage is taken from the Condominium Survey

EXHIBIT D

By-Laws

**BY-LAWS
OF
BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC.**

A corporation not for profit organized
under the laws of the State of Florida

1. **Identity.** These are the By-Laws of BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC. ("Association"), a corporation not for profit incorporated under the laws of the State of Florida and organized for the purpose of administering that certain condominium located in Monroe County, Florida and known as BAHAMA VILLAGE CONDOMINIUM ("Condominium").

1.1. **Principal Office.** The principal office of the Association shall be at 138 Simonton Street, Key West, Florida 33040, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

1.2. **Fiscal Year.** The fiscal year of the Association shall commence on the date the Declaration of Condominium is recorded and terminate twelve months thereafter at the end of the month in which the recording occurs. If the expiration of the first fiscal year does not coincide with the expiration of a calendar year, the Board may extend the first fiscal year to coincide with the end of the calendar year in which the first fiscal year expires.

1.3. **Seal.** The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not For Profit", and the year of incorporation.

2. **Definitions.** For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles." The other capitalized terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration of Condominium for the Condominium, unless otherwise provided in these By-Laws, or unless the context otherwise requires.

3. **Members.**

3.1. **Annual Meeting.** The annual Members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time. There shall be an annual meeting every calendar year and, to the extent possible, no later than 13 months after the last preceding annual meeting. The purpose of the meeting shall be, except as otherwise provided, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent in advance to Members.

3.2. **Special Meetings.** Special meetings of Members shall be held at such places as provided for annual meetings. Special meetings may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the Members of the Association. A meeting to recall any director may be called by Owners holding at least 10% of the voting interests. The business

conducted at a special meeting shall be limited to that stated in the agenda included with the notice of the meeting. Special meetings may be called upon with at least five days' prior notice.

3.3. **Participation by Members.** Each Member shall be a Member of the Association. Subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board, Members may speak at annual and special meetings of Members, committee meetings and Board meetings with reference to all designated agenda items. A Member does not have the right to speak with respect to items not specifically designated on the agenda, but the Board may permit a Member to speak on such items in its discretion. Every Member who desires to speak at a meeting, may do so, provided that the Member has filed a written request with the Secretary of the Association not less than 48 hours prior to the scheduled time for commencement of the Members' meeting and not less than 24 hours prior to the scheduled time for a Board meeting. Unless waived by the chairman of the meeting (which may be done in the chairman's sole and absolute discretion and without being deemed to constitute a waiver as to any other subsequent speakers), each Member speaking at a meeting shall be limited to a maximum of three minutes. A Member may tape record or videotape a meeting, subject to the following and such further reasonable restrictions as may be adopted from time to time by the Board:

(a) The only audio and video equipment and devices a Member may use is equipment which does not produce distracting sound or light emissions;

(b) Audio and video equipment must be assembled and placed in position in advance of the commencement of the meeting;

(c) Anyone videotaping or recording shall not be permitted to move about the meeting room to facilitate the recording; and

(d) At least 48 hours' prior written notice for Members' meeting and not less than 24 hours' prior written notice for Board meeting shall be given to the Secretary of the Association by any Member desiring to make an audio or video taping of the meeting.

3.4. **Notice of Meeting; Waiver of Notice.** Notice of any meeting of Members stating the time and place and the purposes for which the meeting is called shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property unless there is no Condominium Property for posting such notices. The notice of any meeting shall be sent by mail, hand delivered or electronically transmitted to each Member, unless the Member has waived in writing the right to receive such notice. The delivery or mailing shall be to the address of the Member as it appears on the roster of Members. Where a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to a single address identified for that purpose by the Developer and thereafter as one or more of the Members of the Unit shall so advise the Association in writing, or, if no address is given, if the Members disagree, or if the Association is reasonably unsure as to where to send notice for any reason, notice shall be sent to the address for the Member as set forth on the deed of the Unit. The posting and mailing of the second notice of the annual meeting shall be effected not less than 14 nor more than 34 continuous days prior to the date of the meeting. Delivery of the second notice of the annual meeting shall include a ballot listing all candidates.

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Proof of mailing of the notice shall be given by retention of post office receipts or by affidavit. The Board shall adopt by rule, and give notice to Members of, a specific location on the Condominium Property upon which all notices of Members' meetings shall be posted.

Notice of specific meetings may be waived before or after the meeting and the attendance of any Member (or person authorized to vote for such Member) shall constitute such Member's waiver of notice of such meeting, except when such Member's (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.5. **Quorum.** A quorum at Members' meetings shall be attained by the presence, either in person or by proxy, of Persons entitled to cast at least 33-1/3% of the votes of Members at such meeting. Members whose voting rights have been suspended shall not be counted in determining whether a quorum has been attained.

3.6. **Voting.**

(a) **Number of Votes.** A Member shall be entitled to cast one vote for each Unit owned, unless such voting rights are suspended in accordance with these By-Laws and the Act. The vote of a Unit shall not be divisible. Voting may be accomplished by electronic votes in accordance with the Act. If a Member is more than 90 days delinquent in paying a monetary obligation due to the Association, the Board may suspend such Member's right to vote at a property noticed meeting of the Board. The Member shall be notified of such suspension by mail or hand delivery. The voting right of any such suspended Member shall not be counted toward the number of votes necessary to (i) constitute a quorum, (ii) conduct an election or (iii) approve any action pursuant to these By-Laws, the Declaration, the Articles or the Act.

(b) **Majority Vote.** The acts approved by a majority of the votes at a meeting at which a quorum shall have been attained shall be binding upon all Members for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Owners" and "majority of the Members" shall mean those Owners having more than 50% of the then total authorized votes voting at any meeting of the Members at which a quorum shall have been attained. Similarly if some greater percentage of Members is required in these By-Laws or in the Declaration or Articles, it shall mean such greater percentage of the votes of Members voting and not of the Members themselves.

(c) **Voting Member.** If a Unit is owned by one individual, such individual's right to vote shall be established by the roster of Members. If a Unit is owned by more than one individual, any individual Member shall be entitled to cast the vote for the Unit unless a specific individual shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Members and filed with the Secretary of the Association. Such designated individual need not be a Member, nor one of the joint owners. If more than one co-owner is present in person or by proxy and the co-owners cannot agree on a particular vote, then the right to vote on that subject matter shall be forfeited. If a Unit is owned by a corporation, limited liability company, or a partnership, the individual entitled to cast the vote for the Unit shall

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be designated by a certificate signed by an appropriate officer of the corporation, appropriate signatory of the limited liability company or a general partner of the partnership and filed with the Secretary of the Association. Such individual need not be an Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote of the Member(s) of such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose. In such case, the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting Member in the manner provided above. Such designee need not be an Owner. In the event a husband and wife do not designate a voting Member, the following provisions shall apply:

(i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

(ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

(iii) If both are present at a meeting and concur, either one may cast the Unit's vote.

(d) **Association Owned Units.** No vote or other right allocated to a Unit owned by the Association shall be exercised or considered for any purpose, including a quorum or any election.

(e) **Electronic Voting.** The Association may permit electronic voting through an internet-based system in compliance with Section 718.128 of the Act.

3.7. **Proxies.** Votes may be cast in person or by proxy. Any copy, facsimile transmission, or other reliable reproduction which, in any case, is a complete reproduction of the entire proxy may be substituted or used in lieu of the proxy furnished to members. Except as specifically otherwise provided, Owners may not vote by general proxy, but may vote by limited proxies substantially conforming to the limited proxy form approved by the Division. Limited proxies shall be permitted for votes taken to: waive or reduce reserves; waive financial statements; amend the Declaration, Articles or By-Laws; or, except as indicated below, for any other matter requiring or permitting a vote of Members. No proxy, limited or general, shall be used in the election of Board members, except to the extent of a replacement of a Director after a recall which may be made by limited proxy. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for nonsubstantive changes to items for

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which a limited proxy is required and given. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the individual authorized to cast the vote for the Unit (as above described) and filed with the Secretary at least 24 hours before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies need not be Owners. Each proxy shall contain the date, time and place of the meeting for which it is given and, if a limited proxy, shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. There shall be no limitation on the number of proxies which may be held by any person (including a designee of Developer). If a proxy expressly provides, any proxy holder may appoint in writing, a substitute to act in his or her place. If such provision is not made, substitution is not permitted.

3.8. **Adjourned Meetings.** If any proposed meeting cannot be organized because a quorum has not been attained, the Members present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Unless revoked by a Member for any reason, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting.

3.9. **Order of Business.** If a quorum has been attained, the order of business at annual Members' meetings, and, if applicable, at other Members' meetings, shall be:

- (a) Collection of ballots;
- (b) Call to order by President;
- (c) Appointment by the President of a chairman of the meeting (who need not be a Member or a director);
- (d) Proof of notice of the meeting or waiver of notice;
- (e) Reading of minutes;
- (f) Reports of officers;
- (g) Reports of committees;
- (h) Appointment of inspectors of election;
- (i) Determination of number of Directors to be elected;
- (j) Election of Directors by counting ballots;
- (k) Unfinished business;

- (l) New business;
- (m) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

3.10. **Minutes of Meeting.** The minutes of all meetings of Members shall be kept in a book available for inspection by Owners or their authorized representatives and Board Members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

3.11. **Action Without a Meeting.** To the extent lawful and not inconsistent with the Act or the Declaration, any action required or permitted to be taken at any annual or special meeting of Members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the Members (or persons authorized to cast the vote of any such Members) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of Members at which a quorum is obtained. Any action by written consent shall not be effective unless signed by Members having the requisite number of votes necessary to authorize the action within 60 days of the date of the earliest dated signature and receipt by the Association. Any written consent may be revoked prior to the date the Association receives the required number of consents to authorize the proposed action. A revocation is not effective unless in writing and until received by the Secretary of the Association, or other authorized agent of the Association. Within 10 days after obtaining any action by written consent, notice shall be given to Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

4. **Directors.**

4.1. **Membership.** The affairs of the Association shall be governed by a Board of not less than three nor more than nine Directors, the exact number to be determined in the first instance in the Articles and thereafter, except as otherwise provided, from time to time, upon majority vote of the Members. Except for Directors appointed by Developer, Directors must be Owners or their spouses.

4.2. **Election of Directors.**

(a) Election of Directors shall be held at the annual meeting of Members, except as provided in these By-Laws to the contrary. At least 60 days prior to a scheduled election, the Association shall mail, deliver or electronically transmit to each Owner entitled to vote, a first notice of the date of election. Any Owner or other eligible person desiring to be a candidate for the Board shall give written notice of his or her intention to be a candidate to the Secretary of the Association at least 40 days prior to the scheduled election. At least 35 days prior to the scheduled election, the Association shall then mail, deliver or electronically transmit a second notice of the meeting to all Owners entitled to vote, together with a ballot that lists all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ inches by 11 inches furnished by the candidate to the Association (at least 35 days prior to the election). The

second notice of the meeting, the ballot and information sheet(s), if any, shall be mailed, delivered or electronically transmitted at least 35 days prior to the election. The costs of mailing or delivery and copying shall be borne by the Association. The Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.

(b) The election of directors shall be by written ballot or voting machine. Proxies may not be used in electing the Board at general elections or to fill vacancies caused by resignation or otherwise, but a limited proxy may be used to fill a vacancy resulting from the recall of a director, in the manner provided by the rules of the Division. Elections shall be decided by a plurality of those ballots and votes cast. There shall be no quorum requirement, however at least 20% of the eligible voters must cast a ballot in order to have a valid election of Members of the Board. There shall be no cumulative voting.

(c) Notwithstanding the provisions of this Section 4.2, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

(d) Within 90 days after being elected or appointed to the Board, each newly elected or appointed Director shall both (i) certify in writing to the Secretary of the Association that he or she has read the Declaration, the Articles, these By-Laws, and the Association's current written policies, will work to uphold such documents and policies to the best of his or her ability, and will faithfully discharge his or her fiduciary responsibility to the Members, and (ii) submit a certificate of having satisfactorily completed the educational curriculum administered by a Division approved condominium education provider within one year prior to or 90 days subsequent to his or her appointment or election to the Board. The written certification and educational certificate is valid for 7 years after the date of issuance and does not have to be resubmitted as long as the Director serves on the Board without interruption during the 7-year period. One year after submission of the most recent certification and educational certificate, and annually thereafter, a Director must submit to the Secretary of the Association a certificate of having satisfactorily completed at least one hour of continuing education administered by the Division, or a Division-approved condominium education provider, relating to any recent changes to Chapter 718 and the related administrative rules during the past year. A Director who fails to timely file the written certification and educational certificate is suspended from service on the Board until he or she complies with this Subsection. The Board may temporarily fill the vacancy during the period of suspension. The Secretary shall cause the Association to retain a Director's written certification and educational certificate for inspection by the Members for 7 years after a Director's election or the duration of the Director's uninterrupted tenure, whichever is longer. Failure to have such written certification or educational certificate on file does not affect the validity of any action.

(e) A person who has been suspended or removed by the Division under the Act, who has criminal charges pending as described in Section 8, or who is delinquent for more than 90 days in the payment of any fee, fine or Assessment to the Association as of the expiration date for submitting an intent to run for the Board, is not eligible for election as a Director. A person who has been convicted of any felony in Florida or in any United States District or Territorial Court or who has been convicted of any offense in another jurisdiction that would be

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considered a felony if committed in Florida is not eligible for election as a Director unless he or she has had his or her civil rights restored for at least five years prior to the date such person seeks to run for the position of a Director. The validity of any action by the Board is not affected if it is later determined that a Director was ineligible for Board membership due to having been convicted of a felony.

(f) A board member may not serve more than four consecutive 2-year terms, unless approved by an affirmative vote of two-thirds of the total voting interests of the Association or unless there are not enough eligible candidates to fill the vacancies on the Board at the time of the vacancy.

(g) Co-Owners of a Unit may not serve as members of the Board of Directors at the same time unless they own more than one Unit or unless there are not enough eligible candidates to fill the vacancies on the Board at the time of the vacancy.

(h) Any challenge to the election process must be commenced within 60 days after the election results are announced.

4.3. **Vacancies and Removal.**

(a) Except as to vacancies resulting from removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by a majority vote of the remaining Directors even if less than a quorum, provided that all vacancies in directorships to which Directors were appointed by Developer pursuant to the provisions of Section 4.16 shall be filled by Developer without the necessity of any meeting.

(b) Any Director elected by Members other than the Developer may be removed by concurrence of a majority of the votes of the Members at a special meeting called for that purpose by Members accounting for at least 10% of the voting interests or by written agreement signed by a majority of Owners. Any Director charged as described in Section 8 must be removed as so provided. The vacancy in the Board of Directors so created in either event shall be filled by the Members at a special meeting called for such purpose, or by the Board of Directors, in the case of removal by a written agreement unless such agreement also designates a new Director to take the place of the one removed. The conveyance of all Units in the Condominium owned by a Director (other than appointees of Developer) shall constitute the resignation of such Director. Any Director designated by the Developer shall serve at the pleasure of the Developer and may be removed and replaced by the Developer at any time.

(c) Until a majority of the Directors are elected by the Members other than Developer, neither the first Directors nor their replacements, nor any other Directors named by Developer shall be subject to removal by Members other than Developer. The first Directors and their replacements may be removed and replaced by Developer without the necessity of any meeting.

(d) If the Association fails to fill vacancies on the Board of Directors sufficient to constitute a quorum in accordance with Section 4.9, any Owner may apply to the circuit court

within the County for the appointment of a receiver to manage the affairs of the Association. At least 30 days prior to applying to the circuit court, the Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action indicating the amount of time the Association has to fill the vacancies before such Owner will apply to the circuit court. If during the time specified (which shall be at least 30 days after posting and mailing) the Association fails to fill the vacancies, the Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorney's fees. The receiver shall have all powers and duties of a duly constituted Board of Directors and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

4.4. **Term.** Except as provided to the contrary in these By-Laws, the term of each Director's service shall extend until the next annual meeting of the Members, or until the Director is removed in the manner elsewhere provided and such board members may stand for reelection. The Board may provide for two-year terms for Directors. An Owner cannot serve more than eight consecutive years as a Director unless any additional term is approved by two-thirds of the voting interests of the Members or unless there are not enough eligible candidates to fill any vacancy on the Board. If an Owner has served four consecutive two-year terms, the Owner may serve again as a Director with a hiatus of at least one year between terms. If the number of Directors whose terms have expired exceeds the number of eligible Members showing interest in or demonstrating an intention to run for the vacant positions, each Director whose term has expired is eligible for reappointment to the Board and need not stand for reelection. Co-Owners of a Unit may not serve as members of the Board of Directors at the same time unless they own more than one Unit or unless there are not enough eligible candidates to fill the vacancies on the Board at the time of the vacancy. An Owner more than 90 days delinquent in the payment of any monetary obligation to the Association cannot be listed on an election ballot and cannot serve as a Director and, if elected prior to such delinquency, shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law. A Director charged by information or indictment with a felony theft or embezzlement offense involving the Association's funds or property must be removed from office, creating a vacancy in the office to be filled according to law until the end of the period of the suspension or the end of the Director's term of office, whichever occurs first. If a person has any such criminal charge pending, he or she may not be appointed or elected to a position as a Director. However, if the charges are resolved without a finding of guilt, the person shall be reinstated for the remainder of his or her term of office, if any.

4.5. **Organizational Meeting.** Except for the Directors designated in the Articles, the organizational meeting of newly-elected or appointed Members of the Board of Directors shall be held within 20 days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed. Notice of the organizational meeting shall be provided in accordance with Section 4.6.

4.6. **Meetings.** The Board of Directors shall meet at least once each quarter. Notice of meetings shall be given to each Director, personally or by mail, telephone, fax, email or telegraph, and shall be transmitted at least three days prior to the meeting. At least four times each year, the meeting agenda must include an opportunity for members to ask questions of the Board. Meetings

of the Board of Directors and any committee of the Board shall be open to all Owners except for such meetings (a) with the Association's counsel with respect to proposed or pending litigation or (b) held to discuss personnel matters. Notice of Board meetings shall be posted conspicuously on the Condominium Property at least 48 continuous hours in advance for the attention of the Members of the Association, except in the event of an emergency. Notice of any meeting of the Board at which regular or non-emergency special Assessments, or at which amendment to rules regarding Unit use will be proposed, discussed or approved, shall specifically state such purpose and, with respect to Assessments, must indicate that assessments will be considered and the nature, estimated cost and description of the purpose for such Assessments. If an agenda item relates to the approval of a contract for goods or services, a copy of the contract must be provided with the notice and be made available for inspection and copying upon a written request from a Unit Owner or made available on the Association's website or through an application that can be downloaded on a mobile device. Such notice shall be mailed or delivered to all Owners and posted conspicuously on the Condominium Property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the Secretary of the Association and filed among the official records of the Association. The Board shall adopt by rule, and give notice to Owners of, a specific location on the Condominium Property upon which all notices of Board and/or committee meetings shall be posted. Special meetings of the Directors may be called by the President and must be called by the President or Secretary at the written request of one-third of the Directors.

4.7. **Owner Participation.** Any Owner may tape record or videotape meetings of the Board, in accordance with the rules of the Division. The right to attend such meetings includes the right to speak at such meetings with respect to all designated agenda items. The Association may adopt reasonable rules governing the frequency, duration and manner of Owner statements. If at least 20% of the voting interest petition the Board to address any item relating to the Condominium, the Board shall at the next regular meeting or at a special meeting of the Board held in either event not later than 60 days of the Board's receipt of the petition, place the item on the agenda for the meeting.

4.8. **Waiver of Notice.** Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by such Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when such Director's attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.9. **Quorum.** A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws. After a quorum has been established at a meeting, the subsequent withdrawal of members of the Board, so as to reduce the number of voting interests entitled to vote at the meeting below the number of the Board required for a quorum, shall not affect the validity of any actions taken at the meeting or any adjournment. Notwithstanding the above, when some or all of the Board of Directors or members of a Committee may participate by telephone, real-time electronic or video

conference, those Board of Directors or members of a Committee attending by telephone or electronic or video conference may be counted toward obtaining a quorum as if physically present. A speaker must be utilized so that the conversation of those Board of Directors or members of a Committee so attending may be heard by the Board of Directors or members of a Committee attending in person, as well as by any Owners present at the meeting.

4.10. **Adjourned Meetings.** If at any proposed meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required under these By-Laws. At any re-scheduled adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.11. **Joinder in Meeting.** Any Director may attend a meeting by telephone, real-time videoconferencing, or similar real-time electronic video or video communication (collectively, "Electronic Means") if a speaker is available at the meeting so that other Directors and Owners can hear the Director participating by Electronic Means and such Director can hear the meeting. Any Director so participating by Electronic Means shall be counted toward the quorum and shall be entitled to vote by Electronic Means. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as present for the purpose of determining a quorum or used as a vote for or against the action taken.

4.12. **Presiding Officer.** The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

4.13. **Order of Business, Voting.**

(a) If a quorum has been attained, the order of business at Directors' meetings shall be:

- (i) Proof of due notice of meeting;
- (ii) Reading and disposal of any unapproved minutes;
- (iii) Reports of officers and committees;
- (iv) Election of officers;
- (v) Unfinished business;
- (vi) New business;
- (vii) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

(b) A Director present at a meeting shall be presumed to have assented to the action taken unless he or she votes against such action or abstains from voting. A Director who abstains from voting on any action taken on any matter shall be presumed to have taken no position with regard to the action. Directors may not vote by proxy or by secret ballot except for election of officers.

4.14. **Minutes of Meetings.** The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Owners, or their authorized representatives, and Board Members at any reasonable time. The minutes shall record any vote of abstention for each Director. The Association shall retain these minutes for a period of not less than seven years.

4.15. **Executive Committee; Other Committees.** The Board of Directors may, by resolution, appoint an executive committee ("Executive Committee") to consist of three or more Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments payable by the Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in paragraphs (g) and (p) of Article 5.

The Board may, by resolution, also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

4.16. **Rights of Developer.**

(a) Notwithstanding anything to the contrary contained in this Article 4 or otherwise, the Board shall consist of three directors during the period Developer is entitled to appoint a majority of the Directors. Developer shall have the right to appoint all of the Directors until Owners other than Developer own 15% or more of the Units that will be operated ultimately by the Association. When Owners other than Developer own 15% or more of such Units, they shall be entitled to elect not less than 1/3 of the Directors. Owners other than Developer shall be entitled to elect not less than a majority of the Directors upon the first occurring of:

(i) three years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers,

(ii) three months after 90% of the Units that will be operated ultimately by the Association have been conveyed to Purchasers,

(iii) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by Developer in the ordinary course of business,

(iv) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by Developer in the ordinary course of business or

(v) when Developer files a petition seeking protection in bankruptcy,

(vi) when a receiver for Developer is appointed by a circuit court and is not discharged within 30 days after such appointment, unless the court determines within 30 days after appointment of the receiver that transfer of control would be detrimental to the Association or the Members, or

(vii) seven years after recording of the certificate of surveyor required by Section 718.104(4)(e) of Florida Statutes or the recording of a deed to a Unit not accompanied by an assignment of developer rights, whichever occurs first.

Developer may (but shall not be obligated to) elect at least one Director as long as Developer holds for sale in the ordinary course of business 5% of the Units that will be operated ultimately by the Association.

(b) Developer may, in Developer's discretion, transfer control of the Association to Owners other than Developer prior to the dates set forth in this Section by causing enough of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Owners other than the Developer to elect Directors and assume control of the Association. If Developer gives at least 75 days' notice of Developer's decision to cause its appointees to resign to Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Owners other than the Developer refuse or fail to assume control.

(c) Within 75 days after the Owners other than Developer are entitled to elect a Director or Directors, or sooner if Developer has elected to accelerate such event as indicated in this Section, the Association shall call, and give not less than 60 days' notice of a meeting of the Owners to elect such Director or Directors. The meeting may be called and the notice given by any Owner if the Association fails to do so.

(d) At the time Owners other than Developer elect a majority of the Directors, Developer shall relinquish control of the Association and such Owners shall accept control. At that time (except as provided in paragraph (vii)), Developer shall deliver to the Association, at Developer's expense, all property of the Owners and of the Association held by or controlled by Developer, including but not limited to the following items, if applicable:

(i) The original or a photocopy of the recorded Declaration of Condominium with all amendments. If a photocopy is provided, Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration;

(ii) A certified copy of the Articles of Incorporation of the Association;

(iii) A copy of the By-Laws of the Association;

(iv) The minute books, including all minutes, and other books and records of the Association;

(v) Any rules and regulations which have been adopted;

(vi) Resignations of resigning officers and Directors appointed by Developer;

(vii) The financial records, including financial statements of the Association, and source documents since the incorporation of the Association through the date of relinquishment of control. The records shall be reviewed (or audited if required by the Act) by an independent certified public accountant who shall render a report indicating review (or audit) in accordance with generally accepted accounting standards prescribed by the Florida Board of Accountancy. The accountant performing the review shall examine, to the extent necessary, supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine whether Developer was charged and paid the proper amounts of Assessments; the materials required under this subparagraph (vii) shall be delivered within 90 days of delivery of control;

(viii) Association funds or the control thereof;

(ix) All tangible personal property that is the property of the Association or is or was represented by Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

(x) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components servicing the Improvements and the Condominium Property;

(xi) A list of the names and addresses of all contractors, subcontractors and suppliers, of which Developer had knowledge at any time in the development of the Condominium, utilized in the construction or remodeling of the improvements and the landscaping of the Condominium Property and/or Association Property;

(xii) Insurance policies;

(xiii) Copies of any certificates of occupancy issued for the Condominium Property;

(xiv) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one year prior to the date the Owners assume control of the Association;

(xv) All written warranties of contractors, subcontractors, supplies and manufacturers, if any, that are still effective;

(xvi) A roster of Owners and their addresses and telephone numbers, if known, as shown on Developer's records;

(xvii) Leases of the Common Elements and other leases to which the Association is a party, if applicable;

(xviii) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the Person or Persons performing the service;

(xix) All other contracts to which the Association is a party;

(xx) Notwithstanding when the certificate of occupancy was issued or the height of the building, a turnover inspection report included in the official records of the Association, under seal of an architect or engineer authorized to practice in the State of Florida or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable condominium property:

(1) Roof;

(2) Structure, including load-bearing walls and primary structural members and primary structural systems, as those terms are defined in Section 627.706, Florida Statutes;

(3) Fireproofing and fire protection systems;

(4) Plumbing;

(5) Electrical systems;

(6) Waterproofing and exterior painting;

(7) Windows and exterior doors;

(xxi) Notwithstanding when the certificate of occupancy was issued or height of the building, a turnover inspection report included in the official records of the Association, under seal of an architect or engineer authorized to practice in the State of

Florida or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable Condominium Property comprising a turnover inspection report:

- (1) Elevators;
- (2) Heating and cooling systems;
- (3) Swimming pool or spa and equipment;
- (4) Seawalls;
- (5) Pavement and parking areas;
- (6) Drainage systems; and
- (7) Irrigation systems.

(xxii) A copy of the certificate of a surveyor and mapper recorded pursuant to Section 718.104(4)(e) of the Act or the recorded instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit, whichever occurred first; and

(xxiii) A copy of the Association's most recent Structural Integrity Reserve Study (as defined in Section 16.1 below).

5. **Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium. The Board may take all acts, through the proper officers of the Association, in exercising such powers, except such acts which, by law, the Declaration, the Articles or these By-Laws, may not be delegated to the Board of Directors by the Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as may be otherwise limited in these By-Laws), the following:

- (a) Operating and maintaining the Common Elements and Association Property.
- (b) Determining the expenses required for the operation of the Condominium and the Association.
- (c) Collecting Assessments and Charges from Owners.
- (d) Employing and dismissing personnel necessary for maintenance and operation of the Common Elements and Association Property.

(e) Adopting and amending rules and regulations concerning details of operation and use of the Condominium Property and Association Property, subject to a right of the Owners to overrule the Board as provided in Article 13.

(f) Maintaining bank accounts on behalf of the Association and designating the signatories required.

(g) Purchasing, leasing or otherwise acquiring title to, or an interest in, property in the name of the Association, or its designee, for the use and benefit of its Members; the power to acquire personal property shall be exercised by the Board and the power to acquire real property shall be exercised as described in these By-Laws and in the Declaration.

(h) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association or its designee, including, without limitation, at foreclosure or other judicial sales.

(i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association or its designee.

(j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.

(k) Obtaining and reviewing insurance for the Condominium Property.

(l) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings or otherwise.

(m) Enforcing obligations of Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

(n) Levying fines against appropriate Owners for violations of the Condominium Documents or the rules and regulations established by the Association to govern the conduct of such Owners. No fine shall be levied except after giving at least 14 days' written notice to the affected Owner and, if applicable, his tenant, licensee or invitee and opportunity for a hearing before a committee of non-director Owners. No fine may exceed \$100 per violation, but a fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing. No such fine shall in the aggregate exceed the greater of \$1,000 or the maximum permitted by the Act and no fine shall become a lien upon a Unit.

(o) Suspending the right of an Owner or the Unit's occupant, licensee, or invitee to use Common Elements, common facilities, or any other Association Property if the Owner is delinquent for more than 90 days in paying a monetary obligation due to the Association. The suspension shall continue until the monetary obligation is paid. This subsection does not apply to

Limited Common Elements intended to be used only by that Unit, Common Elements that must be used to access the Unit, Utility Services provided to the Unit, parking spaces, or elevators. The Association must levy the reasonable suspension at a properly noticed Board meeting, and after the imposition of such suspension, the Association must notify the Owner and, if applicable, the Unit's occupant, licensee, or invitee by mail or hand delivery.

(p) Suspending the voting rights of a Member due to nonpayment of any monetary obligation due to the Association which is more than 90 days delinquent. The suspension ends upon full payment of all obligations currently due or overdue to the Association.

(q) Purchasing or leasing Units for use by resident superintendents and other similar persons or for the general use and enjoyment of the Owners.

(r) Borrowing money on behalf of the Association or the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association Property. The consent of Owners of at least two-thirds of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of \$5,000 in the aggregate. If any sum borrowed by the Board of Directors pursuant to this subparagraph (p) is not repaid by the Association, an Owner who pays to the creditor such a percentage of such sum equal to such Owner's percentage interest in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against or which will affect such Owner's Unit. No action authorized in this paragraph will be taken without the prior written consent of Developer as long as Developer owns any Unit.

(s) Contracting for the management and maintenance of the Condominium and authorizing a managing agent to assist the Board of Directors in carrying out its powers and duties as the Board may deem appropriate under the circumstances; contracting for the management or operation of portions of the Condominium Property susceptible to separate management or operation; and granting concessions for the purpose of providing services to Owners. In exercising this power, the Association may contract with affiliates of itself and of Developer. The Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration, the Articles, these By-Laws and the Act, including, but not limited to, the making of Assessments, promulgation or rules and execution of contracts on behalf of the Association.

(t) At its discretion, but in conformity with the Act, authorizing Owners or other Persons to use portions of the Common Elements or Association Property for private parties and gatherings and imposing reasonable charges for such private use.

(u) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Act, and (ii) all powers incidental thereto, and all other powers of a Florida corporation not for profit.

(v) Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units.

(w) Contracting with and creating or joining in the creation of special taxing districts, joint councils and the like.

(x) Executing all documents or consents, on behalf of all Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association as such Owner's agent and attorney-in-fact to execute any and all such documents or consent.

6. **Officers.**

6.1. **Executive Officers.** The executive officers of the Association shall be a President, a Vice President, a Treasurer, a Secretary and an Assistant Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors. All officers may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. An officer with criminal charges pending as described in Section 8 is not eligible for appointment and must be removed if appointed as described in such Section. A person may hold more than one office, except that the President may not also be the Secretary or Assistant Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Owners.

6.2. **President.** The President shall be the chief executive officer of the Association with all of the powers and duties usually vested in the office of president of an association.

6.3. **Vice President.** The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. The Vice President shall also assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as shall otherwise be prescribed by the Directors.

6.4. **Secretary.** The Secretary shall keep the minutes of all proceedings of the Directors and the Members, shall attend to the giving of all notices to the Members and Directors and other notices required by law, shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5. **Assistant Secretary.** The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

6.6. **Treasurer.** The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep books of

account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

7. **Fiduciary Duty; Compensation.** The officers and Directors of the Association, as well as any manager employed by the Association, have a fiduciary relationship to the Owners. No officer, Director or manager shall solicit, offer to accept, or accept any thing or service of value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association. Any such officer, director or manager who knowingly so solicits, offers to accept or accepts any thing or service of a value shall, in addition to all other rights and remedies of the Association and Owners, be subject to a civil penalty in accordance with the Act. Notwithstanding the foregoing, this Section shall not prohibit an officer, Director or manager from accepting services or items received in connection with trade fairs or education programs. Neither Directors, nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

8. **Resignations and Removals.** Any Director or officer may resign at any time by written resignation, delivered to the President or Secretary. Such resignation shall take effect upon receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such later date unless withdrawn prior to such date. The acceptance of a resignation shall not be required to make it effective. The conveyance of all interest in the Units owned by any Director or officer who owned any Units at the time of appointment or election shall be deemed a written resignation of such Director or officer. No officer appointed by Developer can be removed except as provided in Section 4.16 and by law. A Director or officer more than 90 days delinquent in the payment of any monetary obligation to the Association shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law. A Director or officer charged by information or indictment with a felony theft or embezzlement offense involving the Association's funds or property must be removed from office, creating a vacancy in the office to be filled according to law until the end of the period of suspension or the end of the term of office, whichever occurs first. If the charges are resolved without a finding of guilt, the Director or officer shall be reinstated for the remainder of his or her term of office, if any. If a person has any such criminal charge pending, he or she may not be appointed or elected to a position as an officer. However, should the charge be resolved without a finding of guilt, the person shall be reinstated for the remainder of his or her term of office, if any.

9. **Fiscal Management.** This Section shall supplement the provisions for fiscal management of the Association set forth in the Declaration and Articles:

9.1. **Budget.**

(a) **Adoption by Board; Items.** The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expenses and contain at least all items set forth in Section 718.504(21) of the Act, if applicable), and shall determine the amount of Assessments payable by Owners and allocate and assess expenses among Owners in accordance with these By-Laws and the Declaration. The adoption of a budget for the Condominium shall comply with the following requirements:

(i) **Notice of Meeting.** A copy of the proposed budget shall be mailed to each Owner not less than 14 days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting.

(ii) **Special Membership Meeting.** If a budget is adopted by the Board of Directors which requires Assessments against Owners in any year exceeding 115% of Assessments for the preceding year, upon written application of 10% of such Owners made within 21 days following adoption of such budget, a special meeting of Owners shall be held within 60 days of adoption of such budget by the Board of Directors. Each Owner shall be given at least 14 days' notice of said meeting. At the special meeting, Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of Owners of not less than 50% of all the Units (including Units owned by Developer). If such a meeting of Owners has been called and a quorum is not obtained or a substitute budget has not been adopted by Owners, the budget adopted by the Board of Directors shall go into effect as scheduled.

(iii) **Determination of Budget Amount.** In determining whether a budget requires Assessments against Owners in any year exceeding 115% of Assessments for the preceding year, there shall be excluded in the computations:

- (1) Any mandatory reserves required by the Act,
- (2) Any authorized provisions for reasonable non-mandatory reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association not anticipated to be incurred on a regular or annual basis,
- (3) Insurance premiums; and
- (4) Assessments for improvements to the Condominium Property.

(iv) **Limitation on Assessments.** As long as Developer is in control of the Board of Directors of the Association, such Board shall not impose an Assessment for a year greater than 115% of the prior year's Assessment, without approval of Owners owning a majority of the Units (including Units owned by Developer).

(b) **Reserves.** In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance (to the extent required by law). These accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000. The amount to be reserved must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. If the Association is required to obtain a Structural Integrity Reserve Study, reserves must be maintained for the items identified in Section 718.112(2)(g) of the Act for which the Association is responsible pursuant to the Declaration, and the reserve amount for such items must be based on the findings and recommendations of the Association's most recent Structural Integrity Reserve Study. With respect to items for which an estimate of useful life is not readily ascertainable or with an estimated remaining useful life of greater than 25 years, the Association is not required to reserve replacement costs for such items, but the Association must reserve the amount of deferred maintenance expense, if any, which is recommended by the Structural Integrity Reserve Study for such items. The Association may adjust replacement and reserve Assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Before turnover of control of the Association to Owners other than Developer, Developer may not vote to waive reserves or reduce the funding of reserves. If a meeting of Owners has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves included in the budget shall go into effect. After the turnover, Developer may vote its voting interest to waive or reduce the funding of reserves. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote of all the total voting interests of the Association. Before turnover of control of the Association to Owners other than Developer, the Association may not vote to use reserves for purposes other than those for which they were intended. After the turnover, if the Association is required to obtain a Structural Integrity Reserve Study, the Members may not vote to use reserve funds, or any interest accruing thereon, for any other purpose other than the replacement or deferred maintenance costs of the components listed in Section 718.112(2)(g) of the Act. The only voting interests that are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the Units subject to assessment to fund the reserves in question. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: **WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.**

(c) **Adoption by Membership.** If the Board of Directors is unable to adopt a budget in accordance with the requirements of Section 9.1(a), it may call a special meeting of Owners for the purpose of considering and adopting such budget. Such meeting shall be called

and held in the manner provided for such special meetings in said Section, or the Board may propose a budget in writing to the Members, and if such budget is adopted by such Members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

9.2. **Assessments.** Assessments against Owners for their share of the items of the budget shall be made for the applicable calendar year annually in advance on or before the 20th day of the month preceding the first day of the fiscal year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. Except as otherwise provided in the Declaration, Assessments shall be allocated among the Owners in accordance with their percentage ownership interest in the Common Elements. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the calendar year for which an amended Assessment is made shall be payable in as many equal installments as there are full months (or quarters) of the calendar year remaining as of the date of such amended Assessment. Each such installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

9.3. **Attachment of Rents.** If a Unit is occupied by a tenant and the Owner is delinquent in paying any monetary obligation due to the Association, the Association may make a written demand that the tenant pay the future monetary obligations related to the Unit to the Association, and the tenant must make such payment. The demand is continuing in nature and, upon demand, the tenant must pay to the Association all rental payments to be made by the tenant subsequent to such demand until the Association releases the tenant or the tenant discontinues tenancy in the Unit. The Association must mail written notice to the Owner of the Association's demand that the tenant make payments to the Association. The Association shall, upon request, provide the tenant with written receipts for payments made. A tenant who acts in good faith in response to a written demand from the Association is immune from any claim from the Owner. If the tenant prepaid rent to the Owner before receiving the demand from the Association and provides written evidence of paying the rent to the Association within 14 days after receiving the demand, the tenant shall receive credit for the prepaid rent for the applicable period and must make any subsequent rental payments to the Association to be credited against the monetary obligations of the Owner to the Association. The tenant is not liable for increases in the amount of the monetary obligations due unless the tenant was notified in writing of the increase at least 10 days before the date the rent is due. The liability of the tenant may not exceed the amount due from the tenant to the Owner. The Owner shall provide the tenant a credit against rents due to the Owner in the amount of moneys paid to the Association under this section. The Association may issue notices under Florida Statutes, Section 83.56 and may sue for eviction under Florida Statutes, Sections 83.59-83.625 as if the Association were a landlord under part II of Chapter 83, Florida Statutes if the tenant fails to pay a required payment to the Association. However, the Association is not otherwise considered

a landlord under Chapter 83, Florida Statutes and specifically has no duties under Florida Statutes, Section 83.51. The tenant does not, by virtue of payment of monetary obligations to the Association, have any of the rights of an Owner to vote in any election or to examine the books and records of the Association. A court may supersede the effect of this subsection by appointing a receiver.

9.4. **Charges.** Charges by the Association against Members for other than Common Expenses shall be payable in advance. These charges may be collected as and when Assessments for Common Expenses are collected and, to the extent permitted by law, those charges shall be added to the Assessments for Common Expenses. Charges for other than Common Expenses may be made only after approval of a Member or when expressly provided for in the Declaration or its exhibits, as the same may be amended from time to time. Such charges may include, without limitation, charges for the use of the Condominium Property or recreation areas, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner and surcharges, fines and damages and other sums due from such Owner.

9.5. **Special Assessments; Assessments for Emergencies.** Special Assessments shall be levied as provided in the Declaration and paid as the Board of Directors may require in the notice of such Assessments. The funds so collected shall be used only for the specific purpose or purposes set forth in the Assessment notice but, upon completion of such specific purpose or purposes, any excess funds may, at the discretion of the Board, either be returned to Owners or applied as a credit towards future Assessments. Special Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due only after 10 days' notice to Owners, and paid as the Board of Directors may require in the notice of Assessment.

9.6. **Depository.** The depository of the Association shall be such bank or banks in the County as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or contributions to working capital or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors. Notwithstanding the foregoing, no working capital contribution shall be utilized for payment of Common Expenses during the period of any Developer guaranty. A separate reserve account shall be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures and/or deferred maintenance. Reserve and operating funds of the Association shall not be commingled unless combined for investment purposes.

9.7. **Acceleration of Assessment Installments Upon Default.** If an Owner defaults in payment of an installment of an Assessment, the Board of Directors or its agent may accelerate the remaining installments of the Assessment for the current year upon 30 days' prior written notice to such Owner but such accelerated Assessments shall not be payable prior to the date a claim of lien is filed. The then unpaid balance of the Assessment shall be due upon the date stated in the notice, but not less than 5 days after delivery of the notice to Owner, or not less than 10 days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

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9.8. **Fidelity Bonds.** Fidelity bonds shall be required by the Board of Directors for all persons handling or responsible for Association funds, including, without limitation, individuals authorized to sign checks and the President, Vice President, Secretary and Treasurer, in such amount as shall be determined by a majority of the Board but no less than the maximum amount of funds that will be in the custody of the Association or the manager. The premiums on such bonds shall be paid by the Association as a Common Expense.

9.9. **Accounting Records and Reports.**

(a) The Association shall maintain accounting records in the County, according to good accounting practices used by similar associations. The records shall be open to inspection by Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (i) a record of all receipts and expenditures, and (ii) an account for each Unit designating the name and current mailing address of the Owner, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (i) above, in the form and manner specified below, shall be supplied to each Owner annually.

(b) Within 90 days following the end of the fiscal year, the Association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year ("Financial Report"). Within 21 days after the final Financial Report is completed by the Association or received from the third party, but not later than 120 days following the end of the fiscal year, the Association shall mail to each Owner at the address last furnished to the Association by the Owner, or hand deliver to each Owner, a copy of the most recent Financial Report and a notice that a copy of the most recent Financial Report will be mailed or hand delivered to the Owner, without charge, within 5 business days after receipt of a written request from the Owner. The Financial Report shall be prepared in accordance with the rules adopted by the Division. The type of Financial Report to be prepared must, unless modified in the manner set forth below, be based upon the Association's total annual revenues, as follows:

(i) If the Association's revenues are less than \$150,000, then the Association shall prepare a report of cash receipts and expenditures (or, if so determined by the Board, the Association may prepare any of the reports described in Sections 9.9(b)(ii), 9.9(b)(iii) or 9.9(b)(iv) below in lieu of the report referenced in this Section 9.9(b)(i)). A report of cash receipts and disbursements must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the Association maintains reserves.

(ii) If the Association's revenues are equal to or greater than \$150,000 but less than \$300,000, then the Association shall prepare compiled financial statements

(or, if so determined by the Board, the Association may prepare any of the reports described in Sections 9.9(b)(iii) or 9.9(b)(iv) below in lieu of the report referenced in this Section 9.9(b)(ii)).

(iii) If the Association's revenues are equal to or greater than \$300,000 but less than \$500,000, then the Association shall prepare reviewed financial statements (or, if so determined by the Board, the Association may prepare the report described in Section 9.9(b)(iv) below in lieu of the report referenced in this Section 9.9(b)(iii)).

(iv) If the Association's revenues are equal to or greater than \$500,000, then the Association shall prepare audited financial statements.

(c) If approved by a majority of the voting interests present at a properly called meeting of the Association, then the Association may prepare (i) a report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement; (ii) a report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or (iii) a report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement. Such meeting and approval must occur before the end of the fiscal year and is effective only for the fiscal year in which the vote is taken. An association may not prepare a financial report pursuant to this Section for consecutive fiscal years. If Developer has not turned over control of the Association, then all Owners, including Developer, may vote on issues related to the preparation of the Association's financial reports, from the date of incorporation of the Association through the end of the second fiscal year after the fiscal year in which the certificate of a surveyor and mapper is recorded pursuant to Section 718.104(4)(e) of the Act or an instrument that transfers title to a Unit in the Condominium which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit is recorded, whichever occurs first. Thereafter, all Owners except Developer may vote on such issues until control is turned over to the Association by Developer. Any audit or review prepared under this Section 9.9(c) shall be paid for by Developer if done before turnover of control of the Association.

(d) An Owner may provide written notice to the Division of the Association's failure to mail or hand deliver him or her a copy of the most recent Financial Report within 5 business days after he or she submitted a written request to the Association for a copy of such Financial Report. If the Division determines that the Association failed to mail or hand deliver a copy of the most recent Financial Report to the Owner, the Division shall provide written notice to the Association that the Association must mail or hand deliver a copy of the most recent Financial Report to the Owner and the Division within 5 business days after it receives such notice from the Division.

9.10. **Application of Payment.** All Assessment payments made by an Owner shall be applied as provided in these By-Laws, the Declaration or as determined by the Board.

9.11. **Notice of Meetings.** Notice of any meeting where Assessments against Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

10. **Conflicts of Interest.** Directors and Officers of the Association, and the relatives of such Directors and Officers, must disclose to the Board any activity that may reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any of the following occurs without prior notice, as required below: (a) a Director or an Officer, or a relative of a Director or an Officer, enters into a contract for goods or services with the Association; or (b) a Director or an Officer, or a relative of a Director or an Officer, holds an interest in a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the Association or proposes to enter into a contract or other transaction with the Association. If a Director or an Officer, or a relative of a Director or an Officer, proposes to engage in an activity that is a conflict of interest, as described above, the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda. If the Board votes against the proposed activity, the Director or an Officer, or the relative of the Director or Officer, must notify the Board in writing of his or her intention not to pursue the proposed activity or to withdraw from office. If the Board finds that an Officer or a Director has violated this subsection, the Officer or Director shall be deemed removed from office. The vacancy shall be filled according to general law. A Director or an Officer, or a relative of a Director or an Officer, who is a party to, or has an interest in, an activity that is a possible conflict of interest, as described above, may attend the meeting at which the activity is considered by the Board and is authorized to make a presentation to the Board regarding the activity. After the presentation, the Director or Officer, and any relative of the Director or Officer, must leave the meeting during the discussion of, and the vote on, the activity. A Director or an Officer who is a party to, or has an interest in, the activity must recuse himself or herself from the vote. The attendance of a Director or an Officer with a possible conflict of interest at the meeting of the Board is sufficient to constitute a quorum for the meeting and the vote in his or her absence on the proposed activity. A contract entered into between a Director or an Officer, or a relative of a Director or an Officer, and the Association that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by Section 718.3027, Florida Statutes, or Section 617.0832, Florida Statutes, is voidable and terminates upon the filing of a written notice terminating the contract with the Board which contains the consent of at least 20% of the voting interests of the Association. As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage.

11. **Roster of Owners.** Each Owner shall file with the Association a copy of the deed or other document showing such Owner's ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes as provided above. Only Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

12. **Parliamentary Rules.** Except to the extent waived by the chairman of the meeting (either of Directors or Members), Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

13. **Amendments.** Except as otherwise provide in the Declaration, these By-Laws may be amended in the following manner:

13.1. **Notice.** Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

13.2. **Adoption.** A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third of the Members. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

(a) by not less than a majority of the votes of all Members represented at a meeting at which a quorum has been attained and by not less than 66-2/3% of the entire Board of Directors; or

(b) after control of the Association has been turned over to Owners other than Developer, by not less than 80% of the votes of the Members represented at a meeting at which a quorum has been attained; or

(c) by not less than 100% of the entire Board of Directors except as otherwise provided by law.

13.3. **Rights of Developer and Mortgagees.** No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to Developer or mortgagees of Units without the consent of Developer and such mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.

13.4. **Execution and Recording.** A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County which contains on the first page an identification of the Official Records Book and page reference for the recording of the Declaration.

13.5. **Procedure.** The By-Laws shall not be revised or amended by reference to its title or number only. Proposals to amend the By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, underlining and hyphens as indicative of words added or deleted shall not be used, but instead a notation shall be inserted immediately preceding the proposed amendment in substantially the following language:

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"Substantial rewording of By-Law. See By-Law...for present text." Nonmaterial errors or omissions in the By-Law process shall not invalidate an otherwise properly promulgated amendment.

14. **Rules and Regulations.** Schedule A to these By-Laws contains rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is transferred by Developer to Owners other than Developer, Owners of a majority of the Units represented at a meeting at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Owner not less than 30 days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to Developer.

15. **Official Records.** From its inception, the Association shall maintain for the Condominium, a copy of each of the following, where applicable, which shall constitute the official records of the Association:

(a) The plans, permits, warranties, and other items provided by the Developer pursuant to Section 718.301(4) of the Act;

(b) A photocopy of the recorded Declaration of Condominium with all amendments;

(c) A photocopy of the recorded By-Laws of the Association with all amendments;

(d) A certified copy of the Articles with all amendments;

(e) A copy of the current Rules and Regulations of the Association;

(f) A book or books containing the minutes of all meetings of the Board of Directors and Owners;

(g) A current roster of all Owners, their mailing addresses, Unit identifications, voting certifications, and, if known, telephone numbers. The Association shall also maintain the email addresses and the facsimile numbers of Owners who consent to receiving notice sent by electronic transmission. The email addresses and facsimile numbers shall not be accessible to other Owners unless consent in writing to disclosure of such information is provided by the applicable Owner.

(h) All current insurance policies of the Association and of the Condominium operated by the Association;

(i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or Owners have an obligation or responsibility;

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- (j) Bills of sale or transfer for all property owned by the Association;
- (k) Accounting records for the Association and the accounting records for the Condominium. Any person who knowingly or intentionally defaces or destroys accounting records required to be created and maintained by these By-Laws and the Act during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the Association or one or more of the Members, is personally subject to a civil penalty pursuant to Section. 718.501(1)(d) of the Act. The accounting records must include, but are not limited to:
 - (i) Accurate, itemized, and detailed records for all receipts and expenditures.
 - (ii) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Owner, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.
 - (iii) All audits, reviews, accounting statements, and financial reports of the Association or Condominium.
 - (iv) All contracts for work to be performed.
 - (v) Bids for work to be performed for at least one year following receipt.
- (l) Ballots, sign-in sheets, voting proxies and all other papers and electronic records relating to elections which shall be maintained for a period of one year from the date of the meeting to which the document relates;
- (m) All rental records if the Association is acting as agent for the rental of Units;
- (n) A copy of the current Question and Answer Sheet, in the form promulgated by the Division, updated annually;
- (p) A copy of the inspection reports described in Sections 553.899 and 718.301(4)(p), Florida Statutes, and any other inspection report relating to a structural or life safety inspection of the Condominium Property, which record must be maintained by the Association for 15 years after receipt of the report;
- (q) Bids for materials, equipment, or services;
- (r) All affirmative acknowledgments made pursuant to Section 718.121(4)(c), Florida Statutes;
- (s) A copy of all building permits;
- (t) A copy of all satisfactorily completed board member educational certificates; and

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(u) All other records of the Association not specifically listed above which are related to the operation of the Association.

The official records of the Association specified in subparagraphs (a) - (g) above must be permanently maintained from the inception of the Association. Unless otherwise specifically indicated to the contrary, all other official records must be maintained for at least seven years within the County, or, if in another county, then within 45 miles of the Condominium, unless otherwise provided by law.

The official records of the Association shall be made available to any Owner for inspection, and these By-Laws and the Declaration, and the Association's rules shall be made available to any tenant of a Unit for inspection, within 10 working days after receipt of written request by the Board or its designee. The official records of the Association (i) shall be open to inspection by any Member or the authorized representative of such Member at all reasonable times and (ii) may be made available electronically by email or by website. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Member. The Association may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspections and copying. The failure of the Association to provide official records within 10 working days after receipt of a written request creates a rebuttable presumption that the Association willfully failed to comply. An Owner who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with this paragraph. The minimum damages shall be \$50 per calendar day up to 10 days, the calculation to begin on the 11th working day after receipt of the written request. Failure to permit inspection of the official records as indicated entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the record who, directly or indirectly, knowingly denies access to the records. The Association shall maintain on the Condominium Property an adequate number of copies of the Declaration, Articles, By-Laws and rules and regulations, and all amendments to the foregoing, as well as the Question and Answer Sheet and the most current year-end financial statements, to ensure their availability to Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing these documents to those persons requesting the documents. The Association shall allow a member or his or her authorized representative (collectively "Inspector") to use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the Association's providing the Inspector with a copy of such records. The Association may not charge the Owner for the use of the Inspector's portable device. The Association is not responsible for the use or misuse of the information provided to a Member or his or her authorized representative pursuant to the compliance requirements of these By-Laws and the Act unless the Association has an affirmative duty not to disclose such information pursuant to these By-Laws and the Act.

An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election.

16. **Restricted Records.**

16.1. Notwithstanding the provisions of Section 14, the following records are not accessible to Unit Owners:

(a) Any records protected by the (i) lawyer-client privilege as described in Section 90.502, Florida Statutes; and (ii) work-product privilege. Privileged material includes any record prepared by any Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings;

(b) Information obtained by the Association in connection with the approval of any lease, sale, or other transfer of a Unit;

(c) Personnel records of Association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records, but copies of written employment agreements or budgeting or other records indicating compensation paid are accessible;

(d) Medical records of Owners;

(e) Social security numbers, driver's license numbers, credit card numbers, email addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses of an Owner other than as provided to fulfill the Association's notice requirements, and other personal identifying information of any person, excluding the person's name, unit designation, mailing address, and property address unless an Owner has consented in writing to the disclosure of such information. Notwithstanding the restrictions in this paragraph (e), the Association may print and distribute to Owners a directory containing the name, parcel address, and telephone number of each Owner. However, an Owner may exclude his or her telephone number from the directory by written request to the Association.

(f) Any electronic security measure that is used by the Association to safeguard data, including passwords; and

(g) The software and operating system used by the Association which allows manipulation of data, even if the Owner owns a copy of the same software used by the Association. The data is part of the official records of the Association.

17. **Structural Reports and Studies.**

17.1. **Structural Integrity Reserve Study.**

(a) For purposes of these By-Laws, “Structural Integrity Reserve Study” means a study of the reserve funds required for future major repairs and replacement of the Condominium Property performed as required under Section 718.112(2)(g) of the Act.

(b) The Association must have a Structural Integrity Reserve Study completed at least every 10 years after the Condominium’s creation for each building on the Condominium Property that is three stories or higher in height, as determined by the Florida Building Code which includes, at a minimum, a study of the following items as related to the structural integrity and safety of such building:

- (i) Roof;
- (ii) Structure, including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in Section 627.706, Florida Statutes;
- (iii) Fireproofing and fire protection systems;
- (iv) Plumbing;
- (v) Electrical Systems;
- (vi) Waterproofing and exterior painting;
- (vii) Windows and exterior doors; and
- (viii) Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in Subsections 16.1(a)(i) through Subsections 16.1(a)(vii) above, as determined by the visual inspection portion of the Structural Integrity Reserve Study.

(c) Before Developer turns over control of the Association to Unit Owners other than Developer, Developer must have a turnover inspection report in compliance with Section 718.301(4)(p) of the Act for each building on the Condominium Property that is three stories or higher in height.

(d) Within 45 days after receiving the Structural Integrity Reserve Study, the Association must distribute a copy of the Study to each Unit Owner or deliver to each Unit Owner a notice that the completed Study is available for inspection and copying upon written request. Distribution of a copy of the Study or notice must be made by United States mail or personal delivery to the mailing address, property address, or any other address of the Owner provided to fulfill the Association’s notice requirements under Chapter 718, or by electronic transmission to

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the email address or facsimile number provided to fulfill the Association's notice requirements to Unit Owners who previously consented to receive notice by electronic transmission.

(e) Within 45 days after receiving the Structural Integrity Reserve Study, the Association must provide the Division with a statement indicating that the Study was completed and that the Association provided or made available such Study to each Unit Owner in accordance with Section 718.112(2)(g)10., Florida Statutes. The statement must be provided to the Division in the manner established by the Division using a form posted on the Division's website.

17.2. **Milestone Inspections.** If the Association is required to have a milestone inspection performed pursuant to Section 553.899, Florida Statutes, then the Association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of Section 553.899, Florida Statutes. The Association is responsible for all costs associated with the milestone inspection attributable to the portions of the building which the Association is responsible for maintaining under the Declaration. Within 14 days after receipt of a written notice from the local enforcement agency that a milestone inspection is required, the Association must notify the Owners of the required milestone inspection and provide the date by which the milestone inspection must be completed. Such notice may be given by electronic submission to Owners who consent to receive notice by electronic submission or by posting on the Association's website, if applicable. Within 45 days after receiving a phase one or phase two milestone inspection report from the architect or engineer who performed the milestone inspection, the Association must (a) distribute a copy of the inspector-prepared summary of the milestone inspection report to each Owner, regardless of the findings or recommendations in the milestone inspection report, by United States mail or personal delivery at the mailing address, property address, or any other address of the Owner provided to fulfill the Association's notice requirements under the Act and by electronic transmission to the e-mail address or facsimile number provided to fulfill the Association's notice requirements to Owners who previously consented to receive notice by electronic transmission); (b) post a copy of such inspector-prepared summary in a conspicuous place on the Condominium Property; and (c) publish the full milestone inspection report and inspector-prepared summary on the Association's website, if the Association is required to have a website.

18. **Certificate of Compliance.** A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Units to the applicable Condominium fire and life safety code.

19. **Compliance with Governing Documents.**

19.1. To the extent required by law, any disputes among Owners or among the Board of Directors and Owners or among any other parties involved in the operation of the Condominium shall be resolved by non-binding arbitration in accordance with the rules of the Division.

19.2. Every Owner and occupant shall comply with any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, suspension, for a

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reasonable period, of the Owner's or tenant's right to use the Common Elements, common facilities or any Association property, an action to recover sums due for damages, injunctive relief, or any combination. In addition to all other remedies, in the sole discretion of the Board of Directors, a fine or fines may be imposed upon an Owner for failure of an Owner, such Owner's family, guests, invitees or employees, to comply with any of these rules and regulations, the Declaration, or By-Laws, provided the following procedures are adhered to:

(a) Notice: Except as otherwise indicated in the By-Laws, the party against whom the suspension or fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than 14 days and said notice shall include:

- (i) a statement of the date, time and place of the hearing;
- (ii) a statement of the provisions of the Declaration, By-Laws, or rules which have allegedly been violated; and
- (iii) a short and plain statement of the matters asserted by the Association.

(b) Hearing: The non-compliance shall be presented to a committee of at least three Owners appointed by the Board ("Committee"), who are not officers, directors or employees of the Association or a relative of the foregoing, who shall hear reasons why suspension or penalties should not be imposed. The party against whom the suspension or fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Committee. A written decision of the Committee shall be submitted to the Owner or occupant by not later than 21 days after the meeting. The Committee is limited to determining either to confirm or reject a fine or suspension imposed by the Board of Directors.

(c) Fines: The Board of Directors may impose suspension or fines against the applicable Unit up to the maximum amount permitted by law from time to time.

(d) Violations: Each separate incident which is grounds for a fine shall be the basis of one separate fine. In the case of continuing violations, each continuation of same after a notice thereof is given shall be deemed a separate incident.

(e) Payment of Penalties: Fines shall be paid not later than 5 days after notice of the imposition or levy of the penalties is approved by the Committee. Any notices shall be in writing sent by mail or hand delivery to the Owner and any other party for which a fine has been imposed.

(f) Application of Penalties: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-Exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

20. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular.

21. Captions. The captions are inserted only as a matter of convenience and for reference and in no way define or limit the scope of these By-Laws of the intent or any provision.

SCHEDULE A
TO
BY-LAWS

RULES AND REGULATIONS

FOR

BAHAMA VILLAGE CONDOMINIUM

1. The sidewalks, entrances, passages, vestibules, patios, courts, lobbies, halls and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property; carts, bicycles, carriages, chairs, tables or any other similar objects shall not be stored on the Common Elements.
2. The personal property of Owners must be stored in their respective Units.
3. No garbage cans, supplies, milk bottles or other articles shall be placed on the balconies, landings or other Common Elements. No linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, fences, balconies, terraces or other portions of the Condominium Property.
4. No Owner shall permit anything to fall from a window or door of the Condominium Property, nor sweep or throw from the Condominium Property any dirt or other substance into any of the balconies or elsewhere in the Building or upon the Common Elements.
5. All refuse must be deposited with all other refuse in areas designated for such purpose by the Board.
6. Parking areas are solely for non-commercial automobiles with a current passenger vehicle registration. Unauthorized parking includes vehicles parked so as to impede ingress to or egress from other parking spaces, drives, driveways, or roads. Unauthorized parking shall be grounds for removal of the vehicle by the Association at the expense of the vehicle owner and/or operator. No vehicle of any kind shall be parked at any time on the Condominium Property except in designated parking places. The Association is not responsible for any injury to or loss from cars parked on the Condominium Property.
7. The Board of Directors shall be solely responsible for directing and supervising employees of the Association and any management companies.
8. No vehicle which cannot operate on its own power shall remain on the Condominium Property for more than 24 hours, and no major repair of vehicles shall be made on the Condominium Property.
9. No Owner or any of Owner's family employees, agents, tenants, visitors or licensees, shall make or permit any disturbing noises in the Building, nor permit any conduct by such Persons that will interfere with the rights, comforts or conveniences of other

Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier in his or her Unit in such a manner as to disturb or annoy other residents. No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

10. No electronic installation may be permitted in any Unit which interferes with the television or radio reception of another Unit.
11. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Property, except signs used or approved by Developer as long as Developer owns any Unit and thereafter by the Board. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the Building or on the Common Elements without the prior written consent of the Board.
12. The Association may retain a pass key to all Units. No Owner shall alter any lock nor install a new lock without the prior written consent of the Board of Directors or Developer. Where such consent is given, the Owner shall provide the Association with an additional key. The Association and its agents shall have access to all Units for the purposes described in the Declaration. Except in cases of emergency, the Association will attempt to notify each Owner in advance of any entry to a Unit.
13. Owners shall not be permitted to store any items whatsoever on balconies, patios or terraces. Further, no grilling shall be permitted on any balcony, patio or terrace. Barbecuing shall be permitted only in designated areas.
14. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, except for use in barbecuing.
15. An Owner who plans to leave any Unit vacant during the hurricane season must prepare his or her Unit prior to his or her departure by designating in writing to the Association a responsible firm or individual to care for such Owner's Unit should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.
16. Food and beverages may not be consumed on the Condominium Property outside of a Unit except in areas, if any, designated in writing by the Board.
17. A Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building except that an owner may display one portable removable United States flag in a respectful way and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, an Owner may display, in respectful way, portable, removable, official flags, no larger than 4 ½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard. Curtains and drapes (or linings thereof) which face on exterior windows or glass

doors of Units shall be subject to disapproval by the Board, in which case they shall be removed and replaced with acceptable items.

18. All pets must be walked on a leash.
19. No structure of a temporary character, nor trailer, tent, mobile home or recreational vehicle, shall be permitted on the Condominium Property at any time or used on the Condominium Property at any time as a residence either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted, except small containers for use in gas barbecues.
20. No awning, canopy, or shutter, including a hurricane or storm shutter, shall be attached or affixed to the exterior of the Unit unless such awning, canopy or shutter has been approved by the Association. The Association will establish the type and color of permitted shutters which will be the same for each Unit. Hurricane shutters approved by the Association may only be installed and remain in place during a hurricane or hurricane watch or warning. Such shutters must be removed by the Owner within 48 hours thereafter; if not so removed, they may be removed by the Board at the expense of such Owner.
21. No commercial vehicles, campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats or boat trailers shall be permitted to be parked or to be stored at any place on the Condominium Property. This prohibition of parking shall not apply to temporary parking of commercial vehicles, such as for pick-up, delivery and other temporary commercial services, nor to any of Developer's vehicles.
22. Governmental requirements from time to time for disposal or collection shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
23. No window air-conditioning units may be installed by Owners. No Unit shall have any aluminum foil placed in any window or glass door or any reflective substance placed on any glass except as approved by the Board for energy conservation purposes. Curtains, blinds and drapes (including their linings) which face on exterior windows or glass doors of Units shall be subject to the Board's disapproval, and, if disapproved, shall be removed and replaced with acceptable items.
24. Except as specifically permitted by law, no exterior antennae, aerial, satellite dish or other installation shall be permitted on the Condominium Property or Improvements provided that Developer shall have the right to install and maintain community antennae, satellite dishes and radio and television lines and other temporary communications systems.
25. No smoking shall be permitted anywhere in the Common Elements inside the Building.
26. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within the Condominium Property and including full

compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

27. Plants, pots, receptacles and other movable objects must not be kept, placed or maintained on balcony ledges. No objects shall be hung from balconies or window sills. No cloth, clothing, rugs or mops shall be hung upon, or shaken from, windows, doors, balconies or terraces. Owners shall remove all loose objects and movable objects, including furniture, from the balconies if they will not be in residence during the hurricane season. No furniture which extends higher than the rail or railing on such balcony, or which may be visible from outside the Condominium, including, without limitation, umbrellas or tables, shall be kept or placed on any balcony. Reference to balconies shall include patios, terraces and roof areas.
28. Water closets and other plumbing shall not be used for any purposes other than those for which they are constructed. No sweepings, rubbish, rags or foreign substances shall be thrown in them. The cost of any damage resulting from misuse shall be borne by the Owner responsible for the damage.
29. All deliveries shall be made through designated entrances.
30. No noxious or unusual odors shall be generated in such quantities that they permeate to other Units or the Common Elements and become annoyances or become obnoxious to other Owners. Normal cooking odors, normally and reasonably generated, shall not be deemed violations of this regulation.
31. Goods and packages of every kind must be delivered to the receiving room in the Building. The Association shall not be responsible for the loss of, or damage to, any such property, even though such loss or damage may occur through the carelessness or negligence of the Association's employees. Any receiving room will be closed on Sundays and holidays and after 4:30 P.M. daily.
32. Owners, their families and guests, shall not appear in, nor use, the Common Elements except in appropriate attire.
33. All refuse, waste, bottles, cans and garbage shall be securely contained in plastic bags and sent down the chute in a container not exceeding the width of the chute. Trash chutes may be used only between 8:00 A.M. and 10:00 P.M. Newspapers, magazines and heavy items intended for disposal shall be placed in the trash room and not thrown down the trash chute.
34. Owners are not permitted on the roof for any purpose, except as permitted specifically by the Declaration.
35. There shall be no solicitation by any person anywhere in the Building for any cause, charity or any purpose whatever, unless specifically authorized by the Board of Directors.

36. Service people are required to check in and check out with the security guard, if applicable.
37. No Owner shall allow the corridor entrance door to his or her Unit to remain open for any purpose other than for immediate ingress and egress.
38. All contractors and/or technicians performing work for an Owner within the Unit, Building, or Condominium shall be referred to the Association for approval before performing such work. This shall apply to all work including, but not limited to, installation of telephones, telegraph equipment, electrical devices and attachments, and all installations affecting floors, walls, windows, doors, ceiling, equipment or any other physical feature of the Building, the Unit or the Condominium.
39. Owners are asked not to use fire doors for ingress and egress.
40. Owners and lessees of Units shall notify the Board in writing at least 10 days prior to the arrival and departure of guests who have permission to occupy a Unit in the absence of the Owner and/or the lessee of a Unit. All guests must notify the Association, upon arrival. No person under 21 years of age shall occupy a Unit unless their parent or the Unit Owner is also in residence.
41. The Common Elements are for the exclusive use of the Owners and lessees of the Units and their immediate families, resident house guests and guests accompanied by an Owner or lessee, in accordance with the terms and conditions of the Declaration. No other person shall be permitted to use the Common Elements of the Condominium unless accompanied by an Owner or a member of his immediate family or lessee of a Unit, without the prior written consent of the Association.
42. There shall be no marking, marring, damaging, destroying or defacing of any part of the Condominium Property. Members shall be held responsible for, and shall bear any expense of, such damage caused by such member, or such member's family, guests, lessees and/or invitees.
43. Owners shall be responsible for, and shall bear any expense of, any damage to the Common Elements caused by moving to or removing from their Unit household furnishings or other objects, or caused by any other deliveries to or from Units by their invitees.
44. These Rules and Regulations shall not apply to Developer, nor its agents or employees and contractors, or to any Institutional Mortgagee, nor to the Units owned by either Developer or such Mortgagee. All of these Rules and Regulations shall apply, however, to all other Owners and occupants even if not specifically so stated.
45. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request and good cause shown in the sole opinion of the Board.

EXHIBIT E

Articles of Incorporation

**ARTICLES OF INCORPORATION
OF
BAHAMA VILLAGE
CONDOMINIUM ASSOCIATION, INC.**

The undersigned incorporator, by these Articles, forms a corporation not for profit pursuant to Chapter 617 of the laws of the State of Florida, and adopts the following Articles of Incorporation:

**ARTICLE 1
NAME AND ADDRESS**

The name of the corporation shall be BAHAMA VILLAGE CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws." The principal place of business and mailing address of the Association shall be 138 Simonton St., Key West, FL 33040 or such other place as may be subsequently designated by the Board of Directors.

**ARTICLE 2
PURPOSE**

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act, Chapter 718 of Florida Statutes ("Act") to operate the condominium located in Monroe County, Florida to be known as Bahama Village Condominium ("Condominium").

The Association is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member or other Person.

**ARTICLE 3
DEFINITIONS**

The capitalized terms used in these Articles shall have the same definitions and meanings as those set forth in the Declaration of Condominium of Bahama Village Condominium ("Declaration") to be recorded in the Public Records of Monroe County, Florida, unless provided to the contrary in these Articles, or unless the context otherwise requires. The term "Person" shall include individuals, corporations, partnerships, trusts, limited liability companies and other legal entities.

**ARTICLE 4
POWERS**

The powers of the Association shall include and be governed by the following:

4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

4.2 Enumeration. In addition to, and not in limitation of, the powers described in Section 4.1, the Association shall have all of the powers and duties set forth in the Act except as limited by these Articles, the By-Laws and the Declaration, and all of the powers and duties reasonably necessary to operate the Condominium and to exercise such powers, duties and obligations described in the Declaration, as it may be amended from time to time, including, but not limited to, the following:

- (a) To make and collect Assessments and other charges against Owners, and to use the proceeds in the exercise of its powers and duties.
- (b) To acquire, buy, own, operate, lease, sell, trade and mortgage both real and personal property as may be necessary or convenient in the administration of the Condominium.
- (c) To maintain, repair, replace, reconstruct, add to and operate the Condominium Property, and other property acquired or leased by the Association for use by Owners.
- (d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Members as Owners.
- (e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety and welfare of the Owners.
- (f) To approve or disapprove the leasing, transfer, mortgaging, ownership and possession of Units as may be provided in the Declaration.
- (g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property.
- (h) To contract for the management of the Condominium and any facilities used by the Owners to assist the Association in carrying out the powers and duties of the Association contained in these Articles or in the Declaration. In exercising this power, the Association may contract with affiliates of itself and/or Developer.
- (i) To employ personnel to perform the services required for the proper operation of the Condominium.
- (j) To execute all documents or consents, on behalf of the Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof), and in that regard, each Owner, by acceptance of the deed to such

Owner's Unit, appoints and designates the Board of Directors as such Owner's agent and attorney-in-fact to execute, any and all such documents or consents.

4.3 **Property.** All funds and the titles of all properties acquired by the Association and their proceeds shall be held for the benefit and use of the Members in accordance with the provisions of the Declaration, these Articles and the By-Laws.

4.4 **Distribution of Income.** The Association shall make no distribution of income to its members, directors or officers and upon dissolution all assets of the Association shall be transferred only to another not for profit corporation or public agency.

4.5 **Limitation.** The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of these Articles, the Declaration, the By-Laws and the Act provided that in the event of any conflict, the provisions of the Act shall control over the Declaration, these Articles and the By-Laws.

ARTICLE 5 **MEMBERS**

5.1 **Membership.** The members of the Association ("Members") shall consist of all of the record Owners from time to time of Units in the Condominium, and, after termination of the Condominium, all record Owners at the time of such termination and their successors and assigns.

5.2 **Voting.** On all matters upon which the Members shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any Person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

5.3 **Votes per Unit.** Members other than Developer shall be entitled to one membership interest and one vote for each Unit owned.

5.4 **Meetings of Members.** The By-Laws shall provide for an annual meeting of Members, make provision for regular and special meetings of Members other than the annual meeting and set the quorum requirements for meetings of the Members.

5.5 **No Transfer or Hypothecation.** No Owner may assign, hypothecate or transfer in any manner membership in the Association or the funds and assets of the Association except as an appurtenance to such Owner's Unit.

5.6 **Loss of Membership.** Any Member who conveys or loses title to the Member's Unit by sale, gift, judicial decree or otherwise shall, immediately upon such conveyance or loss of title, no longer be a Member with respect to such Unit and shall lose all rights and privileges of a Member resulting from ownership of such Unit.

ARTICLE 6 **TERM OF EXISTENCE**

The Association shall have perpetual existence.
MIAMI 10632700.3 85086/302974

ARTICLE 7
INCORPORATOR

The name and address of the incorporator of the Association is as follows:

NAME

Jason O. Floyd

ADDRESS

1649 Atlantic Boulevard
Jacksonville, Florida 32207

ARTICLE 8
DIRECTORS

8.1 **Number and Qualification.** The property, business and affairs of the Association shall be managed by a Board consisting of the number of Directors determined in the manner provided by the By-Laws, but which shall consist of not less than three Directors. Initially the number of Directors shall be three. The Directors, other than those designated by Developer, shall be Members of the Association and Owners or their spouses.

8.2 **Duties and Powers.** All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Owners when such approval is specifically required.

8.3 **Election; Removal.** Directors of the Association shall be elected at the annual meeting of the Members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

8.4 **Term of Developer's Directors.** During the period Developer is entitled to elect one or more Directors, Developer shall appoint the Directors and their replacements who shall hold office for the periods described in the By-Laws. Any Director appointed by Developer may be removed by Developer at any time without cause and Developer may designate a replacement Director. Any Director designated by Developer cannot be removed by Owners except pursuant to the Act.

8.5 **First Directors.** The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, as provided in the By-Laws, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
James R. Hoover	1649 Atlantic Boulevard Jacksonville, Florida 32207
Jason O. Floyd	1649 Atlantic Boulevard Jacksonville, Florida 32207
Kevin L. Troup	1649 Atlantic Boulevard Jacksonville, Florida 32207

8.6 **Standards of Conduct.** A Director shall discharge his or her duties as a director, including any duties as a member of a Committee: in good faith; with the care an ordinary prudent person in a like position would exercise under similar circumstances; and in a manner reasonably believed to be in the best interests of the Association. Unless a Director has knowledge concerning a matter in question that makes reliance unwarranted, a Director, in discharging his or her duties, may rely on information, opinions, reports or statements, including financial statements and other data, if prepared or presented by: one or more officers or employees of the Association whom the director reasonably believes to be reasonable and competent in the manners presented; legal counsel, public accountants or other persons as to matters the Director reasonably believes are within such person's professional or expert competence; or a Committee of which the Director is not a member if the Director reasonably believes the Committee merits confidence. A Director is not liable for any action taken as a director, or any failure to take action, if he or she performed the duties of his office in compliance with the foregoing standards.

ARTICLE 9
OFFICERS

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:	James R. Hoover
Vice President	Kevin L. Troup
Secretary and Treasurer:	Jason O. Floyd

ARTICLE 10

INDEMNIFICATION

10.1 **Indemnity.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative (collectively, "Action"), by reason of the fact that he or she is or was a director, employee, officer or agent of the Association (collectively, "Association Person"), against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Association Person in connection with such Action, if the Association Person acted in good faith and in a manner the Association Person reasonably believed to be in, or not opposed to, the best interests of the Association and with respect to any criminal action or proceeding, had no reason to believe the Association Person's conduct was unlawful. The Association shall not, however, indemnify any Association Person as to matters to which the Association Person shall be finally adjudged in any such Action to be liable for gross negligence or gross misconduct in the performance of the Association Person's duty. The termination of any Action by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption of gross negligence or gross misconduct. The foregoing right of indemnification shall be in addition to any other rights to which an Association Person may be entitled as a matter of law or otherwise.

10.2 **Expenses.** To the extent that an Association Person has been successful on the merits or otherwise in defense of any Action, or in defense of any claim, issue or matter regarding such Action, the Association Person shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred in such Action.

10.3 **Approval.** Any indemnification under Section 10.1 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Association Person is proper under the circumstances because the Association Person has met the applicable standard of conduct set forth in Section 10.1. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such Action, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by a majority of the Members.

10.4 **Advances.** Expenses incurred in defending an Action may be paid by the Association in advance of the final disposition of such Action, as authorized by the Board of Directors in any specific case upon receipt of an undertaking by or on behalf of the Association Person to repay such amount unless it shall ultimately be determined that the Association Person is entitled to be indemnified by the Association as authorized in this Article 10.

10.5 **Miscellaneous.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of Members or otherwise, and shall continue as to a person who has ceased to be an Association Person and shall inure to the benefit of the heirs and personal representatives of such person.

10.6 **Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was an Association Person or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the provisions of this Article.

10.7 **Directors Appointed by Developer.** Any Director appointed by Developer shall not be entitled to indemnification under this Article 10 if same would violate then applicable law.

ARTICLE 11 BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the Directors, Members and Developer in the manner provided in the By-Laws and the Declaration.

ARTICLE 12 AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

12.1 **Notice.** Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

12.2 **Adoption.** A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third of the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the Secretary at or prior to the meeting. The approvals must be:

- (a) by not less than a majority of the votes of all of the Members represented at a meeting at which a quorum has been attained and by not less than 66-2/3% of the Board of Directors; or
- (b) by not less than 80% of the votes of all of the Members represented at a meeting at which a quorum has been attained; or
- (c) by not less than 100% of the Board of Directors.

12.3 **Limitation.** No amendment shall make any changes in: the qualifications of membership; the voting rights or property rights of Members; Sections 4.3, 4.4 or 4.5 of Article 4, entitled "Powers"; or this Section 12.3, without, in each case, the approval in writing of all Members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the Declaration or the By-Laws, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options provided in favor of or reserved to Developer (or any affiliate), unless Developer shall join in

execution of the amendment. No amendment to these Articles shall be made which adversely affects the rights of Institutional Mortgagees without the prior written consent of a majority of holders of mortgages on the Units held by Institutional Mortgagees.

12.4 **Developer.** Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected solely by Developer.

12.5 **Recording.** A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Monroe County, Florida.

ARTICLE 13
OFFICE; REGISTERED AGENT

The initial registered office of the Association shall be 1649 Atlantic Boulevard, Jacksonville, Florida 32207, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be Vestcor, Inc.

The undersigned has executed these Articles of Incorporation as incorporator as of the _____ of _____, 202__.

Incorporator

**ACCEPTANCE OF APPOINTMENT
AS REGISTERED AGENT**

The undersigned, who has been designated in the foregoing Articles of Incorporation as registered agent for the corporation, agrees that (i) he accepts such appointment as registered agent and will accept service of process for and on behalf of said corporation, and (ii) he is familiar with and will comply with any and all laws relating to the complete and proper performance of the duties and obligations of a registered agent of a Florida corporation.

Dated: as of _____, 202__.

Registered Agent

EXHIBIT F
LETTER OF ACKNOWLEDGEMENT
OF
AFFORDABLE WORKFORCE HOUSING RESTRICTIONS

TO: _____
DATE: _____

This letter is given to _____ as an acknowledgement regarding the Affordable Workforce Housing Unit that I am receiving. I hereby acknowledge the following:

- The Affordable Workforce Housing Unit I am receiving is subject to Affordable workforce housing restrictions that are specified in the Declaration of Affordable Housing Restrictions dated July 15, 2022, recorded in the Public Records of Monroe County at Book 3185, Page 113, as amended by the Amendment to Declaration of Affordable Housing Restrictions dated November 19, 2024, recorded in the Public Records of Monroe County at Book 3303, Page 479 (collectively, the "Affordable Declaration"), the Ground Lease Agreement dated July 15, 2022, and recorded in the Public Records of Monroe County at Book 3185, Page 1, as amended by the Amendment to Ground Lease Agreement dated November 13, 2023, recorded in the Public Records of Monroe County Book 3250, Page 2166, and as amended by the Second Amendment to Ground Lease Agreement dated November 19, 2024, recorded in the Public Records of Monroe County Book 3303, Page 469 and re-recorded in the Public Records of Monroe County Book 3310, Page 962 (collectively, the "Lease"), the Land Use Restriction Agreement dated January 8, 2025, recorded in the Public Records of Monroe County Book 3307, Page 1870 ("LURA"), and Section 122-1472 of the City of Key West Code of Ordinances Land Development Regulations ("Code").
- I understand the terms and conditions of the aforementioned documents and understand how they will affect my rights as an owner of the Affordable Workforce Housing Unit, now and in the future.
- That the Affordable Housing Unit I am receiving is subject to a 99-year ground lease from The Naval Properties Redevelopment Authority of the City of Key West, and therefore I will be subleasing a parcel of land.
- That I agree to abide by the affordable restrictions in the Affordable Declaration, Lease, LURA and Code, and I understand that the affordable restrictions may change from time to time, and I will be expected to abide by any such changes.
- That in the event I want to sell the Affordable Workforce 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 the timing and procedure for the sales will be restricted.
- That I meet the requirements set forth in the Affordable Declaration, Lease, LURA and Code.
- That I must occupy the Affordable Housing Unit and that it cannot be rented to third parties.

- I understand that in the event that I die, my home may be devised and occupied by my spouse, my children, or any other heirs so long as they meet the requirements for affordable housing set forth in the Affordable Declaration, Lease, LURA, and Code.
- That I have reviewed the terms of the Affordable Declaration, Lease, LURA, Code and transaction documents.

I/we hereby acknowledge that this housing unit is subject to affordable workforce housing restrictions that limit the lawful occupants and sales price of the housing unit.

Signature: _____ **Signature:** _____

Print Name: _____ **Print Name:** _____

EXHIBIT 5 TO PROSPECTUS
FORM PURCHASE AGREEMENT

BAHAMA VILLAGE CONDOMINIUM

AGREEMENT FOR SALE

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 469 AND RE-RECORDED IN OFFICIAL RECORDS BOOK 3310, PAGE 962 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3303, PAGE 479 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3307, PAGE 1870 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

THIS AGREEMENT is between **BAHAMA VILLAGE ON FORT, LTD.**, a Florida limited partnership, with an address at 1649 Atlantic Boulevard, Jacksonville, Florida 32207 (referred to as "Seller" or "Developer") and the party or parties indicated below (referred to as "Buyer").

BUYER(S)

1. _____

2. _____

Buyer Address:

City: _____	State/Country: _____	Zip: _____
Home Telephone: _____	Fax Number: _____	
Cellular Telephone: _____	Social Security/Passport No.: _____	
Business Telephone: _____	Social Security/Passport No.: _____	
E-mail: _____		

Unit Purchased: _____

Number of Bedrooms: _____

Unit Designation: 60% AMI; 80% AMI; or 140% AMI*

*Note: For purposes of this Agreement, "AMI" is the annual median household income (adjusted for family size) for Monroe County, Florida, in accordance with section 122-1472 of the City Code.

This Agreement contains the parties' respective legal rights and obligations concerning the sale by Seller and purchase by Buyer of the condominium unit identified above ("Unit"). Buyer understands that this Agreement is intended to be legally enforceable and binding upon each party.

1. **Purchase and Sale.** Buyer agrees to buy and Seller agrees to sell to Buyer (on terms contained below) the Unit to be located in the City of Key West, County of Monroe, Florida in the proposed condominium known as Bahama Village Condominium ("Condominium"). The Unit and the Condominium are described in greater detail in the proposed Declaration establishing the Condominium. A copy of the Declaration is included in the Prospectus and its exhibits ("Condominium Documents") Buyer has received, which also describes Bahama Village Condominium Association, Inc. ("Condominium Association"), the entity responsible for the operation of the Condominium. Additionally, the Purchase Price includes the assignment of the exclusive right to use one parking space. At closing, Buyer shall receive an assignment of the exclusive right to use such parking space. The designated space shall be selected by the Seller, or its designee, in its sole discretion.

Buyer agrees to pay the Total Purchase Price by making the following payments in U.S. funds, as follows:

Deposit of \$500.00 due at execution of this Agreement	\$500.00
Balance Due at closing of title ("Closing") subject to prorations and adjustments set forth in this Agreement.*	\$ _____
TOTAL PURCHASE PRICE	\$ _____

Buyer also agrees to pay all fees, costs, expenses and/or other sums required to be paid by Buyer in this Agreement. At the present time, the costs for which dollar amounts can be computed are:

Initial Contribution to the Condominium Association	\$ _____
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*Note: The Total Purchase Price is contingent on a subsidy in the amount of \$ _____ ("Subsidy") being allocated to the Unit purchased by the Monroe County Land Authority pursuant to Resolution 03-2025

recorded January 13, 2025, in Official Records Book 3307, Page 1870 of the of the Public Records of Monroe County, Florida (“Records”). In the event the Subsidy is not received by Seller for any reason whatsoever, Seller shall provide Buyer with prompt written notice of the same, at which point Buyer shall have two options: (1) Buyer may proceed with Closing as scheduled and pay the Total Purchase Price plus an amount equal to the Subsidy that Seller was expecting to receive for the Unit; or (2) Buyer may cancel this Agreement and receive a full refund of all Buyer’s deposits; if Buyer’s deposits are refunded, Buyer agrees to accept them as full payment of Seller’s liability to Buyer and Buyer will not make, and will not have the right to make additional claims against Seller.

2. **Deposits.**

(a) Deposits may be made by check subject to collection or wire transfer. All payments must be made in United States funds and all checks must be payable on a bank located in the Continental United States. If Buyer fails to make any payment on time, and Seller agrees to accept it on a later date (which Seller is not obligated to do), Buyer will pay a late funding charge equal to interest on such payment at 18% per annum from the date due until the date received and cleared by Seller. The balance due at Closing must be paid by wire transfer of U.S. funds to an account designated by Seller. All of the deposits will be held in escrow, except as indicated below, in accordance with the terms of the Escrow Agreement, contained in the Prospectus, with Smith Hawks, PL as agent for Chicago Title Insurance Company, Attn: Bryan Hawks, 138 Simonton Street, Key West, Florida 33040 (“Escrow Agent”), or any substitute escrow agent to which the deposits are transferred in accordance with the Escrow Agreement.

(b) Reference in this Agreement to the “deposits” means all of the deposits described in Section 1 and will be understood to automatically include any interest actually earned on such deposits. In other words, whichever party is entitled to the deposits will also be entitled to any interest earned on the deposits, except that, at Closing, Buyer will not be entitled to any interest earned. No interest will be assumed to be earned, if not actually earned. Buyer recognizes that if all or any portion of the deposits are retained in non-interest bearing accounts, no interest will be earned or be deemed to be earned (even if Seller indirectly benefits from any such retention). Nothing in this Agreement shall require Seller to place the deposits in an interest bearing account or any account insured by the FDIC. Escrow Agent may place the deposits in a commingled account with other deposits and in such event may use an estimate of the interest earned when making a payment of interest.

(c) All deposits held in escrow shall be held and disbursed by Escrow Agent in accordance with (i) the applicable terms of this Agreement, (ii) the terms of the Escrow Agreement in the Condominium Documents and (iii) the provisions of Chapter 718 of Florida Statutes. Buyer shall, upon request, be entitled to a receipt for the deposits from Escrow Agent.

(d) At Closing, any deposits, including all interest earned, not previously disbursed to Seller will be released to Seller. Buyer will be given a credit against the Total Purchase Price for all deposits, but will not be given a credit for the interest. If Buyer defaults, Seller is entitled to retain such portion of the deposits as is legally permitted. If Buyer properly terminates this Agreement in the manner allowed in this Agreement or by applicable law, all deposits will be returned to Buyer within 30 days after the later of the effective date of Buyer’s cancellation, or the date any of Buyer’s deposit checks clears.

3. **Payment of Purchase Price.** Buyer understands and agrees that Buyer will be obligated to pay “all cash” at Closing. For purposes of this Agreement, “all cash” means immediately available wired funds in U.S. Dollars. Buyer will be solely responsible for making Buyer’s own financial arrangements. Seller agrees, however, to cooperate with any lender Buyer chooses and to coordinate closing with such lender, if such lender meets Seller’s

closing schedule and pays Seller the proceeds of its mortgage at Closing. Should lender not pay Seller its proceeds at Closing, Buyer will not be allowed to take possession of the Unit until Seller actually receives the funds and they have cleared.

4. Seller's Financing; Subordination; Waiver.

(a) Seller may borrow (or may have borrowed) money from lenders (each, a "Developer's Lender") for the acquisition, development, refinancing and/or construction of the Condominium and the Unit. Buyer agrees that each Developer's Lender will have, until Closing, a mortgage on or other interest in the Unit, and the Condominium (or the real property upon which the Condominium will be created), with greater priority than any rights or interest Buyer may have therein, if any, pursuant to this Agreement or under any principal of equity or otherwise. At Closing, Seller shall cause the then applicable mortgages to be released as an encumbrance against the Unit and may use Buyer's closing proceeds for such purpose. Buyer's rights and interest under this Agreement (and the deposits made under this Agreement) will be subordinate to all mortgages, mezzanine and any other forms of financing (and all modifications made to those mortgages, mezzanine and any other forms of financing) affecting the Unit, the Condominium or the real property upon which the Condominium is being developed, or any pledged interest of Seller, even if those mortgages, mezzanine and any other forms of financing provided by a Developer's Lender (or modifications) are made or recorded after the date of this Agreement.

(b) Buyer agrees that neither this Agreement, nor Buyer deposits under this Agreement will give Buyer any lien (equitable or otherwise) or claim against the Unit, the Condominium or the real property upon which the Condominium has been (or will be) created. To the extent Buyer might otherwise have a claim or lien against such property, Buyer knowingly, fully and unconditionally waives and releases any such lien or claim.

5. Condominium Construction Specifications.

(a) The Unit, the Condominium and the Building will be constructed in substantial accordance with the plans and specifications for the Building kept in Seller's construction office, as such plans and specifications are amended from time to time. Seller may make any changes in the plans and specifications that it deems appropriate at any time, as long as those changes do not, in Seller's opinion, seriously and adversely affect the market value of the Unit. Seller shall provide sewer, water, and electric service, as described in the Prospectus.

(b) Without limiting Seller's general right to make changes, Buyer specifically agrees that changes in the Condominium, including, without limitation, changes in (i) the dimensions of rooms which do not substantially reduce the size of the rooms or changes in terraces, courtyards, common areas, storage spaces, and parking spaces, (ii) the location of windows, doors, walls, partitions, utility (including, but not limited to, television and telephone) lead-ins and outlets, air-conditioning equipment, ducts and components, lighting fixtures and electric panel boxes, and (iii) the general layout of the Unit and Condominium, may be made by Seller in its sole and absolute discretion. Buyer acknowledges and agrees that it is a widely observed construction industry practice for pre-construction plans and specifications for any unit or building to be changed and adjusted from time to time in order to accommodate on-going, "in the field" construction needs. These changes and adjustments are essential in order to permit all components of the Unit and the Condominium to be integrated into a well-functioning and aesthetically pleasing product in an expeditious manner. Buyer acknowledges and agrees that it is to Buyer's benefit to allow Seller the flexibility to make such changes in the Unit and the Condominium.

(c) Buyer also acknowledges and agrees that (i) the plans and specifications for the Unit and the Condominium on file with the applicable governmental authorities may not be identical in detail to Seller's plans and specifications, and (ii) because of the day-to-day nature of the changes described in this Section 5, the plans and specifications on file with applicable governmental authorities may not include some or any of these changes

(there being no legal requirement to file all changes with such authorities). As a result, Seller and Buyer both acknowledge and agree that the Unit and the Condominium may not be constructed in accordance with the plans and specifications on file with applicable governmental authorities. Without limiting the generality of Section 14(l), Seller disclaims and Buyer waives any and all express or implied warranties that construction will be accomplished in compliance with any plans and specifications on file with governmental authorities. Seller has not given and Buyer has not relied on or bargained for any such warranties.

(d) Without limiting the generality of the foregoing, because of Seller's need to coordinate the appearance and design of the Condominium, both in connection with the nature and layout of the land on which construction is to take place and of the street, common areas, and other features of the development, Buyer understands and agrees that the Condominium may be constructed as a reverse ("mirror image") of, or otherwise in a manner different from, that illustrated in the floor and building plan of the building or the Unit (as shown in the Condominium Documents or in any illustrations of the Condominium); and may be "sited" in a position different from that of the floor and building plan (or any such illustrations). Buyer agrees to accept the Condominium and the Unit as "sited" by Seller and as constructed according to a reverse or modified floor and/or building plan.

(e) The Unit will contain LVT flooring, a refrigerator/freezer, dishwasher, microwave, cooktop and oven and other items listed as standard features on Seller's sales brochures. Buyer understands and agrees that certain other items which may be seen in models or in illustrations, are not included with the sale of the Unit, such as: wall coverings, paint or paint colors (other than off-white), molding, accent light fixtures, wall ornaments, drapes, blinds, furniture, knickknacks and other decorator accessories, lamps, mirrors, graphics, pictures, plants, wall-hung shelves, wet bars, intercoms, kitchen accessories, linens, window shades, security systems, certain built-in fixtures, carpets or other floor coverings and colors, wood trim, other upgraded items, planters, and any other items of this nature which may be added or deleted by Seller from time to time. This list of items is not all-inclusive, items such as these will not be included in the Unit unless specifically provided for in a published list of standard items (if any) signed by both Buyer and Seller. In the event Seller does provide any of these or other items, however, Buyer agrees to accept them, although not requested by Buyer, as long as Buyer is not required to pay extra for such items.

(f) Certain items which may be included with the Unit, such as tile, cabinets, wood stain, grout, wall and ceiling textures, cultured marble, mica and carpeting, are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturer from those shown in the models or in illustrations or included in Seller's plans and specifications or in the published list of standard items (if any). If circumstances arise which, in Seller's opinion, warrant changes of suppliers, manufacturers, brand names or items, Seller may substitute equipment, material, appliances, etc., with items, which, in Seller's opinion, are of equal or better quality. Buyer also understands and acknowledges that Seller has the right to substitute or change materials and/or stain colors utilized in wood decor (if any). Buyer recognizes that certain colors as shown in displays or in the models, including, but not limited to, carpeting and wood stain, will weather and fade and may not be duplicated precisely.

(g) Buyer will be given an opportunity prior to Closing, on the date and time scheduled by Seller, to inspect the Unit with Seller's representative. At that time, Seller and Buyer will sign an inspection statement listing any defects in workmanship or materials solely within the Unit which, in Seller's opinion, are actually defective in workmanship or materials, keeping in mind the construction standards applicable in Monroe County, Florida for similar property. The list of defects or missing items is referred to as a punchlist. Seller will be obligated to correct those punchlist items at its cost after Closing, but Seller's obligation to correct will not be grounds for deferring the Closing, nor for imposing any condition on Closing. No escrows or holdbacks of closing

funds will be permitted. If Buyer fails to take advantage of the right to a pre-closing inspection on the date and time scheduled, Seller will not be obligated to reschedule an inspection prior to Closing. Buyer agrees that Seller shall have access to the Building and to the Unit during normal business hours following Closing to correct punchlist items. Seller agrees that, subject to delays beyond Seller's reasonable control, all punchlist items will be corrected within a reasonable time following Closing. Buyer acknowledges that certain portions of the Condominium may not be completed at the time of completion of the Unit, such as decoration of the lobby or the installation of landscaping. Such items will not be included in the punchlist which will address only the condition of the Unit. Such incomplete portions of the Condominium will not be the basis for any delay of the Closing.

(h) Buyer acknowledges that all matters pertaining to the initial construction of the Unit will be handled by Seller and Seller's representatives. Buyer agrees not to interfere with or interrupt any workmen at the site of the Unit. No personal inspections (other than the one pre-closing inspection) will be permitted. Buyer may not order any work on the Unit until after Closing.

(i) Buyer acknowledges that in designing the Building certain areas serve a purely functional purpose and are not intended to have a finished appearance. These areas include stairwells within the Building intended primarily for ingress and egress, and the garage and utility pipes within the Building. These areas may be left unfinished. Buyer also acknowledges and agrees that sound and/or odor transmission in a multi-story building such as the Building is very difficult to control, and that noises and/or odors from adjoining or nearby units and or mechanical equipment can often be detected in other units. Without limiting the generality of Section 14(m), Seller does not make any representation or warranty as to the level of sound and/or odor transmission between and among units and the other portions of the Building. Buyer waives and releases any such warranty and claim for loss or damages resulting from sound and/or odor transmission. Buyer also understands and agrees that there are various methods for calculating the square footage of a Unit, and that depending on the method of calculation, the quoted square footage of the Unit may vary by more than a nominal amount. Actual square footage of the Unit may also be affected as a result of the field construction changes and other permitted changes to the Unit, as more fully described in this Agreement. Accordingly, during the pre-closing inspection, Buyer should, among other things, review the size and dimensions of the Unit. By closing, Buyer shall be deemed to have conclusively agreed to accept the size and dimensions of the Unit, regardless of any variances in the square footage disclosed to Buyer at any time prior to Closing, whether or not included in the Condominium Documents, Seller's promotional materials or otherwise. Without limiting the generality of any other provision of this Agreement, Seller is not making any representation or warranty as to the actual size, dimensions or square footage of the Unit. Buyer waives and releases any such warranty and claim for loss or damages resulting from any variances between any represented or otherwise disclosed square footage and the actual square footage. The agreements and waivers of Buyer contained in this Section will survive (continue to be effective after) Closing.

(j) Every new home contains products that have water, powders, solids and industrial chemicals that are used in constructing the home. The water, powders, solids and industrial chemicals will and do contain mold, mildew, fungus, spores and chemicals which may cause allergic or other bodily reactions in certain individuals. Buyer should consult Buyer's physician to determine the molds, mildews, fungus, spores or chemicals that Buyer's adversely affect Buyer or members of Buyer's family.

(k) LEAKS, WET FLOORING AND MOISTURE WILL CONTRIBUTE TO THE GROWTH OF MOLDS, MILDEWS, FUNGUS OR SPORES. BUYER UNDERSTANDS AND AGREES THAT DEVELOPER IS NOT RESPONSIBLE AND BUYER DISCLAIMS ANY RESPONSIBILITY FOR, ANY ILLNESS OR ALLERGIC REACTION WHICH BUYER MAY EXPERIENCE AS A RESULT OF MOLD, MILDEW, FUNGUS OR SPORES. BUYER UNDERSTANDS AND AGREES THAT IT IS BUYER'S

RESPONSIBILITY TO KEEP THE UNIT CLEAN, DRY, WELL-VENTILATED AND FREE OF CONTAMINATION.

6. **Damage Before Closing.** If the Condominium, the Building or Buyer's Unit is damaged by fire or other casualty after this Agreement takes effect but before Closing, Seller will be financially responsible for the loss, but Seller may decide not to repair the Condominium, the Building, or Buyer's Unit. In such event, this Agreement will be canceled; Seller will refund Buyer's deposits if Buyer is not in default. Such refund will end any rights or responsibilities the parties have to each other. If Seller decides to repair the damage, Seller will have a reasonable time to complete repairs. The work will be judged by the same standards used to evaluate new construction. Buyer will have no right to any reduction in the purchase price or any claim against Seller. Buyer agrees to accept title on the scheduled closing date provided the repairs are finished by the closing date. Any money received in settlement of the damage from insurance or otherwise will belong to Seller. If Buyer receives any money in connection with the damage, Buyer will turn it over to Seller immediately.

7. **Closing Date.**

(a) Buyer understands that Seller has the right to schedule the date, time and place for the Closing, which shall in no event be later than 365 days after the Outside Date set forth in Section 7(e). Prior to or about the time of Closing, however, Seller must (i) record the Declaration and related documents in the public records of the County where the Condominium is located; and (ii) obtain a temporary or final certificate of occupancy or completion for or covering the Unit from the proper governmental agency (the official approval needed before a unit may be lived in). The Common Elements, other portions of the Condominium Property and the balance of the Building need not then have certificates of occupancy, nor be completed but Seller must have obtained the surveyor's certificate complying with Section 718.104(e) of Florida Statutes.

(b) Buyer will receive at least 10 days' prior notice of the closing date, time and place. The date set forth in the notice of Closing shall be the date utilized for calculation of all prorations and adjustments required by this Agreement. The Closing shall be held at an office designated by Seller.

(c) Seller may, and is authorized to, postpone the Closing if a certificate of occupancy for the Unit has not been obtained. If Seller postpones the Closing, Seller must give Buyer at least five days' notice of the new date. Buyer agrees to close on the date Seller specifies in Seller's notice of postponement. A change of time or place of Closing only (one not involving a change of date) shall not require any additional notice period. Any notice of Closing, postponement or rescheduling may be given orally, by telephone, facsimile, mail, email or other means of communication. All of these notices will be sent or directed to the address, or given by use of the telephone, facsimile number or email specified, on page 1 of this Agreement, unless Seller has received written notice from Buyer of any change prior to the date the notice is given. These notices will be deemed effective on the date given or mailed. An affidavit of one of Seller's employees or agents that notice was given to Buyer will be conclusive for purposes of proving that notice was given.

(d) If Buyer fails to receive any notice because Buyer failed to advise Seller of any change of address or telephone, or facsimile number, or for any other reason, Buyer will not be relieved of Buyer's obligation to close on the scheduled date unless Seller agrees in writing to postpone the scheduled date. Buyer understands that Seller is not required to reschedule or to permit a delay in the Closing and any request by Buyer to reschedule a closing will not be effective unless agreed to in writing signed by Seller. Buyer understands that time is of the essence under this Agreement.

(e) Seller estimates Seller will substantially complete construction of the Unit in the manner specified in this Agreement by a date no later than December 31, 2025, as extended by any delays resulting from "Acts of

God,” labor disputes (whether lawful or not), work stoppages, material or labor shortages, or other causes beyond Seller’s control (“Outside Date”). The Outside Date is an estimate only. The actual completion date may be earlier or later than such date. Seller is not guarantying completion by the Outside Date.

(f) Buyer agrees to deliver at closing an acknowledgment and receipt for the Condominium Documents, a closing agreement and a release of Seller’s obligations under this Agreement (other than completion of any punchlist items) together with such other documents as may be requested by Seller, including, without limitation, such information as necessary for Seller to comply with any federal disclosure requirements.

8. Title to Unit. Title to the Unit will be conveyed by leasehold deed and will be insurable subject to the following matters (“Permitted Exceptions”):

(a) Liability for all taxes and assessments on Buyer’s Unit for the year Buyer receives title and for all subsequent years.

(b) Covenants, conditions, and restrictions set forth in and easements reserved in Quitclaim Deed recorded in Official Records Book 1839, Page 410 of the Records, and re-recorded in Official Records Book 2026, Page 531 of the Records; as affected by Releases and Modifications of Deed Restrictions recorded in Official Records Book 2749, Page 1710 of the Records; and Official Records Book 2770, Page 2318 of the Records; and Official Records Book 2770, Page 2331 of the Records.

(c) Terms and provisions of the Agreement between the United States of America and the City of Key West Naval Properties Local Redevelopment Authority, a memorandum of which was recorded December 9, 2002, in Official Records Book 1839, Page 480 of the Records.

(d) Covenants, conditions, and restrictions contained in and easements in and easements reserved in Quitclaim Deed recorded in Official Records Book 1839, Page 525 of the Records.

(e) All of the terms, provisions, and easements, including but not limited to rights of first refusal, set forth and contained in the Ground Lease between The Naval Properties Local Redevelopment Authority of the City of Key West, Lessor, and Bahama Village on Fort, Ltd., a Florida limited partnership, Lessee, recorded in Official Records Book 3185, Page 1 of the Records; as amended by Amendment to Ground Lease Agreement recorded in Official Records Book 3250, Page 2166 of the Records; as amended by the Second Amendment to Ground Lease Agreement recorded in Official Records Book 3303, Page 469 and re-recorded in Official Records Book 3310, Page 962 of the Records; and as affected by Resolution No. 22-158 by the Naval Properties Local Redevelopment Authority of the City of Key West (collectively, “Ground Lease”).

(f) Covenants, conditions, and restrictions contained in Declaration of Affordable Housing Restrictions recorded in Official Records Book 3185, Page 113 of the Records, as amended by the Amendment to Declaration of Affordable Housing Restrictions recorded in Official Records Book 3303, Page 479 of the Records (collectively, “Affordable Housing Restrictions”).

(g) Terms and conditions of Resolution No. 23-024 and Parking Agreement set forth in instrument recorded February 2, 2023, in Official Records Book 3210, Page 2030 of the Records.

(h) Reciprocal Easement and Parking Agreement between Bahama Village Community, Ltd., a Florida limited partnership, and Bahama Village on Fort, Ltd., a Florida limited partnership, recorded October 26, 2023 in Official Records Book 3248, Page 1505 of the Records.

(i) Land Use Restriction Agreement between Bahama Village on Fort, Ltd., a Florida limited partnership, The Naval Properties Local Redevelopment Authority of the City of Key West, The City of Key West, Florida, and the Monroe County Comprehensive Plan Land Authority, a land authority pursuant to Section 380.0663(1), Florida Statutes, and Monroe County Ordinance No. 031-1986, recorded in Official Records Book 3307, Page 1870 of the Records.

(j) Restrictions, covenants, conditions, limitations or easements recorded in the public records. For example, property use limitations, maintenance assessments or rights-of-way for utilities or other services and access others.

(k) Zoning, the permits for this project, and other restrictions, requirements or prohibitions imposed by governmental authority.

(l) Restrictions, covenants, conditions, terms and other provisions imposed by the recorded Declaration of Condominium and its exhibits as they may be amended from time to time.

(m) Liens for work, materials or services furnished on behalf of Buyer.

(n) Any mortgage executed or assumed by Buyer that encumbers the Unit.

(o) Matters disclosed by the condominium survey and/or personal inspection and the Condominium Documents.

(p) Pending liens for any public improvements which have not been certified as of the date of this Agreement.

(q) Any lien as provided for by Chapter 159, Florida Statutes, in favor of any town, village or port authority for unpaid service charges by any water, sewer or gas systems supplying the Building.

(r) Easements in favor of utility, cable or internet providers.

(s) Easements and agreements with governmental or quasi-governmental agencies.

(t) Any notices of commencement for Seller's construction but Seller shall supply an unsecured indemnity to any title company providing title insurance to Buyer if such title company will omit such notices upon receipt of such unsecured indemnity.

Buyer understands that nothing affecting title can prohibit the use of Buyer's Unit as a residence other than as set forth in the Permitted Exceptions. Buyer acknowledges that the Unit is subject to the Ground Lease and Buyer will acquire title subject to the Ground Lease.

If Seller cannot provide title as described above, Seller will have a reasonable time (at least 60 days) to correct any defects, but Seller is not obligated to do so. If Seller cannot or will not correct the title defects, Buyer will have one of two options: (1) Buyer may accept title in the condition Seller offers it (with defects) and pay the full purchase price for Buyer's Unit; if Buyer elects this option, Buyer will not make, nor will Buyer have the right to make, any claims against Seller because of the defects; or (2) Buyer may cancel this Agreement and receive a full refund of all Buyer's deposits; if Buyer's deposits are refunded, Buyer agrees to accept them as full payment of Seller's liability to Buyer and Buyer will not make, and will not have the right to make additional claims against Seller.

Seller will not be required to provide Buyer with an abstract of title for Buyer's Unit. Title to the Unit for all purposes shall conclusively be deemed insurable if Seller is able to deliver ALTA Form "B" owner's title insurance policy insuring the Unit subject only to the Permitted Exceptions within a reasonable time following Closing.

Buyer shall also sign an affidavit and any other evidence required by Seller or Seller's closing agent, attesting that Buyer is not a foreign principal or that this transaction will not otherwise violate the Conveyances to Foreign Entities Act, §§ 692.201–692.204, Florida Statutes. If necessary, Buyer shall also register the Unit with the Florida Department of Economic Opportunity within 30 days after closing.

9. Closing Costs. Buyer understands that in addition to the purchase price of Buyer's Unit and the costs associated with any mortgage Buyer may secure, Buyer must pay certain other fees and "closing costs" when Buyer accepts ownership at the Closing. Those extra charges include the following:

(a) Utility deposits, installation or hook up charges or other charges advanced by Seller on Buyer's behalf.

(b) All costs for obtaining a mortgage, any amounts for principal, points, interest, taxes, insurance, or private mortgage insurance required by Buyer's lender to be paid, prepaid, or escrowed at the closing, the cost of a mortgagee title insurance policy and the costs of any endorsements required by Buyer's lender, and any other mortgage loan closing costs of any kind or nature whatsoever imposed by Buyer's lender and related charges by Seller for same.

(c) The cost of any obligations Buyer has incurred not provided for in this Agreement.

(d) Expenses of Buyer's Unit such as, taxes, assessments, and Condominium maintenance charges, will be prorated between the parties at Closing. If Seller anticipates taxes for the current year will not be separately assessed for Buyer's Unit, Buyer will pay Seller a pro rata portion of the real estate taxes for Buyer's Unit as estimated by Seller and Seller will pay the real estate taxes for the current year. If Seller anticipates current taxes will be separately assessed for Buyer's Unit, Seller will reimburse Buyer for Seller's pro rata share of such taxes upon presentation of a tax bill based upon the maximum discount for early payment, unless the tax bill has been issued or paid by Seller in which event taxes will be prorated at the Closing. If real estate taxes are prorated pursuant to this paragraph prior to the issuance of the actual tax bill, there will be no re-proration of taxes after the issuance of the bill, even if the actual tax bill is higher or lower than the prior bill. Buyer will also pay Seller any interim or municipal service fees, if any, that are in effect prior to Closing for Buyer's Unit.

(e) A payment for working capital contribution in an amount equal to the aggregate of two times the regular monthly assessment for the Unit due to the Condominium Association, to provide it with operating funds (which will not be credited against Buyer's obligation for assessments following Closing).

(f) The cost of documentary stamps and recording charges on the deed to Buyer.

(g) The cost of an owner's title insurance policy insuring Buyer's interest in the Unit.

Buyer has the right to use a lender of Buyer's choice in connection with the purchase of the Unit. If Buyer is obtaining financing, Buyer has the right to select a title agent of Buyer's choice. In order to assure that the title work and the loan application process are processed expeditiously, Buyer must select the title company agent and the lender and advise Seller of Buyer's selection at least 60 days before the estimated closing date.

If Buyer elects to use a title company agent other than Seller's approved title company agent, Smith Hawks, PL as agent for Chicago Title Insurance Company, Buyer shall pay a title review fee of \$150 to Seller's approved closing agent to review the title work and requirements of the title company Buyer selects in lieu of the title search and exam fee. This fee is in addition to all other closing costs Buyer may pay. If Buyer is obtaining financing and has elected to provide Buyer's own title insurance, any title objections not contained in a notice to Seller at least 10 business days prior to Closing shall be deemed waived.

10. Default. If Buyer fails to honor Buyer's promises or to perform Buyer's duties under this Agreement (including making scheduled deposits and closing when required) Buyer will be in "default," and Seller may cancel this Agreement. Upon cancellation, all Buyer's rights under this Agreement will end and Seller may resell Buyer's Unit for a higher or lower price, without any accounting or further notice to Buyer.

Buyer understands and agrees that Buyer's default may damage Seller, in part because of the following: (i) Seller has taken the Unit off the market for Buyer, (ii) Seller has incurred interest and financing costs to own and develop the property, (iii) Seller has committed or expended funds, arranged labor and made purchases or commitments for materials, finishes and/or appliances in reliance upon Buyer's fulfillment of Buyer's obligations under this Agreement, and (iv) Seller has spent money on sales, advertising, promotion and construction and has incurred other costs incident to this sale and will have to spend additional sums to re-market and re-sell the Unit. As compensation for this damage, the parties agree that Seller's sole remedy shall be to keep Buyer's deposit(s).

In the event Seller fails to honor its promises or to perform its duties under this Agreement, Buyer shall give Seller written notice specifying such default and if Seller, within 30 days subsequent to receipt of the notice, fails to take such action which would cure the default within a reasonable time after notice, and if Buyer has performed all Buyer's obligations under this Agreement, Buyer shall have the right to receive a full refund of Buyer's deposits and the right to seek actual damages. In addition, if the Condominium has been constructed, in lieu of the previously described remedy, Buyer shall have the right to specific performance. Buyer agrees that Seller shall not be subject to consequential or punitive damages for Seller's default.

The provisions of this Section shall be applicable even after termination of this Agreement.

11. Representations and Confirmations.

(a) Buyer acknowledges, warrants, represents and agrees that this Agreement is being entered into by Buyer without reliance upon any representations concerning any potential for future profit, any future appreciation in value, any rental income potential, tax advantages, depreciation, investment potential, or monetary or financial advantage.

(b) Buyer warrants that Buyer has not relied upon any verbal representations or promises other than as expressly contained in this Agreement and in the Condominium Documents, including, specifically, but without limitation, any representation as to: (i) potential appreciation in or resale value of the Unit, (ii) the existence of any "view" from the Unit or that any existing "view" will not be obstructed in the future, (iii) traffic conditions in, near or around the Condominium, (iv) disturbances from nearby properties, or (v) disturbance from air or vehicular traffic.

(c) Buyer acknowledges, warrants, and represents that Buyer qualifies and is eligible to purchase the Unit as a "_____-income unit," as that term is more particularly described in the Ground Lease and Affordable Housing Restrictions. Buyer further represents that at least 70% of Buyer's total income is derived from gainful employment in Monroe County, Florida, and Buyer's total income does not exceed ___% of the median household income for Monroe County (adjusted for family size).

(d) Buyer warrants and represents that Buyer is not prohibited from purchasing the Unit under the Conveyances to Foreign Entities Act, §§ 692.201–692.204, Florida Statutes.

12. Litigation. In the event of any litigation concerning the interpretation of, or rights or obligations under, this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, paralegal fees and court costs through trial and any all appeals. Only those provisions and disclaimers in this Agreement, which specifically state that they shall have effect after Closing, will survive (continue to be effective after) Closing and delivery of the deed. All other provisions shall be deemed merged into the deed.

13. Seller's Use of Condominium Property. As long as Seller owns a Unit or Units in the Condominium, Seller and Seller's agents may maintain sales offices and models to assist Seller in selling units in the Condominium.

14. Miscellaneous Provisions.

(a) Agreement Not to be Recorded. Buyer will not record, nor permit others on Buyer's behalf to record, this Agreement, nor any notice or memorandum, in the Public Records of the County in which the Condominium is located. If Buyer does, Buyer shall be in default. Buyer acknowledges that Buyer has not acquired any right, title, interest, or lien right in the Unit prior to Closing and Buyer agrees not to file a lis pendens, claim of lien or any other document concerning any dispute which Buyer may subsequently have with Seller concerning or arising out of this Agreement.

(b) Sales Commissions. Seller will pay all sales commissions of Seller's on-site sales personnel who are Seller's agents and not Buyer's agents or dual agents. Buyer agrees to indemnify and hold Seller harmless from the claims of any other persons claiming a real estate commission (other than any broker described in the signature page) unless Seller has agreed in writing to pay commissions to any other party. As Seller's agents, they owe the duty to both Buyer and Seller, to diligently exercise reasonable skill and care in performance of the agent's duties, a duty of honesty and fair dealing and good faith, and a duty to disclose all facts known to the agent materially affecting the value or desirability of property that are not known to Buyer, or within Buyer's diligent attention and observation. Seller's agents are not obligated to reveal to Buyer any confidential information which does not involve such affirmative duties of the agent(s).

(c) Notices. Except with respect to fixing the closing date, any time the parties are required to notify each other, the notice must be in writing. Written notices must be sent by facsimile, hand delivery, electronic mail (e-mail), air courier (such as DHL or Federal Express) or registered or certified mail, postage prepaid, with a return receipt requested (unless sent outside of the United States, in which event written notices to Buyer may be sent by regular air mail, no return receipt being required). Seller will send written notices to Buyer to the address on page 1. Buyer will send any written notices to Seller at Seller's address on page 1. Either party can change the address for notices by giving written notice to the other. A change of address notice is effective when it is received. All other notices are effective on the day they are sent.

(d) Transfer or Assignment. Buyer has no right to assign, sell or transfer Buyer's interest in this Agreement without Seller's written consent. Seller's consent may be conditioned in any manner Seller desires, in Seller's sole discretion, including, but not limited to, a condition that Buyer pays to Seller a non-refundable fee for Seller's consent in an amount which Seller may determine in Seller's sole discretion. Buyer understands that Seller may withhold consent to any assignment in its sole discretion. Seller's refusal to consent to an assignment shall not give rise to any claim for any damages against Seller. Buyer agrees that prior to Closing, Buyer will not list or offer the Unit for sale in any publication, with any broker or listing agency or in any other manner and any such listing or offering will be deemed a default under this Agreement.

Seller may freely assign, transfer or sell any or all of Seller's rights and obligations under this Agreement. If Seller decides to sell all or any part of the Condominium, Seller may assign or transfer Seller's interest in this Agreement and in the Escrow Agreement referred to in Section 2 and Buyer's consent will not be required. If the buyer of all or any part of the Condominium assumes Seller's obligations contained in this Agreement and the Escrow Agreement, Seller will not be liable to Buyer for any acts, omissions or defaults by such buyer and Buyer releases the named Seller from any duties, obligations or responsibilities under this Agreement or the Condominium Documents.

(e) Others Bound by this Agreement. If Buyer dies or in any way loses legal control of Buyer's affairs, this Agreement shall automatically terminate and Buyer's heirs and legal representatives shall receive a return of the Deposit. If Buyer has received Seller's written permission to assign or transfer this Agreement, it will bind anyone receiving Buyer's interest.

(f) Public Records. Buyer authorizes Seller to record any documents necessary to establish and operate the Condominium. Seller will file them in the Public Records of the County in which this Condominium is located.

(g) Milestone Inspection and Structural Integrity Reserve Study; Turnover Inspection Report.

BUYER HEREBY ACKNOWLEDGES THAT THE ASSOCIATION HAS NOT YET COMPLETED A MILESTONE INSPECTION AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, OR A STRUCTURAL INTEGRITY RESERVE STUDY AS DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(g), FLORIDA STATUTES. ADDITIONALLY, A TURNOVER INSPECTION REPORT, AS DESCRIBED IN SECTION 718.301(4)(p)-(q), FLORIDA STATUTES, HAS NOT BEEN COMPLETED.

(h) Buyer's Right to Cancel.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING. FIGURES CONTAINED IN ANY BUDGET DELIVERED TO THE BUYER PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT ARE ESTIMATES ONLY AND REPRESENT AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF THE PREPARATION OF THE BUDGET BY THE DEVELOPER. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.

(i) Florida Law and Venue. Any disputes that develop under this Agreement will be settled according to Florida law, in the courts of Monroe County, without giving effect to principles of conflict of laws, except as

specifically preempted by federal law. If any part of this Agreement violates a provision of Florida law, Florida law will control. In that event, however, the remainder of the Agreement will remain in force and effect.

(j) Association Membership. When Buyer closes and acquires the Unit, Buyer becomes a member of the Condominium Association, and Buyer will accept the liabilities and obligations of such membership. Buyer will also be subject to those matters described in the Ground Lease and Affordable Workforce Housing Restrictions appearing in the Condominium Documents. Buyer understands that Seller may advance money to the Condominium Association to permit it to pay for certain of their expenses (for example, insurance premiums, utility and/or cable or other interactive communication charges and deposits, permit and license fees, charges for service contracts, salaries and other similar expenses). Seller is entitled to be reimbursed for all sums so advanced. The Condominium Association will reimburse Seller out of assessments paid by Buyer and other owners as those contributions and assessments are collected, or as otherwise requested by Seller. Seller also, at its election, may receive reimbursement for these payments by way of a credit against any sums it may become obligated to pay to the Condominium Association. No initial contributions to the Condominium Association may be used for such purposes, however, as long as any guaranty by Seller of the Condominium Association's assessments is in effect.

(k) Entire Agreement. This Agreement contains the entire understanding between the parties concerning the sale and purchase of the Unit and can only be amended in writing, executed by both parties. Prior agreements, representations, understandings and oral statements not reflected in this Agreement and the Condominium Documents are void and have no effect. Buyer has not relied on them. Buyer has fully reviewed this Agreement and sought all legal and other advice which Buyer deems necessary and agrees that no provision in this Agreement shall be more strictly construed against one party over the other. Buyer acknowledges that this Agreement was negotiated in the English language.

(l) Changes. Buyer agrees that the Condominium Documents and other documents delivered to Buyer may be amended by Seller or the Condominium Association in any manner whatsoever. Seller may make changes in such documents in its sole discretion. Buyer will receive a copy of all such amendments that are made. As to these changes, Buyer will have 15 days from the date of receipt of such changes which materially alter or modify the offering of the Condominium in a manner adverse to Buyer in which to cancel this Agreement (by delivering written notice to Seller of such cancellation) and receive a refund of any deposits with applicable interest. Seller will be relieved of all obligations under this Agreement when Seller refunds the deposits and interest. Buyer will not be permitted to pursue any remedy other than the 15-day cancellation remedy described above (and then only for changes that materially alter and/or modify the offering in a manner adverse to Buyer). If Buyer has the right to cancel this Agreement by reason of a material change in a manner adverse to Buyer, Buyer's failure to request cancellation in writing within the 15-day period will mean that Buyer accepts the change and waive irrevocably Buyer's right to cancel. All rights of cancellation will terminate, if not sooner, then they will cancel absolutely at Closing. After Closing, Buyer will have no remedy for any changes Seller may make or has made. This Section will survive (continue to be effective) after Closing.

(m) All Parties Liable. If more than one person signs this Agreement as Buyer, each will be equally liable, jointly and severally, for full performance of all duties and obligations under it and Seller can enforce it against each party constituting Buyer, or all of them collectively.

(n) Warranty. There are no express warranties unless they are stated in writing by Seller. Except to the extent provided by Chapter 718 of the Florida Statutes, Seller disclaims any and all implied warranties of merchantability and fitness as to the Unit, the Condominium or any appurtenances, whether arising from custom, usage, course of trade, statutory or case law, or otherwise. In the event a competent court of law determines that this disclaimer is ineffective, the parties agree that any action brought under implied warranty must be brought

within one year from the date of Closing. This clause shall survive the contemplated Closing and the delivery of the deed to Buyer. Any claims for construction defects are subject to the notice and cure provisions of Chapter 558, Florida Statutes.

No warranties or guaranties are given as to consumer products as defined in 15 U.S.C., Section 2301 et seq. (Magnuson-Moss Warranty Act). Seller has not given and Buyer has not relied on or bargained for any such warranties.

(o) Time is of the Essence. Buyer understands that time is of the essence under this Agreement.

(p) Administrative Fee. If this Agreement is terminated by either party, Buyer agrees to pay a \$100 charge to Seller if Buyer does not return the Condominium Documents to Seller in good condition.

(q) Radon Disclosure. In accordance with the provisions of Florida Statutes, Section 404.056(8), Seller is required to make and are making the following disclosure: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present 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 in Florida. Additional information regarding radon and radon testing may be obtained from your county health department." Buyer further acknowledges that Seller has made no representation or warranty concerning geological or environmental matters such as radon gas. Buyer understands that if Buyer requires more information concerning this potential risk, the U.S. Environmental Protection Agency and state and local authorities are best equipped to render advice.

(r) Inducement. Buyer acknowledges that the primary inducement to purchase under this Agreement is the Unit. Buyer understands that Buyer's Unit may be completed and the Closing scheduled while construction proceeds in other portions of the Building. Buyer understands such construction may give rise to noise and dust. Buyer also understands that construction in adjacent areas may give rise to noise and dust and may result in views from Buyer's Unit being blocked and Buyer's loss of light and air. Buyer agrees to accept the Unit subject to the foregoing factors.

(s) Condominium Documents. Buyer acknowledges receipt of those documents described as received in the Receipt for Condominium Documents which Buyer has executed. Buyer agrees this Agreement is subject to all of the terms, conditions and disclosures set forth in the Condominium Documents. The terms used in this Agreement shall have the same definitions and meanings as those set forth in the Condominium Documents, unless otherwise provided in this Agreement or unless the context otherwise requires.

(t) Insulation; Energy Efficiency. Pursuant to title 16, Chapter I, Section 460.16 of the Code of Federal Regulations, the type, thickness, and R-value of the insulation materials installed in the construction of Buyer's Unit, are set forth below.

	<u>Type</u>	<u>Thickness</u>	<u>R-Value</u>
Exterior Walls	Stucco over CMU	9 inches (Nom)	R-7 (3/4)
Exterior Corridor	Cem. Bd/GWB over metal stud	8 inches (Nom)	R-17.2 (13+4.2)
Tenant Partitions	GWB over metal stud	8 inches (Nom)	R-17.2 (13+4.2)
Interior Partitions	GWB over metal stud	4 and/or 6 inches	N/A

Ceiling	Concrete slab	8 inches	R-30
Floor	Concrete slab	10 inches	R-13

Seller will have the right to substitute insulation so long as the R-value is equal to or greater than that set forth above. Buyer understands the R-values set forth above are supplied by the manufacturer, and Seller will have no liability if the R-value is, in fact, different than that indicated.

(u) Statutory Disclosures.

(1) To the extent required by applicable law, Buyer may have the building's energy efficiency rating determined for the Building in which Buyer's Unit is located. Buyer acknowledges receipt of the Department of Community Affairs informational brochure regarding energy efficiency ratings.

(2) Pursuant to Section 489.1425 of the Florida Statutes, Seller provides the following notice. PAYMENT MAY BE AVAILABLE FROM THE CONSTRUCTION INDUSTRIES RECOVERY FUND IF YOU LOSE MONEY ON A PROJECT PERFORMED UNDER CONTRACT, WHERE THE LOSS RESULTS FROM SPECIFIED VIOLATIONS OF FLORIDA LAW BY A STATE-LICENSED CONTRACTOR. FOR INFORMATION ABOUT THE RECOVERY FUND AND FILING A CLAIM, CONTACT THE FLORIDA CONSTRUCTION INDUSTRY LICENSING BOARD AT THE FOLLOWING TELEPHONE NUMBER AND ADDRESS (850) 487-1395, 2601 BLAIR STONE ROAD, TALLAHASSEE, FLORIDA 32399-0783.

(3) Property Taxes. BUYER (PURCHASER) SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

(v) Pursuant to Section 689.302, Florida Statutes, Seller provides the following notice:

FLOOD DISCLOSURE

Flood Insurance: Homeowners' insurance policies do not include coverage for damage resulting from floods. Buyer is encouraged to discuss the need to purchase separate flood insurance with Buyer's insurance agent. In that regard, please note that (1) Seller has not filed a claim with an insurance provider relating to flood damage on the Condominium Property, including, but not limited to, a claim with the National Flood Insurance Program; and (2) Seller has not received federal assistance for flood damage to the Condominium Property, including, but not limited to, assistance from the Federal Emergency Management Agency. For the purposes of this disclosure, the term "flooding" means a general or temporary condition of partial or complete inundation of the property caused by any of the following: (a) the overflow of inland or tidal waters; (b) the unusual and rapid accumulation of runoff or surface waters from any established water source, such as a river, stream, or drainage ditch; or (c) sustained periods of standing water resulting from rainfall.

(w) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. These counterparts taken together shall constitute but one and the same instrument, which may be sufficiently evidenced by one such counterpart, or by signed facsimile copies.

(x) **Maintenance Assessments.** The Estimated Operating Budget contained in the Prospectus contains estimated expenses of operating the Condominium Association during the fiscal year indicated and the Schedule of Estimated Expenses per Unit indicates each Unit's share of such Budget. The Budget is an estimate only of costs to be incurred in the future. It is subject to modification at any time and from time to time to reflect changes in estimated expenses. Buyer understands that such modifications shall not affect Buyer's obligations to purchase in accordance with the terms of this Agreement nor Seller's obligation to honor any written guaranty of the budget undertaken by Seller.

15. **Legal Advice.** This Agreement, the Condominium Documents, all disclosure materials including the sales brochure, if any, are important legal documents and, if not understood, Buyer should seek legal advice.

16. **Signatures.** This Agreement may be signed by the parties electronically using the DocuSign software or App. Such electronic signatures shall be treated, for all purposes, as original manually signed documents fully enforceable against the parties signing electronically.

GENERAL INFORMATION:

Co-Broker Information: (If the space for Co-Broker's name is left blank, it shall mean that Seller has not agreed to pay any co-broker)

Co-Broker's Name: _____
Co-Broker's Sales Agent: _____
Co Broker's Address: _____
Co-Broker's Phone Number: _____
Co-Broker's Email: _____
Co-Broker's License No.: _____

[SIGNATURES CONTAINED ON THE FOLLOWING PAGE]

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

BUYER(S)

Date of Signature(s): _____

SELLER:

BAHAMA VILLAGE ON FORT, LTD.,
a Florida limited partnership

By: _____

Date of Acceptance: _____

EXHIBIT 6
ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Agreement") is made this 20th day of September, 2023, by and between BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership, having an address at 1649 Atlantic Blvd., Jacksonville, Florida 32207 ("Owner") and Smith Hawks, PL as agent for Chicago Title Insurance Company, Attn: Bryan Hawks, 138 Simonton Street, Key West, Florida 33040 ("Escrow Agent").

Owner intends to create a condominium to be known as Bahama Village Condominium ("Condominium"), in Monroe County, Florida.

Owner intends to enter into agreements ("Purchase Agreements") for the sale and purchase of condominium units in the Condominium.

Owner desires to establish an escrow account with Escrow Agent for deposits received under the Purchase Agreements ("Deposits") and Escrow Agent is willing to accept such account.

In consideration of the foregoing premises, and intending to be legally bound, Owner and Escrow Agent agree as follows:

1. Receipt of Escrow Funds. From time to time, Owner will deliver checks payable to or endorsed to Escrow Agent for Deposits paid pursuant to the Purchase Agreements, together with a copy of each executed Purchase Agreement between the Owner and the buyer (to the extent not delivered with previous Deposits under such Purchase Agreement) and a Notice of Deposit on the form attached. Escrow Agent shall provide Owner with a receipt for each Deposit on the form attached. Escrow Agent shall also give the buyer named in the Purchase Agreement a similar receipt for any Deposit upon request of the buyer. Escrow Agent shall deposit or hold such funds in escrow in accordance with the terms of this Agreement.

2. Disbursement of Escrow Funds. Escrow Agent shall disburse the buyer's Deposit received by Escrow Agent and any interest earned thereon, determined as provided below, in accordance with the following:

(a) To the buyer within 30 days after receipt of Owner's written certification, which shall include buyer's mailing address, that the buyer has properly terminated buyer's Purchase Agreement.

(b) To Owner within 10 days after receipt of Owner's written certification that the buyer's Purchase Agreement has been terminated by reason of the buyer's failure to cure a default in performance of buyer's obligations thereunder.

(c) If the Deposit of a buyer, together with any interest earned thereon, has not been previously disbursed in accordance with the provisions of Sections 2(a)-(b), the same shall be disbursed immediately to Owner or Owner's designee upon receipt from Owner of a closing statement or other verification signed by the buyer or buyer's attorney or authorized agent, reflecting that the transaction for the sale and purchase of the subject condominium unit has been closed and consummated. No disbursement shall be made under this Section 2(c) if, prior to the

disbursement, Escrow Agent receives from buyer written notice of a dispute between the buyer and Owner. In such event, Escrow Agent may then proceed in accordance with the other provisions of this Agreement.

(d) Escrow Agent shall, at any time, make distribution of the buyer's Deposit and interest earned thereon upon written direction duly executed by Owner and buyer.

(e) No disbursement need be made by Escrow Agent until sums necessary to make such disbursement have actually and finally cleared Escrow Agent's account. Notwithstanding anything to the contrary, except only as provided in Section 2(a), if there is any conflict in the payment of interest between the applicable Purchase Agreement (including any addenda or amendments) and this Escrow Agreement, the terms of the Purchase Agreement shall prevail.

3. Depository for Escrow Funds. Escrow Agent shall hold all funds received by it in escrow. Escrow Agent shall, at Owner's discretion, invest the Deposits in savings or time deposits in institutions insured by any agency of the United States or in securities of the United States and/or any agency thereof, and/or in such other lawful manner as the parties shall agree, provided title thereto shall always evidence the escrow relationship. Escrow Agent assumes no liability or responsibility for any loss of funds which may result from the failure of any institution in which Owner directs that such savings or time deposits be invested, or the fact that such funds exceed the maximum amount insured by the FDIC.

4. Obligations of Escrow Agent. Escrow Agent may: (a) act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine; (b) assume the validity and accuracy of any statement or assertion contained in such writing or instrument; and (c) assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions of this Agreement has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited pursuant to this Agreement, nor as to the identity, authority, or right of any person executing the same. Escrow Agent shall not be responsible for any penalties, or loss of principal, or interest or any delays in the withdrawal of the funds which may be imposed by the depository bank as a result of the making or redeeming of the investment pursuant to the instructions of the parties, nor shall Escrow Agent be liable for any loss or impairment of funds while those funds are in the course of collection or while those funds are on deposit in a financial institution if such a loss or impairment results from the failure, insolvency or suspension of the financial institution. The duties of Escrow Agent shall be limited to the safekeeping of the Deposits received by it as such escrow holder, and for the disposition of the same in accordance with the terms of this Agreement. Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement, and no implied duties or obligations shall be read into this Agreement against Escrow Agent. Upon Escrow Agent's disbursing the Deposit of a buyer in accordance with the provisions of this Agreement, the escrow shall terminate as regards said buyer's Deposit, and Escrow Agent shall thereafter be released of all liability under this Agreement in connection therewith.

5. Indemnity of Escrow Agent. Except for the willful misconduct or gross negligence of Escrow Agent, Owner agrees to indemnify Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as escrow agent under this Agreement. In connection therewith, Owner will indemnify Escrow Agent against any and all expenses, including attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

6. Disputes. If any two parties shall be in disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent, Escrow Agent may, at its sole discretion, file an action in interpleader to resolve the said disagreement. Escrow Agent shall be indemnified by Owner for all costs, including reasonable attorney's fees, incurred in connection with such interpleader action, and shall be fully protected in suspending all or a part of its activities under this Agreement until a final judgment in the interpleader action is received. Escrow Agent, in the event of a dispute among Owner and a buyer, shall not be required to disburse any funds to any party until Escrow Agent receives an agreement between the parties settling the dispute or a court order directing Escrow Agent to disburse the funds to a party or certain parties.

7. Exoneration of Escrow Agent. Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it under this Agreement in good faith and in accordance with the opinion of such counsel. Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence.

8. Resignation. Escrow Agent may resign at any time upon 30 days' prior written notice to Owner. If a successor Escrow Agent is not appointed within this 30-day period, Escrow Agent may petition any court of competent jurisdiction to name a successor escrow agent. Escrow Agent shall be fully relieved of all liability under this Agreement to any and all parties upon the transfer of the escrow deposits to the successor Escrow Agent designated by Owner or appointed by the Court. The successor escrow agent must be authorized to act as such by the Florida Condominium Act. Escrow Agent shall be indemnified by Owner for all costs, including attorney's fees, incurred as a result of filing said petition.

9. Replacement. Owner shall have the right to replace Escrow Agent upon 30 days' notice with a successor escrow agent named by Owner. In such event, Escrow Agent shall turn over to the successor escrow agent all funds, documents, records and properties deposited with Escrow Agent in connection with this Agreement. Escrow Agent thereafter shall have no further liability under this Agreement. The successor or other escrow agent must be authorized to act as such by the Florida Condominium Act.

10. Amendment. This Agreement may be amended, in whole or in part, upon written agreement of the parties executing this original Agreement.

11. Interpretation of Agreement. This Agreement shall be construed and enforced according to the laws of the State of Florida. This Agreement shall be made a part, in its entirety,

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of any prospectus (required by Section 718.503-505, Florida Statutes) distributed to the buyer or prospective buyers of condominium units in the Condominium.

12. Incorporation by Reference. This Agreement shall be expressly incorporated by reference in all Purchase Agreements between Owner and buyers.

13. Computation of Interest. For purposes of this Escrow Agreement, interest will be deemed earned on a specific Deposit at the rate which is the average for all Deposits held over the period the specific Deposit is held.

14. Entire Agreement. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and shall be binding upon the parties, their respective successors and assigns.

15. Compensation of Escrow Agent. Owner agrees to pay Escrow Agent, in arrears, an escrow fee equal to \$125 for each new Purchase Agreement for which Escrow Agent is holding a deposit, provided that only one such fee shall be paid with respect to any one Purchase Contract regardless of the amount of activity (i.e., deposits and withdrawals) with respect to that Purchase Agreement. Escrow Agent shall invoice Owner as to all new Purchase Agreements for which deposits were received in the previous calendar month. Owner shall pay the applicable fee(s) within 30 days following receipt of invoice.

16. Notices. All notices and communications under this Agreement shall be in writing and shall be deemed to be duly given if sent by registered or certified mail, postage prepaid, return receipt requested, or by telecopier or facsimile to the respective addresses set forth at the beginning of this Agreement.

17. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the day and year first above written.

OWNER:

BAHAMA VILLAGE ON FORT, LTD., a
Florida limited partnership

By: Bahama Village on Fort GP, LLC, a
Florida limited liability company, its
General Partner

By: Vestcor, Inc., a Florida
corporation, its Manager

By: 
Name: Jason O. Floyd
Title: Vice President

ESCROW AGENT:

SMITH HAWKS, PL as agent for Chicago
Title Insurance Company

By: 
Name: Bryan Hawks
Title: member

NOTICE OF DEPOSIT

Date: _____

Smith Hawks, PL as agent for
Chicago Title Insurance Company
138 Simonton Street
Key West, Florida 33040
Attn: Bryan Hawks

Re: Purchase of Unit No(s) _____, in Bahama Village Condominium

Dear Mr. Hawks:

The purchaser named below has entered into an Agreement or Sale for the above-referenced Condominium Unit. We deliver to you a deposit of \$ _____ in accordance with the Purchase Agreement.

Name of Purchaser: _____

Mailing Address of Purchaser: _____

Social Security Number(s) of Purchaser: _____

RECEIPT

Receipt is acknowledged of the above deposit. If such deposit is a check, receipt is subject to clearance of funds.

Date of Receipt: _____

SMITH HAWKS, PL as agent for Chicago
Title Insurance Company

By: _____

Name:

Title:

EXHIBIT 7

FORM RECEIPT FOR CONDOMINIUM DOCUMENTS

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

Name of Condominium Bahama Village Condominium

Address of Condominium 710 Fort Street, Key West, Florida 33040

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If a document uses a different name, substitute the correct name or place in parenthesis. If an item does not apply, place "N/A" in the column.

DOCUMENT	RECEIVED BY HARD COPY	RECEIVED BY ALTERNATIVE MEDIA
Prospectus Text	X	
Declaration of Condominium	X	
Articles of Incorporation	X	
Bylaws	X	
Estimated Operating Budget	X	
Form of Agreement for Sale or Lease	X	
Rules & Regulations	X	
Covenants and Restrictions	X	
Ground Lease	X	
Management and Maintenance Contracts for More Than One Year	N/A	
Renewable Management Contracts	N/A	
Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominium(s)	N/A	
Lease of Recreational and Other Facilities to be Used by Unit Owners with Other Condominiums	N/A	
Declaration of Servitude	N/A	
Sales Brochures	N/A	
Phase Development Description	N/A	
Form of Unit Lease if a Leasehold	N/A	
Description of Management for Single Management of Multiple Condominiums	N/A	
Conversion Inspection Report	N/A	
Conversion Termite Inspection Report	N/A	
Plot Plan	X	
Floor Plan	X	
Survey of Land and Graphic Description of Improvements	X	
Frequently Asked Questions & Answers Sheet	X	
Financial information	N/A	
State or Local Acceptance/Approval of Dock or Marina Facilities	N/A	
Evidence of Developer's Ownership, Leasehold or Contractual Interest in the Land Upon Which the Condominium is to be Developed	X	
Executed Escrow Agreement	X	
Other Documents (Insert Name of Document)	N/A	
Alternative Media Disclosure Statement	X	
Plans and Specifications	Made Available	
Milestone inspection report	N/A	
Structural Integrity Reserve Study	N/A	

THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER AND RECEIPT BY THE BUYER OF ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER. THE AGREEMENT IS ALSO VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE DOCUMENTS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT CLOSING.

Executed this _____ day of _____, 20_____.

Signature of Purchaser or Lessee

Signature of Purchaser or Lessee

EXHIBIT 8

EVIDENCE OF DEVELOPER'S CONTRACTUAL INTEREST - GROUND LEASE AGREEMENT BETWEEN THE NAVAL PROPERTIES LOCAL DEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST AND BAHAMA VILLAGE ON FORT, LTD., AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT, AND AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT

GROUND LEASE AGREEMENT
BETWEEN
THE NAVAL PROPERTIES LOCAL REDEVELOPMENT
AUTHORITY OF THE CITY OF KEY WEST
and BAHAMA VILLAGE ON FORT, LTD.

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GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT is made and entered into this 15th day of July, 2022 by and between **THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST** (referred to as "Lessor") and **BAHAMA VILLAGE ON FORT, LTD.**, a Florida limited partnership (with its successors and assigns, referred to as "Lessee").

RECITALS

WHEREAS, Lessor is the owner in fee simple of the property located in the City of Key West, a part of the Truman Waterfront property located at the Naval Air Facility, Key West, Florida, Monroe County, Florida, and more particularly shown on the attached **Exhibit A** ("Demised Premises");

WHEREAS, by Referendum conducted in January, 2022 (the "Referendum") Lessor was authorized to lease real property of approximately 3.2 acres located at the Truman Waterfront in Historic Bahama Village (the "3.2 Acre Property"), for a period of 99 years, exclusively for affordable workforce housing;

WHEREAS, it is Lessor's intent that the 3.2 Acre Property and Demised Premises be developed to produce affordable workforce housing in accordance with the Referendum;

WHEREAS, Lessee desires to develop the Demised Premises to include at least twenty-eight (28) Affordable Housing Units (as defined below) for sale to qualified individuals and families which comply with the Affordable Workforce Housing Restrictions (as defined below) set forth herein;

WHEREAS, prior to the execution of this Lease, Lessee's affiliate, Bahama Village Community, Ltd., entered into a ground lease for the remainder of the 3.2 Acre Property (less the Demised Premises), which leased premises shall be improved with a development consisting of at least ninety-eight (98) rental affordable housing units for sublease pursuant to subleases (the "Rental Units Lease");

WHEREAS, in order to preserve the affordability of the Affordable Housing Units (as defined below) to be developed on the Demised Premises and create an attractive financial arrangement for potential lenders, Lessor desires to lease the Demised Premises to Lessee for ninety-nine (99) years; 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 1. Definitions

1.1. **Certain Defined Terms.** As used herein, the following capitalized terms shall have the following meanings (such meanings to be applicable to both the singular and the plural form of the terms defined):

"Affordable Housing Development" shall mean a development on the Demised Premises consisting of at least twenty-eight (28) Affordable Housing Units for sale to individuals and families which comply with the Affordable Workforce Housing Restrictions and also including related infrastructure, securing of required development approvals and permits, financing and marketing of the Affordable Housing Units.

"Affordable Workforce Housing Restrictions" shall mean the affordable housing regulations for the Affordable Housing Units as set forth herein and in applicable sections of the 2021 City of Key West Land Development Regulations or 2021 City Code of Key West of Ordinances ("City Code"), including, but not limited to, Division 10 of Chapter 122 of the City Code. The Owner/Occupants shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County, provide that such restriction shall not disqualify an Owner/Occupant previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified. Lessor acknowledges that any future modifications to the City Code shall not be deemed to modify the Affordable Workforce Housing Restrictions or the terms of this Lease unless the Lessee consents to the application of such revised City Code.

The Affordable Housing Development shall consist of the following Affordable Housing Units designated at "very low-income", "low-income" or "middle income":

- i) Three (3) Affordable Housing Units designated for "very low-income persons" whose sales price shall not exceed one and one-half times annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code. For example, for 2022, the maximum sales price for a two-bedroom unit would be \$138,375 and a three-bedroom unit would be \$153,750. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.
- ii) Eleven (11) Affordable Housing Units designated for "low-income persons" whose sales price shall not exceed two and one-half times annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code. For example, for 2022, the maximum sales price for a two-bedroom unit would be \$230,625 and a three-bedroom unit would be \$256,250. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

- iii) Fourteen (14) Affordable Housing Units designated for “middle income persons” whose sales price shall not exceed six and one-half times annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code. For example, for 2022, the maximum sales price for a two-bedroom unit would be \$599,625 and a three-bedroom unit would be \$666,250. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

The following eligibility requirements shall be required of households or persons to qualify for affordable work force housing units to the extent lawful:

(1) The household or person shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County. This section shall not disqualify an individual previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified.

(2) At the time of sale of an affordable housing (very low income) unit, the total income of eligible household or persons shall not exceed sixty (60) percent of the median household income for Monroe County (adjusted for family size).

(3) At the time of sale of an affordable housing (low income) unit, the total income of eligible household or persons shall not exceed eighty (80) percent of the median household income for Monroe County (adjusted for family size).

(4) At the time of sale of an affordable housing (middle income) unit, the total income of eligible household or persons shall not exceed one hundred forty (140) percent of the median household income for Monroe County (adjusted for family size).

These restrictions shall be memorialized and agreed to by the parties, then recorded and shall become part of the Related Agreements in the form of Declaration of Affordable Housing Restrictions attached as **Exhibit B**.

“Affordable Housing Unit” shall mean a dwelling unit located within the Affordable Housing Development which shall comply with the Affordable Workforce Housing Restrictions.

"Attorney's Fees" shall mean reasonable attorney's fees and costs incurred by a party, including attorney's fees and cost for trial and appellate proceedings.

“Association” shall mean the condominium, homeowners or similar community association customarily used in planned developments (including any contemplated herein) to manage certain aspects of community or planned development living (e.g., infrastructure management, rules and regulations, enforcement mechanisms and recreational facilities).

"Commencement Date" shall mean the date when Initial Lessee closes and receives the Financing necessary to construct and develop the Affordable Housing Development.

"Concept Plan" shall mean a plan prepared by the Lessee which shall include the overall development plan of the Affordable Housing Development, including, the anticipated housing type, housing design, project budgets, project schedule, landscaping plan, amenities, anticipated zoning, construction requirements and plans related to the infrastructure.

"Demised Premises" shall have the meaning ascribed in the Recitals. The Demised Premises is depicted on the 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.

"Governmental Regulations" shall mean all laws, ordinances, and regulations now or hereafter enacted by the State of Florida, City of Key West or by the Federal government.

"Hazardous Substances" shall mean flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), arsenic, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any Governmental Regulations.

"Indemnify" shall mean to hold harmless from, and defend against, all claims, demands, actions, causes of action, losses, expenses, damages, liabilities, and Attorney's Fees arising out of or incurred in connection with an identified circumstance, incident, condition, relationship, time period, or other matter. Any indemnification provided by Lessor shall be limited to the Lessor's Sovereign Immunity Limits including but not limited to damages, costs, and Attorney's Fees. Nothing herein shall be deemed a waiver, express or implied, of Lessor's sovereign immunity or an increase in the limits of liability pursuant to Section 768.28, Florida Statutes, regardless of whether any such obligations are based in tort, contract, statute, strict liability, and negligence, product liability or otherwise. Nothing herein shall be construed as consent by Lessor to be sued by third parties in any matter arising out of any contract, act or action.

"Initial Lessee" shall mean BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership, developer of the Affordable Housing Development.

"Lease" and/or "Agreement" shall mean this Ground Lease Agreement for the creation of the Affordable Housing Development on the Demised Premises, as may be amended from time to time by the parties. It is expressly contemplated and intended by the Lessor, as fee title holder to the Demised Premises, that any limitations, restrictions and/or covenants of any nature established pursuant to this Lease or by the Affordable Workforce Housing 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 have the meaning set forth in Section 3.1.

"Lessor" shall mean THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST or its assigns or designees (herein after referred to as the "LRA"). Lessor as used herein and where the context requires, shall mean an agency or party designated by the Lessor to administer or enforce some or any portion of the provisions of this Lease or the Affordable Workforce Housing Restrictions.

"Lessee" means initially, BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership and includes its successors and/or assigns, including the Association after the control of the Association has been transferred to the Owner/Occupants pursuant to Florida Statute 718.301, along with all Owner/Occupants as this Lease applies to their respective Affordable Housing Unit. For the sake of clarity, once control of the Association has been transferred to the Owner/Occupants pursuant to Florida Statute 718.301, the Initial Lessee shall have no further obligations under this Lease unless otherwise stated herein and also as to each of the Affordable Housing Units have been conveyed to Owner/Occupants, the Initial Lessee shall have no further obligations under this Lease in regards to the portions of the Premises that have been transitioned/conveyed to Owners/Occupants as applicable, except for (i) design and construction defect liability for which builder(s)/developer(s) are otherwise responsible under Florida law and (ii) any other obligations of Initial Lessee under this Lease which specifically survive Initial Lessee's assignment of the Lease to the Association, Owner-Occupants or a Sublessee.

"Owner(s)/Occupant(s)" shall mean an individual(s) which purchase(s) an Affordable Housing Unit, and who as of the date such person(s) acquire(s) their interest(s) in the Affordable Housing Unit, would qualify under the Affordable Workforce Housing Restrictions.

"Owner/Occupant Lease" means once an Owner/Occupant has purchased an Affordable Housing Unit, any lease between such Owner Occupant and a third party, which third party must be meet all eligibility criteria of the Affordable Workforce Housing Restrictions and the then applicable City Code.

"Related Agreements" shall mean any agreement entered into with Lessor contemporaneously and in conjunction with this Lease and which is recorded, included, but not limited to the Declaration of Affordable Workforce Housing Restrictions.

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

any approved leases to qualified third parties by an Owner/Occupant and/or the Affordable Workforce Housing Restrictions.

“Sale” or “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 interest in any portion of the Demised Premises authorized pursuant to this Lease, or a sale of an Affordable Housing Unit, but excluding 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 a leasehold interest in the entirety of the Demised Premises, but excluding 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). A Sublease, as used herein, regardless of final form and substance, must be approved by the Lessor, which approval shall not be unreasonably withheld. A sublessee under a “Sublease” is hereby defined as “Sublessee” and the term Sublease shall not include Owner/Occupant Leases.

1.2. **Other terms.** All capitalized terms used in this Lease that are not defined in this Article 1 shall have the meanings set forth elsewhere in this Lease.

ARTICLE 2. Demised Premises

2.1. **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 Initial Lessee in the development of the Affordable Housing Development and of the covenants and the terms and conditions of any Related Agreements, to be kept and performed by the Lessee, the Lessor does lease, let, and demise to the Lessee and the Lessee hereby leases from the Lessor, the Demised Premises, situate, lying, and being in Monroe County, Florida.

See Attached **Exhibit A.**

2.2. **Conditions to Demise of Demised Premises.** The demise is likewise made subject to the following:

- a. Conditions, restrictions, and limitations, if any, there may be now appearing of record;
- b. Zoning ordinances of Key West, 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;

c. Any questions of survey, the Lessee having satisfied itself as to the boundary lines and contents of the Demised Premises above described and likewise satisfied itself with a sufficiency of the present title of the Lessor;

d. The proper performance by the Lessee of all of the terms and conditions contained in this Lease;

e. Any and all easements affecting the Demised Premises;

f. Quitclaim deed between the United States of America and the LRA, recorded December 9, 2002 in Book 1839, Page 410 of the Official Records of Monroe County Florida and as re-recorded July 16, 2004 in Book 2026, Page 531 of the Official Records of Monroe County, Florida (the "Navy QCD");

g. Memorandum of Agreement between the United States of America and the LRA, recorded December 9, 2002 in Book 1839, Page 480 of the Official Records of Monroe County Florida (the "Navy MOA" and with the Navy QCD, collectively, the "Navy Documents"). The parties acknowledge and agree that this Lease is only subject to the Navy Documents so far as such documents are applicable to the Demised Premises. In the event that any claims, debts, demands, or obligations may be made against the Lessor and/or Lessee by the LRA regarding violations of the Navy Documents on property outside of the Demised Premises, to the extent allowed by law, Lessor will indemnify, defend and save harmless the Lessee against any and all such claims, provided said claims, debts, demands, or obligations are not caused by, arise from and/or are attributable to the Lessee, and only to the extent caused or incurred by the negligence or other actionable fault of the Lessor. This obligation shall be limited to a maximum amount of the sovereign immunity limits of liability prescribed in 768.28, Florida Statutes, namely \$200,000 per person or \$300,000 per occurrence and the Lessor will have no further obligation to defend or hold harmless Lessee in the event said limits are paid or exhausted. Nothing contained herein shall be construed to alter or waive the Lessor's sovereign immunity under 768.28, Florida Statutes. Lessee acknowledges that indemnification by Lessor may be unenforceable under Florida law, and that Lessor does not waive any legal defense based on the unenforceability of such indemnification provision.

h. The street otherwise known as "Allen Avenue" and depicted on attached Exhibit A must remain open to the public pursuant to the agreements with Truman Annex Master Property Owners' Association (the "TAMPOA Agreements"), attached hereto as **Exhibit C**. Provided that as stated in the Rental Units Lease recorded in Official Records Book 3162, Page 1069 of the public records of Monroe County, Florida, the Lessee as defined in the Rental Units Lease, at its sole cost, shall be responsible for the maintenance and repair of the portion of "Allen Avenue" located on the Demised Premises, so long as access is materially available and continuous as required in the TAMPOA Agreements and Lessee and the Lessee under the Rental Units Lease shall be permitted to relocate such access with Lessor's prior reasonable consent.

ARTICLE 3. Term

3.1. **Lease Year.** As used herein, the term "Lease Year" shall have the following meaning: The first Lease Year shall be the period beginning on the Commencement Date and ending on the last day of the same calendar month one year later, and successive Lease Years shall be the twelve (12) month periods immediately succeeding the end of the first Lease Year.

3.2. **Term.** The term of this Lease shall commence on the Commencement Date and continue for ninety-nine (99) years thereafter (the "Term"), plus any agreed upon extension of this Lease, and unless otherwise permitted by Lessor, all of Association's leasehold interest and Owner/Occupant ownership of their respective Affordable Housing Units and other Subleases and rights or interests granted thereunder shall terminate at the end of the Term. Notwithstanding the foregoing, provided that Initial Lessee has delivered any required certificates of insurance, Initial Lessee shall be entitled to access the Demised Premises prior to the Commencement Date for the purposes of inspecting the Demised Premises, subject to Section 3.3, preparing for the development of the Affordable Housing Development, completing any appraisals or inspections in conjunction with the Financing, matters related to the process of obtaining the Approvals and related matters. Initial Lessee's early access of the Demised Premises shall be subject to all of the provisions of this Lease other than the payment of Rent. Initial Lessee acknowledges that notwithstanding the early access provided herein, Lessee shall not be permitted to physically occupy or commence construction of the Affordable Housing Development prior to the Commencement Date.

The end of the Term shall be the last day of the ninety-ninth (99th) Lease Year; provided, however, that the Lease (or portion thereof) will terminate for nonperformance in the event that (1) Lessor determines at a duly noticed public meeting that Lessee has failed to meet any of the material performance criteria of this Lease, including those set forth below, and (2) the noncompliance remains unremedied 60 days after notification from the Lessor:

- a. Prior to the Effective Date, the initial Concept Plan shall be delivered to Lessor.
- b. Initial Lessee must on or before the date which is eighteen (18) months following the Effective Date obtain all Approvals, including building permits, for construction and development of the Affordable Housing Development to be built on the Demised Premises; and
- c. Initial Lessee must acquire issuance of a certificate of occupancy for the Affordable Housing Development, within two (2) years following issuance of all Approvals, including building permits, necessary for construction and development of the Affordable Housing Development to be built on the Demised Premises.

The foregoing timeframes may be extended by written agreement between the parties hereto.

3.3. **Pre-Commencement Date Access.** Initial Lessee acknowledges and agrees that all access and inspections done on the Demised Premises prior to the Commencement Date shall be subject to the following conditions and requirements: (i) Initial Lessee shall provide Lessor twenty-four (24) hours' advance telephone, and email notice of such site visit to the City Manager and the City Attorney and/or their Designee(s) and (ii) Lessor may have a representative present during such inspections at its discretion. Initial Lessee shall indemnify, defend and hold harmless Lessor from and against any and all claims resulting from the inspections performed by or on behalf of Initial Lessee, or the entry on or about the Lessee by or on behalf of Lessee; provided, however, that the foregoing indemnity obligations shall not extend to, and in no event shall Initial Lessee be liable to Lessor for, any pre-existing conditions on or about the Demised Premises. During such times as Initial Lessee or its representatives are accessing or conducting physical inspection of the Demised Premises prior to the Commencement Date, Initial Lessee agrees to maintain, or cause its representatives or contractors to maintain, (i) commercial general liability insurance with limits of not less than \$1,000,000 and (ii) if applicable, worker's compensation in statutory prescribed amounts and to provide Lessor with evidence of such insurance upon request.

ARTICLE 4. Use

4.1. **Use.** The Demised Premises shall be used by the Lessee exclusively for the Affordable Housing Development. No other use whatsoever is permitted on the Demised Premises without the express written consent of the Lessor, which consent may be unreasonably withheld at the sole and absolute discretion of the Lessor.

4.2. **Compliance with Governmental Regulations.** Lessee, Sublessee and all Owner/Occupants shall comply with all Governmental Regulations pertaining to use of the Demised Premises.

4.3. **Nuisances.** Lessee and its Sublessee shall not make, suffer, or permit any unlawful, improper, or offensive use of the Demised Premises, or any part thereof, or permit any nuisance thereon. Lessee shall not permit rubbish, refuse, or garbage to accumulate, or any fire or health hazard to exist, upon or about the Demised Premises. Lessee shall not suffer or permit any waste or mistreatment of the Demised Premises.

4.4. **Utilities.** Should either the existing City sewer or Navy water line running through the Demised Premises sustain damage resulting from construction activities on, or use of, the Demised Premises, Lessee shall promptly repair such damage at its expense.

4.5. **Nondiscrimination.** No person or firm shall be excluded from participation in, denied the benefits of, or otherwise discriminated against in conjunction with the awarding and performance by Lessee or its Sublessee of any procurement, nor in the provision of housing on the Demised Premises, on the basis of race, color, religion, national origin, age, sex, disability, sexual orientation, or marital status.

4.6. Public entity conviction. No person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may, for a period of thirty-six (36) months from the date of being placed on the convicted vendor list, submit a bid on, or be awarded a contract to perform, any of the following: provision of any goods or services to Lessee or its Sublessee, the construction or repair of a building or work on the Demised Premises, or work on the Demised Premises as a contractor, supplier, subcontractor, or consultant in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO. Should the statutory bar against convicted vendors be amended during the term of this Lease, this paragraph shall be deemed amended to be consistent therewith, as of the effective date of such statutory amendment.

4.7. Use by Lessor. Notwithstanding any provision of this Lease to the contrary and subject to the provisions of this section, up until the Commencement Date, Lessor shall be permitted to continue to occupy and to use the existing Demised Premises free of charge to the Lessor and without material interference from the Lessee. During this time, Lessor shall be responsible for all costs of maintaining the Demised Premises. Lessor shall continue its policies of insurance and/or self-insurance with respect to its use of the Demised Premises, if any, subject to the Lessor's sovereign immunity protections. The foregoing notwithstanding, Lessee shall provide written notice to Lessor sixty (60) days prior to the estimated Commencement Date and Lessor shall cease all activities at the Demised Premises on or before the Commencement Date and Lessor shall have no obligation to insure the Demised Premises after the Commencement Date. No provision of this Lease shall give the Lessee any right to force the Lessor to continue its use of the Demised Premises.

4.8. Existing Utilities. To Lessor's knowledge, there are no operational underground electric or other utility lines or equipment for the benefit of the Lessor under the Demised Premises other than as has been previously disclosed by Lessor to Initial Lessee. Furthermore, Lessor and Lessee recognize that the Navy may have underground facilities on the Demised Premises and the Navy shall have vehicular access over and across those portions of the Demised Premises necessary for obtaining reasonable access to the facilities, at any and all times. With regards to this provision, Lessor represents and warrants that it will interfere as little as reasonably possible with the Lessee's use of the Demised Premises and Lessor will not install facilities or take other actions which would prevent Initial Lessee, any Sublessees under Subleases, any Owner/Occupants or tenants under Owner/Occupant Leases from operating the Demised Premises for the use provided herein, with the exception for emergency situations.

4.9. Declaration. The Demised Premises will contain the Affordable Housing Units. It is acknowledged that the various parties (including the Owner/Occupants) using the Demised Premises will be sharing areas for ingress, egress, and utilities and a separate Declaration of Covenants and Easements/Declaration of Condominium, subject to Lessor's review as set forth herein, will be created and recorded to govern the rights and obligations of the parties as to the shared uses of portions of the Demised Premises, and that the Owner/Occupants will solely be purchasing a unit within a condominium and no fee interest in the real property that is the Demised Premises.

4.10. Execution of Lease Does Not Grant Development Rights. Nothing contained herein is intended to grant Lessee and/or any assignees any development rights or guarantees, including but not limited to: building permit allocations, zoning or variance waivers and similar governmental required approvals.

4.11. Surrender of Demised Premises. Lessee shall, upon expiration of the term hereof, or any earlier termination of this Lease for any cause, surrender to Lessor the Demised Premises, including, without limitation, all alterations, improvements, and other additions thereto that have been made or installed by either party in or upon the Demised Premises, in good and clean condition and repair, ordinary wear and tear and casualty damage, if any, excepted. At the expiration of the term hereof, the Owner/Occupants ownership of their Affordable Housing Units shall expire as well.

4.12. Quiet Enjoyment. Lessor covenants that so long as Lessee pays the rent reserved in this Lease and performs its agreements hereunder, Lessee shall have the right to quietly enjoy and use the Demised Premises for the term of this Lease, subject to the provisions hereof. Lessor represents and warrants to, and covenants with, Lessee that Lessor owns fee simple title to the Demised Premises subject to any and all restrictions and/or covenants contained in the conveyance documents and/or any recorded documents of record and that the Demised Premises shall be free from any and all liens, claims, and encumbrances that materially interfere with Lessee 's intended use and enjoyment of the Demised Premises other than the aforementioned restrictions and covenants.

4.13. Signage. Lessee shall be entitled to place signage on the Demised Premises in connection with, and appropriate to, the permitted use of the Demised Premises. All signage shall comply with the regulatory requirements of the City of Key West, including without limitation, HARC regulations.

ARTICLE 5. Rent

5.1. During the term of this Lease, Lessee covenants and agrees to pay to Lessor promptly when due, without notice or demand, and without deduction or offset, annual base rent for the Demised Premises in the amount of Ten Dollars (\$10.00) per Lease Year or partial Lease Year. Lessee shall pay to Lessor said annual base rent on the first day of the second month of each Lease Year throughout the term of this Lease.

5.2. All 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.

5.3. It is intended that the Rent provided for in this Lease shall be absolute 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.

5.4. 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 due date for such payment as to 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 said late fee should be for reimbursement to Lessor for collection charges incurred as a result of the overdue rent. Such late fee shall be in addition to any interest payable by Lessee as set 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 of Fifty Dollars (\$50.00). In addition, Lessor shall be reimbursed by Lessee for any costs incurred by Lessor as a result of said instrument being dishonored (e.g., Attorney's Fees).

ARTICLE 6. Non-Subordination

6.1. **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 whatsoever. Furthermore, the Lessor's right to receive payment or performance under this Lease or adherence to any of its conditions or to the Affordable Workforce Housing Restrictions shall not be subordinated to any to any debt or equity financing, leasehold mortgage, lien, encumbrance or obligation of any nature whatsoever.

ARTICLE 7. Payment of Taxes and Utilities

7.1. **Lessee's Obligations.** Following the Commencement Date, 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 any improvements thereon, or any part thereof or any appurtenance thereto, or otherwise arising out of the rent and income received by the Lessee from Sublessees, any use or occupation of the Demised Premises, and such franchises as may be appurtenance to the use of the Demised Premises, or any document (to which the Lessee is a party) creating or transferring an interest or estate in the Demised

Premises. With regards 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.

7.2. Obligations Altered. Nothing herein shall require the Lessee to pay municipal, state, or federal income taxes assessed against the Lessor; 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, whether that be Initial Lessee, or the Association after the transition pursuant to Florida law along with all Owner/Occupants once they have purchased the Affordable Housing Units and the Initial Lessee shall have no further rights to such rebates.

7.3. Mode of Payment. The Lessee shall pay the taxes and other charges as enumerated in this Article and shall deliver official receipts evidencing such payment to the Lessor, which payment of taxes shall be made and the receipts delivered, at least 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 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 60 days before the tax item or items proposed to be contested would otherwise become delinquent.

7.4. 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 pay the same, and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might have been 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.

ARTICLE 8.Mechanic's Liens

8.1. **No Lien.** The Lessee shall not have the power to subject the interest of the Lessor in the Demised Premises to any mechanic's or materialmen's liens or lien of any kind.

8.2. **Release of Lien.** The Lessee will not permit or suffer to be filed or claimed against the interest of the Lessor in the Demised Premises during the continuance of this Lease, any lien or claim of any kind (excepting for the mortgages referred to in Article 15), and if such lien be claimed or filed, it shall be the duty of the Lessee, within thirty (30) days after the Lessor shall have been given written notice of such a claim having been filed, or within thirty (30) days after the Lessor shall have been given written notice of such claim and shall have transmitted written notice of the receipt of such claim unto the Lessee (whichever thirty (30) day period expires earlier) to cause the Demised Premises be released from such claim, either by payment or by the posting of bond or by the payment to the court of the amount necessary to relieve and release 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, within such period of thirty (30) days, so as to cause the Demised Premises and the Lessor's interest therein to be released from the legal effect of such claim. Lessee shall include language in all contracts and agreements it enters into for improvements to the Demised Premises that specifies and acknowledges the inability to lien Lessor's interests as specified herein.

8.3. **Lessee's Default.** If the Lessee shall fail, refuse, or neglect to perform its obligations as required in this Article, then the Lessor may 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 have been 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.

ARTICLE 9.Governing Law, Cumulative Remedies

9.1. **Governing Law.** All of the rights and remedies of the respective parties shall be governed by the provisions of this instrument and by the laws of the State of Florida as such laws relate to the respective rights and duties of lessors and lessees.

9.2. **Cumulative Remedies.** During the continuance of the Lease, the Lessor shall have all rights and remedies which this Lease and the laws of the State of Florida assures to it. All rights

and remedies accruing to the Lessor shall be cumulative, that is, the Lessor may pursue such rights as the law and this Lease affords to it in whatever order the Lessor desires and the law permits without being compelled to resort to any one remedy in advance of any other. Lessor's resort to one remedy in advance of any other shall not result in waiver or compromise of any other remedy.

ARTICLE 10. Indemnification of Lessor

10.1. Indemnification by Lessee. During the entire term of the Lease, the Lessee, any Sublessees, the Association and all Owner/Occupants and/or their tenants 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, except to the extent such claims may be caused by gross negligence or misconduct of the Lessor (or its agents or employees in the conduct of work for or at the direction of the Lessor); and if it becomes necessary for the Lessor 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 such 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 the litigation in which such claim is asserted.

Lessor shall not be liable to the Lessee, whether the Association, Owner/Occupants, Lessee, or Initial Lessee's or its 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, or grantees or licensees of the Lessee, or any guests, invitees or tenants of any of the foregoing. Initial Lessee, Owner/Occupants and the Association and Sublessees 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, and representatives for loss of life or injury to person or property, of whatever nature.

10.2. Insurance. On the Commencement Date, the Initial Lessee shall cause to be written and in full force and effect a policy or policies of insurance as noted in Article 11 insuring the Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the Demised Premises, improvements, and buildings located on the Demised Premises. All such policies shall name the Initial 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; and the original or a duplicate original of each of such policy or policies shall be delivered by the Lessee to the Lessor promptly upon the writing of such policies, together with adequate evidence of the fact that the premiums are paid. Any loss adjustment shall require the written consent of both the Lessor and Lessee. After the assignment of this Lease to the Association after the transfer of control of the

Association to the Owner/Occupants, the Association shall be responsible for such insurance obligations.

10.3. **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 11.Insurance

11.1. **Property Insurance.** From and after the Commencement Date, Lessee (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association) will keep insured any and all buildings and improvements (including the exterior portion of all Affordable Housing Units, which costs shall be charged to the Owner/Occupant for said coverage as part of the Association fees to be paid by the individual Owner/Occupant) 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 which will be 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 full Replacement Cost value 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 the said 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 located in the State of Florida designated by the Lessee, 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) 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 having jurisdiction 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 injured 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 buildings and improvements or any part thereof, and as often as any building or improvement on said Demised Premises shall be destroyed or damaged by fire, flood, windstorm, or other casualty, the Lessee shall rebuild and repair the same in such manner that the building or improvement so rebuilt and repaired, and the personal property so replaced or repaired (other than personal property of any Owner/Occupant), shall be of similar value as the said building or improvement and the personal property upon the Demised Premises prior to such damage or destruction, and shall diligently prosecute the reconstruction or repairs without delay and have the same rebuilt and ready for occupancy as soon as reasonably possible from the time when the loss or destruction occurred, subject to Force Majeure or Forced Delay

described in Section 14.3. Notwithstanding the foregoing, the provisions of any Leasehold Mortgage shall control as to the uses and disbursement of funds for reconstruction of the improvements in the event of any casualty or damage to such improvements.

While the Affordable Housing Development, 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 a material number of 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 which requires otherwise, may elect to terminate this Lease by written notice to Lessor within ninety (90) 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.

11.2. Commercial General Liability Insurance. Lessee (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association) shall maintain Commercial General Liability Insurance beginning on the Commencement Date and continuing during the entire Term of this Lease. The Commercial General Liability 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
<i>[coverage for three (3) years after the sale of the last Affordable Housing Unit]</i>	
Personal & Advertising Liability	\$500,000
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 notice to Lessee, shall be included as additional insureds for Commercial General Liability.

At least once every five (5) years, Lessor and Lessee shall meet to review the extent and amount of insurance coverage provided hereunder. Should Lessor reasonably believe that the coverage provided is not sufficient to protect its interest, it may specify the level of insurance required.

11.3. Environmental Remediation 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 Initial Lessee shall at the sole cost of the Initial Lessee or its Contractors, be responsible for full compliance with any such laws or regulations, including the obligations to remediate any environmental issues in connection with the development and construction of the Affordable Housing Development along with any environmental monitoring or restoring required prior to the transfer of control of the Association to the Owner/Occupants. Any environmental monitoring or restoration or new remediation which occurs after the control of the Association has been transferred to the Owner/Occupants pursuant to Florida Statute 718.301, the Association shall be responsible for such costs. The Environmental Reports, which have been provided by Lessor are attached as **Schedule 18.1**.

The Lessee's performance under Lease shall include, but not by way of limitation, the following:

a. Performance in a manner to reasonably minimize disturbance of or damage to the environmental conditions of the Demised Premises.

b. To the extent caused by the performance of this Lease by or on behalf of the Lessee or its Contractors, the clean-up, repair or restoration of the environment to the extent required by any Federal, State or local laws or regulations.

c. The Lessee and or its Contractors shall be responsible for any fines, penalties, damages or assessments made against the Lessee or its Contractors or the Lessor resulting from the performance of this Lease by or on behalf of the Lessee.

d. The Lessee's obligation under this Section shall survive the termination of this Lease, and shall not be limited in any manner by acceptance or final payment under the Lease terms.

11.4. 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 demolition and construction of buildings and/or in the case of premises similarly situated, due regard being or to be given to the height or type of building, its location, construction, use and occupancy.

11.5. Delivery of Policies. The Lessee shall pay premiums for all of the insurance policies which the Lessee is obligated to carry under the terms of this Lease, and will deliver to the Lessor evidence of such payment before the payment of any such premiums become in default, and the Lessee will cause renewals of expiring policies to be written and the policies or copies

thereof, as the Lease may require, to be delivered to Lessor at least ten days before the expiration date of such expiring policies.

11.6. Proceeds Payable to Leasehold Mortgagee. If any Leasehold Mortgagee holding a Leasehold Mortgage created pursuant to the provisions of Article 15 elects, in accordance with the terms of such Leasehold Mortgage, to require that the proceeds of the insurance be paid to the mortgagee, then such payment shall 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 and complete the payment for the work of reconstruction and repair.

11.7. 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, and in the case of the Lessee not entering into the reconstruction or repair of the building or buildings within a period of six 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.

11.8. Direct Repayment. The foregoing notwithstanding, in the event the insurance proceeds are the sum of One Hundred Thousand and 00/100 Dollars (\$100,000) 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.

11.9. 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 (a) 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 (b) such policy of insurance shall not be changed or cancelled without at least thirty (30) days written notice to the Lessor, and that (c) the Lessor shall not be liable for any premiums thereon or subject to any assessments thereunder.

11.10. Owner/Occupants. All Owners/Occupants shall name Lessor as an additional insured on the required insurance policies insuring the interior of Affordable Housing Units.

ARTICLE 12.Assignment/Transfer

12.1. **Assignment/Sublease by Lessee.** Lessee shall not assign this Lease or enter into a Sublease for any portion or all of the Demised Premises without the written consent of Lessor, which consent may be unreasonably withheld at the sole and absolute discretion of Lessor. Notwithstanding the foregoing, (i) Lessor may not unreasonably withhold consent for an assignment wherein Initial Lessee proposes assigning this Lease to a related entity owned and controlled by the same underlying owners as Lessee, and (ii) Lessor acknowledges and agrees that the Affordable Housing Units are to be developed as units for qualified sale to income qualified third parties, subject the Affordable Workforce Housing Restrictions. Any such sale, and any Lessor-authorized assignment or sublet, must contain explicit language in the deed of conveyance that the ownership of the Affordable Housing Unit is subject to this Lease and shall expire at the end of the Term of this Lease and is subject to the provisions for the Affordable Workforce Housing Restrictions as set forth in this Lease. Notwithstanding the foregoing, assignment of the Lease in connection with the transfer of control of the Association to the Owner/Occupants pursuant to Florida Statute 718.301 and in accordance with section 12.3 may be without the written consent of Lessor. Upon the foregoing assignments or sale by Lessee, Owner/Occupants and/or the Association shall assume and thereby be assigned Lessee responsibilities to Lessor for their respective portions of the Demised Premises. It is hereby acknowledged that Lessor shall have the right to assign any of its duties and rights, including but not limited to, those related to such assignment(s), finding a qualified purchaser(s)/sublessors for re-sale of an Affordable Housing Unit by an Owner/Occupant, or renters in the case of Lessor-authorized rental of an Affordable Housing Unit by an Owner/Occupant pursuant to an Owner/Occupant Lease, to the City of Key West Housing Authority, or to any other governmental entity or profit or non-profit organization designated and approved by Lessor.

12.2. **Right of First Refusal on Entire Demised Premises.** In the event Initial Lessee shall enter into a commitment, or receive an offer which Initial Lessee wishes to reasonably accept (other than the transition to the Association as required under Florida law) with respect to an assignment of this Lease or a Sublease for the entirety of the Demised Premises (a "Commitment"), Lessor shall have a period of thirty (30) days after receiving written notice and a copy of such Commitment from Initial Lessee, in which to agree the match such Commitment on the same reasonable material terms and conditions as set forth in the Commitment, whereupon, in the event Lessor elects to match such Commitment terms, the parties shall use all commercially reasonable efforts to enter into a definitive agreement consistent therewith, as soon as practicable thereafter. Notwithstanding the foregoing, Initial Lessee's assignment to a related entity owned and controlled by the same underlying owners as Initial Lessee shall not be subject to the right of first refusal described in this section.

12.3. **Associations.** Initial Lessee shall be authorized to assign its interest in this Lease for any portions of the Demised Premises to a homeowners', condominium, or similar association, provided that any such Association and its related declaration, articles of incorporation, bylaws,

and any other governing documents, as may be amended, shall first be approved by Lessor or its designee for compliance with the goals, purposes, and intent of this Lease and the Affordable Workforce Housing Restrictions. Where Lessor approves such documents as complying with the foregoing, Lessor may join in any community ownership governing documents as may be required by Initial Lessee in order to conform its planned unit governance to state law. No governing document related to such Association shall materially alter or impair the terms and conditions of this Lease or the applicability of the Affordable Workforce Housing Restrictions. Lessor shall have forty-five (45) days from receipt of said documents to review and object to any contents thereof. Upon the foregoing assignment to an Association by Initial Lessee or a Lessor-authorized Sublease to a sublessee, the sublessee under a Sublease and the Association shall assume, and upon a purchase of an Affordable Housing Unit, the applicable Owner/Occupant shall assume, and thereby be assigned Lessee responsibilities to Lessor for their respective portions of the Demised Premises, releasing Initial Lessee from the same for all such portions, except for (i) design and construction defect liability for which builder(s)/developer(s) are otherwise responsible under Florida law and (ii) any other obligations of Initial Lessee under this Lease which specifically survive Initial Lessee's assignment of the Lease to the Association, Owner-Occupants or a Sublessee.

12.4. Initial Sale of Affordable Housing Units by Lessee. Initial Lessee shall be authorized to sell the Affordable Housing Units to individuals qualified to own/occupy the Affordable Housing Units, subject to the Affordable Workforce Housing Restrictions. Initial Lessee shall provide verification in a form and manner reasonably determined by Lessor that prospective purchaser(s) of an Affordable Housing Units meet such requirements.

12.5. Assignment/Transfer by Owner/Occupants. At such time as any individual Owner/Occupant desires to sell, assign or otherwise transfer their Affordable Housing Units where Lessor, subsequent to the Commencement Date of this Lease, expressly and in writing consents to the sale, assignment, rental, rental use, rental occupancy, or subletting of the Affordable Housing Unit(s), such Owner/Occupant shall be required to follow the procedures set forth herein and any requirements under the Affordable Workforce Housing Restrictions and for any leasing of an Affordable Housing Unit by an Owner/Occupant, the Affordable Workforce Housing 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.

12.6. Right to Mortgage. Owner/Occupants shall have the right to encumber, by mortgage or other proper instrument, such Owner/Occupant's interest in their individual Affordable Housing Units without obtaining the prior consent of the Lessor, subject, however, to the other terms and conditions of this Lease and Related Agreements.

12.7. Required Notice of Restrictions. Any purchase and sale agreement for the sale of an Affordable Housing Unit, deed, 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 Leasehold Mortgage interests provided for in Article 15, 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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN OFFICIAL RECORDS BOOK ___, PAGE ___ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA AND OFFICIAL RECORDS BOOK ___, PAGE ___ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

The recorded book and page of the first recorded page of this Lease and the first recorded page of the Association governing documents 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 Workforce Housing Restrictions.

12.8. Assignment by Lessor. This Lease is 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 Demised 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. It is hereby acknowledged that Lessor shall have the right to freely assign any of its duties and rights herein under this Lease to the City of Key West Housing Authority, or to any other governmental entity or profit or non-profit organization designated and approved by Lessor.

12.9. Approval of Owner/Occupant Lease. All Owner/Occupant Leases shall be upon terms and on a form that has been reasonably approved by Lessor. Any material changes or modifications to any Owner/Occupant Lease form shall be permitted solely with the prior reasonable written consent of Lessor.

12.10. Follow-on Sales and Rentals; Right of First Refusal of Owner/Occupant Sales. Other than as set forth in subsection f., below, or in another provision herein, rentals of Affordable Housing Units are prohibited. In order for an Owner/Occupant or subsequent owner to sell their Affordable Housing Unit or lease their Affordable Housing Unit they shall be required to comply with the following:

a. Owner/Occupant shall notify the Lessor or its designee in writing of their desire to sell the Affordable Housing Unit, said notice hereinafter referred to as a "Transfer Notice." The Transfer Notice shall include the proposed purchase price for the Affordable Housing Unit, and any other compensation permitted the Seller relating to the proposed sale, which shall be in accordance with the Affordable Workforce Housing Restrictions. Undisclosed compensation to a selling Owner/Occupant or to any other party is prohibited and where it is found to have existed with respect to any transaction, the amount thereof shall be recoverable in law and equity from any party to or facilitating and benefiting from such transaction(s) with knowledge thereof.

b. Lessor shall have ten (10) business days from the date of receipt of the written Transfer Notice to exercise and/or to assign a right of first refusal granted hereunder to purchase the Affordable Housing Unit or to find or identify to the selling Owner/Occupant in writing a qualified purchaser who meets the income and other requirements for purchasing the Affordable Housing Unit. Additionally, the total sales price for all interests to be transferred shall be the purchase price set forth in the Transfer Notice, which shall not exceed the highest price permitted under the Affordable Workforce Housing Restrictions. All additional terms of the contract shall be consistent with the Affordable Workforce Housing Restrictions. Owner/Occupants must agree to execute a contract with a pre-qualified purchaser identified by the Lessor (or the Lessor if it exercises its right of first refusal) in the event Lessor has provided timely notice of its exercise of its right of first refusal or identification of a qualified purchaser and to cooperate with reasonable closing procedures not in conflict with the Affordable Workforce Housing Restrictions.

c. In the event Lessor elects not to purchase or fails to identify a qualified purchaser who enters into a purchase contract within ten (10) business days, or if such Lessor identified qualified purchaser fails to close, and provided that Owner/Occupant has fully complied with all required procedures set forth in the Lease and the Affordable Workforce Housing Restrictions, Owner/Occupant shall be entitled to sell its Affordable Housing Unit to a qualified purchaser subject to the Affordable Workforce Housing Restrictions and the terms set forth in the complying Transfer Notice. In this event, Owner/Occupant shall allow Lessor to review and approve all proposed contract terms to ensure that the terms and the proposed purchaser meet the requirements for purchasing the Affordable Housing Unit. Owner/Occupant shall provide Lessor with a full copy of a written purchase and sale contract (and all addenda) within three (3) business days of full execution of each contract document, and all contracts shall state that they and the proposed purchaser are subject to this Lease and the approval of the Lessor. Lessor shall have ten (10) business days from receipt to review the terms of the contract documents. In the event Lessor fails to provide Sublessee with written approval or any written objections within ten (10) business days from receipt of a contract document, Lessor shall be deemed to have not objected to closing of the proposed transaction though not to have waived enforceability of any applicable provisions of this Lease or the Affordable Workforce Housing Restrictions, whether or not any non-compliance may have been apparent from or may have been indicated in documents provided. Owner/Occupant and the potential buyer shall also provide any other information Lessor reasonably deems necessary to verify purchaser/Owner/Occupant qualifications. All purchase and sale contracts shall be deemed to be contingent on the buyer and transaction being qualified under the Affordable Workforce Housing Restrictions. Lessor and the proposed parties to a transfer transaction may

agree to additional time periods necessary to verify full compliance with all aspects of the Affordable Workforce Housing Restrictions. In no case shall Lessor, or its designees, be deemed to waive with respect to any party any requirement applicable to that party under the Affordable Workforce Housing Restrictions where it turns out that such requirement was not in fact met, true or complied with. Lessor reserves, to itself and to its designees, all legal and equitable rights it deems necessary or appropriate to ensure that Affordable Housing Units are used for affordable housing, the purpose for which they were intended, including but not limited to forcing the sale and reassignment of any Affordable Housing Unit.

d. Lessor shall be deemed reasonable in withholding its approval for any proposed sale if the contract terms and proposed purchaser do not meet requirements set forth herein or in the Affordable Workforce Housing Restrictions. After the Lessor has reviewed and approved a contract, Owner/Occupant shall not have the ability to amend the terms of the contract unless Owner/Occupant obtains Lessor's approval of the amendment as set forth in Paragraph c. above. The Owner/Occupant shall only transfer their interest to approved persons, as defined by the Affordable Workforce Housing Restrictions, or to Lessor in the event Lessor and Owner/Occupant are unable to find a qualified purchaser, so long as Lessor chooses to purchase the Affordable Housing Unit, in Lessor's sole and absolute discretion.

e. Lessee and Owner/Occupants are deemed to understand and agree that Lessor may, in its sole and absolute discretion, so require that any Affordable Housing Unit be sold as an affordable "ownership" and "owner-occupancy/occupied" Affordable Housing Unit which is made the subject of any unauthorized/unconsented to (without Lessor's express written consent) offer to rent, or which is attempted to be or is actually rented absent specific, express, Lessor authorization/consent, be deemed to have become the subject of an irrevocable offer to sell the Affordable Housing Unit and thus subject to the right of first refusal provisions of this Article and allow Lessor or its designee to purchase the Affordable Housing Unit at the lesser of (i) the purchase price paid by the Owner/Occupant, or (ii) the highest price permitted under the Affordable Workforce Housing Restrictions.

f. Lessor may establish rental first right of refusal procedures similar to those set forth above for Owner/Occupants of Affordable Housing Units to be used for consented-to/authorized affordable rentals in accordance with the terms herein and the Affordable Workforce Housing Restrictions. In such case, an Owner/Occupant may rent its Affordable Housing Unit so long as all rental agreements follow the guidelines and procedures set forth herein and in the Affordable Workforce Housing Restrictions and, in addition, as otherwise required by Lessor, including, but not limited to, providing Lessor, City of Key West, with a copy of the proposed rental agreement for review and approval. Additionally, said rental agreement must include a copy of any applicable Association rules and regulations, as well as an acknowledgment by the tenant that he/she/they will abide by the rules and regulations of the Association, and shall provide the Association with a copy of said rental agreement to ensure compliance. Furthermore, no rental agreement shall be allowed for an Affordable Housing Unit for a term greater than one (1) year, or containing an automatic renewal term that would frustrate Lessor's rights or continued affordability expectations established under this Lease or the Affordable Workforce Housing

Restrictions. Additionally, in the event a tenant has been cited for a violation of the rules and regulations of the Association more than twice in any calendar year, Owner/Occupant hereby agrees not to renew said lease without first obtaining the written approval of Lessor, and said approval may be withheld in its sole discretion. 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 TENANT'S PERSONAL PROPERTY.

12.10 Death of an Owner/Occupant. In the event the Owner/Occupant of an Affordable Housing Unit dies, Lessor shall, unless for good cause shown, consent to a transfer/conveyance of the Affordable Housing Unit 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 Agreements, 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 Workforce Housing Restrictions. All estates and leasehold or other interests granted in or conveyed with respect to any of Affordable Housing Unit do not extend to any degree so as to limit or inhibit the intent and operation of this Lease and the Affordable Workforce Housing Restrictions, it being expressly and irrevocably accepted on behalf of all future Owner/Occupants 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 Workforce Housing Restrictions (or in the case of any leases by an Owner/Occupant, the Affordable Workforce Housing Restrictions). In the event the spouse, heirs, devisees, legatees or beneficiaries of a deceased Owner/Occupant do not meet the requirements under the Affordable Workforce Housing Restrictions, 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 Workforce Housing Restrictions. Therefore, in such event, the heirs of the decedent shall, if required by Lessor, sell their interest in the Affordable Housing Unit in accordance with the provisions of this Article 12 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.

12.11 **Administrative Fees.** With the exception of the initial sales by Initial Lessee to Owner/Occupants, the Lessor or its designee/assignee shall be entitled to charge three and one-half percent (3 ½ %) of the purchase price (gross compensation however described) for any transferred interest (other than simple security mortgage interests or rental agreements) in which Lessor identified the purchaser, as an administrative fee for coordinating the closing on any Affordable Housing Unit, said fee to be paid by the selling Owner/Occupant at the time of closing. This fee does not include other seller and buyer closing related costs such as title insurance, documentary stamps, intangible taxes, prorated taxes, real estate commissions, insurance, homeowners' or condominium association assessments, loan expenses and the like. In the event Lessor was unable to identify a purchaser, Lessor shall still be entitled to an administrative fee of one and one-half percent (1 ½%) of the Purchase Price for review of the contract and assistance with coordinating the closing on the Affordable Housing Unit. After the initial sales by Initial Lessee, the Lessor or its designee shall be authorized to designate closing, escrow and title agents involved in all transactions involving interests subject to this Lease. After the initial sale of each Affordable Housing Unit by Initial Lessee, Lessor or its designee may, initially and from time to time, establish, promulgate, revise and/or waive all or part of such fees related to the administration of this Lease and any Subleases, but in no event may Lessor increase the amount of the administrative fee to an amount in excess of three and one-half percent (3 ½%) for an Owner/Occupant who purchased his or her Affordable Housing Unit without actual, constructive or regulatory notice of the potential applicability of a greater percentage fee.

ARTICLE 13.Condemnation

13.1. **Eminent Domain; Cancellation.** If, at any time during the continuance of this Lease, the Demised Premises or the improvement or building or buildings located thereon, or any portion thereof is taken or 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.

13.2. **Apportionment.** Although the title to the building and improvements placed by the Lessee upon the Demised Premises will 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 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 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.

ARTICLE 14.Construction

14.1. Requirement to Construct Affordable Housing Development.

a. Initial Lessee shall commence construction of the Affordable Housing Development no later than one hundred twenty (120) days after the issuance of all Approvals, including building permits necessary for the construction of the Affordable Housing Development and shall substantially complete construction of all twenty-eight (28) Affordable Housing Units within twenty-four (24) months after receipt of such Approvals. The foregoing limitation of time for the completion of the Affordable Housing Development may be extended by written agreement between the parties hereto.

b. During the course of construction of the Affordable Housing Development, Initial Lessee shall provide to the Lessor quarterly written status reports on the Affordable Housing Development. 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. Lessee (but for clarity, not Owner/Occupants) shall maintain all books, records, and documents directly pertinent to performance under this Lease in accordance with generally accepted accounting principles consistently applied. The City 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 Affordable Housing Development shall be constructed in accordance with the requirements of all laws, ordinances, codes, orders, rules and regulations of all Governmental Agencies having jurisdiction over the Affordable Housing Development, including, but not limited to, the Lessor, the Federal Government and/or the Navy.

d. The Initial Lessee shall apply for and prosecute, with reasonable diligence, all necessary approvals, permits and licenses required by applicable government authorities for the construction, development, zoning, use and occupation of the Affordable Housing Development, including all building permits necessary and all applicable appeal periods (collectively, the "Approvals"). Lessor agrees to reasonably cooperate with and reasonably publicly support the Initial Lessee's effort to obtain such Approvals, provided that such Approvals 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 or Governmental Agency (as defined below), including the Lessor. Nothing in this Lease shall be construed as the Lessor's delegation or abdication of its zoning authority or powers and or zoning approval that Initial Lessee may require to complete its performance under this Lease has been or shall be deemed agreed to, promised or contracted for by this Lease.

e. Construction of the Affordable Housing Development on the Demised Premises 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, Lessee is an independent contractor /lessee and not an employee of the City of Key West or any of its agencies or departments. No statement contained in this Lease shall be construed as to find the Lessee or any of its employees, contractors, servants or agents to be employees of the City of Key West, and they shall be entitled to none of the rights, privileges or benefits of City employees. No covenant or agreement contained herein shall be deemed to be a covenant or agreement of any member, officer, agent or employee of the City of Key West in his or her individual capacity, and no member, officer, agent or employee of City of Key West 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 Owner/Occupants or other prospective future sub-interest 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.

14.2. Access to the Affordable Housing Development 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 Demised 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 14.2, shall include city, county or State code or building inspectors, and the like, without limitation. 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.

14.3. 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, health or other pandemics, governmental restrictions, embargoes, litigation (excluding litigation between the Lessor and the 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. 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.

14.4. **Easements.** Lessee shall be authorized to grant reasonable and necessary easements (i) for access and utilities customary for similar land uses and construction projects in the City of Key West and (ii) lessee under the Rental Units Lease for access to Allen Avenue and any common areas to the Demised Premises, subject to Lessor's attorney's review and written approval for substance and form of easement instruments, which approval shall not be unreasonably withheld. Lessor shall make objection to any proposed easement instruments within thirty (30) days of receipt of copies thereof.

ARTICLE 15. Mortgage Financing

15.1. **Initial Lessee's Right to Mortgage.** Initial Lessee intends and shall make a good faith attempt to obtain financing for the Affordable Housing Development through a combination of commercial bank debt and equity. Without the prior written consent of Lessor, Lessee may grant one or more mortgages of its interest in the Lease (each, a "Leasehold Mortgage") to lenders (either as described in 15.1 or to Federal or State Savings & Loan Association, Bank or Trust Company, Insurance Company, Pension Fund or Trust [or to a 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 similar lending institution authorized to make leasehold mortgage loans in the State of Florida) and, in connection therewith, to collaterally assign this Lease to such lenders. In no event shall Lessor ever be required to execute any such mortgage or any note secured thereby or any other obligation securing any such note, or to subordinate Lessor's fee interest in the Demised Premises or any portion thereof to the lien of any such mortgage. Initial Lessee shall identify, in writing to Lessor, the name of each mortgagee ("Leasehold Mortgagee") for such portion of the Demised Premises and the address(es) to which notices to the Leasehold Mortgagee are to be sent. Lessor agrees to review and if reasonably agreeable, execute any additional customary documents as may be reasonably requested by any Leasehold Mortgagee in connection with any Leasehold Mortgage permitted by this Section 15.

a. **Consent Required for Termination and Amendments.** No termination, cancellation, surrender, modification, or amendment of this Lease by agreement between Lessor and Initial Lessee shall be effective as to any Leasehold Mortgagee unless consented to in writing by such Leasehold Mortgagee or pursuant to Article 15 and/or Article 16.

b. **Default Notice.** Lessor, upon providing Initial Lessee with any notice of (i) default under this Lease or the Affordable Workforce Housing Restrictions, or (ii) a termination of this Lease, shall at the same time send a copy of such notice to every Leasehold Mortgagee, if applicable, identified by written notice to Lessor, provided, however, that the failure to provide such additional notices shall not invalidate any duly delivered notice to Lessee. From and after

such notice has been given to the Leasehold Mortgagee, such Leasehold Mortgagee shall have the same period, after the giving of such notice upon it, for remedying any default or causing the same to be remedied, as is given Lessee after the giving of such notice to Lessee to remedy, commence remedying or cause to be remedied the defaults specified in any such notice. Lessor shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Initial Lessee. Initial Lessee authorizes each Leasehold Mortgagee to take any such action at such Leasehold Mortgagee's option and does hereby authorize entry upon the Demised Premises by such Leasehold Mortgagee for such purpose.

c. **Notice to Leasehold Mortgagee.** Anything contained in this Lease to the contrary notwithstanding, if any default shall occur and remain uncured beyond all applicable grace or cure periods of this Lease, which entitles Lessor to terminate this Lease as to all or any portion of the Demised Premises to take any other remedial action against Lessee, Lessor shall have no right to terminate this Lease or take such remedial action unless, following the expiration of the period of time given Lessee to cure such default, Lessor shall notify each Leasehold Mortgagee, to the extent of Lessor's actual knowledge of their existence, of Lessor's intent to so terminate at least thirty (30) calendar days in advance of the proposed effective date of such termination. The provisions of this Section hereof shall apply if, during such thirty (30) calendar day notice period, any Leasehold Mortgagee:

- i. Notifies Lessor of such Leasehold Mortgagee's desire to nullify such notice; and
- ii. Pays or causes to be paid all payments then due and in arrears and/or rectifies the default applicable to the subject portion(s) of the Demised Premises, as specified in the notice given to such Leasehold Mortgagee and which becomes due during such thirty (30) day period; and
- iii. Complies or in good faith, with reasonable efforts, commences to comply with any non-monetary requirements of this Lease applicable to the subject portion(s) of the Demised Premises then in default and except as provided in the following sentence, reasonably susceptible of being complied with by the Leasehold Mortgagee.
- iv. No Leasehold Mortgagee shall be required during such thirty (30) day period to cure or commence to cure any default consisting of Lessee's failure to satisfy and discharge any lien, charge or encumbrance against Initial Lessee's interest in this Lease or any part thereof which is (a) authorized by this Lease, and (b) junior in priority to the lien of the Leasehold Mortgage, if applicable, held by such Leasehold Mortgagee.

d. **Procedure on Default.** If Lessor shall elect to terminate this Lease by reason of any default of Lessee, which default has not been cured within the applicable cure period, and the Leasehold Mortgagee shall have proceeded in the manner provided for by Section 15.4

hereof, the specified date for such termination as fixed by Lessor in its notice given pursuant to Section 15.1(c.) hereof shall be extended for a period of three (3) months, provided that Leasehold Mortgagee shall, during such three-month period:

- i. Pay or cause to be paid, any monetary obligations of Initial Lessee under this Lease, as the same become due, and continue its good faith efforts to perform all of Initial Lessee's other obligations under this Lease, excepting (i) obligations of Initial Lessee to satisfy or otherwise discharge any lien, charge or encumbrance against Lessee's interest in this Lease or any part thereof which is junior in priority to the lien of the Leasehold Mortgage, if applicable, held by such Leasehold Mortgagee, and (ii) past non-monetary obligations then in default and not reasonably susceptible of being cured by the Leasehold Mortgagee; and
- ii. Except to the extent enjoined and stayed, take steps to acquire or sell Initial Lessee's interest in this Lease, by foreclosure of such Leasehold Mortgagee, or other appropriate means and prosecute the same to completion with reasonable efforts.

e. **Extension of Cure Period.** If at the end of the three-month period specified in Section 15.5 hereof, the Leasehold Mortgagee is complying with Section 15.5(a) hereof, then this Lease shall not then terminate, and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Lessee's interest in this Lease, by foreclosure of its Leasehold Mortgage or by other appropriate means with reasonable efforts. Nothing in this Article 15, however, shall be construed to extend this Lease beyond the Term. If any Leasehold Mortgagee is complying with Section 15.7 hereof, upon the acquisition of Lessee's interest in this Lease by such Leasehold Mortgagee or its designee, or any other purchaser at a foreclosure sale or otherwise and the discharge, by operation of law or otherwise, of any lien, charge or encumbrance against Lessee's interest in this Lease or any part thereof which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee and which Lessee is obligated to satisfy and discharge by the terms of this Lease, this Lease shall continue in full force and effect as if Lessee had not defaulted under this Lease subject to lessor's right of first refusal.

f. **Right to New Lease.** In the event that the Lease is terminated by Lessor, Lessor shall, if requested by Leasehold Mortgagee, if applicable, grant to the Leasehold Mortgagee a new lease on the following terms and conditions:

- i. In the event of the termination of this Lease prior to its stated expiration date, Lessor agrees that it will enter into a new lease of the Demised Premises with any Leasehold Mortgagee, if applicable, or, at the request of such Leasehold Mortgagee, a designee, including but not limited to a corporation or other entity formed by or on behalf of such Leasehold

Mortgagee, for the remainder of the Term effective as of the date of such termination, at the same Rent and upon the same covenants, agreements, terms, provisions, and limitations herein contained, provided (i) such Leasehold Mortgagee makes written request upon Lessor for such new lease within thirty (30) days from the date Lessor notifies such Leasehold Mortgagee of such termination and such written request is accompanied by payment to Lessor of all amounts then due to Lessor under this Lease but for such termination, (ii) such Leasehold Mortgagee pays or causes to be paid to Lessor at the time of the execution and delivery of such new lease any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination and pays or causes to be paid any and all expenses, including reasonable counsel fees, court costs, and costs and disbursements incurred by Lessor in connection with any such termination and in connection with the execution and delivery of such new lease, (iii) such Leasehold Mortgagee agrees to reinstate the lien and take the Demised Premises subject to the lien of any other Leasehold Mortgagee which held a lien senior in priority to the lien of such Leasehold Mortgagee if such senior Leasehold Mortgagee had also requested a new lease and tendered the required payments(s) and (iv) cures any and all default(s) to the satisfaction of Lessor.

- ii. Any new lease made pursuant to this Section 15.1(f.) shall have the same priority as this Lease (except with respect to any non-electing Leasehold Mortgagee).
- iii. Any mortgage or deed of trust upon Lessor's interest in the Demised Premises permitted in accordance with this Lease hereof and any action by such mortgagee or trustee or beneficiary of such deed of trust by way of receivership, foreclosure, exercise of power of sale, or deed in lieu thereof shall be subject and subordinate to this Lease and to the new lease to be given pursuant to this Section 15.1(f.) and any mortgagee or holder of such mortgage or the beneficiary and trustee of any such deed of trust must recognize this Lease and any new lease and all rights of Lessee and each Leasehold Mortgagee hereunder and thereunder.

g. Assumption of Lessee's Obligations. The making of a Leasehold Mortgage, if applicable, shall not be deemed to constitute an assignment or transfer of this Lease or Initial Lessee's interest created hereby, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of Initial Lessee's interests under this Lease so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Initial Lessee to be performed hereunder, but a Leasehold Mortgagee may become the holder of Lessee's leasehold estate and succeed to Initial Lessee's interest in this Lease by foreclosure of its Leasehold Mortgage or as a result of the assignment of this Lease in lieu of foreclosure, and any purchaser at any sale of Initial Lessee's interest under

this Lease in any proceeding for the foreclosure of any mortgage or the assignee or transferee of Initial Lessee's interest in this Lease under any instrument of assignment or transfer in lieu of the foreclosure of any mortgage shall be deemed to be an assignee or transferee approved by Lessor and shall be deemed to have agreed to perform all of the terms, covenants, and conditions on the part of Initial Lessee to be performed hereunder, but only for so long as such purchaser or assignee is the owner of Initial Lessee's interest in this Lease.

h. **Non-Curable Defaults.** Nothing in this Article 15 shall require any Leasehold Mortgagee, or its designee as a condition to the exercise of rights provided under this Article 15 to cure any default of Lessee not reasonably susceptible of being cured by such Leasehold Mortgagee or its designee as such susceptibility is reasonably determined solely by Lessor. The foregoing shall not be deemed to excuse any Leasehold Mortgagee from performing covenants relating to the condition of the Affordable Housing Development on the Demised Premises, operation in compliance with the Affordable Workforce Housing Restrictions, or other similar matters requiring access to or control of the Demised Premises, from and after such time as such Leasehold Mortgagee acquires Lessee's interest in this Lease by foreclosure or otherwise.

i. **No Merger.** So long as any Leasehold Mortgage is in existence, unless all Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the Demised Premises and the leasehold estate of Lessee therein shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold estate by any single owner, other than by termination of this Lease by Lessor in compliance with the provisions of this Article 15.

j. **Lessor's Fee to Remain Unsubordinated.** Lessor and Lessee expressly acknowledge and agree that Lessor shall have no obligation under this Lease or otherwise to subordinate fee title of Lessor in the Demised Premises or any rights of Lessor in this Lease to the leasehold estate of Lessee created by this Lease or to join any such mortgage or encumbrance or otherwise in any manner subordinate the fee title of Lessor in and to the Demised Premises or interest of Lessor under this Lease.

k. **Sale of Demised Premises.** In the event of any sale or conveyance of the Demised Premises by Lessor, any such sale or conveyance of all or any part of the Demised Premises shall be subject to this Lease and all of the provisions hereof, and notice of such sale shall be provided to each known Leasehold Mortgagee.

l. **Estoppel.** Within ten (10) business days after Lessor's receipt of written request by Initial Lessee or by 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 Leasehold Mortgagee(s) as allowed by this Lease, an estoppel or offset statement shall be required from the Lessor, and the Lessor agrees to reasonably deliver in recordable form a certificate or estoppel 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 Initial Lessee with respect to any obligations pursuant to this Lease.

15.2 Permitted Mortgages for Owner/Occupants. The individual Owner/Occupants shall have the right to encumber by mortgage their interests their Affordable Housing Unit 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 Workforce Housing Restrictions;

b. Owner/Occupants 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 in writing;

c. For informational and record keeping purposes, Owner/Occupants 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 Workforce Housing Restrictions, nor constitute any waiver or relinquishment of Lessor's rights to enforce same. Lessor's approval or objection to any of the foregoing documents prior to the closing of a relevant loan 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 Workforce Housing Restrictions, nor constitute any waiver or relinquishment of Lessor's rights to enforce same;

d. In the event of foreclosure sale by an Owner/Occupant's mortgagee or the delivery of an assignment or other conveyance to an Owner/Occupant'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 12. No sale of any Affordable Housing Unit shall be permitted at an amount in excess of that allowed under the Affordable Workforce Housing Restrictions and shall otherwise fully comply with all applicable Affordable Workforce Housing 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. 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 12; and

e. The parties recognize that it would be contrary to the fundamental affordable housing concept of this Lease and an incentive to abuse Owner/Occupant's authorization to encumber its leasehold interest with a mortgage if Owner/Occupant could realize more in loan or sale proceeds than their permitted purchase or resale price as a result of any transaction. Accordingly, Owner/Occupants hereby irrevocably assign to Lessor (or the City of Key West 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 Owner/Occupant, to the extent such net proceeds exceed the net proceeds that Owner/Occupant would have received had the interests been sold pursuant to the Affordable Workforce Housing Restrictions. Each Owner/Occupant 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 an Owner/Occupant, such Owner/Occupant hereby agrees to promptly pay the amount of such excess to Lessor.

ARTICLE 16.Default

16.1. **Notice of Default.** Lessee (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association) 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 (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association) and any Leasehold Mortgagee 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 shall not be deemed to be in default under this Lease unless Lessor shall first give to Lessee and Leasehold Mortgagee 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. A Leasehold Mortgagee 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 reasonable action and to request reimbursement or restoration from the Lessee as reasonably appropriate.

16.2. **Default.** In the event of any material uncured default of this Lease by Lessee (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association), Lessor, and after the necessary notice and cure opportunity provided to Lessee and other parties required under this Lease, in addition to the other rights or remedies it may have under applicable law, shall have the immediate right to terminate this Lease in compliance with applicable law. In any action by Lessor asserting a violation of the Affordable Workforce Housing 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 Affordable Housing Development, subject to Leasehold Mortgagee protection as provided herein and provided that all Owner/Occupants (which are then in compliance with the Lease and all Affordable Workforce Housing Restrictions) shall retain ownership and be permitted to remain in occupancy of their Affordable Housing Unit through the remainder of the Term of this Lease. 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 (other than Owner/Occupants and their personal property). 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.

Should Lessor take possession pursuant to legal proceedings or pursuant to any notice provided for by law, subject to all rights of Leasehold Mortgagee, 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.

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.

16.3. **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, 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 sub interest holder's respective portion of the Demised Premises.

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

16.5. **Affordable Workforce Housing Restrictions.** Notwithstanding the foregoing, if there is a failure of compliance with the Affordable Workforce Housing 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 (ie a sublessee under a Sublease, an Owner/Occupant, etc.), 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 sublessee under a Sublease portion(s) of the Demised Premises, then the default termination provisions provided for in this subsection, shall apply only to a sublessee under a Sublease in default or the individual Owner/Occupant of an Affordable Housing Unit. In the foregoing event, in the event that Lessee has not terminated such defaulted Sublease, Lessor 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 Leasehold Mortgagee's applicable cure rights, if any. Lessee hereby agrees that all occupants shall use the Demised Premises and Affordable Housing Units 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 17.Repair Obligations

17.1. **Repair Obligations.** During the continuance of this Lease the Lessee will 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, nor will the Lessee 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. Lessor shall not be required to make any repairs to the Demised Premises or to the Affordable Housing Units.

ARTICLE 18.Environmental Matters

18.1. **Lessor's Disclosure.** Lessor has disclosed to Initial Lessee the reports and correspondence listed on **Schedule 18.1** (collectively, the "Environmental Reports"), and Initial Lessee acknowledges, that the Demised Premises were previously part of a military base on which Hazardous Substances were kept and used. Initial Lessee shall be responsible for any Hazardous Substances removal or remediation that may be required by any Governmental Regulation prior to the completion of the Affordable Housing Development. The Initial Lessee will be responsible to obtain its own environmental reports or studies as it deems prudent. Prior to the execution of this Lease, Lessor has attempted to identify some or all of the environmental issues and/or conditions regarding the Demised Premises, but other than providing the Environmental Reports readily available, Lessor makes no representations or warranties concerning the Demised Premises. The Initial Lessee acknowledges that the Demised Premises contains arsenic, and that the Initial Lessee has been provided environmental information regarding the Demised Premises, which information will be provided to the Association. The Lessee (initially the Initial Lessee and after transfer of control of the Association to the Owner/Occupants, the Association) will be responsible to have the arsenic, as well as any other environmental conditions or hazards remediated or otherwise mitigated at its sole expense in accordance with all local, state and federal laws. Further, Lessee has inspected the Demised Premises and has had ample opportunity to inspect the same, accordingly:

LESSEE COVENANTS AND AGREES TO ACCEPT THE DEMISED PREMISES IN ITS "AS IS" AND "WHERE IS" CONDITION, WITHOUT ANY AGREEMENTS, REPRESENTATIONS, UNDERSTANDINGS OR OBLIGATIONS ON THE PART OF LESSOR WHATSOEVER TO PERFORM ANY ALTERATIONS, REPAIRS OR IMPROVEMENTS.

18.2. Lessee shall not cause or permit to occur any of the following:

- a. Any violation of Governmental Regulations related to environmental conditions and/or covenants and/or deed restrictions on, under, or about the Demised Premises or arising from Lessee's use or occupancy of the Demised Premises, including, but not limited to, soil and ground water conditions.
- b. The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substances on, under, or about the Demised Premises or the transportation to or from the Demised Premises of any Hazardous Substances.
- c. 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 law, ordinance, rules, regulations, order 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. Lessee shall obtain and maintain throughout the term of this Lease all licenses and permits required in connection with Lessee's activities involving hazardous waste. 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 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.

d. Lessee shall notify Lessor immediately of any discharge or discovery of any hazardous waste in violation of Governmental Regulations 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 (as defined below) having jurisdiction. Lessee shall promptly forward to Lessor copies of all orders, notices, permits, applications, or other communications under reports received by Lessee in connection with any discharge or the presence of any hazardous waste or any other matters relating to the toxic waste or any similar laws or regulations, as they may affect the Demised Premises.

18.3. The obligations, liabilities and responsibilities of Initial Lessee (for any claims or liabilities which occurred or which are related to actions or inactions performed prior to the transfer of control of the Association to the Owner/Occupants pursuant to Florida Statute 718.301), any sublessees under any Subleases, and after the transfer of control of the Association, the Association or Owner/Occupants and assignees, shall survive the expiration or termination of this Lease and shall include:

a. The legal and lawful removal of any material deemed at any time to be hazardous waste on, within or released from the Demised Premises, whether such removal is done or completed by Lessee, Lessor or other person or entity and regardless of whether or not such removal is rendered pursuant to a court order or the order of a Governmental Agency;

b. Claims asserted by any person or entity (including, without limitation, any governmental agency or quasi-governmental authority, board, bureau, commission, department, instrumentality, public body, court, or administrative tribunal (a "Governmental Agency") in connection with or in any way arising out of the presence, storage, use, disposal, generation, transportation, or treatment of any hazardous waste at, upon, under or within the Demised Premises, after the time that Lessee became an occupant or had control of the Demised Premises;

c. To indemnify, defend and hold Lessor, its agents and mortgagees harmless from and against any and all claims, liabilities, injuries, damages, costs and expenses (including attorney's fees and costs through appeal) arising out of or in connection with any breach of this Section and the following Section, including any direct, indirect, or consequential damages suffered by any individual or entity related in any way to Lessee's use, storage or possession of

hazardous materials at the Demised Premises, including without limitation, claims by Lessee's officers, directors, employees, invitees, contractors and agents.

18.4. Environmental Law Compliance. Lessee and Lessor acknowledge that certain federal, state and local laws, regulations and guidelines are now in effect, and that additional laws, regulations and guidelines may hereafter be enacted, relating to or affecting the Demised Premises concerning the impact on the environment of construction, land use, the maintenance and operation of structures and the conduct of business. Lessee will not cause, or permit to be caused, any act or practice, by negligence, omission, or otherwise, that would violate any said laws, regulations, or guidelines. Any violation of this covenant shall be an event of default under this Lease. Lessee shall have no claim against Lessor by reason of any changes Lessor may make in the Demised Premises under such laws, regulations, and guidelines. In the event any governmental agency makes a determination that Lessee's activities upon the Demised Premises or its environs have caused ecological damage or have violated any of the foregoing laws, rules, regulations or ordinances, Lessee will be responsible for all costs of clean-up, as well as all fines, penalties or assessments imposed by said governmental agencies, either during the term of this lease or after its termination.

ARTICLE 19. Additional Covenants

19.1. Termination. Upon termination of this Lease, the Lessee will peaceably and quietly deliver possession of the Demised Premises, including all improvements, unless the Lease is extended. Ownership of the improvements shall thereupon revert to Lessor, subject to any Owner/Occupants ownership rights set forth under this Lease.

19.2. Recovery of Litigation Expense. In the event of any suit, action or proceedings at law or in equity, by either of the parties hereto against the other by reason of any matter or thing arising out of this Lease, including any eviction proceedings, the prevailing party shall recover not only its legal costs, but reasonable Attorneys' Fees. Lessor may recover reasonable legal and professional fees attributable to administration, enforcement and preparation for litigation relating to this Lease or to the Affordable Workforce Housing 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.

19.3. 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 Lessee has determined that the Demised Premises is acceptable for its purposes and hereby certifies same to Lessor. Lessor shall have no responsibility for utilities for the Demised Premises. 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. Lessee acknowledges that the Lessor, and any agent, has made no representations or promises in regard to the Demised Premises except as set forth in this Lease. Any and all installation and/or repair of utilities and/or construction is subject to any land use controls and/or

deed restriction(s) which may exist. The Lessor makes no express warranties and disclaims all implied warranties, including, without limitation, those relating to the environmental condition the Demised Premises. Lessee accepts the same in the condition in which they now are, 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. 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.

19.4. **Recordation.** Lessee, within ten (10) business days after execution of this Lease, shall 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 20. Representations, Warranties of Title and Quiet Enjoyment and
No Unlawful or Immoral Purpose or Use

20.1. **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 or operation of the Demised Premises or any part thereof other than what may have been disclosed. 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.

20.2. **No Unlawful or Immoral Purpose or Use.** The Lessee will not use or occupy Demised Premises for any unlawful or immoral purpose and will, at Lessee's sole cost and expense, 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 21.Miscellaneous

21.1 Covenants Running with Land. All covenants, promises, conditions, and obligations herein contained or implied by law are covenants running with the land and shall attach and bind and inure to the benefit of the Lessor and Lessee and their respective heirs, legal representatives, successors, and assigns but 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 Workforce Housing Restrictions benefit and enhance Historic Bahama Village and the communities and neighborhoods of the City of Key West 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."

21.2 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. The failure of a party to insist, in any one or more instances, upon strict performance of any covenants or agreements of this Lease, or to exercise any option of such party herein contained, shall not be construed as a waiver or relinquishment of any right or remedy of such party hereunder and shall not be deemed a waiver of any subsequent breach or default by the other party of the covenants or conditions herein. Receipt of rent by Lessor, with knowledge of the breach of any covenant or agreement hereof, shall not be deemed a waiver of such breach. No waiver by a party of any provision hereof shall be deemed to have been made unless expressed in writing and signed by such party. With respect to Lessor, such written expression of waiver may only occur by resolution of the Key West City Commission or Naval Properties Local Redevelopment Authority of the City of Key West.

21.3 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.

21.4 Entire Agreement. This Lease, including the Recitals and all exhibits and schedules hereto (all of which are expressly incorporated herein by this reference) shall constitute the entire agreement between parties as of this date. No prior written or prior or contemporaneous oral promises or representations shall be binding. The execution hereof has not been induced by either party by representations, promises, or understandings not expressed herein and there are no collateral agreements, stipulations, promises, or undertakings whatsoever upon the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument. No agent, employee, or other representative of either party is empowered to modify or amend the terms of this Agreement, unless executed with the same formality as this document.

21.5 **Notices.** If either party desires to give notice to the other in connection with and according to the terms of this Lease, such notice shall be given by registered or certified mail 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 with postage prepaid 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 to Lessor and Lessee shall be as set forth herein, unless a different method is later directed as prescribed herein:

For the Lessor: City Manager
City of Key West
P.O. Box 1409
Key West, Florida 33041-1409

With a copy to: City Attorney
City of Key West
P.O. Box 1409
Key West, Florida 33041

For the Lessee: 3030 Hartley Road, Suite 310
Jacksonville, FL 32257
Attn: Clarence S. Moore

With a copy to: Smith Hawks, PL
138 Simonton Street
Key West, Florida 33040
Attn: Bryan Hawks

Upon the transfer of control of the Association, Initial Lessee shall provide, in writing, updated notice information of the Association to Lessor.

21.6 **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.

21.7 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, although this shall not be construed as relieving a person of any liability incurred by them by reason of or in connection with their having been Lessor or Lessee at one time. 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, the Lessor's liability under this Lease shall terminate upon such assignment, unless such termination is conditioned otherwise. In addition, the Lessor's liability under this Lease shall be at all times limited to the Lessor's interest in the Demised Premises.

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

21.9 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.

21.10 Governing Law, Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of Florida. Exclusive venue for any proceeding arising out of this Agreement shall be in Monroe County, Florida, Lower Keys Division of the Circuit Court, or the Southern District of Florida, as applicable.

21.11 Cooperation. Lessor and Lessee agree that all disputes and disagreements shall be attempted to be resolved by meet and confer sessions between representatives of each of the parties. If the issue or issues are still not resolved to the satisfaction of the parties, then any party shall have the right to seek such relief or remedy as may be provided by this Agreement or by Florida law.

21.12 Survival of Provisions. Any terms or conditions of this Agreement that require acts beyond the date of the term of the Agreement, shall survive termination of the Agreement, shall remain in full force and effect unless and until the terms or conditions are completed and shall be fully enforceable by either party.

21.13 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.

21.14 **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 agrees to defend at its own expense, any and all claims for a brokerage commission by either of them with any brokers.

21.15 **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, and the basis of the bargain between the parties hereto is not destroyed or rendered ineffective thereby, 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.

21.16 **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, health or other pandemics failure of power, riots, insurrection, 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 as long as the extension is in writing pursuant to this Agreement.

21.17 **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, no other person or entity shall be a third party beneficiary hereunder.

21.18 **Contingencies.** Initial Lessee's obligations to proceed with and complete the Affordable Housing Development under this Lease Agreement is contingent upon the following:

(a) Initial Lessee obtaining Financing to build the Affordable Housing Development herein within the time specified.

(b) Initial Lessee obtaining Approvals from all applicable authorities to build the Affordable Housing Development within the time specified.

(c) Initial Lessee reasonably determining that the remediation required under the Environmental Reports (or any subsequent environmental reports) is commercially reasonable and can be completed for no more than \$500,000.00.

In the event that any of the contingencies above are not met, Initial Lessee may terminate this Lease. 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 Affordable Housing Development, subject to Leasehold Mortgagee protection as provided herein.

21.19 Radon Gas Notification. Radon is a naturally occurring radioactive gas that when it has accumulated in a building of sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County Public Health Unit. Lessor shall not be responsible for radon testing for any persons purchasing, leasing or occupying any portion of the Demised Premises, and Initial Lessee, all Owner/Occupants and the Association, any sublessee under a Sublease or any tenant or subtenant of an Owner/Occupant pursuant to an Owner/Occupant Lease shall hold Lessor harmless and indemnify Lessor for damages or claims related thereto and release Lessor from same.

21.20 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 the City of Key West and 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, Owner/Occupants 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 Initial Lessee, all Owner/Occupants and the Association, any sublessee under a Sublease or any tenant or subtenant of an Owner/Occupant pursuant to an Owner/Occupant Lease shall hold Lessor harmless and indemnify Lessor for damages or claims related thereto and release Lessor from same.

21.21 Intentionally Deleted.

21.22 Government Purpose. Lessor, through this Lease and the Affordable Workforce Housing 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.

21.23 Default of Related Agreements/Remedies. To the extent that any 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 default under such other agreement shall be a default under this Lease and any default under this Lease shall be a default 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 Lessors 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.

21.24 Supplemental Administrative Enforcement. Lessor, or its appropriate agency, may establish under the Affordable Workforce Housing 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 the Affordable Workforce Housing 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, Lessee or any Leasehold 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.

21.25 U.S. Navy Consent. This Lease is expressly contingent upon issuance of any consent by the U. S. Navy that may be required under the terms of the Navy Documents. Lessee shall promptly provide the U.S. Navy a copy of this Lease, together with a request for any required consent thereto.

21.26 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.

21.27 Reporting under Related Agreements. Lessee acknowledges and agrees that it shall be responsible for reporting of the eligibility of the Owner/Occupants and compliance of the Affordable Housing Development with the Affordable Workforce Housing Restrictions as set forth in the Declaration of Affordable Workforce Housing Restrictions of the Related Agreements. Additionally, each Owner/Occupant shall be responsible for reporting the eligibility of any tenants under any Owner/Occupant Leases in compliance with Affordable Workforce Housing Restrictions.

21.28 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

21.29 Bankruptcy of Lessee.

IN THE EVENT LESSEE FILES ANY FORM OF BANKRUPTCY, LESSOR SHALL BE ENTITLED TO IMMEDIATE TERMINATION OF THE AUTOMATIC STAY PROVISIONS OF 11 U.S.C. §352, GRANTING THE LESSOR COMPLETE RELIEF AND ALLOWING THE LESSOR TO EXERCISE ALL OF ITS LEGAL AND EQUITABLE RIGHTS AND REMEDIES, INCLUDING, WITHOUT LIMITATION, THE RIGHT TO

TERMINATE THIS LEASE AND DISPOSSESS LESSEE FROM THE DEMISED PREMISES IN ACCORDANCE WITH FLORIDA LAW. ADDITIONALLY, LESSEE AGREES NOT TO DIRECTLY OR INDIRECTLY OPPOSE OR OTHERWISE DEFEND AGAINST THE LESSOR'S EFFORT TO GAIN RELIEF FROM THE AUTOMATIC STAY. THE LESSOR SHALL BE ENTITLED AS AFORESAID TO THE LIFTING OF THE AUTOMATIC STAY WITHOUT THE NECESSITY OF AN EVIDENTIARY HEARING AND WITHOUT THE NECESSITY OR REQUIREMENT OF THE LESSOR TO ESTABLISH OR PROVE THE VALUE OF THE LEASEHOLD, THE LACK OF ADEQUATE PROTECTION OF HIS INTEREST IN THE LEASEHOLD, OR THE LACK OF EQUITY IN THE SAME. LESSEE SPECIFICALLY AGREES AND ACKNOWLEDGES THAT THE LIFTING OF THE AUTOMATIC STAY HEREUNDER BY THE APPROPRIATE BANKRUPTCY COURT SHALL BE DEEMED TO BE "FOR CAUSE" PURSUANT TO SECTION 362(D)(1).

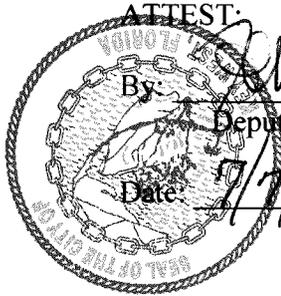
THIS CLAUSE WAS A MATERIAL CONSIDERATION TO THE LESSOR TO GIVE THIS LEASE, AND HAD THE LESSEE NOT AGREED TO THIS PROVISION, THE LESSOR WOULD NOT HAVE ENTERED INTO THIS LEASE.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by its duly authorized representative.

(SEAL)

ATTEST:
 By: [Signature]
 Deputy Clerk
 Date: 7/7/2022



THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST

By: [Signature]
 Mayor
 Date: 7/7/22

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

By: [Signature]
 Name: Jason O. Floyd
 Title: Vice President

STATE OF: Florida

COUNTY OF: Duval

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on July 15, 2022 by Jason O. Floyd (name of affiant) as VP of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership. He/She is personally known to me or has produced _____ (type of identification) as identification.

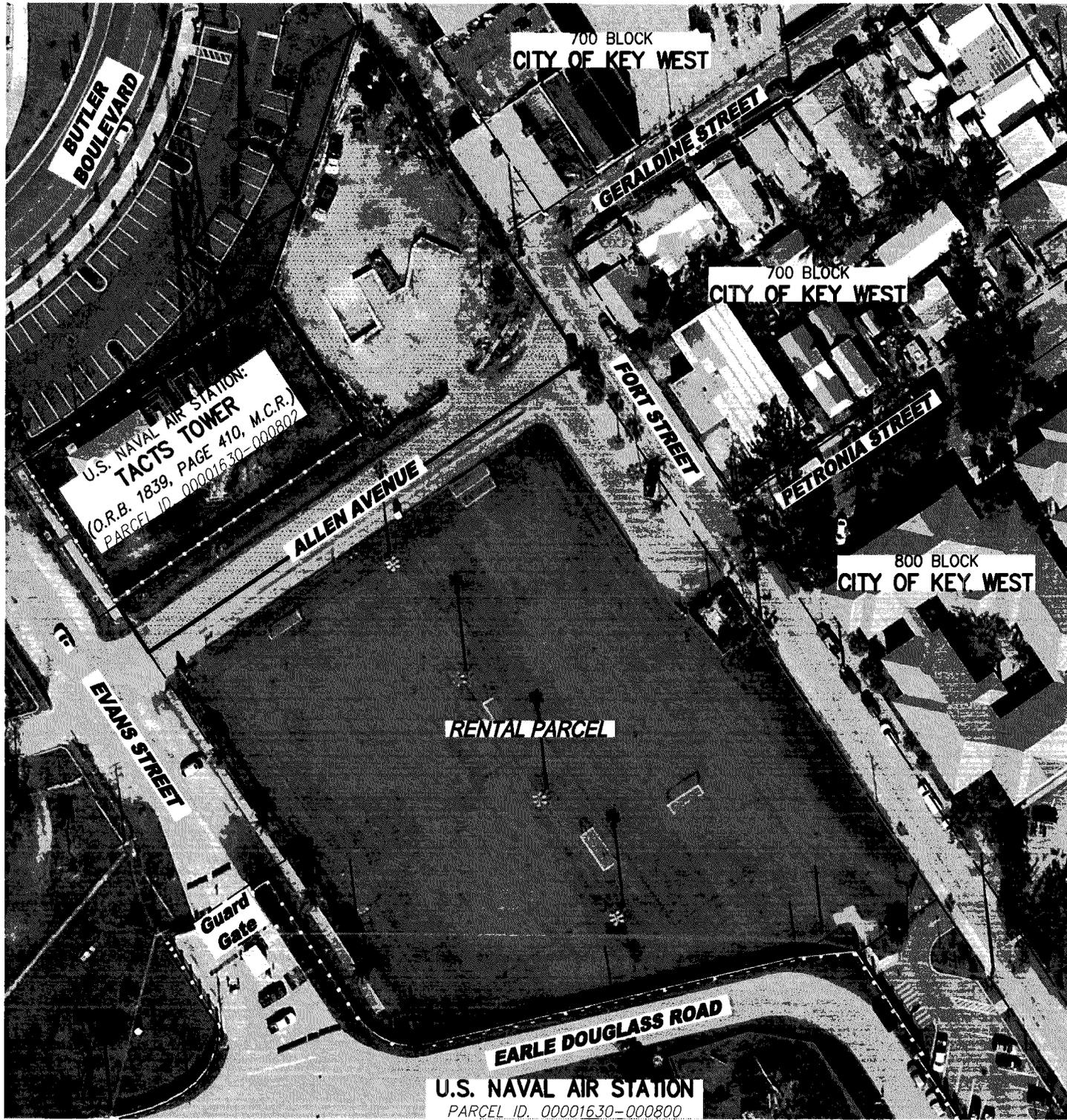
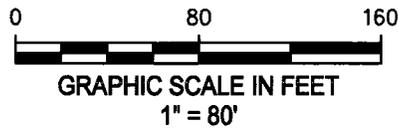
[Signature]
 NOTARY PUBLIC



EXHIBIT A

NOT A VALID SURVEY WITHOUT
ALL ACCOMPANYING SHEETS

SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA



REVISIONS
REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.



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SURVEYING & MAPPING
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JOB #:	11558-2.1
SCALE:	1" = 80'
DATE:	03/06/2022
BY:	K.C.
CHECKED:	K.M.C-A-T
F.B.	N/A
PG.	N/A
SHEET:	1 OF 5

**SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL
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SURVEYOR'S REPORT:

1. Reproductions of this Sketch are not valid without the electronic signature of a Florida licensed surveyor and mapper. Additions or deletions to this survey map or report by other than the signing party is prohibited without written consent of the signing party.
2. No Title Opinion or Abstract to the subject property has been provided. It is possible that there are Deeds, Easements, or other instruments (recorded or unrecorded) which may affect the subject property. No search of the Public Records has been made by the Surveyor. NOTICE: There may be encumbrances that are not delineated on this survey that may be found in the Public Records of Monroe County, Florida.
3. The land description shown hereon was prepared by the Surveyor.
4. Data shown hereon was compiled from instrument(s) of record and does not constitute a boundary survey.
5. Bearings shown hereon are relative to Grid North of the North American Datum of 1983, Florida State Plane Coordinate System, East Zone with the southwesterly right-way line of Fort Street having a bearing of S 33°54'27" E.
6. This map is intended to be displayed at a scale of 1:960 (1"=80') or smaller.
7. Abbreviation Legend: E= Easting; ID= Identification; L.B.= Licensed Business; M.C.R.= Monroe County Records; N= Northing; O.R.B.= Official Records Book; P.B.= Plat Book; PG.= Page; P.L.S.= Professional Land Surveyor; P.O.B.= Point of Beginning; P.O.C.= Point of Commencement; R/W= Right-of-Way.

CERTIFICATION:

I HEREBY CERTIFY that the attached Sketch and Description of the hereon described property is true and correct to the best of my knowledge and belief as prepared under my direction. I FURTHER CERTIFY that this Sketch and Description meets the Standards of Practice set forth in Chapters 5J-17, Florida Administrative Code, pursuant to Chapter 472, Florida Statutes.

Date: 06/22/2022



Digitally signed by Keith M. Chee-A-Tow, PLS
Date: 2022.06.22 14:31:53 -04'00'

KEITH M. CHEE-A-TOW, P.L.S.
Florida Registration No. 5328
AVIROM & ASSOCIATES, INC.
L.B. No. 3300
E-Mail: Keith@AviromSurvey.com

REVISIONS

REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
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SHEET:	2 OF 5

**SKETCH AND DESCRIPTION
 BAHAMA VILLAGE SALE PARCEL
 PORTION OF TRUMAN ANNEX
 (O.R.B. 1839, PG. 410, M.C.R.)
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA**

LEGAL DESCRIPTION:

A portion of the lands described in a Quitclaim Deed from the U.S. Government (Grantor) to the City of Key West (Grantee) as recorded in Official Records Book 1839, Page 410, of the Public Records of Monroe County, Florida, described as:

A portion of land located on the Island of Key West, Monroe County, Florida, said parcel also located in Truman Annex (formerly U.S. Navy) and being more particularly described as follows:

COMMENCE at the National Ocean Survey Triangulation Station, GSL, being a brass disc set in concrete, located on the outer mole of Truman Annex, the coordinates of which are N 81,406.14 and E 386,795.78 (1983/89), based on the U.S. Coast and Geodetic Survey Mercator grid coordinate system which has for it's zero coordinate a point of Latitude North 24°20'00" and 500.00 feet west of Longitude West 81°00'00"; thence N 74°38'54" E, a distance of 901.39 feet to the Point of Beginning of the lands granted to the City of Key West as described in Official Records Book 1838, Page 410 of said Public Records; thence along the boundary of the lands as described in said Quitclaim Deed for the following eight (8) courses and distances: N 88°01'07" E, a distance of 57.69 feet (1); thence N 01°52'38" W, a distance of 2.77 feet (2); thence N 88°13'17" E, a distance of 19.93 feet (3); thence S 19°53'46" E, a distance of 549.69 feet (4); thence S 00°20'55" E, a distance 409.16 feet(5); thence N 89°49'18" E, a distance of 100.84 feet (6); thence S 33°56'54" E, a distance of 842.47 feet (7) to the northwest right-of-way of Angela Street; thence S 55°59'51" W along said right-of-way, a distance of 105.64 feet (8) to the southwesterly right-of-way of Fort Street according to the City of Key West Street Map dated May 26, 1955; thence S 33°54'27" E, along said right-of-way, a distance of 52.55 feet to the POINT OF BEGINNING of the Sale Parcel herein described; thence continue S 33°54'27" E along said right-of-way, 233.94 feet to a line being 33.00 feet south of and parallel with the southeasterly boundary line and its northeasterly extension of Tacts Tower as described in Official Records Book 1839, Page 410, of said Public Records; thence S 56°05'33" W along said parallel line, a distance of 305.76; thence N 33°49'42" W, 33.00 feet to the southeastern boundary line of said Tacts Tower; thence N 56°05'33" E along said boundary, a distance of 175.87 feet to the northeast boundary of said "Tacts Tower"; thence N 33°54'27" W along said boundary, 100.00 feet; thence S 56°05'33" W a distance of 24.17 feet; thence N 33°54'27" W, 30.82 feet; thence N 56°58'05" W, 15.81 feet; thence N 33°01'55" E, 37.25 feet; thence S 56°58'05" E, 25.40 feet; thence N 56°05'33" E, 30.69 feet; thence N 33°54'27" W, 35.41 feet; thence N 56°05'33" E, 15.48 feet; thence N 12°49'09" E, 42.22 feet; thence N 56°05'33" E, 39.07 feet to the southwesterly right-of-way of Fort Street and the POINT OF BEGINNING.

Said lands lying within Section 6, Township 68 South, Range 25 East, City of Key West, Monroe County, Florida containing 33,962 square feet (0.78 acres) more or less.

**NOT A VALID SURVEY WITHOUT
 ALL ACCOMPANYING SHEETS**

REVISIONS
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REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.

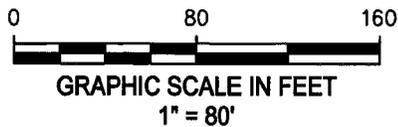
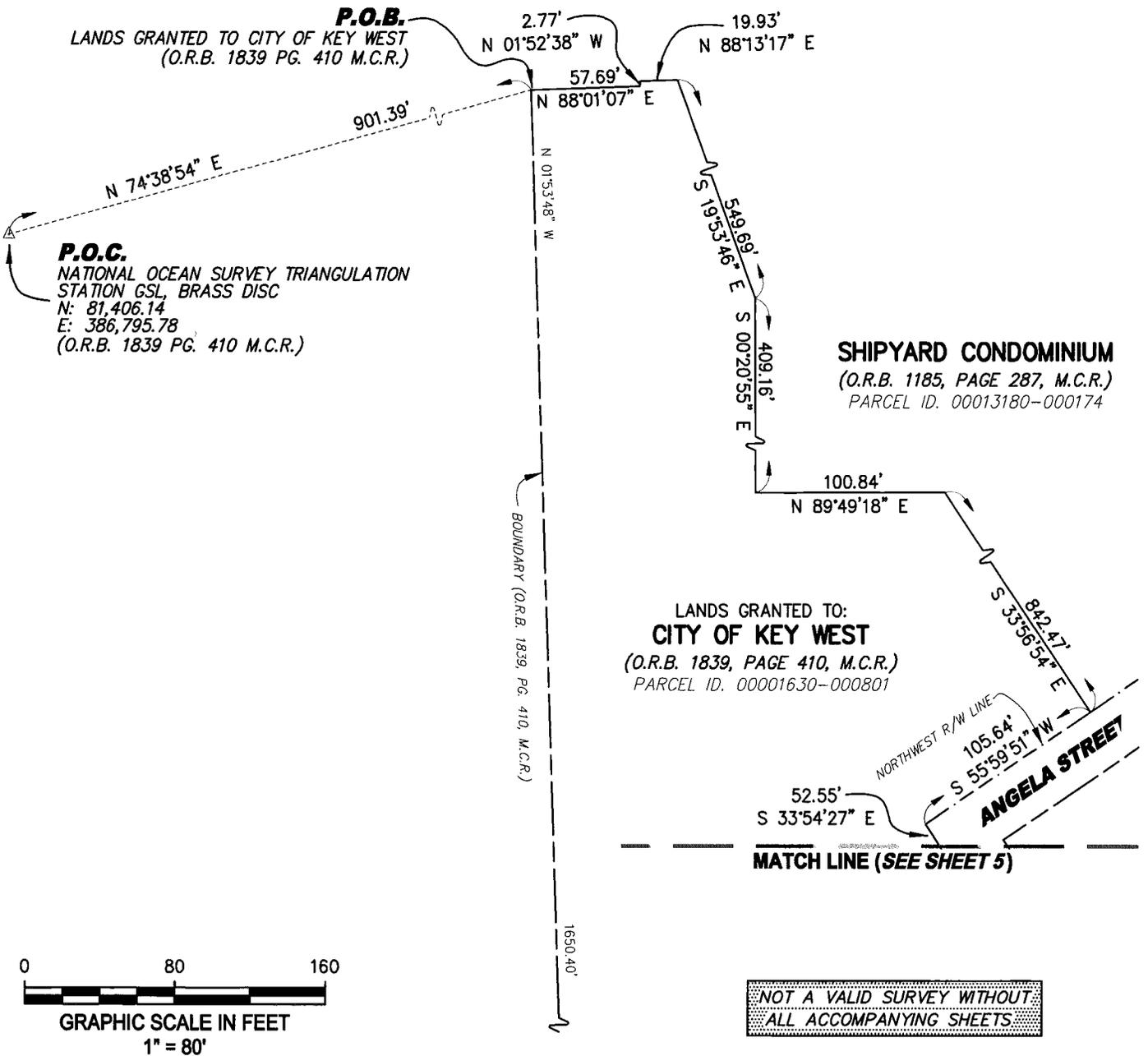


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F.B.	N/A PG. N/A
SHEET:	3 OF 5

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(O.R.B. 1839, PG. 410, M.C.R.)
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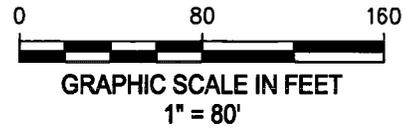


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**SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL**
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA



MATCH LINE (SEE SHEET 4)

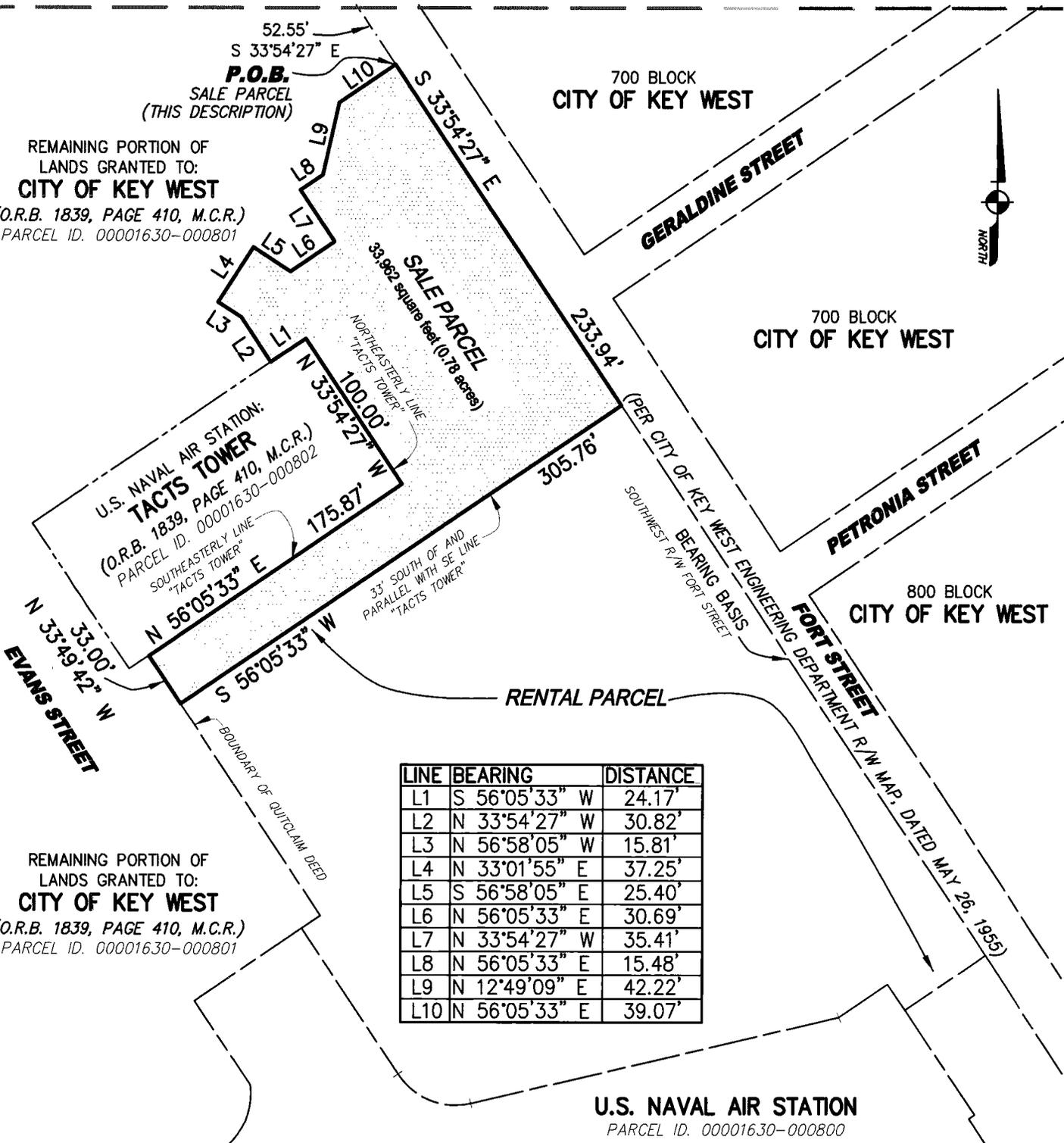
52.55'
S 33°54'27" E
P.O.B.
SALE PARCEL
(THIS DESCRIPTION)

REMAINING PORTION OF
LANDS GRANTED TO:
CITY OF KEY WEST
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000801

700 BLOCK
CITY OF KEY WEST

700 BLOCK
CITY OF KEY WEST

800 BLOCK
CITY OF KEY WEST



U.S. NAVAL AIR STATION:
TACTS TOWER
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000802

REMAINING PORTION OF
LANDS GRANTED TO:
CITY OF KEY WEST
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000801

LINE	BEARING	DISTANCE
L1	S 56°05'33" W	24.17'
L2	N 33°54'27" W	30.82'
L3	N 56°58'05" W	15.81'
L4	N 33°01'55" E	37.25'
L5	S 56°58'05" E	25.40'
L6	N 56°05'33" E	30.69'
L7	N 33°54'27" W	35.41'
L8	N 56°05'33" E	15.48'
L9	N 12°49'09" E	42.22'
L10	N 56°05'33" E	39.07'

U.S. NAVAL AIR STATION
PARCEL ID. 00001630-000800

REVISIONS

REVISED PARCEL CONFIGURATION - 04/26/2022 - K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 - K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 - K.C.



AVIROM & ASSOCIATES, INC.
SURVEYING & MAPPING
50 S.W. 2nd AVENUE, SUITE 102
BOCA RATON, FLORIDA 33432
(561) 392-2594 / www.AVIROMSURVEY.com
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JOB #:	11558-2.1
SCALE:	1" = 80'
DATE:	03/06/2022
BY:	K.C.
CHECKED:	K.M.C-A-T
F.B.	N/A PG. N/A
SHEET:	5 OF 5

EXHIBIT B

Prepared by and
return to:

Shawn D. Smith, Esq.
P.O. Box 1409
Key West, FL 33041-1409
(305) 809-3773

(For Recorder's Use Only)

DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS

This Declaration of Affordable Housing Restriction (hereinafter "Declaration") is made and entered into this _____ day of _____, 2022 by BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (the "Declarant")

This Declaration applies to all of the units which are or may be located on the real property located in Historic Bahama Village, in Key West, Florida, which is more fully described in the Legal Description attached hereto and incorporated herein as Exhibit A (hereinafter "Property").

WHEREAS, the Property has been leased to Declarant pursuant to that certain 99-year ground lease by and between The Naval Properties Local Redevelopment Authority of the City of Key West, a political subdivision of the State of Florida ("City of Key West") and Declarant dated _____ and recorded _____ at Book _____, Page _____ of the Official Records of Monroe County (the "Lease");

WHEREAS, the City of Key West has required that the Property be subject to affordable housing restrictions, which shall establish affordable housing categories to facilitate the development of housing designed to meet the needs of people in the City, establish eligibility requirements for occupants of such affordable housing, and restrict the sales price of the Property and requires that the Property be sold at a price substantially less than fair market value to a purchaser within a specific income range;

WHEREAS, Declarant as well as subsequent purchasers will benefit from the limitations and regulations placed on the Property by operation of this Declaration;

WHEREAS, the intent of the City of Key West in imposing reasonable regulations on the Property is to establish and maintain the affordability of the Property for persons with incomes within a specified range; and

WHEREAS, the intent of Declarant is to preserve through this Declaration the affordability of the Property and to assign to the City the right to enforce compliance with this Declaration as an intended beneficiary of this Declaration.

NOW, THEREFORE, the Declarant agrees that the Property shall be held conveyed, assigned or leased subject to the following affordable housing restrictions, covenants and conditions, which shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns for the entire term of this Declaration.

I. DEFINITIONS

A. "Declarant" shall include any subsequent purchaser, devisee, transferee, grantee or holder of title of the Property or any portion of the Property.

B. "Transfer" means any sale, assignment or transfer, voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, bequest, trustee's sale, deed in lieu of foreclosure, or otherwise) of any interest in the Property, including but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Property is transferred and Declarant retains title.

C. "Transferee" shall mean an individual, or individuals, who receive a Transfer of the Property from the Declarant.

D. "Income" shall mean gross income.

All other terms shall have the same meaning given to them in the Lease and Related Agreements (as defined in the Lease).

II. TERM AND ENFORCEABILITY

A. This Declaration shall run with the land and with the title to the Property in perpetuity and bind the Declarant, its successors in interest and assigns, from the effective date of this Declaration.

B. The Property is held and hereafter shall be held, conveyed, encumbered, used, sold, leased and occupied subject to the covenants, conditions, restrictions and limitations set forth in the Lease and this Declaration. All of the herein-stated covenants, conditions, restrictions and limitations are intended to constitute both equitable servitudes and covenants running with the land.

C. Any transferee, sublessee, lessee, mortgagee or purchaser of the Property, or of any portion of or interest in the Property, by the acceptance of a deed or sublease therefore, whether from Declarant or from any subsequent purchaser of the Property or an Owner/Occupant (as defined in the Lease), or by the signing of a contract or agreement to purchase or sublease the same, shall, by the acceptance of such deed, sublease or mortgage, or by the signing of such contract or agreement, be deemed to have consented to and accepted the covenants, conditions, restrictions and limitations set forth herein. Any written instrument attempting or

purporting to lease or sublease, sell, convey, grant, transfer, exchange assign or mortgage any legal or equitable rights or interests to the Property (including the interest in the Lease) shall be deemed null and void, where such instrument purports or evidences an attempt to sell, convey, grant, transfer, exchange or assign any right or interest to the Property where such instrument is inconsistent with or contrary to the conditions or covenants contained herein. Any lease, sublease, deed or instrument of conveyance executed by or on behalf of Declarant or any subsequent grantee, devisee, heir, assignee or other transferee shall expressly set forth verbatim this and the foregoing reservations, restrictions and covenants or, in lieu thereof, incorporate them by specific reference to this Declaration by Book and Page number(s) where recorded in the Public Records of Monroe County, Florida.

D. In order to preserve through this Declaration the affordability of the Property for persons with incomes within a specified range, the Declarant hereby grants and assigns to the City the right to monitor and enforce compliance with this Declaration. Declarant otherwise reserves the rights necessary to implement the provisions of this Declaration.

III. IDENTIFICATION OF THE UNITS AFFECTED

Pursuant to the Lease, all units on the Property shall be workforce affordable housing. The affordable housing development located on the Property shall consist of the following units for sale designated at "low income" or "very low income" or "middle income"

- A. Three (3) units designated for "very low-income" persons
- B. Eleven (11) units designated for "low-income" persons
- C. Fourteen (14) units designated for "middle income" persons

Prior to selling any units within the affordable housing development on the Property, the Declarant shall record an Identification of Affordable Housing Agreement in the public records of Monroe County, Florida, which recorded document shall identify which unit are which particular income level.

IV. OCCUPANCY, SALE AND USE OF THE PROPERTY

A. The Property shall be operated, managed and otherwise administered as affordable housing and such other uses incidental to residential use as may be permitted by local zoning and land use regulations.

- 1. At the time an affordable housing (very low-income) unit is sold, such sales price shall not exceed one and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code.
- 2. At the time an affordable housing (low-income) unit is sold, such sales price shall not exceed two and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code.
- 3. At the time an affordable housing (middle income) unit is sold, such sales price shall not exceed six and one-half times the annual median household income (adjusted for

family size) for Monroe County, in accordance with section 122-1472 of the City Code.

4. The following eligibility requirements shall be required of households or persons to qualify for affordable work force housing units to the extent lawful:
 - (a) The household or person shall derive at least 70 percent of its or his/her total income from gainful employment in the county. This section shall not disqualify an individual previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified.
 - (b) At the time of sale of an affordable housing (very low income) unit, the total income of eligible household or persons shall not exceed sixty (60) percent of the median household income for Monroe County (adjusted for family size). In the event that a very low income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 60 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 100 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 60 percent of the monthly median household income of Monroe County (adjusted for family size).
 - (c) At the time of sale of an affordable housing (low income) unit, the total income of eligible household or persons shall not exceed eighty (80) percent of the median household income for Monroe County (adjusted for family size). In the event that a low income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 80 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 120 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 80 percent of the monthly median household income of Monroe County (adjusted for family size).
 - (d) At the time of sale of an affordable housing (middle income) unit, the total income of eligible household or persons shall not exceed one hundred forty (140) percent of the median household income for Monroe County (adjusted for family size). In the event that a middle income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 140 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 180 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall

terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 140 percent of the monthly median household income of Monroe County (adjusted for family size).

5. Eligibility is based on proof of legal residence in the county as demonstrated by a valid State of Florida driver license or identification card, voter registration card if eligible, and an employer verification form signed by the employer or sufficient evidence, satisfactory to the City or its designee, demonstrating income qualification through self-employment.

6. Priority shall be given to families of four or more members for larger sized affordable housing units.

7. The income of eligible households shall be determined by counting the full amount, before any payroll deductions, of wages, salaries, overtime pay, commissions, fees, tips, bonuses, Social Security, annuities, insurance policies retirement funds, pensions, disability or death benefits unemployment compensation disability or death benefits, unemployment compensation disability compensation, worker's compensation, severance pay and any net income from the operation of a business or profession of all household members. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income from operation of a business or profession. Unrelated adults may be qualified individually for rental purposes provided the total lease payment to the Owner does not exceed the rent limits established by the City.

8. In the event that a tenant of an affordable housing unit's income shall exceed the maximum allowable income under this section and such shall occur for the first time during the last three months of a tenancy, then the Owner/Occupant landlord and tenant may extend a lease for a period of one year at the affordable rate.

9. The planning board may review a potential tenant's household's income and unique circumstances to determine eligibility and conformance with the intent of this Declaration to assure that people in need are not excluded and people without need are not included

V. DEFAULTS AND REMEDIES

A. Upon any violation of the provisions of this Declaration, the City may declare a default under this Declaration by delivering written notice thereof to the Declarant. After providing written notice of default, and provide that such default has not been reasonably cured within thirty (30) days of receipt of such default notice, the City may apply to a court of competent jurisdiction for specific performance of the Declaration, for an injunction prohibiting a proposed sale or transfer or lease in violation of this Declaration, for a declaration that a prohibited transfer or lease is void, or for any such other relief as may be appropriate.

B. The remedies stated herein shall not be exclusive, but shall be cumulative to all other remedies and rights the parties may lawfully exercise.

VI. REQUIREMENTS FOR WRITTEN REPORTS FROM DECLARANT

Declarant shall provide a written report to the City each year on January 1, or on such other date as specified by the City in writing, which includes a statement that Declarant has complied with all provisions of this Declaration, or includes Declarant's explanation of any violation of any provision of this Declaration. The report shall be submitted within thirty (30) days of the specified date to the City, or to such other person or address designated by the City. Failure to provide a report in a timely manner, or any misrepresentations on the report, shall constitute a default under this Declaration.

VII. GENERAL PROVISIONS

A. The City may assign its rights and delegate its duties hereunder in writing without the consent of Declarant. Upon such assignment, the City shall notify the Declarant.

B. If any action is brought to enforce the terms of this Declaration, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

C. If any one or more of the provisions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Declaration, and this Declaration shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

D. The terms of this Declaration shall be interpreted under the laws of the State of Florida and venue shall lie in Monroe County, Florida.

E. All notices required herein shall be sent by certified mail, return receipt requested, to the Declarant at 3030 Hartley Road, Suite 310, Jacksonville, FL 32257, with a copy to Smith Hawks, PL, 138 Simonton Street, Key West, FL 33040 and to the City or its designee at P.O. Box 1409, Key West, FL, 33041, or such other address that either party may subsequently provide in writing to the other party. In the event of any change in contact information, the parties agree to record an amendment to this Declaration in the public records of Monroe County, Florida reflecting such change.

VIII. CONVERSION TO CONDOMINIUM FORM OF OWNERSHIP

Prior to Declarant or any subsequent owner or transferee converting ownership of the Property to condominium or a similar form of ownership, pursuant to Lease, Declarant shall obtain the City's reasonable approval of such condominium documents (including a condominium declaration) to same and Declarant expressly agrees herein to execute an amended Declaration as reasonably required by the City.

IX. MORTGAGE SUBORDINATION

Subject to the terms regarding “Leasehold Mortgages” under the Lease, upon demand by the City any mortgagee who accepts any or all of the Property as collateral or security for any purpose or loan shall execute and deliver, in recordable form, its subordination agreement subordinating its mortgage to the terms and conditions of this Declaration.

[Rest of page intentionally left blank; Signature page to follow]

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the date written below.

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

Signed, sealed and delivered in our presence:

Witness Name:

Witness Name:

By: _____

Name: _____

Title: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me [] by physical presence or [] online notarization this ___ day of _____, 2022 by _____ as _____ of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership, who [] are personally known to me or [] have produced _____ as identification.

[Notary Seal]

Notary Public

Printed Name: _____

My Commission Expires: _____

EXHIBIT C

RESOLUTION NO. 00-43

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED AGREEMENT BETWEEN THE CITY AND THE TRIUMAN ANNEX MASTER PROPERTY OWNERS' ASSOCIATIONN (TAMPOA); PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

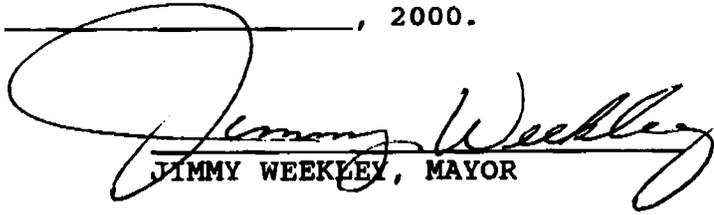
Section 1: That the attached Agreement between the City and TAMPOA is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

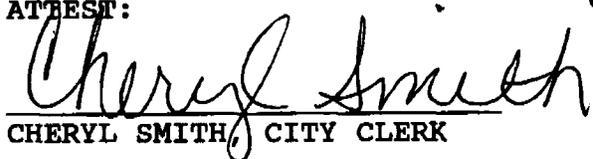
Passed and adopted by the City Commission at a meeting held this 20TH day of JANUARY, 2000.

Authenticated by the presiding officer and Clerk of the Commission on JANUARY 21, 2000.

Filed with the Clerk _____, 2000.


JIMMY WEEKLEY, MAYOR

ATTEST:


CHERYL SMITH, CITY CLERK

AGREEMENT

THIS AGREEMENT (“Agreement”) is binding on the “effective date” as set forth herein, between the City of Key West (“City”), as a political subdivision of the State of Florida, and the Truman Annex Master Property Owners’ Association (“TAMPOA”), as the legal or equitable owner and/or developer of certain properties in Florida, its successors and assigns.

WITNESSETH:

WHEREAS, TAMPOA is the property owners’ association which represents the owners of real property within the residential portions of the Truman Planned Residential Development, with the exception of the Shipyard’s Condominium Association, which is located in the City of Key West, and whose function and powers are described in bylaws filed and recorded with the Monroe County Clerk;

WHEREAS, the City of Key West is a chartered city within the State of Florida empowered to enter into agreements to protect the general health, safety and welfare of its citizens;

WHEREAS, the City has adopted a Naval Properties Base Reuse Plan (“Plan”) for the Truman Annex Waterfront Area (“Waterfront”), and other Navy-owned properties as provided by Florida Statute § 288.975;

WHEREAS, the City Comprehensive Plan and Land Development Regulations for Truman Annex Waterfront area together with the data and analysis documents supporting the proposed amendments recognizes that access to and from the Waterfront will pass through property owned by members of TAMPOA and has the possibility of negatively impacting their properties;

WHEREAS, TAMPOA has filed two petitions challenging the Plan pursuant to its concerns for possible impacts on the properties of its members, including the City’s proposed method of

access to the Waterfront and the method of mitigating the impacts therefrom;

WHEREAS, TAMPOA desires to affirm its commitment to allowing public access to its properties pursuant to the terms of the Twelfth Amended Development Agreement;

WHEREAS, both the City and TAMPOA wish to avoid further conflict and litigation regarding the City's right to access and the impacts of the access on the TAMPOA properties; and

WHEREAS, the City finds that this Agreement furthers the purposes of the City's Comprehensive Plan and is authorized to enter this Agreement by City Code of Ordinances.

NOW THEREFORE, the parties do hereby agree as follows:

I. Recitations of Facts and Mutual Commitments

The above recitations and representations are true and correct and are incorporated herein by this reference.

II Duration of Agreement

This Agreement shall remain in effect until such time as the City ceases to provide access to the Waterfront through properties owned or managed by the members of TAMPOA, its successors and assigns or until such time as amended by both parties in writing.

III. Requirements for and Limitations on Access to the Waterfront

For the duration of this Agreement, the Parties agree that any and all of the access to the Waterfront approved by the City shall adhere to and conform to this Agreement.

1. Within two (2) years of the City acquiring the Waterfront property, the City shall create and fully implement the following vehicular, pedestrian and bicycle access points to the Waterfront property:

- A. The City shall provide ingress and egress by way of Fort Street through Olivia Street;
- B. The City shall provide ingress through Petronia Street; and
- C. The City shall provide ingress and egress by way of Truman Avenue to Fort Street.

Additionally, the City shall erect signage directing vehicular traffic to use Truman Avenue, Petronia Street, and Olivia Street for ingress and egress to and from the Waterfront property.

2. TAMPOA will convert its section of Southard Street to a one-way egress only from the Waterfront property upon the completion of any development other than infrastructure having traffic impact on TAMPOA's property (i.e. retail, commercial or residential units on the Waterfront property) or after 5 years of the City acquiring the Waterfront property, which ever occurs first. TAMPOA's residents shall continue to have the right of ingress on the section of Southard Street owned by TAMPOA through controlled gates. Emergency vehicles shall have the right of ingress on the section of Southard Street owned by TAMPOA for the duration of this Agreement. The trains and trolleys owned by Historic Tours of America, Inc. or its subsidiaries, or its successors, shall have the right of ingress on the section of Southard Street owned by TAMPOA. No other vehicles will have the right of ingress on the section of Southard Street owned by TAMPOA after the conversion described in this paragraph.
3. TAMPOA will have the option of using Eaton Street as a vehicular entrance and/or

exit to and from TAMPOA exclusively for its homeowners. The City will be provided emergency access on Eaton Street from Whitehead Street to Front Street and down Front Street between Eaton and Southard Streets. Access for pedestrian and bicycle traffic also will be permitted along Eaton Street between Whitehead Street and Front Street. Under no circumstances will the Eaton Street right of way beyond Front Street be used as any type of public or emergency ingress or egress to and from the Waterfront property.

4. Construction vehicles shall have access to the section of Southard Street owned by TAMPOA only between the hours of 7:00 a.m. and 6:00 p.m. Access by construction vehicles on the said section of Southard Street shall be subject to all other provisions of this Agreement.
5. Within two (2) years of the City acquiring the Waterfront property, TAMPOA shall have the right to prohibit any access, including but not limited to vehicular, pedestrian and bicycle traffic, to the section of Southard Street owned by TAMPOA from 11:00 p.m. to 7:00 a.m., except for a reasonable number of scheduled special events and except for emergency vehicles.

IV. Public Health, Safety and Welfare

Exclusive of any others, except those imposed by law, the following additional conditions, terms, restrictions, or other requirements are also determined by the City of Key West to be necessary for the public health, safety, or welfare of its citizens:

1. Breach of Agreement and Cure Provisions

Upon a party's material breach of the terms and conditions of this

Agreement, the non-breaching party may serve written notice on the breaching party via certified mail, return receipt requested, and shall provide the breaching party the opportunity, within sixty (60) days of receipt of notice, to cure the breach. In the event the breaching party fails to cure the material breach within sixty (60) days, the non-breaching party may seek injunctive relief and any other damages to which it is entitled by filing an action in the Circuit Court of Monroe County to enforce the terms of this Agreement.

2. Amendment of Agreement

The parties hereto shall at all times adhere to the terms and conditions of this Agreement. It is further agreed that no modification, amendment or alteration of the terms or conditions contained herein shall be effective unless contained in a written document approved and executed by the parties.

3. State and Federal Law

If state or federal laws enacted after the effective date of this Agreement preclude any party's compliance with the terms of this Agreement, this Agreement shall be modified as is necessary to comply with the relevant state or federal laws; however, this Agreement shall not be construed to waive or supersede any contention under law that TAMPOA has acquired vested rights under prior law.

V. Additional Provisions

A. Recording

The City of Key West shall record this Agreement with the Clerk of the

Circuit Court of Monroe County within fourteen (14) days following signature by all parties. Recording fees shall be paid by the City.

B. Entire Agreement

This Agreement incorporates and includes all prior negotiations, correspondence, conversations, agreements, or understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in or incorporated into this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

C. Severability

If any part of this Agreement is contrary to, prohibited by, or deemed invalid under any applicable law or regulation, such provisions shall be inapplicable and deemed omitted to the extent so contrary, prohibited, or invalid; however, the remainder here shall not be invalidated thereby and shall be given full force and effect.

D. Governing Law

This Agreement shall be construed and interpreted under the laws of the State of Florida.

E. Successors and Assigns

This Agreement shall be binding upon the parties hereto, their successors in interest, heirs, assigns, and personal representatives.

F. Notices

All notices, demands, requests, or replies provided for or permitted by this Agreement shall be in writing and shall be delivered by deposit with the United States Postal Service as certified mail, return receipt requested, postage prepaid, to the addresses stated below. Notice deposited with the United States Postal Service in the manner described above shall be deemed effective three (3) business days after deposit with the United States Postal Service. For purposes of notice, demand, request, or replies, the address of the City of Key West shall be:

City Manager
City of Key West
525 Angela Street
Key West, Florida 33040

The address of TAMPOA shall be:

Truman Annex Master Property Owner's Association, Inc.
President
201 Front Street, Suite 103
Key West, Florida 33040

G. Titles and Captions

All article and section titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

H. Pronouns

All pronouns and variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or

persons may require.

I. Further Action

The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of the Agreement.

J. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart.

K. Agreement Shall Not be Construed Against Any Party

This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

L. Third Party Beneficiaries

Nothing herein shall be construed to be for the benefit of any third party, nor is it intended that any provision shall be for the benefit of any third party.

M. Effective Date

The effective date of this Agreement shall be the date the Agreement is approved by the City of Key West City Commission and the Board of Directors of Truman Annex Master Property Owners' Association.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year below written.

Signed, sealed, and delivered in the presence of:

Witnesses:

TAMPOA

(FLORIDA)

STERLING J. CHRISTENSEN
Printed Name

[Signature]
Signature

By: [Signature]
President

DAVID J. PFENT
Printed Name

Bertrice Christensen
Printed Name

Dated: 1/20/00

[Signature]
Signature

STATE OF FLORIDA

COUNTY OF MONROE

The foregoing instrument was acknowledged before me on this 20th day of January, 2000, by David J. Pfent, the President of TAMPOA, on behalf of the Association. He is personally known to me and did not take an oath.

[Signature]
Notary Public

Joy Delgado
Printed Name

My commission expires:

APPROVAL OF THE CITY OF KEY WEST

On the 20 day of January, 2000, the City of Key West Commission approved this Agreement by Resolution No. 00-43.

ATTEST

CITY OF KEY WEST, FLORIDA

Cheryl Smith
Cheryl Smith, City Clerk

By: Jimmy Weekley
Jimmy Weekley, Mayor

MEDIATION SETTLEMENT AGREEMENT

THIS MEDIATION SETTLEMENT AGREEMENT (hereinafter referred to as the “Agreement”) between the City of Key West (hereinafter referred to as “CITY”), a municipal corporation of the State of Florida, and the Truman Annex Master Property Owners’ Association, Inc., a Florida corporation (hereinafter referred to as “TAMPOA”), a legal or equitable owner and/or representative of certain properties located in the City of Key West, Florida (both “City” and “TAMPOA” shall be hereinafter referred to collectively as the “Parties” and may individually be referred to as a “party”), as well as each of the Parties’ successors and assigns.

RECITALS

WHEREAS, TAMPOA is the property owners’ association which represents the owners of real property within the Truman Planned Residential Development (hereinafter referred to as “TRUMAN ANNEX”) with the exception of the Shipyard’s Condominium Association, and whose function and powers are described in those bylaws of TAMPOA filed and recorded in the public records of Monroe County, Florida;

WHEREAS, the CITY is a municipality organized and existing under the laws of the State of Florida and, among other things, is empowered to enter into agreements to settle the litigation described herein and to protect the public health, safety and welfare of its citizens;

WHEREAS, TAMPOA has filed an action for damages, specific performance and other relief against the CITY which is styled *Truman Annex Master Property Owners’ Association vs. City of Key West* (Case No. 44-2006-CA-55-K) in the Sixteenth Judicial Circuit, Monroe County, Florida; and has also filed a separate action styled *Truman Annex Master Property Owners’ Association v. City of Key West and United States of America* (Case No. 07-10033-CIV-MOORE) in the United

States District Court, Southern District of Florida (hereinafter collectively referred to as the "Lawsuits");

WHEREAS, true and correct copies of those pending complaints in both of the LAWSUITS are attached hereto and incorporated herein as "Exhibit A" and "Exhibit B" respectively for reference;

WHEREAS, by entering into this Agreement, the CITY and TAMPOA wish to fully and finally resolve all pending issues between the CITY and TAMPOA with regard to the Lawsuits.

WHEREAS, all times set forth herein shall be local time.

WHEREAS, unless otherwise specifically stated, this Agreement contains the entirety of the terms of the Agreement by and between the Parties with regard to the subject matter of the Agreement.

NOW THEREFORE, the parties do hereby agree as follows:

I. Recitations of Facts and Mutual Commitments

The above recitations and representations are true and correct and are incorporated herein by reference.

II. Southard Street Access

TAMPOA agrees to execute an access easement in favor of the CITY to provide ingress and egress over the portion of Southard Street described in "Exhibit C" (hereinafter referred to simply as "Southard Street") according to the terms, more fully set forth below:

A. During the hours of 6:00 a.m. and 10:00 p.m., there shall be unrestricted access by the public over and across Southard Street for purposes of ingress and egress to and from the Waterfront property described in "Exhibit D" (hereinafter referred to simply as Waterfront)

B. Nothing in this Agreement shall be construed to allow, authorize or permit any non-residents of TAMPOA to have access to the remaining properties of TAMPOA. Instead, this Agreement is specifically intended to allow, authorize and permit persons to have access to and utilize an easement over and across Southard Street to provide ingress and egress to properties beyond TAMPOA including the Waterfront, the United States Navy Base, and Fort Zachary Taylor Historic State Park.

C. During the hours of 10:00 p.m. and 6:00 a.m., only the following persons shall be allowed access over and across Southard Street for purposes of ingress and egress to and from the Waterfront:

- (1) City employees;
- (2) Marina guests;
- (3) Residents, guests, and employees of approved developments located within the Waterfront;
- (4) Employees and guests of the NOAA facility; and
- (5) Persons attending CITY approved special events at the Waterfront.

D. TAMPOA shall have the right, at its option and at its sole expense, to construct, maintain and man gates and/or guard booths at either or both ends of Southard Street. Each such gate(s) and/or guard booth(s) will be manned during any hours between 10:00 p.m. and 6:00 a.m. that the gates are closed to ensure access to those persons listed in Paragraph C. The gates and/or guard booths will not be manned between 6:00 a.m. and 10:00 p.m. except for the purpose of providing information to motorists and pedestrians who request information.

E. Regardless of TAMPOA's rights to construct, maintain and man such gates and/or guard booths, TAMPOA shall be required to comply with the requirements of allowing ingress and egress by authorized persons as defined herein.

F. As used in this Agreement "unrestricted access" shall mean that any gates constructed, maintained and manned by TAMPOA on Southard Street shall be in the open position and ingress and egress over and across Southard Street shall be permitted to all persons. However, during restricted times between 10:00 p.m. (EST) and 6:00 a.m. (EST), TAMPOA shall be permitted to have such gates in the closed position, to have the gates and/or guard houses manned with personnel paid for by TAMPOA, to make reasonable inquiry of those persons utilizing the easement to ensure that such persons are within the category of persons authorized to have such access, to deny access to any persons who do not fall within the categories of authorized persons as specifically set forth herein, and to engage in all actions reasonably necessary to accomplish the terms of this Agreement.

G. In consideration of this Agreement and in light of the traffic that will utilize the easement over and across Southard Street, CITY hereby agrees to be solely responsible for the maintenance of Southard Street, excepting only the gates and/or guards houses to be constructed, maintained and/or manned by TAMPOA. For purposes of establishing a standard by which maintenance shall be required, the parties acknowledge that the CITY shall be required to maintain Southard Street in the same manner as Southard Street is currently maintained including the same materials as currently exist on Southard Street (by way of example and not as an exhaustive reference, CITY shall use brick pavers of same quality, color and appearance). All maintenance shall be performed in a prompt manner to ensure that the structure and appearance of Southard Street is

properly maintained. CITY's responsibility for maintenance and repair shall also include, but shall not be limited in any way to, repair/replacement of underground utilities of any kind, repair/replacement of brick pavers, repair/replacement of all asphalted areas of Southard Street, repair/replacement of all concrete areas of Southard Street, and all other maintenance, repairs and replacement measures that may be required to keep Southard Street in the same condition it exists as of the Effective Date of this Agreement. TAMPOA will be responsible for the maintenance, staffing and repair of any gates and/or guard houses constructed at any location along Southard Street. The "Access Easement" to be executed by TAMPOA is attached as Exhibit "E".

III. "Waterfront" Property Traffic Ways Plan

The CITY agrees to provide at a minimum one road with ingress and one road with egress to and from the "waterfront" property, in addition to the ingress and egress provided by TAMPOA on Southard through its' easement not later than 180 days from date this Agreement is executed by the CITY.

IV. Settlement of the Lawsuits

CITY and TAMPOA shall execute Stipulations for the entry of Final Orders of Dismissal as to each other, which will provide for the Courts' approval for this Agreement and which will further provide that the Courts retain jurisdiction to enforce the terms of the Agreement. If either party to this Agreement shall be required to incur attorney's fees and/or costs in enforcing this Agreement, the prevailing party in any action to so enforce this Agreement shall be entitled to an award of attorney's fees and costs, in addition to any and all other remedies awarded. All disputes regarding enforcement as to the meaning of terms within the agreement shall be resolved by expedited binding arbitration. The Parties shall mutually agree upon an arbitrator and, if unable to agree, shall each

select an arbitrator of their own choice and such arbitrators shall then mutually agree upon a third person to act as arbitrator. This arbitrator will be a standing arbitrator and available to hear arguments on issues of dispute and issue an opinion on issues of enforcement of this agreement within one week. For purposes of proceeding with arbitration, the parties shall initially be required to equally divide any and fees and costs of the arbitrator in conducting the proceedings; however, the prevailing party at any arbitration shall be entitled to reimbursement of any and all such fees and costs, in addition to any other award. With regard to attorney's fees and costs incurred to date and through the administration and implementation of this Agreement, and conditioned upon this Agreement being actually approved and implemented, each party shall bear its own attorney's fees and costs to date. The Stipulations for Final Order of Dismissal and proposed Final Order of Dismissal are attached hereto as "Exhibit F" through "Exhibit H" respectively. The Parties also acknowledge and agree that there may remain disputes by and between TAMPOA and the United States of America and/or United States Navy regarding Southard Street and/or other issues. CITY and TAMPOA specifically acknowledge and agree that the existence of any dispute by and between TAMPOA and the United States of America and/or United States Navy shall not have any affect on this Agreement, its enforcement or the relationship between TAMPOA and City as provided herein.

V. Easement For Southard Street

As part of this Agreement, TAMPOA shall execute an easement in favor of CITY over and across Southard Street, which said easement shall comport with the terms of this Agreement. A copy of the easement executed by TAMPOA and to be recorded is attached hereto as "Exhibit I".

VI. Entire Agreement

The CITY and TAMPOA specifically acknowledge that they have the right and power to enter into this agreement. This Agreement incorporates and includes all prior negotiations, correspondence, conversations, agreements, or understandings applicable to the matters contained herein and the Parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in or incorporated into this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

VII. Severability

The provisions of this Agreement are declared to be severable, and if any portion, clause or phrase of this Agreement is held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions, sentences, clauses, and phrases of this Agreement, but they shall remain in effect, if the intent of the parties that disagreement shall stand notwithstanding the invalidity of any part.

VIII. Governing Law

This Agreement shall be construed and interpreted under the laws of the State of Florida.

IX. Successors and Assigns

This Agreement shall be binding upon the parties hereto, their successors in interest, heirs, assigns and personal representatives.

X. Attorney's Fees and Costs

As set forth herein, attorney's fees and costs shall be paid to the prevailing party in the event of legal action to enforce any of the provisions of this Agreement.

XI. Notices

All notices, demands, requests, or replies provided for or permitted by this Agreement shall be in writing and shall be delivered by deposit with the United States Postal Service with postage prepaid, to the addresses stated below. Notice deposited with the United States Postal Service in the manner described above shall be deemed effective three (3) business days after deposit with the United States Postal Service. For purposes of notice, demand, request, or replies, the address of the CITY shall be:

City Manager
City of Key West
525 Angela Street
Key West, Florida 33040

The address of TAMPOA shall be:

Truman Annex Master Property Owners' Association, Inc.
President
201 Front Street, Suite 103
Key West, Florida 33040

XII. Titles and Captions

All article and section titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

XIII. Pronouns

All pronouns and variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

XIV. Further Action

The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purpose of the Agreement.

XV. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart.

XVI. Agreement Shall Not be Construed Against Any Party

This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

XVII. Third Party Beneficiaries

Nothing herein shall be construed to be for the benefit of any third party, nor is it intended that any provision shall be for the benefit of any third party.

XVIII. Time Is Of The Essence

With regard to the provisions of this Agreement, the parties acknowledge and agree that time is of the essence.

XIX. Effective Date

The Effective Date of this Agreement shall be the date the Agreement is approved by the City of Key West City Commission and the Board of Directors of Truman Annex Master Property Owners' Associations.

City of Key West:

By: [Handwritten Signature]
Its: _____

3/4/09
Date

Truman Annex Master Property Owners' Association, Inc., a Florida corporation:

By: [Handwritten Signature]
By: THOMAS B. TILLET
Its: PRESIDENT

2/18/09
Date

Exhibit D

LETTER OF ACKNOWLEDGEMENT
OF
AFFORDABLE WORKFORCE HOUSING RESTRICTIONS

TO: _____

DATE: _____

This letter is given to the City of Key West as an acknowledgement regarding the Affordable Workforce Housing Unit that I am acquiring. I hereby acknowledge the following:

- That I meet the requirements set forth in the Declaration, Lease and Code (all as defined below). I understand that the Affordable Housing Unit I am receiving is price restricted below fair market value for my, future similarly situated persons and the City of Key West's benefits.
- The Affordable Workforce Housing Unit I am acquiring is subject to Affordable workforce housing restrictions that are specified in the Declaration of Affordable Housing Restrictions dated _____, 2022 ("Declaration"), and recorded in the Public Records of Monroe County at Book ____, Page _____, the Ground Lease Agreement dated _____, 2022, and recorded in the Public Records of Monroe County at Book ____, Page _____ ("Lease"), and Sections 122-1465 through 122-1472 of the City of Key West Code of Ordinances Land Development Regulations (2021) ("Code").
- I understand the terms and conditions of the aforementioned documents and understand how they will affect my rights as an owner of the Affordable Workforce Housing Unit, now and in the future.
- That the Affordable Housing Unit I am receiving is subject to a 99-year ground lease by and between The Naval Properties Redevelopment Authority of the City of Key West, a political subdivision of the State of Florida, and Bahama Village on Fort, Ltd., .
- That I agree to abide by the affordable restrictions in the Declaration, Lease, and Code, and I understand and agree for myself and my successors in interest that the City of Key West may change some of the Affordable Restrictions over the 99-year term of the Lease and 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 the Affordable Workforce 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 the timing and procedure for the sales will be restricted.
- 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 spouse, 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/we hereby acknowledge that this housing unit is subject to affordable workforce housing restrictions that limit the lawful occupants and sales/rental price of the housing unit.

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

This Instrument Prepared by,
Record and Return to:
Terry M. Lovell, Esq.
Bilzin Sumberg Baena Price & Axelrod LLP
1450 Brickell Avenue, 23rd Floor
Miami, FL 33131

Filed and Recorded in Official Records of
MONROE COUNTY KEVIN MADOK, CPA

AMENDMENT TO GROUND LEASE AGREEMENT

THIS AMENDMENT TO GROUND LEASE AGREEMENT (this “**Amendment**”) is made and entered into as of the ³⁰ day of November, 2023, by and between THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (“**Lessor**”) and BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (“**Lessee**”), and acknowledged by the City of Key West, a municipal corporation of the State of Florida (the “**City**”).

RECITALS

A. Lessor and Lessee are parties to that certain Ground Lease Agreement recorded on July 19, 2022, at Book 3185, Page 1, in the Official Records of Monroe County, Florida (the “**Lease**”), whereby Lessor leases to Lessee certain real property located in the City of Key West located at the Truman Waterfront in Historic Bahama Village.

B. That certain Quitclaim Deed recorded on December 9, 2002, at Book 1839, Page 410, in the Official Records of Monroe County, Florida, vested fee simple title to the Demised Premises in the City of Key West.

C. Section 2-450(3) of the City of Key West’s Code of Ordinances authorizes Lessor, as the Local Redevelopment Authority, to dispose of property acquired within the community development area for uses in accordance with the community redevelopment plan.

D. Pursuant to Ordinance No. 21-15 recorded on September 13, 2023, at Book 3242, Page 818, in the Official Records of Monroe County, Florida, the City of Key West City Commission authorized a referendum for Lessor to enter into the Lease for the development of affordable workforce housing, and such referendum was approved.

F. Lessor and Lessee desire to amend the Lease as set forth in this Amendment.

NOW, THEREFORE, for and in consideration of Ten and 00/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein as if set forth in full.

2. General Provisions. All defined terms in this Amendment shall have the same meaning as in the Lease, except if otherwise noted. Except as amended and modified by this Amendment, all of the terms, covenants, conditions, and agreements of the Lease shall remain in

full force and effect. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, this Amendment shall control.

3. Legal Description. The legal description of the Demised Premises is hereby deleted in its entirety and replaced with the legal description attached hereto as Exhibit "A".

4. Affordable Housing Development. The following Section 4.13 is hereby added to the Lease:

4.13. Affordable Housing Development. During the term of the Lease, the Affordable Housing Development will be owned by the Lessee, which shall have the right to alter, improve, and modify the Affordable Housing Development as follows:

(i) If non-material and within the scope of the existing development plan, without lessor consent (except that any municipal building or development approvals must be met); and

(ii) If material and outside the scope of the existing development plan, with lessor consent, not unreasonably to be denied, conditioned, or delayed (and after obtaining any municipal building or development approvals).

No regulatory or use agreement encumbering the Affordable Housing Development may permit the remedy of appointment of a receiver or trustee, change of property manager, or collection of rents without the prior written consent of the Leasehold Mortgagee, and only be permitted specific performance or injunctive relief.

5. Non-Subordination. The following sentence is added to the end of Section 6.1 of the Lease:

The fee interest of the Lessor is not encumbered, nor will it be while the Leasehold Mortgage remains in effect.

6. Right of First Refusal. The following sentence is added to the end of Section 12.2 of the Lease:

Notwithstanding the foregoing, any such assignment or sublease shall not result in a merger of the fee and leasehold estate, and the identity of the assignee or sublessee shall require the prior written approval of the Leasehold Mortgagee.

7. Eminent Domain; Cancellation. The following sentence is added to the end of Section 13.1 of the Lease:

Notwithstanding the foregoing, the provisions of any Leasehold Mortgage shall control as to the uses and disbursement of funds respecting any award or claim respecting condemnation.

8. Consent Required for Termination and Amendments. The following sentence is added to the end of Section 15.1.a. of the Lease:

The foregoing paragraph shall apply so that neither the Lessor nor the Lessee may voluntarily surrender or terminate the Lease without the prior written consent of the Leasehold Mortgagee.

9. Notice of Proceedings; Lender Right to Participate. Sections 15.1.b. and 16.1 of the Lease are hereby modified to include notice and right of the Leasehold Mortgagee to participate also in any appraisal, arbitration, litigation or other dispute resolution proceeding.

10. Arbitration, Mediation, and Non-Judicial Proceedings. The following Section 21.30 is hereby added to the Lease:

21.30. Arbitration, Mediation, and Non-Judicial Proceedings. The Leasehold Mortgagee is not subject to the imposition of any arbitration or mediation proceeding unless it voluntarily in writing chooses to so participate. Lacking any such written consent, the Leasehold Mortgagee may require judicial proceedings to resolve any dispute or issue.

11. Binding Effect: Choice of Law. This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State of Florida. Any litigation between the parties hereto concerning this Amendment or the Lease shall be initiated in the county in which the Demised Premises is located.

12. Authority. The parties each represent and warrant to the other that each has full authority to execute this Amendment without the joinder or consent of any other party and that each party has not assigned any of its right, title, and interest in the Lease to any other party.

13. Counterparts. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each party has caused this Amendment to be executed by its duly authorized representative as of the date above.

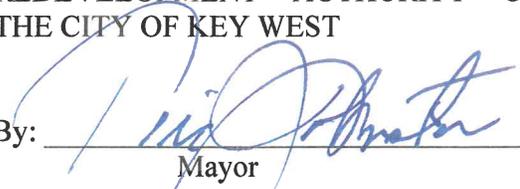
LESSOR:

THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST

(SEAL)

By:  _____
Deputy Clerk



By:  _____
Mayor

LESSEE:

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

By: _____
Name: Jason O. Floyd
Title: Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on November __, 2023, by Jason O. Floyd as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of Bahama Village on Fort, Ltd., a Florida limited partnership. He is personally known to me or has produced _____ (type of identification) as identification.

NOTARY PUBLIC

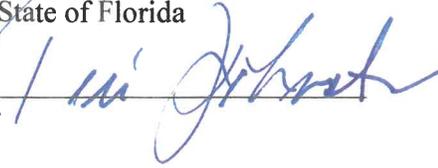
Acknowledged by the City of Key West:

ATTEST

CITY OF KEY WEST, a municipal corporation
of the State of Florida

By:  _____
Deputy Clerk



By:  _____
Mayor

IN WITNESS WHEREOF, each party has caused this Amendment to be executed by its duly authorized representative as of the date above.

LESSOR:

(SEAL)

THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST

ATTEST:

By: [Signature]
Deputy Clerk

By: [Signature]
Mayor

LESSEE:

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

By: [Signature]
Name: Jason O. Floyd
Title: Vice President

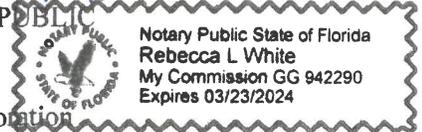
STATE OF FLORIDA
COUNTY OF DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on November 13th, 2023, by Jason O. Floyd as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of Bahama Village on Fort, Ltd., a Florida limited partnership. He is personally known to me or has produced _____ (type of identification) as identification.

[Signature]

NOTARY PUBLIC

Acknowledged by the City of Key West:



ATTEST

CITY OF KEY WEST, a municipal corporation
of the State of Florida

By: [Signature]
Deputy Clerk

By: [Signature]
Mayor

Exhibit A

Legal Description of Demised Premises

A PORTION OF THE LANDS DESCRIBED IN A QUITCLAIM DEED FROM THE U.S. GOVERNMENT (GRANTOR) TO THE CITY OF KEY WEST (GRANTEE) AS RECORDED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DESCRIBED AS:

A PORTION OF LAND LOCATED ON THE ISLAND OF KEY WEST, MONROE COUNTY, FLORIDA, SAID PARCEL ALSO LOCATED IN TRUMAN ANNEX (FORMERLY U.S. NAVY) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NATIONAL OCEAN SURVEY TRIANGULATION STATION, GSL, BEING A BRASS DISC SET IN CONCRETE, LOCATED ON THE OUTER MOLE OF TRUMAN ANNEX, THE COORDINATES OF WHICH ARE N 81,406.14 AND E 386,795.78 (1983/89), BASED ON THE U.S. COAST AND GEODETIC SURVEY MERCATOR GRID COORDINATE SYSTEM WHICH HAS FOR ITS ZERO COORDINATE A POINT OF LATITUDE NORTH 24°20'00" AND 500.00 FEET WEST OF LONGITUDE WEST 81°00'00"; THENCE N 74°38'54" E, A DISTANCE OF 901.39 FEET TO THE POINT OF BEGINNING OF THE LANDS GRANTED TO THE CITY OF KEY WEST AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410 OF SAID PUBLIC RECORDS; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING EIGHT (8) COURSES AND DISTANCES: N 88°01'07" E, A DISTANCE OF 57.69 FEET (1); THENCE N 01°52'38" W, A DISTANCE OF 2.77 FEET (2); THENCE N 88°13'17" E, A DISTANCE OF 19.93 FEET (3); THENCE S 19°53'46" E, A DISTANCE OF 549.69 FEET (4); THENCE S 00°20'55" E, A DISTANCE 409.16 FEET (5); THENCE N 89°49'18" E, A DISTANCE OF 100.84 FEET (6); THENCE S 33°56'54" E, A DISTANCE OF 842.47 FEET (7) TO THE NORTHWEST RIGHT-OF-WAY OF ANGELA STREET; THENCE S 55°59'51" W ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 105.64 FEET (8) TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET ACCORDING TO THE CITY OF KEY WEST STREET MAP DATED MAY 26, 1955; THENCE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 52.55 FEET TO THE POINT OF BEGINNING OF THE SALE PARCEL HEREIN DESCRIBED; THENCE CONTINUE S 33°54'27" E ALONG SAID RIGHT-OF-WAY, 233.94 FEET TO A LINE BEING 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTHEASTERLY BOUNDARY LINE AND ITS NORTHEASTERLY EXTENSION OF TACTS TOWER AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF SAID PUBLIC RECORDS; THENCE S 56°05'33" W ALONG SAID PARALLEL LINE, A DISTANCE OF 305.76 FEET; THENCE N 33°49'42" W, 33.00 FEET TO THE SOUTHEASTERN BOUNDARY LINE OF SAID TACTS TOWER; THENCE N 56°05'33" E ALONG SAID BOUNDARY, A DISTANCE OF 175.87 FEET TO THE NORTHEAST BOUNDARY OF SAID TACTS TOWER; THENCE N 33°54'27" W ALONG SAID BOUNDARY, 100.00 FEET; THENCE S 56°05'33" W A DISTANCE OF 24.17 FEET; THENCE N 33°54'27" W, 30.82 FEET; THENCE N 56°58'05" W, 15.81 FEET; THENCE N 33°01'55" E, 37.25 FEET; THENCE S 56°58'05" E, 25.40 FEET; THENCE N 56°05'33" E, 30.69 FEET; THENCE N

33°54'27" W, 35.41 FEET; THENCE N 56°05'33" E, 15.48 FEET; THENCE N 12°49'09" E, 42.22 FEET; THENCE N 56°05'33" E, 39.07 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET AND THE POINT OF BEGINNING.

SAID LANDS LYING WITHIN SECTION 6, TOWNSHIP 68 SOUTH, RANGE 25 EAST, CITY OF KEY WEST, MONROE COUNTY, FLORIDA.

RESOLUTION NO. 24-297

A RESOLUTION OF THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (LRA) APPROVING A SECOND AMENDMENT TO THE GROUND LEASE AGREEMENT WITH BAHAMA VILLAGE ON FORT, LTD. PERTAINING TO PROPERTY KNOWN AS THE TRUMAN WATERFRONT/BAHAMA VILLAGE 3.2 ACRES, TO AMEND AND RESTATE THE WORK FORCE HOUSING CODES THAT GOVERN THE SALE PRICE AND FUTURE RESALE VALUES FOR THE CONDO HOMEOWNERSHIP RESALE UNITS LOCATED AT 710 FORT STREET; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the LRA has approved and entered into a 99-year Ground Lease Agreement with Bahama Village on Fort, Ltd. On July 19, 2022 in the official records of Monroe County, Florida at Book 3185, Page 1 (the original lease) for the purpose of developing 128 Work Force Housing units at 710 Fort Street (RE# 00001630-000801) owned by the City of Key West; and

WHEREAS, on November 14, 2023, the LRA approved an amendment to the Ground Lease Agreement recorded in the Official Record of Monroe County, Florida at Book 3250, Page 2166 (the "First Amendment" and together with the Original Lease, collectively referred to as the "Lease"; and

Doc # 2483037 Bk# 3303 Pg# 469
Recorded 12/10/2024 9:36 AM Page 1 of 10

Doc # 2488519 Bk# 3310 Pg# 962
Recorded 2/3/2025 10:34 AM Page 1 of 12

Filed and Recorded in Official Records of
MONROE COUNTY KEVIN MADOK, CPA

Filed and Recorded in Official Records of
MONROE COUNTY KEVIN MADOK, CPA

re-recording to add Exhibit "D"



WHEREAS, on October 16, 2024 the Monroe County Comprehensive Plan Land Authority approved a provision of construction subsidy funding in the amount of \$6,170,457.00 to decrease the sale price for the 28 Work Force units contemplated in the Lease; and

WHEREAS, the City desires to keep the final sales price of twenty-eight units affordable and accessible to individuals with incomes tiers in the Work Force Housing Code defines as Very Low (60% AMI) up to Middle Incomes (140% AMI) and this subsidy funding for construction facilitates these lower sales prices and creating affordable housing; and

WHEREAS, the Land Authority shall record a Land Use Restrictive Agreement and other legal documents as needed to ensure monitoring and compliance of homeowner income limits, preservation of affordable housing and other provisions of City ordinances and State statutes applicable to Monroe County Comprehensive Plan Land Authority funding.

NOW THEREFORE, BE IT RESOLVED BY THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUHTORITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the definition of "Affordable Workforce Housing Restrictions" in Article I, Section 1.1 of the Lease is hereby amended and restated as follows: Three (3) Affordable

Housing Units designated "very-low" income shall have a sales price that will not exceed seventy-five percent of the annual median household income (adjusted for family size) for Monroe County (0.75 X AMI) in accordance with section 122-1472 of the City Code; Eleven (11) Affordable Housing Units designated "low-income" shall have a sales price that will not exceed one and one-half times annual median household income (adjusted for family size) for Monroe County (1.5 x AMI), in accordance with section 122-1472 of the City Code; and Fourteen (14) Affordable Housing Units designated "middle-Income" shall not exceed three and one-half times annual median household income (adjusted for family size) for Monroe County (3.5 x AMI), in accordance with section 122-1472 of the City Code. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

Section 2: That the attached Second Amendment to Ground Lease Agreement between the LRA and Bahama Village on Fort, Ltd. is hereby approved.

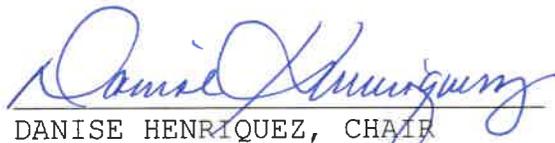
Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Authority.

Passed and adopted by the Naval Properties Local
Redevelopment Authority at a meeting held this 14th day of
November, 2024.

Authenticated by the Presiding Officer and Clerk of the
Commission on 18th day of November, 2024.

Filed with the Clerk on November 18, 2024.

Chair Danise Henriquez	<u>Yes</u>
Vice Mayor Clayton Lopez	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Monica Haskell	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Sam Kaufman	<u>Yes</u>
Commissioner Donald "Donie" Lee	<u>Yes</u>
Ex-Officio Member Christina Gardner	<u>Yes</u>


DANISE HENRIQUEZ, CHAIR

ATTEST:



KERI O'BRIEN, CITY CLERK

After recording return to:
Ronald J. Ramsingh, Esq.
P.O. Box 1409
Key West, FL 22041-1409
(305)809-3773

SECOND AMENDMENT TO GROUND LEASE AGREEMENT

THIS SECOND AMENDMENT TO GROUND LEASE AGREEMENT (this “**Amendment**”) is made and entered into as of the 17th day of November, 2024, by and between THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (“**Lessor**”) and BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (“**Lessee**”), and acknowledged by the City of Key West, a municipal corporation of the State of Florida (the “**City**”).

RECITALS

A. Lessor and Lessee are parties to that certain Ground Lease Agreement recorded on July 19, 2022, in the Official Records of Monroe County, Florida at Book 3185, Page 1 (the “**Original Lease**”), whereby Lessor leases to Lessee certain real property located in the City of Key West located at the Truman Waterfront in Historic Bahama Village.

B. Lessor and Lessee entered into that certain Amendment to Ground Lease Agreement recorded on November 14, 2023, in the Official Record of Monroe County, Florida at Book 3250, Page 2166 (the “**First Amendment**” and together with the Original Lease, collectively referred to as the “**Lease**”).

C. The Monroe County Comprehensive Plan Land Authority has approved the provision of construction funds in the amount of \$6,170,457.00 to decrease the sale price for the 28 affordable housing units contemplated in the Lease (“**Land Authority Funds**”).

D. Lessor and Lessee desire to amend the Lease as set forth in this Amendment.

NOW, THEREFORE, for and in consideration of Ten and 00/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein as if set forth in full.

2. General Provisions. All defined terms in this Amendment shall have the same meaning as in the Lease, except if otherwise noted. Except as amended and modified by this Amendment, all of the terms, covenants, conditions, and agreements of the Lease shall remain in full force and effect. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, this Amendment shall control. In the event of any conflict between the provisions of the Lease (as amended by this Amendment) and City Code, the Lease shall control.

3. Affordable Workforce Housing Restrictions. Upon Lessee's receipt of the Land Authority Funds, the definition of "Affordable Workforce Housing Restrictions" in Article I, Section 1.1 of the Lease is hereby amended and restated as follows with additions bold and underlined and removals struck through:

““Affordable Workforce Housing Restrictions” shall mean the affordable housing regulations for the Affordable Housing Units as set forth herein and in applicable sections of the 2021 City of Key West Land Development Regulations or 2021 City Code of Key West of Ordinances (“City Code”), including, but not limited to, Division 10 of Chapter 122 of the City Code. The Owner/Occupants shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County, provide that such restriction shall not disqualify an Owner/Occupant previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified. Lessor acknowledges that any future modifications to the City Code shall not be deemed to modify the Affordable Workforce Housing Restrictions or the terms of this Lease unless the Lessee consents to the application of such revised City Code.

The Affordable Housing Development shall consist of the following Affordable Housing Units designated at “very low-income”, “low-income” or “middle income”:

i) Three (3) Affordable Housing Units designated ~~for~~ “very low-income persons” whose sales price shall not exceed seventy-five percent of the one and one-half times annual median household income (adjusted for family size) for Monroe County (0.75 x AMI), in accordance with section 122-1472 of the City Code. For example, for 2024 ~~2022~~, the maximum sales price for a very low-income two-bedroom unit would be \$80,578 ~~138,375~~ and a very low-income three-bedroom unit would be \$89,485 ~~153,750~~. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

ii) Eleven (11) Affordable Housing Units designated ~~for~~ “low-income persons” whose sales price shall not exceed one two and one-half times annual median household income (adjusted for family size) for Monroe County (1.5 x AMI), in accordance with section 122-1472 of the City Code. For example, for 2024 ~~2022~~, the maximum sales price for a two-bedroom unit would be \$161,156 ~~230,625~~ and a three-bedroom unit would be \$178,969 ~~256,250~~. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

iii) Fourteen (14) Affordable Housing Units designated ~~for~~ “middle income persons” whose sales price shall not exceed three six and one-half times annual median household income (adjusted for family size) for Monroe County (3.5 x AMI), in accordance with section 122-1472 of the City Code. For example, for 2024 ~~2022~~, the maximum sales price for a two-bedroom unit would be \$376,031

~~599,625~~ and a three-bedroom unit would be ~~\$666,250~~ **\$417,594**. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

The following eligibility requirements shall be required of households or persons to qualify for affordable work force housing units to the extent lawful:

(1) The household or person shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County. This section shall not disqualify an individual previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified.

(2) At the time of sale of an affordable housing (very low income) unit, the total income of eligible household or persons shall not exceed sixty (60) percent of the median household income for Monroe County (adjusted for family size).

(3) At the time of sale of an affordable housing (low income) unit, the total income of eligible household or persons shall not exceed eighty (80) percent of the median household income for Monroe County (adjusted for family size).

(4) At the time of sale of an affordable housing (middle income) unit, the total income of eligible household or persons shall not exceed one hundred forty (140) percent of the median household income for Monroe County (adjusted for family size).

These restrictions shall be memorialized and agreed to by the parties, then recorded and shall become part of the Related Agreements in the form of Declaration of Affordable Housing Restrictions attached as Exhibit B.”

4. Applicability. The revisions to the Lease set forth in Section 3 of this Amendment shall only become effective upon Lessee’s receipt of the Land Authority Funds in the amount of \$6,170,457.00.

5. Notice of Restrictions. The required Notice of Restrictions referenced in Section 12.7 of the Lease is hereby amended as follows to include references to additional relevant documents:

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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT

RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

6. Letter of Acknowledgement. The Letter of Acknowledgement of Affordable Workforce Housing Restrictions referenced in Section 12.10 of the Lease and included as Exhibit D of the Lease is hereby amended and replaced with the Letter of Acknowledgement of Affordable Workforce Housing Restrictions included as **Exhibit D** to this Amendment.

7. Binding Effect: Choice of Law. This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State of Florida. Any litigation between the parties hereto concerning this Amendment or the Lease shall be initiated in the county in which the Demised Premises is located.

8. Authority. The parties each represent and warrant to the other that each has full authority to execute this Amendment without the joinder or consent of any other party and that each party has not assigned any of its right, title, and interest in the Lease to any other party.

9. Counterparts. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.

[signature page to follow]

IN WITNESS WHEREOF, each party has caused this Amendment to be executed by its duly authorized representative as of the date above.

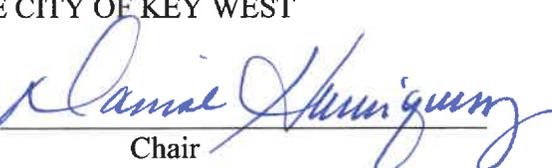
LESSOR:

THE NAVAL PROPERTIES LOCAL
REDEVELOPMENT AUTHORITY OF
THE CITY OF KEY WEST

(SEAL)

ATTEST
By: 
Deputy Clerk



By: 
Chair

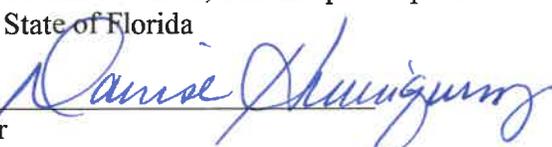
Acknowledged by the City of Key West:

ATTEST

By: 
Deputy Clerk



CITY OF KEY WEST, a municipal corporation
of the State of Florida

By: 
Mayor

[Signature Page to Second Amendment to Ground Lease]

LESSEE:

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its general partner

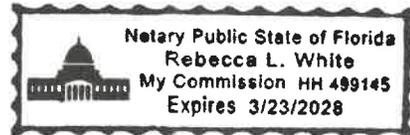
By: Vestcor, Inc., a Florida corporation, its manager

By: *Jason O. Floyd*
Name: Jason O. Floyd
Title: Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on November 19, 2024, by Jason O. Floyd as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of Bahama Village on Fort, Ltd., a Florida limited partnership. He is personally known to me or has produced _____ (type of identification) as identification.

Rebecca L. White
NOTARY PUBLIC



[Signature Page to Second Amendment to Ground Lease]

Exhibit D

LETTER OF ACKNOWLEDGEMENT
OF
AFFORDABLE WORKFORCE HOUSING RESTRICTIONS

TO: _____

DATE: _____

This letter is given to _____ as an acknowledgement regarding the Affordable Workforce Housing Unit that I am receiving. I hereby acknowledge the following:

- The Affordable Workforce Housing Unit I am receiving is subject to Affordable workforce housing restrictions that are specified in the Declaration of Affordable Housing Restrictions dated July 15, 2022, recorded in the Public Records of Monroe County at Book 3185, Page 113, as amended by the Amendment to Declaration of Affordable Housing Restrictions dated _____, _____, recorded in the Public Records of Monroe County at Book _____, Page _____ (the “Affordable Declaration”), the Ground Lease Agreement dated July 15, 2022, and recorded in the Public Records of Monroe County at Book 3185, Page 1, as amended by the Amendment to Ground Lease Agreement dated November 13, 2023, recorded in the Public Records of Monroe County Book 3250, Page 2166, and as amended by the Second Amendment to Ground Lease Agreement dated _____, _____, recorded in the Public Records of Monroe County Book _____, Page _____ (collectively, the “Lease”), the Land Use Restriction Agreement dated _____, _____, recorded in the Public Records of Monroe County Book _____, Page _____ (“LURA”), and Section 122-1472 of the City of Key West Code of Ordinances Land Development Regulations (“Code”).
- I understand the terms and conditions of the aforementioned documents and understand how they will affect my rights as an owner of the Affordable Workforce Housing Unit, now and in the future.
- That the Affordable Housing Unit I am receiving is subject to a 99-year ground lease from The Naval Properties Redevelopment Authority of the City of Key West, and therefore I will be subleasing a parcel of land.
- That I agree to abide by the affordable restrictions in the Affordable Declaration, Lease, LURA and Code, and I understand that the affordable restrictions may change from time to time, and I will be expected to abide by any such changes.
- That in the event I want to sell the Affordable Workforce 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 the timing and procedure for the sales will be restricted.
- That I meet the requirements set forth in the Affordable Declaration, Lease, LURA and Code.
- That I must occupy the Affordable Housing Unit and that it cannot be rented to third parties.

- I understand that in the event that I die, my home may be devised and occupied by my spouse, my children, or any other heirs so long as they meet the requirements for affordable housing set forth in the Affordable Declaration, Lease, LURA, and Code.
- That I have reviewed the terms of the Affordable Declaration, Lease, LURA, Code and transaction documents.

I/we hereby acknowledge that this housing unit is subject to affordable workforce housing restrictions that limit the lawful occupants and sales price of the housing unit.

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

EXHIBIT 9 TO PROSPECTUS

**DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS, AS AMENDED BY
THE AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING
RESTRICTIONS**

Prepared by and
return to:

Shawn D. Smith, Esq.
P.O. Box 1409
Key West, FL 33041-1409
(305) 809-3773

(For Recorder's Use Only)

DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS

This Declaration of Affordable Housing Restriction (hereinafter "Declaration") is made and entered into this 15th day of July 2022 by BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (the "Declarant")

This Declaration applies to all of the units which are or may be located on the real property located in Historic Bahama Village, in Key West, Florida, which is more fully described in the Legal Description attached hereto and incorporated herein as Exhibit A (hereinafter "Property").

WHEREAS, the Property has been leased to Declarant pursuant to that certain 99-year ground lease by and between The Naval Properties Local Redevelopment Authority of the City of Key West, a political subdivision of the State of Florida ("City of Key West") and Declarant dated 7-15-22 and recorded JULY 19, 2022 at Book 3185, Page 001 of the Official Records of Monroe County (the "Lease");

WHEREAS, the City of Key West has required that the Property be subject to affordable housing restrictions, which shall establish affordable housing categories to facilitate the development of housing designed to meet the needs of people in the City, establish eligibility requirements for occupants of such affordable housing, and restrict the sales price of the Property and requires that the Property be sold at a price substantially less than fair market value to a purchaser within a specific income range;

WHEREAS, Declarant as well as subsequent purchasers will benefit from the limitations and regulations placed on the Property by operation of this Declaration;

WHEREAS, the intent of the City of Key West in imposing reasonable regulations on the Property is to establish and maintain the affordability of the Property for persons with incomes within a specified range; and

WHEREAS, the intent of Declarant is to preserve through this Declaration the affordability of the Property and to assign to the City the right to enforce compliance with this Declaration as an intended beneficiary of this Declaration.

NOW, THEREFORE, the Declarant agrees that the Property shall be held conveyed, assigned or leased subject to the following affordable housing restrictions, covenants and conditions, which shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns for the entire term of this Declaration.

I. DEFINITIONS

A. "Declarant" shall include any subsequent purchaser, devisee, transferee, grantee or holder of title of the Property or any portion of the Property.

B. "Transfer" means any sale, assignment or transfer, voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, bequest, trustee's sale, deed in lieu of foreclosure, or otherwise) of any interest in the Property, including but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Property is transferred and Declarant retains title.

C. "Transferee" shall mean an individual, or individuals, who receive a Transfer of the Property from the Declarant.

D. "Income" shall mean gross income.

All other terms shall have the same meaning given to them in the Lease and Related Agreements (as defined in the Lease).

II. TERM AND ENFORCEABILITY

A. This Declaration shall run with the land and with the title to the Property in perpetuity and bind the Declarant, its successors in interest and assigns, from the effective date of this Declaration.

B. The Property is held and hereafter shall be held, conveyed, encumbered, used, sold, leased and occupied subject to the covenants, conditions, restrictions and limitations set forth in the Lease and this Declaration. All of the herein-stated covenants, conditions, restrictions and limitations are intended to constitute both equitable servitudes and covenants running with the land.

C. Any transferee, sublessee, lessee, mortgagee or purchaser of the Property, or of any portion of or interest in the Property, by the acceptance of a deed or sublease therefore, whether from Declarant or from any subsequent purchaser of the Property or an Owner/Occupant (as defined in the Lease), or by the signing of a contract or agreement to purchase or sublease the same, shall, by the acceptance of such deed, sublease or mortgage, or by the signing of such contract or agreement, be deemed to have consented to and accepted the covenants, conditions, restrictions and limitations set forth herein. Any written instrument attempting or

purporting to lease or sublease, sell, convey, grant, transfer, exchange assign or mortgage any legal or equitable rights or interests to the Property (including the interest in the Lease) shall be deemed null and void, where such instrument purports or evidences an attempt to sell, convey, grant, transfer, exchange or assign any right or interest to the Property where such instrument is inconsistent with or contrary to the conditions or covenants contained herein. Any lease, sublease, deed or instrument of conveyance executed by or on behalf of Declarant or any subsequent grantee, devisee, heir, assignee or other transferee shall expressly set forth verbatim this and the foregoing reservations, restrictions and covenants or, in lieu thereof, incorporate them by specific reference to this Declaration by Book and Page number(s) where recorded in the Public Records of Monroe County, Florida.

D. In order to preserve through this Declaration the affordability of the Property for persons with incomes within a specified range, the Declarant hereby grants and assigns to the City the right to monitor and enforce compliance with this Declaration. Declarant otherwise reserves the rights necessary to implement the provisions of this Declaration.

III. IDENTIFICATION OF THE UNITS AFFECTED

Pursuant to the Lease, all units on the Property shall be workforce affordable housing. The affordable housing development located on the Property shall consist of the following units for sale designated at “low income” or “very low income” or “middle income”

- A. Three (3) units designated for “very low-income” persons
- B. Eleven (11) units designated for “low-income” persons
- C. Fourteen (14) units designated for “middle income” persons

Prior to selling any units within the affordable housing development on the Property, the Declarant shall record an Identification of Affordable Housing Agreement in the public records of Monroe County, Florida, which recorded document shall identify which unit are which particular income level.

IV. OCCUPANCY, SALE AND USE OF THE PROPERTY

A. The Property shall be operated, managed and otherwise administered as affordable housing and such other uses incidental to residential use as may be permitted by local zoning and land use regulations.

- 1. At the time an affordable housing (very low-income) unit is sold, such sales price shall not exceed one and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code.
- 2. At the time an affordable housing (low-income) unit is sold, such sales price shall not exceed two and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472 of the City Code.
- 3. At the time an affordable housing (middle income) unit is sold, such sales price shall not exceed six and one-half times the annual median household income (adjusted for

family size) for Monroe County, in accordance with section 122-1472 of the City Code.

4. The following eligibility requirements shall be required of households or persons to qualify for affordable work force housing units to the extent lawful:
 - (a) The household or person shall derive at least 70 percent of its or his/her total income from gainful employment in the county. This section shall not disqualify an individual previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified.
 - (b) At the time of sale of an affordable housing (very low income) unit, the total income of eligible household or persons shall not exceed sixty (60) percent of the median household income for Monroe County (adjusted for family size). In the event that a very low income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 60 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 100 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 60 percent of the monthly median household income of Monroe County (adjusted for family size).
 - (c) At the time of sale of an affordable housing (low income) unit, the total income of eligible household or persons shall not exceed eighty (80) percent of the median household income for Monroe County (adjusted for family size). In the event that a low income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 80 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 120 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 80 percent of the monthly median household income of Monroe County (adjusted for family size).
 - (d) At the time of sale of an affordable housing (middle income) unit, the total income of eligible household or persons shall not exceed one hundred forty (140) percent of the median household income for Monroe County (adjusted for family size). In the event that a middle income affordable housing unit is leased, the total income of the eligible household or persons leasing the unit shall not exceed 140 percent of the median household income for Monroe County (adjusted for family size). During the occupancy of the rental unit, the household's income may increase to an amount not to exceed 180 percent of the median household income for Monroe County (adjusted for family size). In such event, the tenant's occupancy shall

terminate at the end of the existing lease term. The monthly rent for the rental unit, not including utilities, shall not exceed 25 percent of that amount which represents 140 percent of the monthly median household income of Monroe County (adjusted for family size).

5. Eligibility is based on proof of legal residence in the county as demonstrated by a valid State of Florida driver license or identification card, voter registration card if eligible, and an employer verification form signed by the employer or sufficient evidence, satisfactory to the City or its designee, demonstrating income qualification through self-employment.

6. Priority shall be given to families of four or more members for larger sized affordable housing units.

7. The income of eligible households shall be determined by counting the full amount, before any payroll deductions, of wages, salaries, overtime pay, commissions, fees, tips, bonuses, Social Security, annuities, insurance policies retirement funds, pensions, disability or death benefits unemployment compensation disability or death benefits, unemployment compensation disability compensation, worker's compensation, severance pay and any net income from the operation of a business or profession of all household members. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income from operation of a business or profession. Unrelated adults may be qualified individually for rental purposes provided the total lease payment to the Owner does not exceed the rent limits established by the City.

8. In the event that a tenant of an affordable housing unit's income shall exceed the maximum allowable income under this section and such shall occur for the first time during the last three months of a tenancy, then the Owner/Occupant landlord and tenant may extend a lease for a period of one year at the affordable rate.

9. The planning board may review a potential tenant's household's income and unique circumstances to determine eligibility and conformance with the intent of this Declaration to assure that people in need are not excluded and people without need are not included

V. DEFAULTS AND REMEDIES

A. Upon any violation of the provisions of this Declaration, the City may declare a default under this Declaration by delivering written notice thereof to the Declarant. After providing written notice of default, and provide that such default has not been reasonably cured within thirty (30) days of receipt of such default notice, the City may apply to a court of competent jurisdiction for specific performance of the Declaration, for an injunction prohibiting a proposed sale or transfer or lease in violation of this Declaration, for a declaration that a prohibited transfer or lease is void, or for any such other relief as may be appropriate.

B. The remedies stated herein shall not be exclusive, but shall be cumulative to all other remedies and rights the parties may lawfully exercise.

VI. REQUIREMENTS FOR WRITTEN REPORTS FROM DECLARANT

Declarant shall provide a written report to the City each year on January 1, or on such other date as specified by the City in writing, which includes a statement that Declarant has complied with all provisions of this Declaration, or includes Declarant's explanation of any violation of any provision of this Declaration. The report shall be submitted within thirty (30) days of the specified date to the City, or to such other person or address designated by the City. Failure to provide a report in a timely manner, or any misrepresentations on the report, shall constitute a default under this Declaration.

VII. GENERAL PROVISIONS

A. The City may assign its rights and delegate its duties hereunder in writing without the consent of Declarant. Upon such assignment, the City shall notify the Declarant.

B. If any action is brought to enforce the terms of this Declaration, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

C. If any one or more of the provisions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Declaration, and this Declaration shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

D. The terms of this Declaration shall be interpreted under the laws of the State of Florida and venue shall lie in Monroe County, Florida.

E. All notices required herein shall be sent by certified mail, return receipt requested, to the Declarant at 3030 Hartley Road, Suite 310, Jacksonville, FL 32257, with a copy to Smith Hawks, PL, 138 Simonton Street, Key West, FL 33040 and to the City or its designee at P.O. Box 1409, Key West, FL, 33041, or such other address that either party may subsequently provide in writing to the other party. In the event of any change in contact information, the parties agree to record an amendment to this Declaration in the public records of Monroe County, Florida reflecting such change.

VIII. CONVERSION TO CONDOMINIUM FORM OF OWNERSHIP

Prior to Declarant or any subsequent owner or transferee converting ownership of the Property to condominium or a similar form of ownership, pursuant to Lease, Declarant shall obtain the City's reasonable approval of such condominium documents (including a condominium declaration) to same and Declarant expressly agrees herein to execute an amended Declaration as reasonably required by the City.

IX. MORTGAGE SUBORDINATION

Subject to the terms regarding "Leasehold Mortgages" under the Lease, upon demand by the City any mortgagee who accepts any or all of the Property as collateral or security for any purpose or loan shall execute and deliver, in recordable form, its subordination agreement subordinating its mortgage to the terms and conditions of this Declaration.

[Rest of page intentionally left blank; Signature page to follow]

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the date written below.

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

Signed, sealed and delivered in our presence:

Allison Clark
Witness Name: Allison Adams

Amyjo K Means
Witness Name: Amyjo K. MEANS

By: Jason O. Floyd
Name: Jason O. Floyd
Title: Vice President

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me by physical presence or online notarization this 15th day of July, 2022 by Jason O. Floyd as VP of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership, who are personally known to me or have produced _____ as identification.

[Notary Seal]

Rebecca L. White

Notary Public

Printed Name: _____

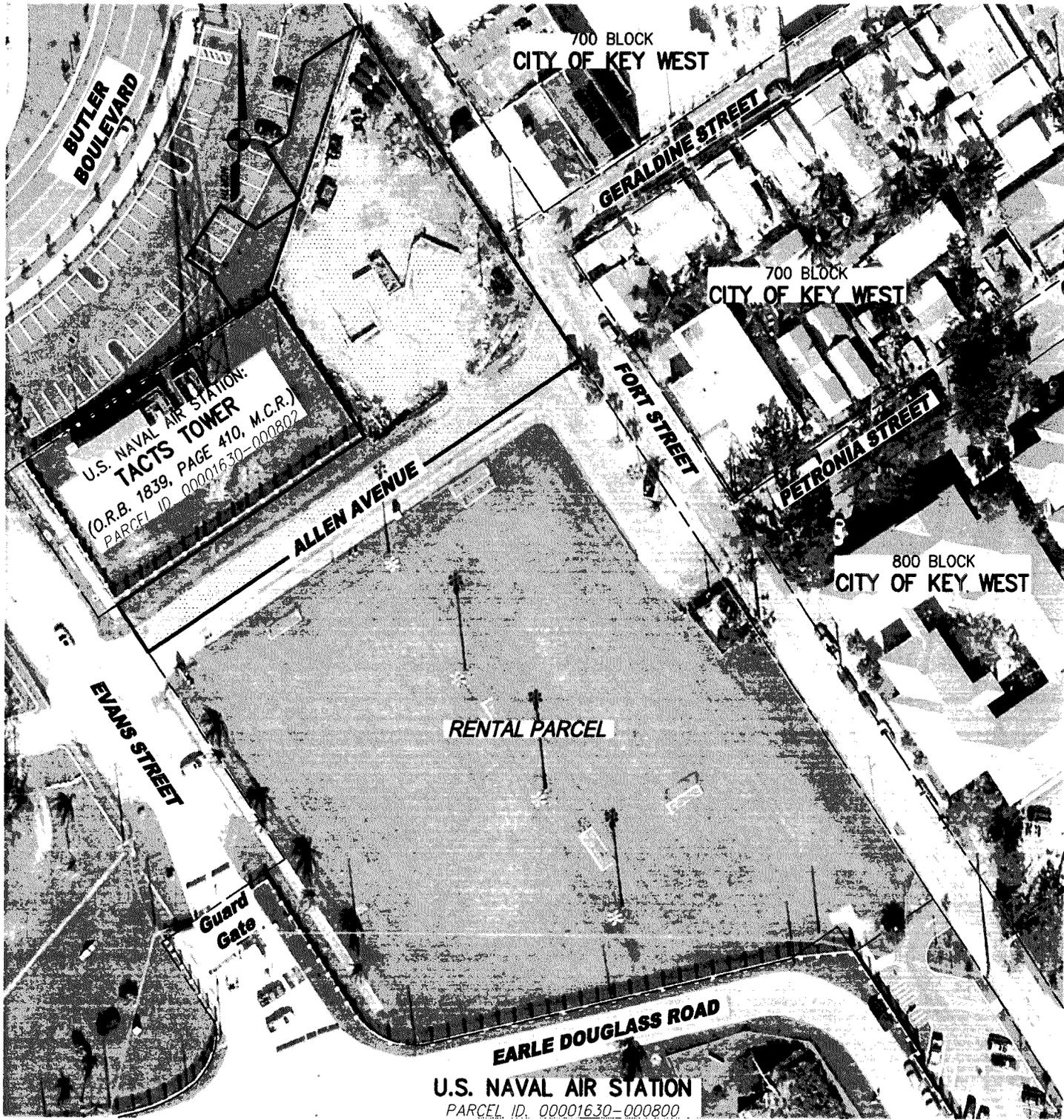
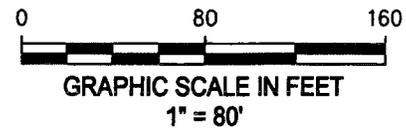
My Commission Expires: _____



EXHIBIT A

NOT A VALID SURVEY WITHOUT
ALL ACCOMPANYING SHEETS

SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA



REVISIONS

- REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
- REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
- REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.



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JOB #: 11558-2.1

SCALE: 1" = 80'

DATE: 03/06/2022

BY: K.C.

CHECKED: K.M.C-A-T

F.B. N/A **PG.** N/A

SHEET: 1 OF 5

**SKETCH AND DESCRIPTION
 BAHAMA VILLAGE SALE PARCEL
 PORTION OF TRUMAN ANNEX
 (O.R.B. 1839, PG. 410, M.C.R.)
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA**

**NOT A VALID SURVEY WITHOUT
 ALL ACCOMPANYING SHEETS**

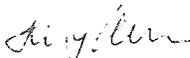
SURVEYOR'S REPORT:

1. Reproductions of this Sketch are not valid without the electronic signature of a Florida licensed surveyor and mapper. Additions or deletions to this survey map or report by other than the signing party is prohibited without written consent of the signing party.
2. No Title Opinion or Abstract to the subject property has been provided. It is possible that there are Deeds, Easements, or other instruments (recorded or unrecorded) which may affect the subject property. No search of the Public Records has been made by the Surveyor. NOTICE: There may be encumbrances that are not delineated on this survey that may be found in the Public Records of Monroe County, Florida.
3. The land description shown hereon was prepared by the Surveyor.
4. Data shown hereon was compiled from instrument(s) of record and does not constitute a boundary survey.
5. Bearings shown hereon are relative to Grid North of the North American Datum of 1983, Florida State Plane Coordinate System, East Zone with the southwesterly right-way line of Fort Street having a bearing of S 33°54'27" E.
6. This map is intended to be displayed at a scale of 1:960 (1"=80') or smaller.
7. Abbreviation Legend: E= Easting; ID= Identification; L.B.= Licensed Business; M.C.R.= Monroe County Records; N= Northing; O.R.B.= Official Records Book; P.B.= Plat Book; PG.= Page; P.L.S.= Professional Land Surveyor; P.O.B.= Point of Beginning; P.O.C.= Point of Commencement; R/W= Right-of-Way.

CERTIFICATION:

I HEREBY CERTIFY that the attached Sketch and Description of the hereon described property is true and correct to the best of my knowledge and belief as prepared under my direction. I FURTHER CERTIFY that this Sketch and Description meets the Standards of Practice set forth in Chapters 5J-17, Florida Administrative Code, pursuant to Chapter 472, Florida Statutes.

Date: 06/22/2022



Digitally signed by Keith M. Chee-A-Tow, PLS
 Date: 2022.06.22 14:31:53 -04'00'

KEITH M. CHEE-A-TOW, P.L.S.
 Florida Registration No. 5328
 AVIROM & ASSOCIATES, INC.
 L.B. No. 3300
 E-Mail: Keith@AviromSurvey.com

REVISIONS

REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.



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JOB #:	11558-2.1
SCALE:	N/A
DATE:	03/06/2022
BY:	K.C.
CHECKED:	K.M.C-A-T
F.B.	N/A PG. N/A
SHEET:	2 OF 5

**SKETCH AND DESCRIPTION
 BAHAMA VILLAGE SALE PARCEL
 PORTION OF TRUMAN ANNEX
 (O.R.B. 1839, PG. 410, M.C.R.)
 CITY OF KEY WEST, MONROE COUNTY, FLORIDA**

LEGAL DESCRIPTION:

A portion of the lands described in a Quitclaim Deed from the U.S. Government (Grantor) to the City of Key West (Grantee) as recorded in Official Records Book 1839, Page 410, of the Public Records of Monroe County, Florida, described as:

A portion of land located on the Island of Key West, Monroe County, Florida, said parcel also located in Truman Annex (formerly U.S. Navy) and being more particularly described as follows:

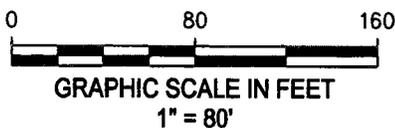
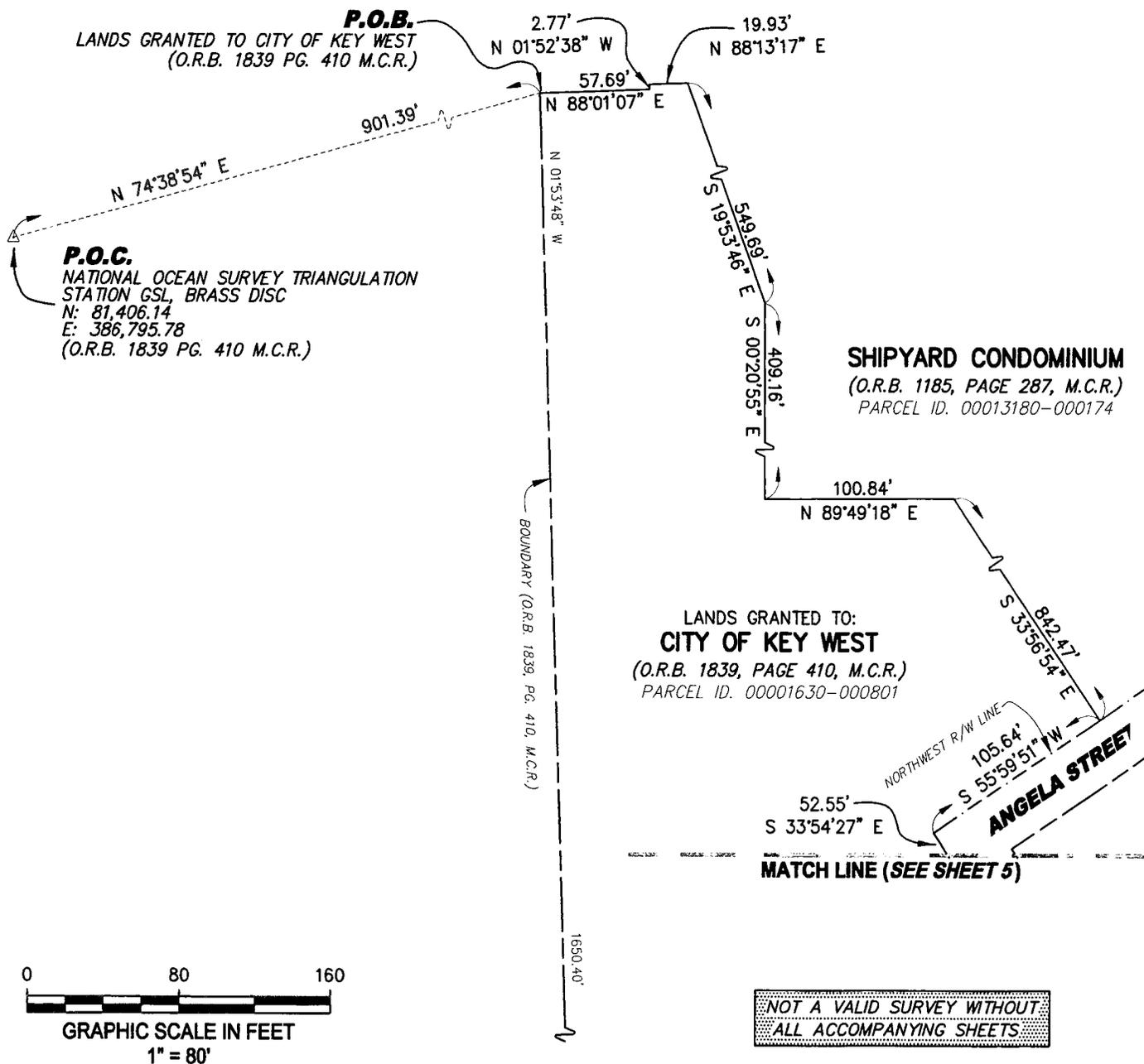
COMMENCE at the National Ocean Survey Triangulation Station, GSL, being a brass disc set in concrete, located on the outer mole of Truman Annex, the coordinates of which are N 81,406.14 and E 386,795.78 (1983/89), based on the U.S. Coast and Geodetic Survey Mercator grid coordinate system which has for it's zero coordinate a point of Latitude North 24°20'00" and 500.00 feet west of Longitude West 81°00'00"; thence N 74°38'54" E, a distance of 901.39 feet to the Point of Beginning of the lands granted to the City of Key West as described in Official Records Book 1838, Page 410 of said Public Records; thence along the boundary of the lands as described in said Quitclaim Deed for the following eight (8) courses and distances: N 88°01'07" E, a distance of 57.69 feet (1); thence N 01°52'38" W, a distance of 2.77 feet (2); thence N 88°13'17" E, a distance of 19.93 feet (3); thence S 19°53'46" E, a distance of 549.69 feet (4); thence S 00°20'55" E, a distance 409.16 feet(5); thence N 89°49'18" E, a distance of 100.84 feet (6); thence S 33°56'54" E, a distance of 842.47 feet (7) to the northwest right-of-way of Angela Street; thence S 55°59'51" W along said right-of-way, a distance of 105.64 feet (8) to the southwesterly right-of-way of Fort Street according to the City of Key West Street Map dated May 26, 1955; thence S 33°54'27" E, along said right-of-way, a distance of 52.55 feet to the POINT OF BEGINNING of the Sale Parcel herein described; thence continue S 33°54'27" E along said right-of-way, 233.94 feet to a line being 33.00 feet south of and parallel with the southeasterly boundary line and its northeasterly extension of Tacts Tower as described in Official Records Book 1839, Page 410, of said Public Records; thence S 56°05'33" W along said parallel line, a distance of 305.76; thence N 33°49'42" W, 33.00 feet to the southeastern boundary line of said Tacts Tower; thence N 56°05'33" E along said boundary, a distance of 175.87 feet to the northeast boundary of said "Tacts Tower"; thence N 33°54'27" W along said boundary, 100.00 feet; thence S 56°05'33" W a distance of 24.17 feet; thence N 33°54'27" W, 30.82 feet; thence N 56°58'05" W, 15.81 feet; thence N 33°01'55" E, 37.25 feet; thence S 56°58'05" E, 25.40 feet; thence N 56°05'33" E, 30.69 feet; thence N 33°54'27" W, 35.41 feet; thence N 56°05'33" E, 15.48 feet; thence N 12°49'09" E, 42.22 feet; thence N 56°05'33" E, 39.07 feet to the southwesterly right-of-way of Fort Street and the POINT OF BEGINNING.

Said lands lying within Section 6, Township 68 South, Range 25 East, City of Key West, Monroe County, Florida containing 33,962 square feet (0.78 acres) more or less.

**NOT A VALID SURVEY WITHOUT
 ALL ACCOMPANYING SHEETS.**

<p>REVISIONS</p> <p>REVISED PARCEL CONFIGURATION -- 04/26/2022 --K.C.</p> <p>REVISED PARCEL CONFIGURATION -- 05/20/2022 --K.C.</p> <p>REVISED PARCEL CONFIGURATION -- 06/22/2022 --K.C.</p>	 <p>AVIROM & ASSOCIATES, INC. SURVEYING & MAPPING 50 S.W. 2nd AVENUE, SUITE 102 BOCA RATON, FLORIDA 33432 (561) 392-2594 / www.AVIROMSURVEY.com <small>© 2022 AVIROM & ASSOCIATES, INC. all rights reserved. This sketch is the property of AVIROM & ASSOCIATES, INC. and should not be reproduced or copied without written permission.</small></p>	<p>JOB #: 11558-2.1</p> <p>SCALE: N/A</p> <p>DATE: 03/06/2022</p> <p>BY: K.C.</p> <p>CHECKED: K.M.C-A-T</p> <p>F.B. N/A PG. N/A</p> <p>SHEET: 3 OF 5</p>
--	--	--

**SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA**



**NOT A VALID SURVEY WITHOUT
ALL ACCOMPANYING SHEETS.**

REVISIONS
REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.

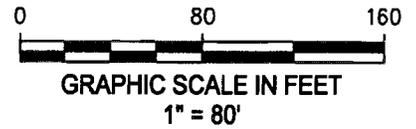


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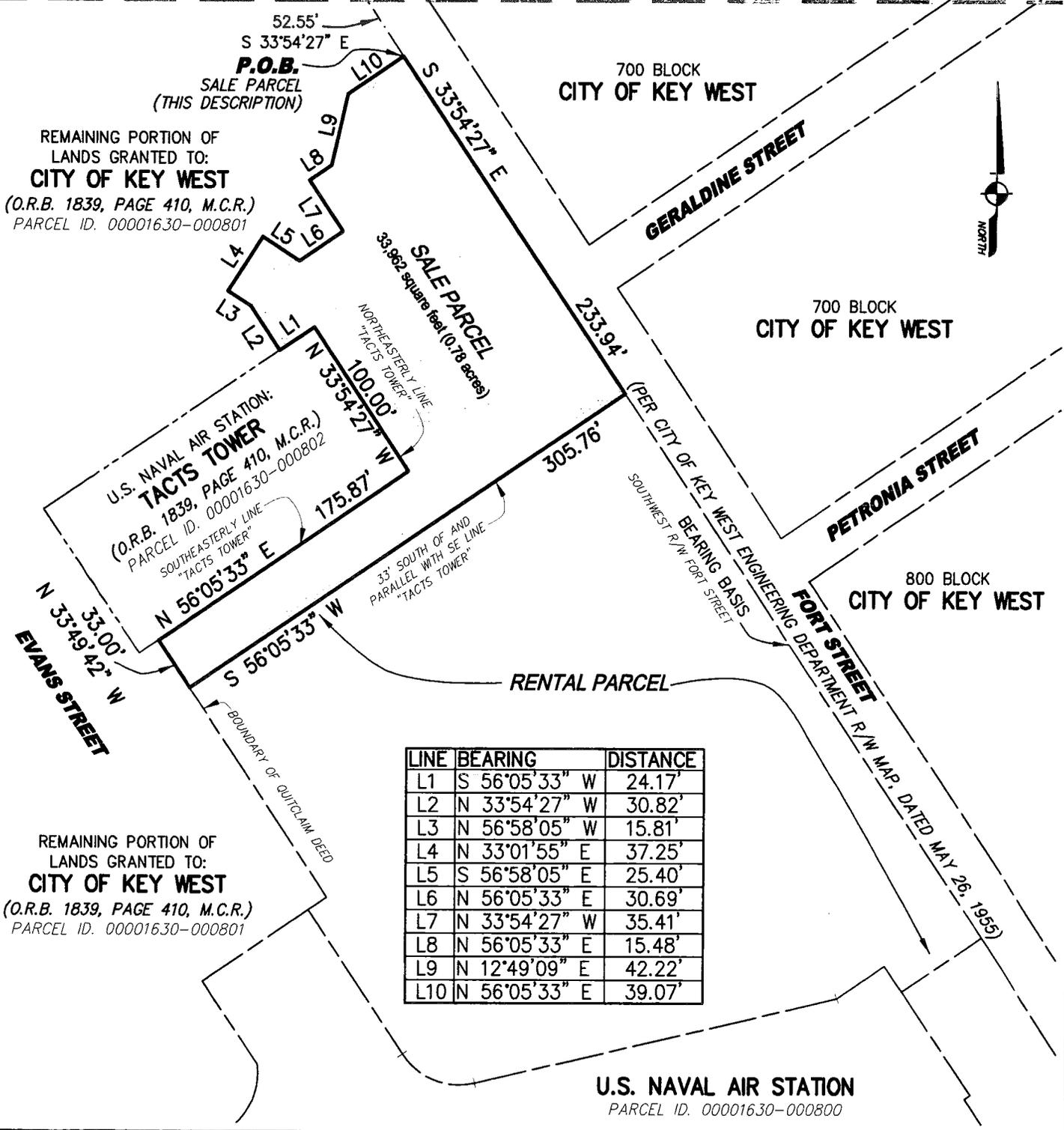
JOB #:	11558-2.1
SCALE:	1" = 80'
DATE:	03/06/2022
BY:	K.C.
CHECKED:	K.M.C-A-T
F.B.	N/A PG. N/A
SHEET:	4 OF 5

**NOT A VALID SURVEY WITHOUT
ALL ACCOMPANYING SHEETS**

**SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL**
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA



MATCH LINE (SEE SHEET 4)



REMAINING PORTION OF
LANDS GRANTED TO:
CITY OF KEY WEST
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000801

U.S. NAVAL AIR STATION:
TACTS TOWER
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000802

REMAINING PORTION OF
LANDS GRANTED TO:
CITY OF KEY WEST
(O.R.B. 1839, PAGE 410, M.C.R.)
PARCEL ID. 00001630-000801

LINE	BEARING	DISTANCE
L1	S 56°05'33" W	24.17'
L2	N 33°54'27" W	30.82'
L3	N 56°58'05" W	15.81'
L4	N 33°01'55" E	37.25'
L5	S 56°58'05" E	25.40'
L6	N 56°05'33" E	30.69'
L7	N 33°54'27" W	35.41'
L8	N 56°05'33" E	15.48'
L9	N 12°49'09" E	42.22'
L10	N 56°05'33" E	39.07'

U.S. NAVAL AIR STATION
PARCEL ID. 00001630-000800

REVISIONS

REVISED PARCEL CONFIGURATION - 04/26/2022 -K.C.
REVISED PARCEL CONFIGURATION - 05/20/2022 -K.C.
REVISED PARCEL CONFIGURATION - 06/22/2022 -K.C.



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JOB #:	11558-2.1
SCALE:	1" = 80'
DATE:	03/06/2022
BY:	K.C.
CHECKED:	K.M.C-A-T
F.B.	N/A
PG.	N/A
SHEET:	5 OF 5

Doc # 2483038 Bk# 3303 Pg# 479 Recorded 12/10/2024 at 9:36 AM Pages 8
Filed and Recorded in Official Records of MONROE COUNTY KEVIN MADOK
REC: \$69.50

RESOLUTION NO. 24-298

A RESOLUTION OF THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (LRA) APPROVING AN AMENDMENT TO THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS FOR BAHAMA VILLAGE ON FORT, LTD, AS THE DECLARANT AND ACKNOWLEDGED BY THE CITY OF KEY WEST FOR THE PROPERTY KNOWN AS THE TRUMAN WATERFRONT/BAHAMA VILLAGE 3.2 ACRES, TO AMEND AND RESTATE THE WORK FORCE HOUSING CODES THAT GOVERN THE SALE PRICE AND FUTURE RESALE VALUES FOR THE CONDO HOMEOWNERSHIP RESALE UNITS LOCATED AT 710 FORT STREET; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the LRA has approved and entered into a 99-year Ground Lease Agreement with Bahama Village on Fort, Ltd. On July 19, 2022 in the official records of Monroe County , Florida at Book 3185, Page 1 (original lease)and a Declaration of Affordable Housing Restrictions was recorded on July 20, 2022 in the Official Records of the Monroe County at Book 3185, Page 113 for the 28 Work Force Housing for sale units at 710 Fort Street (RE# 00001630-000801) owned by the City of Key West; and

WHEREAS, on October 16, 2024 the Monroe County Comprehensive Plan Land Authority approved a provision of construction subsidy funding in the amount of \$6,170,457.00 to decrease the sale price for the 28 Work Force units contemplated in the Declaration; and

WHEREAS, the City desires to keep the final sales price of twenty-eight units affordable and accessible to individuals with incomes tiers in the Work Force Housing Code defines as Very Low (60% AMI) up to Middle Incomes (140% AMI) and this subsidy funding for construction facilitates these lower sales prices and creating affordable housing; and

WHEREAS, the Land Authority shall record a Land Use Restrictive Agreement and other legal documents as needed to ensure monitoring and compliance of homeowner income limits, preservation of affordable housing and other provisions of City ordinances and State statutes applicable to Monroe County Comprehensive Plan Land Authority funding.

NOW THEREFORE, BE IT RESOLVED BY THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUHTORITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That Article IV OCCUPANCY, SALE AND USE OF THE PROPERTY Section A, Subsections 1, 2 & 3 be amended and restated as follows: Three (3) Affordable Housing Units designated "very-low" income shall have a sales price that will not exceed seventy-five percent of the annual median household income (adjusted for family size) for Monroe County (0.75 X AMI) in accordance with section 122-1472 of the City Code; Eleven (11) Affordable Housing Units designated "low-income" shall have a sales price that will

not exceed one and one-half times annual median household income (adjusted for family size) for Monroe County (1.5 x AMI), in accordance with section 122-1472 of the City Code; and Fourteen (14) Affordable Housing Units designated "middle-Income" shall not exceed three and one-half times annual median household income (adjusted for family size) for Monroe County (3.5 x AMI), in accordance with section 122-1472 of the City Code. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

Section 2: That the attached Amendment to the Declaration of Affordable Housing Restrictions for Bahama Village on Fort, Ltd. and acknowledged by the City of Key West is hereby approved.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Authority.

Passed and adopted by the Naval Properties Local Redevelopment Authority at a meeting held this 14th day of November, 2024.

Authenticated by the Presiding Officer and Clerk of the Commission on 18th day of November, 2024.

Filed with the Clerk on November 18, 2024.

Chair Danise Henriquez	<u>Yes</u>
Vice Mayor Clayton Lopez	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Monica Haskell	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Sam Kaufman	<u>Yes</u>
Commissioner Donald "Donie" Lee	<u>Yes</u>
Ex-officio Member Christina Gardner	<u>Yes</u>

Danise Henriquez

DANISE HENRIQUEZ, CHAIR

ATTEST:

Keri O'Brien
KERI O'BRIEN, CITY CLERK



After recording return to:
Ronald J. Ramsingh, Esq.
P.O. Box 1409
Key West, FL 22041-1409
(305)809-3773

AMENDMENT TO
DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS

THIS AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS (this “**Amendment**”) is made and entered into as of the 9th day of November, 2024, by BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (“**Declarant**”), and acknowledged by the City of Key West, a municipal corporation of the State of Florida (the “**City**”).

RECITALS

A. The Declarant entered into that certain Declaration of Affordable Housing Restrictions dated July 15, 2022 and recorded in the Official Records of Monroe County at Book 3185, Page 113, imposing affordable housing restrictions on twenty-eight (28) residential units proposed at real property located at the Truman Waterfront in Historic Bahama Village in the City of Key West (the “**Declaration**”).

B. The Monroe County Comprehensive Plan Land Authority has approved the provision of construction funds in the amount of \$6,170,457.00 to decrease the maximum sale price for the twenty-eight 28 affordable housing units that are the subject of the Declaration (“**Land Authority Funds**”).

C. Declarant and City desire to amend the Declaration as set forth in this Amendment.

NOW, THEREFORE, Declarant declares as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein as if set forth in full.

2. General Provisions. Except as specifically amended and modified by this Amendment, all of the terms, covenants, conditions, and agreements of the Declaration shall remain in full force and effect. In the event of any conflict between the provisions of the Declaration and the provisions of this Amendment, this Amendment shall control. In the event of any conflict between the provisions of the Declaration (as amended by this Amendment) and City Code, the Declaration shall control.

3. Affordable Workforce Housing Restrictions. Upon Lessee’s receipt of the Land Authority Funds, Article IV, Section A. (1) – (3) of the Declaration shall be amended and restated as follows with additions bold and underlined and removals struck through:

{00297616 - v1 }

“

IV. OCCUPANCY, SALE, AND USE OF THE PROPERTY

A. The Property shall be operated, managed and otherwise administered as affordable housing and such other uses incidental to residential use as may be permitted by local zoning and land use regulations.

1. At the time an affordable housing (very low-income) unit is sold, such sales price shall not exceed seventy-five percent of the ~~one and one-half times~~ the annual median household income (adjusted for family size) for Monroe County (0.75 x AMI), in accordance with section 122-1472 of the City Code.
2. At the time an affordable housing (low-income) unit is sold, such sales price shall not exceed one ~~two~~ and one-half times the annual median household income (adjusted for family size) for Monroe County (1.5 x AMI), in accordance with section 122-1472 of the City Code.
3. At the time an affordable housing (middle income) unit is sold, such sales price shall not exceed three ~~six~~ and one-half times the annual median household income (adjusted for family size) for Monroe County (3.5 x AMI), in accordance with section 122-1472 of the City Code.

”

The remainder of Article IV shall not be amended and remain as stated in the Declaration.

4. Applicability. The revisions to the Declaration set forth in Section 3 of this Amendment shall only become effective upon Declarant's receipt of the Land Authority Funds in the amount of \$6,170,457.00.

5. Binding Effect: Choice of Law. This Amendment shall be binding upon the Declarant, their personal representatives, successors and assigns and be governed by the laws of the State of Florida.

6. Authority. The Declarant represents and warrants that it has full authority to execute this Amendment.

[Signature Page to follow]

{00297616 - v1 }

IN WITNESS WHEREOF, Declarant has caused this Amendment to be executed by its duly authorized representative as of the date above.

DECLARANT:

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its general partner

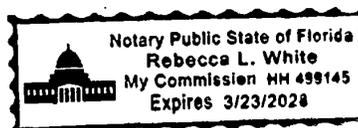
By: Vestcor, Inc., a Florida corporation, its manager

By: *Jason O. Floyd*
Name: Jason O. Floyd
Title: Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on November 19, 2024, by Jason O. Floyd as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of Bahama Village on Fort, Ltd., a Florida limited partnership. He is personally known to me or has produced _____ (type of identification) as identification.

Rebecca L. White
NOTARY PUBLIC

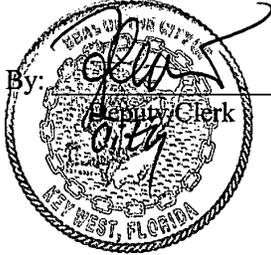


[Signature Page to Amendment to Declaration of Affordable Housing Restrictions]

{00297616 - v1 }

Acknowledged by the City of Key West:

ATTEST



CITY OF KEY WEST, a municipal corporation
of the State of Florida

By: *David Henriquez*
Mayor

[Signature Page to Amendment to Declaration of Affordable Housing Restrictions]

{00297616 - v1 }

EXHIBIT 10 TO PROSPECTUS
LAND USE RESTRICTION AGREEMENT

THIS INSTRUMENT PREPARED
BY AND RETURN TO:

Gregory S. Oropeza, Esq.
Oropeza, Stones, & Cardenas, PLLC
221 Simonton Street
Key West, FL 33040

LAND USE RESTRICTION AGREEMENT

BAHAMA VILLAGE CONDOMINIUM, KEY WEST, FLORIDA PARCEL IDENTIFICATION NUMBERS 00001630-000801

THIS LAND USE RESTRICTION AGREEMENT (hereinafter "Agreement") is made and entered into as of the 8th day of January 2025, between the BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (hereinafter "Grantor"), THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (hereinafter "Navy Redevelopment Authority"), THE CITY OF KEY WEST, FLORIDA (hereinafter the "City"), and the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 (hereinafter "Land Authority"), and their respective successors and assigns.

RECITALS

A. This Agreement pertains to the real property located on Key West, Florida bearing Parcel Identification Number 00001630-000801 as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property"); and

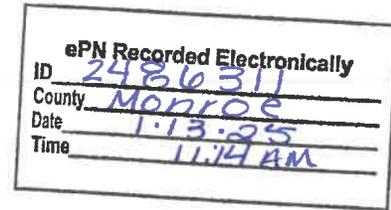
B. The Navy Redevelopment Authority, a dependent district of the City, as the fee title holder of the Property and Grantor, as tenant, entered into that certain Ground Lease Agreement dated July 15, 2022, recorded on July 19, 2022, in Official Records Book 3185, Page 1, Public Records of Monroe County, Florida, as amended by that certain Amendment to Ground Lease Agreement dated November 13, 2023, recorded on November 14, 2023, in Official Records Book 3250, Page 2166, Public Records of Monroe County, Florida for the lease of the Property to Grantor together with that certain Declaration of Affordable Housing Restrictions dated July 15, 2022 and recorded on July 20, 2022 in Official Records Book 3185, Page 113, Public records of Monroe County, Florida; and

C. At the request of the City and in accordance with Land Authority Resolution No 03-2025 the Land Authority approved construction funding in the amount of Six Million One Hundred Seventy Thousand Four Hundred Fifty-Seven and 00/100 Dollars (\$6,170,457.00) for the purpose of reducing the sales price of twenty-eight (28) newly constructed home ownership condominium units located on the Property; and

D. Grantor intends to sell the twenty-eight (28) individual condominium units, which at the time of the initial sale of each unit, each purchaser shall execute a Land Use Restriction

THIS INSTRUMENT PREPARED
BY AND RETURN TO:

Gregory S. Oropeza, Esq.
Oropeza, Stones, & Cardenas, PLLC
221 Simonton Street
Key West, FL 33040



LAND USE RESTRICTION AGREEMENT

BAHAMA VILLAGE CONDOMINIUM, KEY WEST, FLORIDA PARCEL IDENTIFICATION NUMBERS 00001630-000801

THIS LAND USE RESTRICTION AGREEMENT (hereinafter "Agreement") is made and entered into as of the 8th day of January 2025, between the BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership (hereinafter "Grantor"), THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (hereinafter "Navy Redevelopment Authority"), THE CITY OF KEY WEST, FLORIDA (hereinafter the "City"), and the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 (hereinafter "Land Authority"), and their respective successors and assigns.

RECITALS

A. This Agreement pertains to the real property located on Key West, Florida bearing Parcel Identification Number 00001630-000801 as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property"); and

B. The Navy Redevelopment Authority, a dependent district of the City, as the fee title holder of the Property and Grantor, as tenant, entered into that certain Ground Lease Agreement dated July 15, 2022, recorded on July 19, 2022, in Official Records Book 3185, Page 1, Public Records of Monroe County, Florida, as amended by that certain Amendment to Ground Lease Agreement dated November 13, 2023, recorded on November 14, 2023, in Official Records Book 3250, Page 2166, Public Records of Monroe County, Florida for the lease of the Property to Grantor together with that certain Declaration of Affordable Housing Restrictions dated July 15, 2022 and recorded on July 20, 2022 in Official Records Book 3185, Page 113, Public records of Monroe County, Florida; and

C. At the request of the City and in accordance with Land Authority Resolution No 03-2025 the Land Authority approved construction funding in the amount of Six Million One Hundred Seventy Thousand Four Hundred Fifty-Seven and 00/100 Dollars (\$6,170,457.00) for the purpose of reducing the sales price of twenty-eight (28) newly constructed home ownership condominium units located on the Property; and

D. Grantor intends to sell the twenty-eight (28) individual condominium units, which at the time of the initial sale of each unit, each purchaser shall execute a Land Use Restriction

Agreement for Individual Units (the “Unit LURA”) memorializing the individual per unit subsidy specific to the respective unit in accordance with the schedule set forth on Exhibit “B” hereto; and

E. As a condition of extending funding to the City to provide for development of affordable housing on the Property, the City, Navy Redevelopment Authority and Grantor have agreed that the Property shall comply with the affordable housing requirements specified herein; and

F. TRUIST BANK (“Truist”), holds a first mortgage encumbering the Property described in that certain Leasehold Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of March 11, 2024 which is recorded in Official Records Book 3266 at Page 1069, aforesaid records, and has consented to this Agreement as set forth in the Joinder attached hereto and incorporated herein as Exhibit “C”.

G. Subsequent to the filing of this Agreement, the Property will be submitted to condominium form of ownership. The Declaration of Condominium of Bahama Village Condominium (the “Declaration of Condominium”) to be recorded to form the condominium form of ownership shall incorporate therein the requirements of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor, City, Navy Redevelopment Authority and Land Authority do hereby contract and agree as follows:

ARTICLE I
COMPLIANCE WITH LAND AUTHORITY REQUIREMENTS

In order to comply with the Land Authority’s requirements pursuant to Section 380.0663(1), *et seq.*, Florida Statutes and Monroe County Ordinance No. 031-1986, Grantor, City and Navy Redevelopment Authority hereby covenant and agree as follows:

- 1.01 The restrictions contained in this Article I shall not expire, shall run with the Property in perpetuity and shall be binding upon Grantor, City and Navy Redevelopment Authority, their respective successors, or assigns.
- 1.02 Use of the Property shall be restricted to the provision of affordable housing for families or households whose income does not exceed 160% of the prevailing Area Median Income for Monroe County, adjusted for assumed household size based on the number of bedrooms in the unit. Nothing herein shall preclude the City or any other entity providing affordable housing on the Property from setting more restrictive income limits than those imposed by this Agreement, including but not limited to, the Declaration of Affordable Housing Restrictions dated July 15, 2022, in Official Records Book 3185, Page 113, Public Records of Monroe County, Florida. Subsidy amounts provided by the Land Authority are set forth on the schedule in Exhibit “B” attached hereto and incorporated herein.

- 1.03 At the time of the initial sale of each unit, each purchaser shall execute a Unit LURA on a form substantially similar to the form attached hereto as Exhibit "D".
- 1.04 The City shall be responsible for ensuring compliance with the restrictions in this Article I to the extent of confirming compliance for income eligibility and purchase restrictions at initial sales and subsequent resales. Nothing herein shall be implied to require that the City or the Navy Redevelopment Authority shall be responsible for enforcing the conditions, limitations or restrictions contained in the Declaration of Condominium referred to in paragraph G above.
- 1.05 All of the twenty-eight (28) condominium units shall be sold to third party purchasers in compliance with this Agreement within twenty-four (24) months from the time each unit obtains a certificate of occupancy.

ARTICLE II **CONSIDERATION**

In addition to other purposes, the Land Authority agrees to issue construction funds of \$6,170,457.00 to the City after the City has entered into an agreement with the Grantor outlining how funding will be disbursed to the Grantor and after a written request has been forwarded to the Executive Director of the Land Authority, for use by the Grantor, to buy down the cost of each individual condominium unit to an affordable level as defined by the City, as shown in Exhibit "B". In consideration of said Land Authority extension of funding for the foregoing purposes, the City, Grantor, joined by the Navy Redevelopment Authority and the Land Authority have entered into this Agreement. The City agrees to provide at the time of conveyance, each time one of the 28 units is conveyed, a closing statement, prior to closing, that shows the purchase price and subsidy amount, as well as income qualification information demonstrating the purchaser of the unit annual income is less than 160% of the prevailing Area Median Income for Monroe County.

ARTICLE III **RELIANCE**

In performing its duties hereunder, the Land Authority may rely upon statements and certificates of the City and Grantor, purchasers, and the residents of the Property believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of City and Grantor pertaining to occupancy of the Property.

ARTICLE IV **TERM**

This Agreement shall become effective upon its execution and delivery and shall remain in full force and effect without expiration, unless modified by mutual written consent of the parties.

ARTICLE V
ENFORCEMENT

If Grantor or City default in the performance of its obligations under this Agreement or breaches any material covenant, agreement or warranty of Grantor or City set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the Land Authority to Grantor, City, and Truist (the "Cure Period"), then the Land Authority may take any action at law or in equity or otherwise to address said default(s), including, but not limited to an action to recover on a per unit basis the funding provided in accordance with Exhibit "B" for non-compliance with Article 1.04 above. However, if the default stated in such notice can be corrected, but not within the Cure Period, and if Grantor and City adopt a plan to correct or cure the default and commences the correction within the Cure Period, and thereafter diligently pursues the same to completion within such extended period as may be agreed upon between the parties, the Land Authority shall not have waived its right of enforcement if the default remains uncured after the expiration of the extended cure period.

The Land Authority hereby agrees that Truist shall have the right, but not the obligation, to provide a cure of Grantor's default, and should Truist offer to cure Grantor's default during the Cure Period or any agreed upon extended time thereafter, the Land Authority hereby agrees to accept such cure by Truist as if the cure had been made by Grantor.

ARTICLE VI
RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

6.01. Upon execution Grantor and City shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in the official public records of Monroe County and shall pay all fees and charges incurred in connection therewith.

6.02 This Agreement and the covenants contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, Grantor, City, Navy Redevelopment Authority and Land Authority and their respective successors and assigns during the term of this Agreement.

ARTICLE VII
GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, with respect to both substantive rights and with respect to procedures and remedies.

ARTICLE VIII
NOTICE AND EFFECT

All notices and other communications to be made or permitted to be made hereunder shall be in writing and shall be delivered to the addresses shown below or to such other addresses that the parties may provide to one another in accordance herewith. Such notices and other communications shall be given by any of the following means: (a) personal service or (b) national express air courier, provided such courier maintains written verification of actual delivery. Any notice or other communication given by the means described in subsection (a) or (b) above shall be deemed effective upon the date of receipt or the date of refusal to accept delivery by the party to whom such notice or other communication has been sent.

Land Authority: Monroe County Land Authority
1200 Truman Avenue, Suite 207
Key West, FL 33040
Attention: Executive Director

Grantor: Bahama Village on Fort, Ltd.
1649 Atlantic Blvd.
Jacksonville, FL 32207
Attn: Jason O. Floyd

Truist: Truist Bank
CIG-CRE Loan Admin Atlanta Office
303 Peachtree Street NE, 3rd Floor
Mail Code GA-ATL-803-05-03-40
Atlanta, Georgia 30308
Email: CIG-CRELegalNotices@Truist.com

With a copy to: Truist Bank
1010 Kennedy Drive
Key West, Florida 33040
Attention: Dale Bittner
Email: dale.bittner@truist.com

with a copy to (for information purposes only):

Womble Bond Dickinson (US) LLP
Attn: Vanessa Morris, Esq.
1331 Spring Street, NW, Suite 1400
Atlanta, Georgia 30309
Email: Vanessa.Morris@wbd-us.com

City and Navy Redevelopment Authority:
City of Key West
1300 White St.
Key West, FL 33040
Attention: City Attorney

Any party may change said address by giving the other parties hereto notice of such change of address in accordance with the foregoing provisions.

ARTICLE IX
MISCELLANEOUS

9.01. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

9.02. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument and each of which shall be deemed to be an original.

Signature Pages Immediately Following

**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

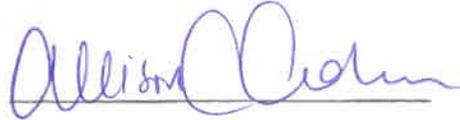
IN WITNESS WHEREOF, Grantor has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

Grantor:


Print: Kevin L. Troop

Address: 1649 Atlantic Blvd.
Jacksonville, FL 32207


Print: Allison Adams

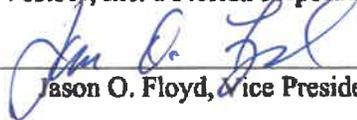
Address: 1649 Atlantic Blvd.
Jacksonville, FL 32207

STATE OF FLORIDA
COUNTY OF DUVAL

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its General Partner

By: Vestcor, Inc. a Florida corporation, its Manager

By: 
Jason O. Floyd, Vice President

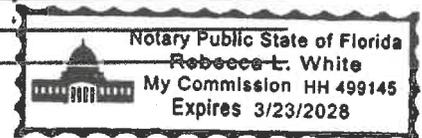
The foregoing instrument was acknowledged before me by means of physical presence this 10th day of December, 2024 by Jason O. Floyd, as Vice President of Vestcor, Inc., Manager of Bahama Village on Fort GP, LLC, General Partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership. Said person is personally known to me or has produced a valid driver's license as identification.


Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____



**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

IN WITNESS WHEREOF, The Naval Properties Local Redevelopment Authority of the City of Key West has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES: *[Signature]*

Print: KERI O'BRIEN

Address: 1300 White St., Key West, FL

[Signature]

Print: DONNA PHILLIPS

Address: 1300 White St
Key West, FL 33040

THE NAVAL PROPERTIES LOCAL
REDEVELOPMENT AUTHORITY OF THE
CITY OF KEY WEST

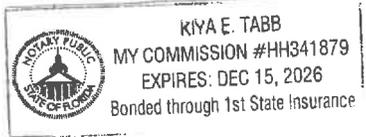
By: *[Signature]*
Danise Henriquez, Chairwoman

Address: 1300 White Street
Key West, FL 33040

[SEAL]

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence this 8th day of January, 2025, by Danise Henriquez, as Chairwoman of THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST. Said person is personally known to me or has produced a valid driver's license as identification.



[Signature]
Notary Public, State of Florida
Print Name: Kiyra Tabb
My Commission Expires: 12/15/2026
My Commission No.: HH341879

**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

IN WITNESS WHEREOF, City of Key West, Florida, has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

CITY OF KEY WEST, FLORIDA

Print: Keri O'Brien

Address: 1300 White St., Key West, FL

Print: Donna Phillips

Address: 1300 White St.
Key West, FL 33040

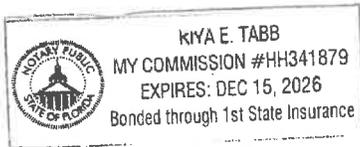
By: Danise Henriquez
Danise Henriquez, Mayor

Address: 1300 Whitehead Street
Key West, FL 33040

[SEAL]

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence this 8th day of January, 2025, by Danise Henriquez as Mayor of the CITY OF KEY WEST, FLORIDA. Said person is personally known to me or has produced a valid driver's license as identification.



Notary Public, State of Florida

Print Name: Kiyra Tabb

My Commission Expires: 12/15/2026

My Commission No.: HH341879

**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

IN WITNESS WHEREOF, Land Authority has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:
[Signature]

MONROE COUNTY COMPREHENSIVE PLAN
LAND AUTHORITY

Print: Dina Gambuzza
Address: 1200 Truman Ave
Key West, FL 33040

By: [Signature]
David Rice, Chairman

Print: John Beyers
Address: 1200 Truman Ave
Key West, FL 33040

Address: 1200 Truman Avenue, Suite 207
Key West, FL 33040

Approved as to form and legality
[Signature]
Gregory S. Oropeza, Esq.

[SEAL]



STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence this 11th day of December, 2024, by David Rice, as Chairman of the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986, on behalf of the Land Authority. Said person is personally known to me or has produced a valid driver's license as identification.

[Signature]
Notary Public; State of Florida
Print Name: Dina Gambuzza
My Commission Expires: 9/17/27
My Commission No.: HH424218

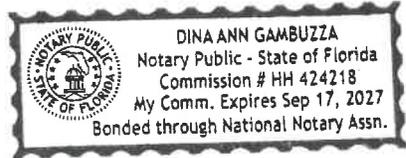


EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

A PORTION OF THE LANDS DESCRIBED IN A QUITCLAIM DEED FROM THE U.S. GOVERNMENT (GRANTOR) TO THE CITY OF KEY WEST (GRANTEE) AS RECORDED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DESCRIBED AS:

A PORTION OF LAND LOCATED ON THE ISLAND OF KEY WEST, MONROE COUNTY, FLORIDA, SAID PARCEL ALSO LOCATED IN TRUMAN ANNEX (FORMERLY U.S. NAVY) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NATIONAL OCEAN SURVEY TRIANGULATION STATION, GSL, BEING A BRASS DISC SET IN CONCRETE, LOCATED ON THE OUTER MOLE OF TRUMAN ANNEX, THE COORDINATES OF WHICH ARE N 81,406.14 AND E 386,795.78 (1983/89), BASED ON THE U.S. COAST AND GEODETIC SURVEY MERCATOR GRID COORDINATE SYSTEM WHICH HAS FOR ITS ZERO COORDINATE A POINT OF LATITUDE NORTH 24°20'00" AND 500.00 FEET WEST OF LONGITUDE WEST 81°00'00" THENCE N 74°38'54" E, A DISTANCE OF 901.39 FEET TO THE POINT OF BEGINNING OF THE LANDS GRANTED TO THE CITY OF KEY WEST AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410 OF SAID PUBLIC RECORDS; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING EIGHT (8) COURSES AND DISTANCES: N 88°01'07" E, A DISTANCE OF 57.69 FEET (1); THENCE N 01°52'38" W, A DISTANCE OF 2.77 FEET (2); THENCE N 88°13'17" E, A DISTANCE OF 19.93 FEET (3); THENCE S 19°53'46" E, A DISTANCE OF 549.69 FEET (4); THENCE S 00°20'55" E, A DISTANCE 409.16 FEET (5); THENCE N 89°49'18" E, A DISTANCE OF 100.84 FEET (6); THENCE S 33°56'54" E, A DISTANCE OF 842.47 FEET (7) TO THE NORTHWEST RIGHT-OF-WAY OF ANGELA STREET; THENCE S 55°59'51" W ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 105.64 FEET (8) TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET ACCORDING TO THE CITY OF KEY WEST STREET MAP DATED MAY 26, 1955; THENCE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 52.55 FEET TO THE POINT OF BEGINNING OF THE SALE PARCEL HEREIN DESCRIBED; THENCE CONTINUE S 33°54'27" E ALONG SAID RIGHT-OF-WAY, 233.94 FEET TO A LINE BEING 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTHEASTERLY BOUNDARY LINE AND ITS NORTHEASTERLY EXTENSION OF TACTS TOWER AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF SAID PUBLIC RECORDS; THENCE S 56°05'33" W ALONG SAID PARALLEL LINE, A DISTANCE OF 305.76 FEET; THENCE N 33°49'42" W, 33.00 FEET TO THE SOUTHEASTERN BOUNDARY LINE OF SAID TACTS TOWER; THENCE N 56°05'33" E ALONG SAID BOUNDARY, A DISTANCE OF 175.87 FEET TO THE NORTHEAST BOUNDARY OF SAID TACTS TOWER; THENCE N 33°54'27" W ALONG SAID BOUNDARY, 100.00 FEET; THENCE S 56°05'33" W A DISTANCE OF 24.17 FEET; THENCE N 33°54'27" W, 30.82 FEET; THENCE N 56°58'05" W, 15.81 FEET; THENCE N 33°01'55" E, 37.25 FEET; THENCE S 56°58'05" E, 25.40 FEET; THENCE N 56°05'33" E, 30.69 FEET; THENCE N 33°54'27" W, 35.41 FEET; THENCE N 56°05'33" E, 15.48 FEET; THENCE N 12°49'09" E, 42.22 FEET; THENCE N 56°05'33" E, 39.07 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET AND THE POINT OF BEGINNING. SAID LANDS LYING WITHIN SECTION 6, TOWNSHIP 68 SOUTH, RANGE 25 EAST, CITY OF KEY WEST, MONROE COUNTY, FLORIDA.

EXHIBIT "B"
INDIVIDUAL SUBSIDY AMOUNT PER UNIT TYPE

<i># of Units</i>	<i>Street</i>	<i>Initial Purchase Price/Unit</i>	<i>Subsidy Investment/Unit</i>	<i>Non-Subsidized Cost/Unit</i>	<i>Income Level</i>	<i>Maximum Purchase Price/Unit</i>	<i>Bedroom Size</i>	<i>Total Subsidy</i>
2	710 Fort Street	\$80,578.00	\$80,578.00	\$161,156.00	Very-Low 60%	0.75 x AMI*	2-Bedroom	\$161,156
1	710 Fort Street	\$89,484.00	\$89,485.00	\$178,969.00	Very-Low 60%	0.75 x AMI*	3-Bedroom	\$89,485
7	710 Fort Street	\$161,156.00	\$107,438.00	\$268,594.00	Low 61%-80%	1.5 x AMI*	2-Bedroom	\$752,066
4	710 Fort Street	\$178,969.00	\$119,312.00	\$298,281.00	Low 61%-80%	1.5 x AMI*	3-Bedroom	\$477,248
9	710 Fort Street	\$376,031.00	\$322,313.00	\$698,344.00	Median / Middle 81%-140%	3.5 x AMI*	2-Bedroom	\$2,900,817
5	710 Fort Street	\$417,594.00	\$357,937.00	\$775,531.00	Median / Middle 81%-140%	3.5 x AMI*	3-Bedroom	\$1,789,685
								\$6,170,457

* AMI = most recently published Area Median Income for Monroe County, FL, adjusted for assumed household size based on the number of bedrooms

EXHIBIT "C"
JOINDER BY TRUIST BANK

JOINDER OF MORTGAGEE

TRUIST BANK whose address 1010 Kennedy Drive, Key West, Florida 33040, having a record interest, more particularly described as being the owner and holder of a mortgage dated March 11, 2024 in the original principal amount of \$7,300,000.00 given by **Bahama Village on Fort, Ltd., a Florida limited partnership** ("Mortgagor(s)"), to **Truist Bank, a North Carolina banking corporation, its successors and/or assigns as their interests may appear** ("Mortgagee(s)"), encumbering the real property described in that mortgage, which is recorded in Official Records Book 3266 at Page 1069 (said mortgage is hereinafter referred to as the "Mortgage"), in the lands described in the Land Use Restriction Agreement between BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership, THE NAVAL PROPERITES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST, THE CITY OF KEY WEST, FLORIDA Grantor(s)/Mortgagee(s), and the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 and Grantee, Mortgagee, hereby joins in, consents to, ratifies and joins in the filing of the Land Use Restriction Agreement for the purpose of subjecting its mortgage interest to the provisions of the foregoing Land Use Restriction Agreement, executed or to be executed in favor of MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986, with the intent that the Mortgage shall be subject to the Land Use Restriction Agreement, executed at Key West, Florida, on the date indicated below.

IN WITNESS WHEREOF, Mortgagee grants this Joinder and executed this instrument on the date set forth below.

Ariana Corsi
Witness No. 1 (Print Name)

Ariana Corsi
Witness No. 1 (Signature)

1010 Kennedy Dr.
Key West FL 33040

Dee Luna
Witness No. 2 (Print Name)

Dee Luna
Witness No. 2 (Signature)

1010 Kennedy Drive
Key West FL 33040

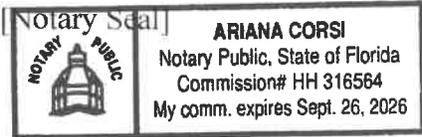
TRUIST BANK, a North Carolina banking corporation

By: 
Name: DAVE BITNER
Title: SENIOR VICE PRESIDENT

[Bank Seal]

STATE OF Florida
COUNTY OF Monroe

The foregoing instrument was (acknowledged/sworn to and subscribed) before me by means of physical presence or online notarization, this 21 day of November, 2024 by Dale Britner, as Market President of TRUIST BANK who is/are personally known or have produced a driver's license as identification.



Ariana Corsi
Notary Public

Printed Name: Ariana Corsi

My Commission Expires: 9-26-2026

FORM OF UNIT LURA

THIS INSTRUMENT PREPARED
BY AND RETURN TO:

Gregory S. Oropeza, Esq.
Oropeza, Stones, & Cardenas, PLLC
221 Simonton Street
Key West, FL 33040

LAND USE RESTRICTION AGREEMENT FOR INDIVIDUAL UNITS

BAHAMA VILLAGE CONDOMINIUM, KEY WEST, FLORIDA
PARCEL IDENTIFICATION NUMBER _____

THIS LAND USE RESTRICTION AGREEMENT (hereinafter "Agreement") is made and entered into as of the ____ day of _____, 2025, between the _____ (hereinafter "Grantor") the CITY OF KEY WEST, FLORIDA (hereinafter "City"), and the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986 (hereinafter "Land Authority"), and their respective successors and assigns.

RECITALS

H. This Agreement pertains to the real property located on Key West, Florida bearing Parcel Identification Number _____, with an address of 710 Fort Street, Unit _____, Key West, Florida 33040 and as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Property"); and

I. The Property is a _____ bedroom unit for purchase with a sales price restricted to ____X the prevailing area median income for Monroe County, adjusted for assumed household size based on the number of bedrooms in the unit; and

J. The Navy Redevelopment Authority, a dependent district of the City, as the fee title holder of the Property and Bahama Village on Fort, LTD, a Florida limited partnership, as tenant, entered into that certain Ground Lease Agreement dated July 15, 2022, recorded on July 19, 2022, in Official Records Book 3185, Page 1, Public Records of Monroe County, Florida as amended by that certain Amendment to Ground Lease Agreement dated November 13, 2023, recorded on November 14, 2023, in Official Records Book 3250, Page 2166, Public Records of Monroe County, Florida and ad amended by that certain Second Amendment to Ground Lease Agreement dated _____, recorded on _____ in Official Records Book _____, Page _____, Public Records of Monroe County, Florida for the lease of the 918 Fort Street, Key West, Florida 33040, within which the subject Property is located; and

K. Bahama Village on Fort, LTD, a Florida limited partnership was the workforce housing developer of the Property; and

L. At the request of the City and in accordance with Land Authority Resolution No _____ the Land Authority approved construction funding in the amount of Six Million One Hundred Seventy Thousand Four Hundred Fifty-Seven and 00/100 Dollars (\$6,170,457.00) for the purpose of reducing the sales price of twenty-eight (28) newly constructed home ownership condominium units located at 710 Fort Street, Key West, Florida 33040; and

M. As a result of Land Authority Resolution No _____ there is a subsidy in the amount of _____ that has been applied to the Property which shall be an encumbrance which runs with the Property.; and

N. Grantor acknowledges that the Developer of the Property received subsidies to reduce the sales price of the Property and as such, Grantor has agreed that the Property shall comply with the affordable housing requirements specified herein; and

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

ARTICLE I
COMPLIANCE WITH LAND AUTHORITY REQUIREMENTS

In order to comply with the Land Authority's requirements pursuant to Section 380.0663(1), *et seq.*, Florida Statutes and Monroe County Ordinance No. 031-1986, Grantor hereby covenants and agrees as follows:

- 1.06 The restrictions contained in this Article I shall not expire, shall run with the Property in perpetuity and shall be binding upon Grantor and his/her/their respective successors, or assigns.
- 1.07 Use of the Property shall be restricted to the provision of affordable housing for families or households whose income does not exceed 160% of the Area Median Income at the time of acquisition of the Property. Nothing herein shall preclude the City or any other entity providing affordable housing on the Property from setting more restrictive income limits than those imposed by this Agreement, including but not limited to, the Declaration of Affordable Housing Restrictions dated July 15, 2022 in Official Records Book 3185, Page 113, Public Records of Monroe County, Florida and the Amendment to Declaration of Affordable Housing Restrictions dated _____ in Official Records Book _____, Page _____, Public Records of Monroe County, Florida.
- 1.08 The Property is a _____ bedroom unit which may not be leased or rented and is restricted in sales price to _____X the prevailing area median income for Monroe County,

adjusted for assumed household size based on the number of bedrooms in the unit as a result of receiving funding in the amount of _____ (\$_____). Any instrument transferring an interest in the Property shall include in bold font, the Notice of Restrictions as set forth on Exhibit "B" attached hereto and incorporated herein.

- 1.09 In the event of a resale of the Property by Grantor, the grantee of the Property from Grantor shall, prior to the sale of the Property obtain a certificate of compliance from the Land Authority and execute a Land Use Restriction or assumption of this Agreement in a form satisfactory to the Land Authority and shall execute and record an Assumption of Land Use Restriction Agreement in the form and substance as set forth on Exhibit "C" attached hereto and incorporated herein.
- 1.10 On or before January 31 of each calendar year the City shall provide to the Land Authority a compliance report evidencing the Grantor(s) compliance with this Agreement.

ARTICLE II **CONSIDERATION**

In addition to other purposes, the Land Authority has extended to the City, for use by the Grantor for the Property as an inducement to the City and Grantor to restrict use of the Property to affordable housing in perpetuity. In consideration of said Land Authority extension of funding for the foregoing purposes, Grantor and Land Authority have entered into this Agreement.

ARTICLE III **RELIANCE**

In performing its duties hereunder, the Land Authority may rely upon statements and certificates of the City and Grantor, and the residents of the Property believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of City and Grantor pertaining to occupancy of the Property.

ARTICLE IV **TERM**

This Agreement shall become effective upon its execution and delivery and shall remain in full force and effect without expiration, unless modified by mutual written consent of the parties.

ARTICLE V

ENFORCEMENT

If Grantor defaults in the performance of its obligations under this Agreement or breaches any material covenant, agreement or warranty of Grantor set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the Land Authority to Grantor, then the Land Authority may take any action at law or in equity or otherwise to address said default(s), including, but not limited to an action to recover on a per unit basis the funding provided in the amount of _____ (\$_____) for non-compliance with Article I above. However, if the default stated in such notice can be corrected, but not within the thirty (30) day period, and if Grantor adopts a plan to correct or cure the default and commences the correction within the thirty (30) day period and thereafter diligently pursues the same to completion within such extended period, the Land Authority shall not have waived its right of enforcement if the default remains uncured after the expiration of the extended cure period.

ARTICLE VI **RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND**

6.01. Upon execution Grantor shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in the official public records of Monroe County and shall pay all fees and charges incurred in connection therewith.

6.02 This Agreement and the covenants contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, Grantor and Land Authority and their respective successors and assigns during the term of this Agreement.

ARTICLE VII **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, with respect to both substantive rights and with respect to procedures and remedies.

ARTICLE VIII **NOTICE AND EFFECT**

All notices and other communications to be made or permitted to be made hereunder shall be in writing and shall be delivered to the addresses shown below or to such other addresses that the parties may provide to one another in accordance herewith. Such notices and other communications shall be given by any of the following means: (a) personal service or (b) national express air courier, provided such courier maintains written verification of actual delivery. Any notice or other communication given by the means described in subsection (a) or (b) above shall be deemed effective upon the date of receipt or the date of refusal to accept delivery by the party to whom such notice or other communication has been sent.

Land Authority: Monroe County Land Authority
1200 Truman Avenue, Suite 207
Key West, FL 33040
Attention: Executive Director

Grantor:

Any party may change said address by giving the other parties hereto notice of such change of address in accordance with the foregoing provisions.

ARTICLE IX
MISCELLANEOUS

9.01. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

9.02. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument and each of which shall be deemed to be an original.

Signature Pages Immediately Following

**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

IN WITNESS WHEREOF, Grantor has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

Grantor:

Print: _____

Address: _____

Print: _____

Address: _____

By: _____

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence this _____ day of _____, 2024 by _____. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

**COUNTERPART SIGNATURE PAGE TO
LAND USE RESTRICTION AGREEMENT**

IN WITNESS WHEREOF, Land Authority has caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

MONROE COUNTY COMPREHENSIVE PLAN
LAND AUTHORITY

Print: _____

Address:

Print: _____

Address:

By: _____

David P. Rice, Chairman

Address: 1200 Truman Avenue, Suite 207
Key West, FL 33040

Approved as to form and legality

[SEAL]

Gregory S. Oropeza, Esq.

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2024, by David P. Rice, as Chairman of the MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority pursuant to section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986, on behalf of the Land Authority. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

Unit _____ of _____ Condominium pursuant to the Declaration of Condominium recorded in Official Records Book _____, Page _____ Public Records of Monroe County, Florida.

EXHIBIT "B"

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 LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE ____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.

EXHIBIT "C"

This instrument prepared by and return to:
Oropeza, Stones & Cardenas
221 Simonton Street
Key West, FL 33040
(305) 294-0252

**LAND USE RESTRICTION ASSUMPTION AGREEMENT AND
CONSENT TO ASSUMPTION OF LAND USE RESTRICTION**

The undersigned, (Buyer's Name _____), in consideration of the purchase and sale of the workforce housing condominium unit located at _____, which Buyer is purchasing from _____ ("Seller") who executed that certain Land Use Restriction Agreement dated _____, filed and recorded on _____ in Official Records Book _____ at Page _____, of the Public Records of Monroe County, Florida (the "LURA") evidencing a sum of _____ (\$_____) applied to the subject property for construction funding. Such LURA is a restriction, to wit:

(the "Property")

And (Buyer's name) does hereby assume and agree to be bound by and comply with the terms and conditions set forth by and within the LURA and further warrants and represents said LURA constitutes a valid and subsisting lien upon the Property.

Dated at Key West, Monroe County, Florida this ____ day of _____, 20_____.

Signed, sealed and delivered
in the presence of:

Signature of Witness

(Buyer Name)

Printed Name of Witness

Address of Witness

Signature of Witness

Printed Name of Witness

Address of Witness

STATE OF FLORIDA:
COUNTY OF MONROE:

SWORN TO AND SUBSCRIBED before me by means of physical presence or electronic means, this ____ day of _____, 20____, by (Buyer's Name), who is personally known by me or has produced _____ as identification.

Notary Public, State of Florida

Notary Public, State of Florida

EXHIBIT 11 TO PROSPECTUS

**PARKING AGREEMENT BETWEEN BAHAMA VILLAGE ON FORT, LTD.,
BAHAMA VILLAGE COMMUNITY, LTD., AND THE NAVAL PROPERTIES LOCAL
REDEVELOPMENT AUTHORITY**

RESOLUTION NO. 23-024

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, GRANTING A PARKING AGREEMENT APPROVAL FOR PROPERTY LOCATED AT 918 FORT STREET (RE# 00001630-000801) - FOR THE CONSTRUCTION OF 126 AFFORDABLE HOUSING RESIDENTIAL UNITS ON PROPERTY LOCATED WITHIN THE HISTORIC NEIGHBORHOOD COMMERCIAL 4 - BAHAMA VILLAGE TRUMAN WATERFRONT (HNC-4) ZONING DISTRICT PURSUANT TO SECTION 108-244 OF THE LAND DEVELOPMENT REGULATIONS OF THE CODE OF ORDINANCES OF THE CITY OF KEY WEST, FLORIDA.

WHEREAS, Section 108-244 of the Land Development Regulations (the “LDRs”) of the Code of Ordinances (the “Code”) of the City of Key West, Florida (the “City”) provides the minimum number of parking spaces is one per unit and off site parking facilities can be combined through an executed agreement; and

WHEREAS, the proposed use of the property consisting of multiple-family residential dwelling units is a permitted use within the Historic Neighborhood Commercial 4 – Bahama Village Truman Waterfront zoning district pursuant to Code Section 122-872; and

WHEREAS, this matter came before and was approved by the Planning Board at a duly noticed public hearing on December 19, 2022; and

WHEREAS, the granting of a parking agreement with the City of Key West is consistent with the criteria of the Code of Ordinances; and

WHEREAS, the City Commission finds that the granting of a parking agreement is in harmony with the general purpose and intent of the Land Development Regulations, and will not be injurious to the neighborhood, or otherwise detrimental to the public welfare.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE

CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1. That the above recitals are incorporated by reference as if fully set forth herein.

Section 2. The parking agreement with the City of Key West to allow the use of sixteen (16) unmarked parking spaces at the city owned Truman Waterfront Park parking lot by the property located at 918 Fort Street (RE# 00001630-000801) within the Historic Neighborhood Commercial 4 – Bahama Village Truman Waterfront zoning districts, pursuant to Section 108-244 of the Land Development Regulations of the Code of Ordinances of the City of Key West, Florida, is hereby approved. A copy of the parking agreement is attached.

Section 3. This resolution does not constitute a finding as to ownership or right to possession of the property, and assumes, without finding, the correctness of applicant's assertion of legal authority respecting the property.

Section 4. This resolution shall go into effect immediately upon its passage and adoption and authentication by the signatures of the presiding officer and the Clerk of the Commission.

Section 5. This resolution is subject to appeal periods as provided by the City of Key West Code of Ordinances (including the Land Development Regulations). After the City appeal period has expired, this permit or development order shall be rendered to the Florida Department of Economic Opportunity. Pursuant to Chapter 73C-44, F.A.C., this permit or development order is not effective for 45 days after it has been properly rendered to the DEO with all exhibits and applications attached to or incorporated by reference in this approval; that within the 45-day review period, the DEO can appeal the permit or development order to the Florida Land and Water Adjudicatory Commission; and that such an appeal stays the effectiveness of the permit until the appeal is resolved by agreement or order.

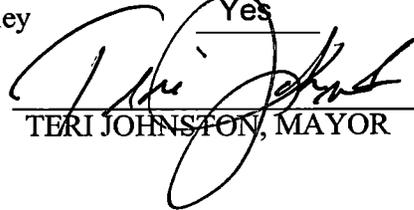
Read and passed on first reading at a regularly scheduled meeting held this 18th day of

January 2023.

Authenticated by the presiding officer and Clerk of the Commission on January 25th, 2023.

Filed with the Clerk the 25th day of January 2023.

Mayor Teri Johnston	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>Yes</u>
Commissioner Clayton Lopez	<u>Absent</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>



 TERI JOHNSTON, MAYOR





 Cheryl Smith, City Clerk

1-25-23

 Date

Prepared by and
return to:

City Attorney of the City of Key West
P.O. Box 1409
Key West, FL 33041-1409
(305) 809-3773

(For Recorder's Use Only)

PARKING AGREEMENT

THIS PARKING AGREEMENT (this "Agreement") is executed as of the 25th day of January, 2023, by and between Bahama Village on Fort, LTD., a Florida Limited Partnership, Bahama Village Community, LTD., a Florida Limited Partnership, collectively referred to as "Bahama Village Partnerships" and the Naval Properties Local Redevelopment Authority, a municipal corporation ("City").

WHEREAS, City is the owner in fee simple of the property located in the City of Key West, a part of the Truman Waterfront property located at the Naval Air Facility, Key West, Florida, Monroe County, Florida, and more particularly depicted and described on the attached **Exhibit A** (hereinafter "Premises");

WHEREAS, by Referendum conducted in January, 2022, (the "Referendum") THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST was authorized to lease real property of approximately 3.2 acres located at the Truman Waterfront, for a period of 99 years, exclusively for affordable workforce housing;

WHEREAS, it is City's intent that the Property be developed to produce affordable workforce housing in accordance with the Referendum;

WHEREAS, Bahama Village Partnerships desires to develop the Property to include a hundred and twenty-six (126) affordable workforce housing units for qualified Lessee occupants and/or qualified Sublessee occupants;

WHEREAS, pursuant to the development and the City's code of ordinances, and due to the land deed restrictions from the NAVY when the parcel was conveyed, Bahama Village Partnerships requires a special long-term contract in order to provide for its use of 16 parking spaces at the City's Truman Waterfront Park Parking Lot 5 (hereinafter "Parking Lot 5") as depicted in **Exhibit B**;

WHEREAS, "Bahama Village Partnerships" shall mean initially, Bahama Village on Fort, LTD., a Florida Limited Partnership, Bahama Village Community, LTD., a Florida Limited Partnership, and includes its successors and/or assigns, including the Association after the control of the Association has been transferred to the Owner/Occupants pursuant to Florida

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

1. All of the above recitals are true and are incorporated herein.
2. This Agreement is expressly contingent upon the City's approval of the Bahama Village Partnership's Major Development Plan for the development of an affordable housing project on the Property.
3. Bahama Village Partnerships shall mean Bahama Village on Fort, LTD., a Florida Limited Partnership and Bahama Village Community, LTD., a Florida Limited Partnership., and any and/or all of its assigns, agents, heirs, owners, tenants, invitees, associations, managers, etc.
4. Bahama Village Partnerships Rental Development Project shall mean the affordable housing development project as depicted in **Exhibit A**.
5. City shall mean the City of Key West, the Caroline Street Corridor and Bahama Village Community Redevelopment Area (CRA), and/or the Naval Properties Local Redevelopment Authority (LRA), as applicable.
6. The initial term of this Agreement shall commence upon the date of the issuance of the first certificate of occupancy (including but not limited to a Temporary Certificate of Occupancy) for the affordable housing development, if that event occurs. The initial term of this Agreement shall be twenty (20) years and may be amended thereafter by the City according to section 2-941(a) of the City Code of Ordinances applicable to lands within the boundaries of a Local Redevelopment Area. If the agreement is not renewed timely, the City's applicable "daily rate" for sixteen (16) parking spaces shall apply and shall be remitted monthly by Bahama Village Community LTD., and its successors and/or assigns, to the City of Key West.
7. Upon receipt and clearance of payment(s) made pursuant to paragraph 8, City shall provide 16 parking spaces at the City's Truman Waterfront Park Parking Lot 5 for the use of the tenants of the Bahama Village Partnerships Rental Development Project as depicted in Exhibit B. The parking spaces shall be reserved for Bahama Village Partnerships' use and shall not be marked or delineated by the City or Bahama Village Partnerships or any agents or assignees. Access to and use of the parking spaces by Bahama Village Partnerships shall be by special placard made available to the owners of automobiles of the tenants, owners, and/or invitees and such placards shall be placed in the automobiles parked at the lot. The City shall have final approval over the placard system, including but not limited to, placard design and placard administration. Final approval from the City shall be in writing. Notwithstanding the above, the twenty-eight (28) Homeowner units shall have marked and signed parking spaces within the boundaries of the Premises as depicted on Exhibit A.
8. Bahama Village Partnerships or its agents or assignees shall compensate the City for the loss of revenue received by the City from the parking spaces reserved for Bahama Village

Partnerships. The compensation to be paid by the Bahama Village Partnerships shall be calculated by multiplying the number of parking spaces reserved for the Bahama Village Partnerships' development project by \$239.10, the documented annual revenue per parking space at City's Truman Waterfront Park Parking Lot 5 at the time of the execution of this Agreement. Accordingly, the compensation due from Bahama Village Partnerships at the time of the execution of this Agreement for a term of twenty (20) years is \$52,061.69, the lump sum present value of twenty (20) years of revenue of sixteen (16) spaces at City's Truman Waterfront Park Parking Lot 5. The one-time payment for the parking space revenue provided will be made by Bahama Village Partnerships prior to the issuance of the first certificate of occupancy (including but not limited to a Temporary Certificate of Occupancy) for the affordable housing development.

9. In the event additional improvements are required to provide access to the City's Truman Waterfront Park Parking Lot for Bahama Village Partnerships' use, such as a new curb cut to be constructed or new sidewalk segments to provide ADA access for tenants from the City's Truman Waterfront Park Parking Lot 5 to the rental unit buildings at 918 Fort Street or other improvements to City property necessitated by this Agreement, as agreed to by the parties, all such additional costs shall be the sole and entire responsibility of Bahama Village Partnerships.

10. Alterations and Improvements.

- A. No structure or improvements of any kind, whether temporary or permanent, shall be placed upon Parking Lot 5 without prior approval in writing by the City, a building permit issued by the City and any permits required by law by any other agency, federal or state. Any such structure or improvements shall be constructed in a good and workmanlike manner at the Bahama Village Partnerships' sole cost and expense, except as otherwise agreed herein. Subject to any landlord's lien, any structures or improvements constructed by the Bahama Village Partnerships shall be removed by the Bahama Village Partnerships at its sole cost and expense, by midnight on the day of termination of this Agreement or extension hereof, and the Parking Lot 5 restored as nearly as practical to its condition at the time this Agreement is executed. The Bahama Village Partnerships shall be solely responsible for obtaining all necessary permits and paying fees.
- B. The City reserves the right to inspect the leased area and to require whatever adjustment to structures or improvements as the City, in its sole discretion, deems necessary for the use of the Bahama Village Partnerships Rental Development Project. Any such adjustments shall be done at the Bahama Village Partnerships' sole cost and expense. Any building permits sought by the Bahama Village Partnerships shall be subject to permit fees at Bahama Village Partnerships' sole cost and expense.
- C. Bahama Village Partnerships shall perform, at the sole expense of Bahama Village Partnerships, all work required in the preparation of the property or Parking Lot 5 hereby leased for the use stated herein by Bahama Village

Partnerships, if necessary; and Bahama Village Partnerships does hereby accept the leased property or Parking Lot 5 as now being in fit and tenantable condition for the specific purposes of Bahama Village Partnerships as delineated herein.

- D. Any and all signage is subject to approval of the City Manager. Any and all signage is subject to approval of HARC, if necessary.
- E. This Agreement is subject to all terms and conditions as stated in the Sales Parcel Lease, recorded July 19, 2022, in Book 3185, Page 1 of the Official Records of Monroe County, Florida, including but not limited to, Art. 2, Sec. 2.2 of said Lease.
- F. This Agreement is subject to all terms and conditions as stated in the Rental Parcel Lease, recorded March 21, 2022, in Book 3162, Page 1069 of the Official Records of Monroe County, Florida, including but not limited to, Art. 2, Sec. 2.2 of said Lease, and as amended by the First Amendment, recorded July 20, 2022, in Book 3185, Page 127 of the Official Records of Monroe County, Florida.

11. The Bahama Village Partnerships shall not permit any mechanic's lien or liens to be placed on Parking Lot 5 or on improvements on or made to it. If a mechanic's lien is filed, it shall be the sole responsibility of the Bahama Village Partnerships or its officer, employee, agent, contractor, or other representative causing the lien to be filed to discharge the lien and to hold harmless and defend the City against enforcement of such lien. Pursuant to Section 713.01, Florida Statutes, the liens authorized in Chapter 713, Florida Statutes, do not apply to the City.

12. The Bahama Village Partnerships must keep Parking Lot 5 in good order and condition. The Bahama Village Partnerships shall not commit waste on Parking Lot 5, nor maintain or permit a nuisance on Parking Lot 5.

13. To the extent that Bahama Village Partnerships requests that the City provide the parking spaces referred to herein, Bahama Village Partnerships agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all its Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims, demands, expense and liability arising out of injury or death to any person or the damage, loss of destruction of any property which may occur or in any way result from City's act of providing parking spaces to the Bahama Village Partnerships Development Project, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees. Bahama Village Partnerships agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent. Nothing in this indemnification is intended to act as a waiver of the City's sovereign immunity rights, including those provided under section

768.28, Florida Statutes. This indemnification shall survive the expiration or termination of this Agreement.

14. This Agreement has been carefully reviewed by Bahama Village on Fort, LTD., a Florida Limited Partnership, Bahama Village Community, LTD., a Florida Limited Partnership collectively referred to as "Bahama Village Partnerships" and the City of Key West, Florida, a municipal corporation. Therefore, this Agreement is not to be construed against any party on the basis of authorship.

15. Notices. Any written notices or correspondence given pursuant to this Agreement, unless otherwise specified, shall be sent by United States Mail, certified, return receipt requested, postage prepaid, or by courier with proof of delivery. The place of giving Notice shall remain the same as set forth herein until changed in writing in the manner provided in this paragraph. Notice is deemed received by either party when hand delivered by national courier with proof of delivery or by U.S. Mail upon verified receipt or upon the date of refusal or non-acceptance of delivery. Notice shall be sent to the following:

For the City: City Manager
City of Key West
P.O. Box 1409
Key West, Florida 33041-1409

With a copy to: City Attorney
City of Key West
P.O. Box 1409
Key West, Florida 33041

For Bahama Village on Fort, LTD: Bahama Village on Fort, LTD
3030 Hartley Road, Suite 310
Jacksonville, FL 32257
Attn: Clarence S. Moore

With a copy to: Smith Hawks, PL
138 Simonton Street
Key West, Florida 33040
Attn: Bryan Hawks

For Bahama Village Community, LTD: Bahama Village Community, LTD
3030 Hartley Road, Suite 310
Jacksonville, FL 32257
Attn: Clarence S. Moore

With a copy to: Smith Hawks, PL
138 Simonton Street
Key West, Florida 33040
Attn: Bryan Hawks

16. The Bahama Village Partnerships may not assign this Agreement or assign or subcontract any of its obligations under this Agreement without the written approval of the City. Notwithstanding the foregoing, upon Bahama Village on Fort, LTD. turning over control to the condominium association as contemplated in the Ground Lease Agreement recorded in the Official Records of Monroe County Book 3185, Page 1, Bahama Village on Fort, LTD. may assign their interest in this Agreement to the condominium association. All the obligations of this Agreement will extend to and bind the successors and assigns of the Bahama Village on Fort, LTD., Bahama Village Community, LTD., collectively referred to as "Bahama Village Partnerships" and the City of Key West, Florida, a municipal corporation.

17. This Agreement is governed by the laws of the State of Florida. Venue for any dispute arising under this Agreement must be in Monroe County, Florida, Lower Keys Division of the Circuit Court, or the Southern District of Florida, as applicable. In the event of litigation affecting the rights of any party under this Agreement, the losing party shall pay the prevailing party's costs, expenses, and Attorney's Fees incurred in the enforcement of the prevailing party's rights hereunder, including those pertaining to appeals.

18. If any term, covenant, condition or provision of this Agreement (or the application thereof to any circumstance or person) shall be declared invalid or unenforceable to any extent by a court of competent jurisdiction, the remaining terms, covenants, conditions, and provisions of this Agreement, shall not be affected thereby; and each remaining term, covenant, condition, and provision of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law unless the enforcement of the remaining terms, covenants, conditions, and provisions of this Agreement would prevent the accomplishment of the original intent of this Lease Agreement. The parties agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

19. No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

20. The Bahama Village Partnerships are and shall be an independent contractor and not an agent or servant of the City. The Bahama Village Partnerships shall exercise control, direction, and supervision over the means and manner that its personnel, contractors, and volunteers perform the work for which purpose this Agreement is entered. The Bahama Village Partnerships shall have no authority whatsoever to act on behalf and/or as agent for the City in any promise, agreement, or representation other than specifically provided for in this Agreement. The City shall at no time be legally responsible for any negligence on the part of the Bahama Village Partnerships, its employees, agents, or volunteers resulting in either bodily or personal injury or property damage to any individual, property, or corporation.

21. The Bahama Village Partnerships shall maintain adequate and complete records for a period of four (4) years after termination of this Agreement. The City, its officers, employees, agents, and contractors shall have access to the Bahama Village Partnerships' books, records, and documents related to this Agreement upon request. The access to, and inspection of, such books, records, and documents by the City shall occur at any reasonable time.

22. The Bahama Village Partnerships shall, within ten (10) business days after execution of this Agreement, record a complete and true copy of this Agreement and any exhibits in the Official Records of Monroe County at the sole expense of the Bahama Village Partnerships.

23. This Agreement constitutes the sole and entire agreement between the Parties. This Agreement is the parties' final mutual understanding. It replaces any earlier agreements or understandings, whether written or oral. This Agreement cannot be modified or replaced except by another written and signed agreement executed by all parties. This Agreement may be modified or amended only by a writing duly authorized and executed by all parties. It may not be amended or modified by oral agreements or understandings between the parties unless the same shall be reduced to writing duly authorized and executed by all parties.

24. This Agreement will take effect upon the signature of the last party to the Agreement.

[Signature Pages to Follow]

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by its duly authorized representative.



[Handwritten Signature]

Date: 1-25-23

THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST

By: *[Handwritten Signature]*
Mayor

Date: 1-25-23

BAHAMA VILLAGE COMMUNITY, LTD., a Florida limited partnership

By: Bahama Village GP, LLC, its general partner

By: Vestcor, Inc., a Florida corporation

By: *[Handwritten Signature]*
Name: James R. Hoover
Title: Vice President

STATE OF: FLORIDA

COUNTY OF: DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on January 13, 2023 by James R. Hoover (name of affiant) as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village GP, LLC, general partner of BAHAMA VILLAGE COMMUNITY, LTD., a Florida limited partnership. He/She is personally known to me or has produced (type of identification) as identification.

[Handwritten Signature]
NOTARY PUBLIC

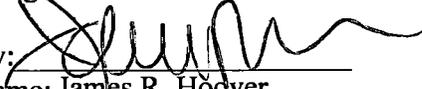
[Signature Page to Agreement]



BAHAMA VILLAGE ON FORT, LTD.,
a Florida limited partnership

By: Bahama Village on Fort GP, LLC, its
general partner

By: Vestcor, Inc., a Florida corporation,
its manager

By: 
Name: James R. Hoover
Title: Vice President

STATE OF: FLORIDA

COUNTY OF: DUVAL

Subscribed and sworn to (or affirmed) before me, by means of physical presence or online notarization, on January 13, 2023 by James R. Hoover (name of affiant) as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership. He/She is personally known to me or has produced _____ (type of identification) as identification.


NOTARY PUBLIC

[Signature Page to Agreement]



SKETCH AND DESCRIPTION
BAHAMA VILLAGE SALE PARCEL
PORTION OF TRUMAN ANNEX
(O.R.B. 1839, PG. 410, M.C.R.)
CITY OF KEY WEST, MONROE COUNTY, FLORIDA

NOT A VALID SURVEY WITHOUT
ALL ACCOMPANYING SHEETS

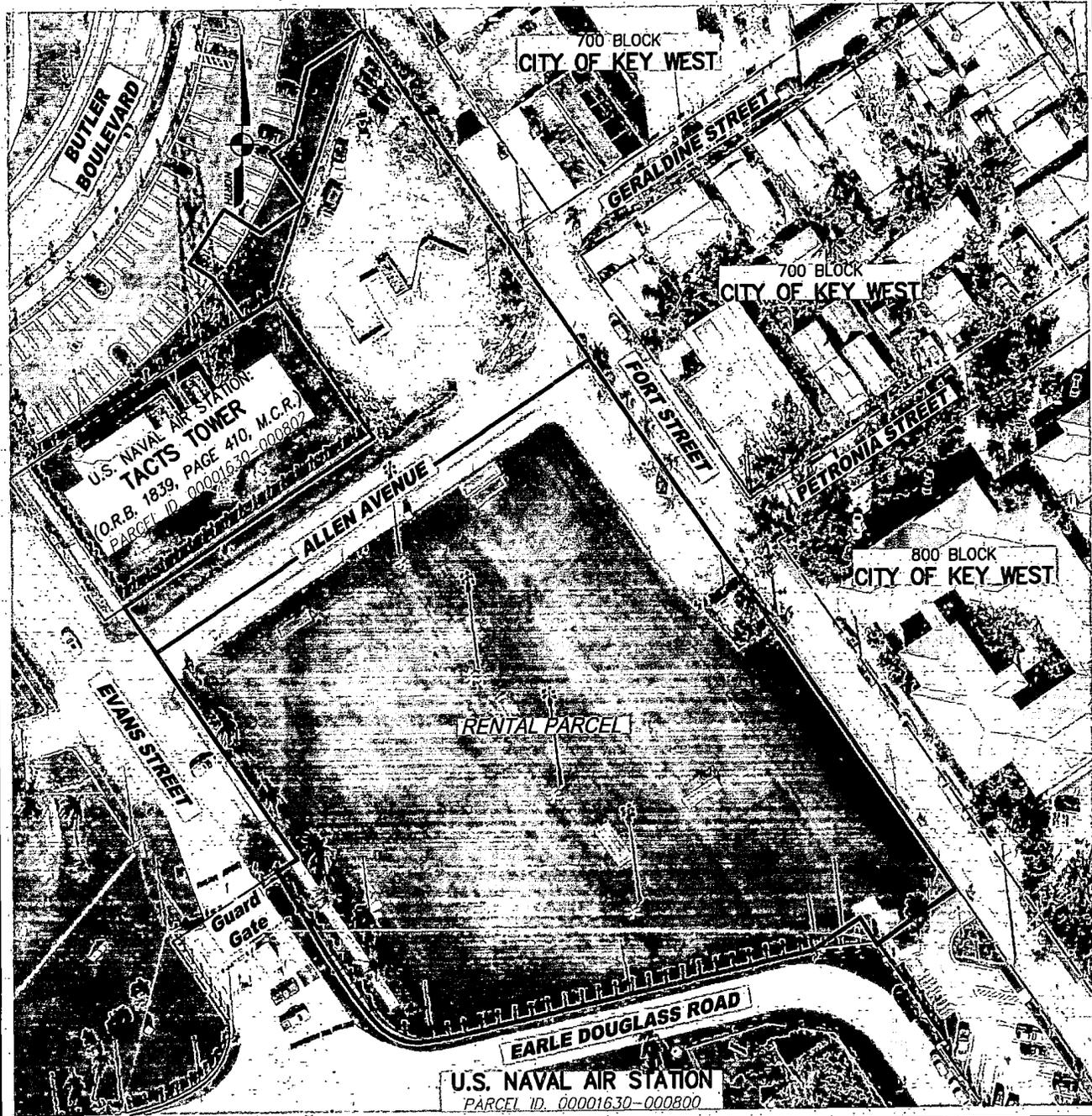
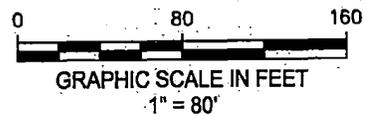
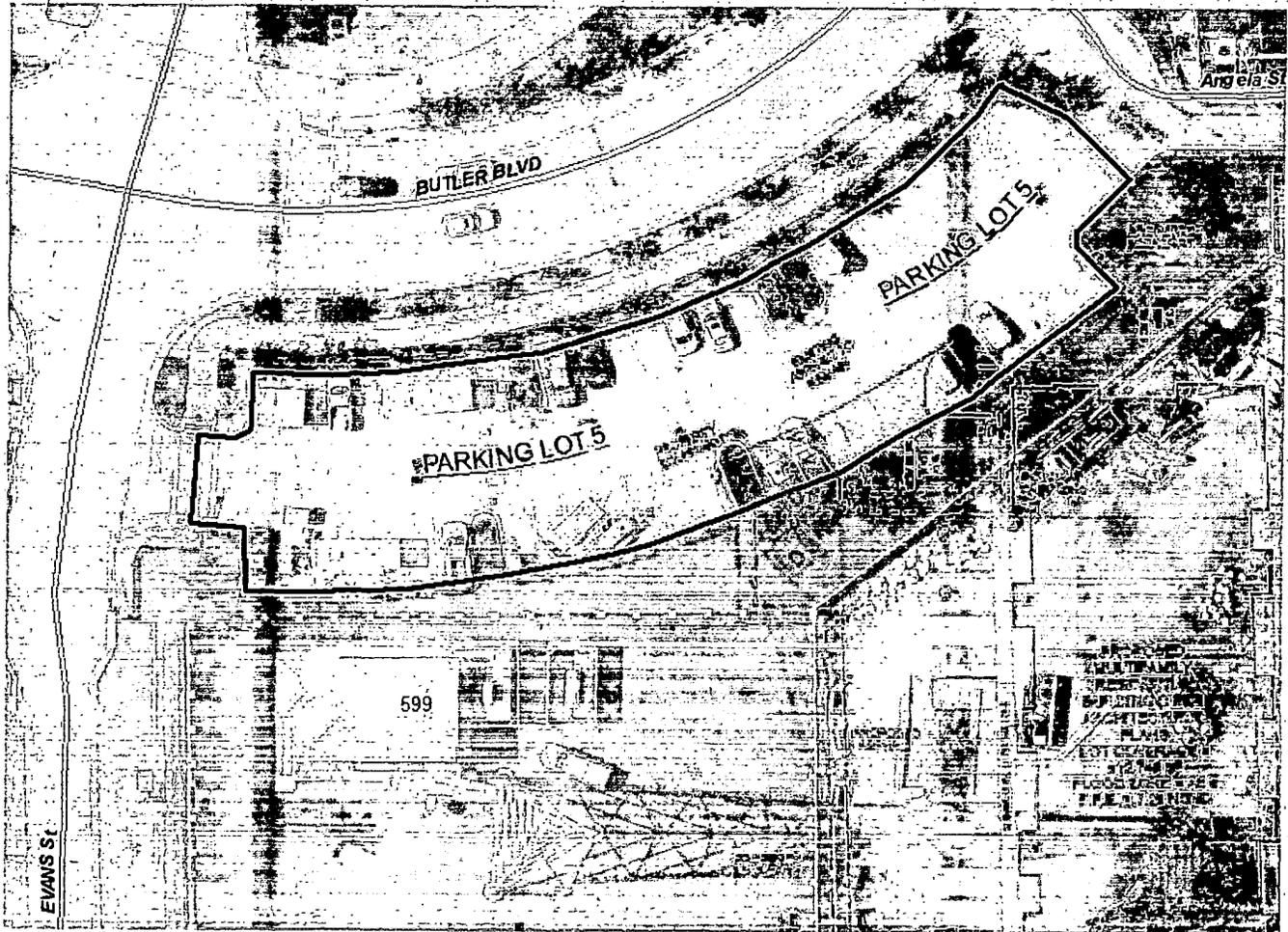


EXHIBIT
A



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700



**EXHIBIT
B**

Key to the Caribbean – average yearly temperature 77 ° Fahrenheit.

EXHIBIT 12 TO PROSPECTUS

**RECIPROCAL EASEMENT AND PARKING AGREEMENT BETWEEN BAHAMA
VILLAGE ON FORT, LTD. AND BAHAMA VILLAGE COMMUNITY, LTD.**

This instrument prepared by,
record and return to:

Terry M. Lovell, Esq.
Bilzin Sumberg Baena Price & Axelrod LLP
1450 Brickell Avenue, Suite 2300
Miami, Florida 33131

RECIPROCAL EASEMENT AND PARKING AGREEMENT

This Reciprocal Easement and Parking Agreement (the “**Agreement**”) is made and entered into as of October 24, 2023, by and between Bahama Village on Fort, Ltd., a Florida limited partnership, having an address of 1649 Atlantic Boulevard, Jacksonville, FL 32207 (“**Sale Parcel Ground Lessee**”), and Bahama Village Community, Ltd., a Florida limited partnership, having an address at 1649 Atlantic Boulevard, Jacksonville, FL 32207 (“**Rental Parcel Ground Lessee**” and collectively with Sale Parcel Ground Lessee, the “**Parties**” and each individually, a “**Party**”).

RECITALS

WHEREAS, The Naval Properties Local Redevelopment Authority of the City of Key West (“**Ground Lessor**”), is the owner of the fee simple interest in and to that certain real property located in Monroe County as more particularly described on Exhibit “A” attached hereto (the “**Sale Parcel**”) and Exhibit “B” attached hereto (the “**Rental Parcel**”; together with the Sale Parcel, each a “**Parcel**” and collectively, the “**Property**”); and

WHEREAS, Sale Parcel Ground Lessee, as lessee, and Ground Lessor, as lessor, entered into that certain Ground Lease Agreement dated July 15, 2022, recorded July 19, 2022, in Official Records Book 3185, Page 1, of the Public Records of Monroe County, Florida, whereby Sale Parcel Ground Lessee leased the Sale Parcel from the Ground Lessor, to develop a 28-unit condominium building (the “**Condominium**”; each unit within the Condominium being hereinafter referred to as a “**Condominium Unit**”; each owner of a Condominium Unit being hereinafter referred to as a “**Condominium Unit Owner**”); and

WHEREAS, Rental Parcel Ground Lessee, as lessee, and Ground Lessor, as lessor, entered into that certain Ground Lease Agreement dated on March 21, 2022, recorded on March 21, 2022, in Official Records Book 3162, Page 1069, as amended pursuant to that certain First Amendment to Ground Lease Agreement dated July 15, 2022, recorded July 20, 2022, in Official Records Book 3185, Page 127, whereby Rental Parcel Ground Lessee leased the Rental Parcel from the Ground Lessor, to develop and operate a 98-unit affordable and workforce housing rental building; and

WHEREAS, the Parties hereto desire to enter into this Agreement in order to (i) set forth certain easements, covenants, restrictions, and agreements relating to the use and operation of the Property; and (ii) establish their respective obligations for the Property related to those easements, covenants, restrictions, and agreements.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **Recitals.** The above recitals are true and correct and by this reference are incorporated as if fully set forth herein.
2. **Access Easement.** Sale Parcel Ground Lessee and Rental Parcel Ground Lessee hereby grant to each other, for the use and benefit of the Condominium Unit Owners and the Parties' tenants and invitees, a non-exclusive perpetual easement for pedestrian and vehicular ingress and egress, over and across the sidewalks, walkways, roads, and drive aisles of their respective Parcels as shown in the shaded area on the sketch attached hereto as Exhibit "C" (the "**Sketch**"); provided, however, that such access and use shall be in accordance with applicable law and shall not unreasonably interfere with the use and operation of any of the improvements on the Property.
3. **Parking Easement.** Rental Parcel Ground Lessee acknowledges that the parking spaces for the Condominium Unit Owners located on Allen Avenue (the "**Allen Avenue Parking Spaces**") as shown on the Sketch encroach onto the Rental Parcel and hereby grants to Sale Parcel Ground Lessee, for the benefit of the Condominium Unit Owners (including their respective guests, invitees, and/or licensees) an exclusive perpetual parking easement to park automobiles in all or the portions of the parking curbs, wheel stops, parking lines and other improvements related to the Allen Avenue Parking Spaces, subject to all applicable laws, rules and regulations.
4. **Maintenance.** Each Party agrees, with respect to its Parcel, to maintain and keep in good condition and repair the access easement areas on such Parcel. Without the prior consent of all Parties, any pavers or other surface material on any Parcel must be replaced with only like kind pavers or like kind other surface materials. Each Party shall construct, develop, administer, operate, clean, maintain and repair its Parcel and the improvements thereon in conformity with commercially reasonable standards. If any Party is in default in the performance of its maintenance obligations under this Agreement, then the non-defaulting Party, in addition to all remedies it may have at law or in equity, shall have the right to proceed under the terms of Section 10(f) of this Agreement.
5. **Temporary Construction Easements.** Each Party grants to the other Party, for the use and benefit of such other Party, its successors and assigns in title, and its agents, employees, tenants and invitees, a temporary construction easement for the construction of the improvements contemplated in this Agreement and such other uses as may be incident to such temporary construction easement over any portion of the Property as may be reasonably necessary for the construction of such improvements; however, in no event shall such easement unreasonably interfere with the operation of any of the then existing improvements on the Property or cut off access or utilities to such improvements. The temporary construction easement set forth in this section shall terminate upon the completion of the construction of such improvements as may be evidenced by a certificate

of occupancy (or other similar evidence of completion) without the necessity of recording any further instrument.

6. **Encroachment Easement.** If any improvement constructed on either Sale Parcel Ground Lessee's or Rental Parcel Ground Lessee's portion of the Property, settles or shifts upon or is inadvertently constructed upon another Party's portion of the Property and such encroachment occurs as a result of (i) the settling or shifting of the improvements; (ii) any construction, reconstruction, addition, alteration, repair, replacement, relocation or removal of or to any improvements which unintentionally encroaches on another Party's portion of the Property; or (iii) such other improvement as may otherwise be permitted hereunder, then in any such event, the Party whose improvements are the subject of the encroachment(s), shall have an easement over the portions of the other Party's Parcel where such encroachments exist, for the existence and maintenance of the encroaching portions of such improvements, for so long as such improvements exist.

7. **Stormwater, Surface Water, and Drainage Management.**

- a. **Drainage Easements.** Each Party hereby grants to the other, perpetual unobstructed drainage easements through the drainage ditches, drainage swales, and the Shared Facilities (defined below) situated in whole or in part on the Property that are a part of the Surface Water/Stormwater Management System (defined below), for the drainage of storm and surface waters. The Parties shall also have perpetual easements over and across the Surface Water/Stormwater Management System for ingress and egress, for the purpose of maintaining the portions of the Surface Water/Stormwater Management System each Party is respectively obligated to maintain.

The term "**Surface Water/Stormwater Management System**" as used herein shall mean the system designed and constructed in connection with the development of the Property, to control discharges which are necessitated by rainfall events, and which incorporates methods to collect, convey, redirect, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over-drainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system. The foregoing includes, without limitation, all drainage pipes, equipment, outflow control structures, injection wells, vaults, underdrains and related drainage facilities: (i) located within the Property and which are included in the Water Management Permit (defined in Section 7.b.i. below); (ii) all such facilities located within drainage easements serving the Property or any portion thereof, to the extent the maintenance obligations under such easements are obligations that run with title to the lands within the Property; and (iii) located outside of the Property but which, pursuant to the Water Management Permit, are to be included within the Surface Water/Stormwater Management System of the Property.

- b. **Permits and Restrictions.**

- i. Water Management Permits. Reference is made to the South Florida Water Management District (“SFWMD”) Permit No. 44-108433-P and other water management permits to be issued in connection with the development of the Property (collectively, the “**Water Management Permits**” each, a “**Water Management Permit**”). The Property is being developed in accordance with requirements set forth in the Water Management Permits, and each Party must comply with the terms thereof in the use and ownership of its Parcel. Each Party shall be deemed to have assumed the obligation to comply with the requirements of the Water Management Permits as such relate to its respective Parcel. Except as required or permitted by the Water Management Permits, neither Party shall alter, fill, dredge, excavate, or perform other activities in contravention of the Water Management Permits, unless and until such activity is authorized by or exempted from the requirements of the Water Management Permits. In the event that a Party violates the terms and conditions of a Water Management Permit, and if for any reason the non-violating Party is cited therefor, the violating Party shall indemnify and hold the non-violating Party harmless from all costs arising in connection therewith, including without limitation all costs and attorneys' fees, including the costs associated with curing such violation.
- ii. Alterations. Neither Party shall alter or redirect the drainage flow of the Surface Water/Stormwater Management System established by Parties for the Property pursuant to the Water Management Permits, without the prior written approval of the SFWMD.
- c. Surface Water Management.
 - i. Maintenance. With the exception of the trench area and the injection well depicted in the attached **Exhibit “D”** (the “**Shared Facilities**”) each Party shall operate and maintain for the benefit of its respective Parcel, at each Party’s own cost and expense, the portions of the Surface Water/Stormwater Management System located on its respective Parcel, in accordance with the Water Management Permits, in a good and serviceable condition and in compliance with the requirements of the regulations of such governmental authorities. Notwithstanding anything to the contrary contained herein, Rental Parcel Ground Lessee shall operate and maintain the Shared Facilities, subject to Section 7.d. below. Operation and maintenance of the Surface Water/Stormwater Management System (including the Shared Facilities) shall include the exercise of practices which allow the system to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as required by the Water Management Permits. Any repair or construction of the Surface Water/Stormwater Management System shall be as permitted by the SFWMD or, if modified, as approved by the SFWMD.
 - ii. Reporting Requirements. Each Party shall report to the SFWMD as required by the Water Management Permits, with respect to the portions of the Surface

Water/Stormwater Management System located on each Party's respective Parcel.

d. **Cost Reimbursement.**

Surface Water/Stormwater Management System Maintenance Reimbursement. From the first day of the month after the issuance of all of the required final certificates of occupancy for the Condominium, the Sale Parcel Ground Lessee shall reimburse Rental Parcel Ground Lessee for twenty-five percent (25%) of the expenses relating to the operation, repair, replacement, maintenance, and future capital expenses of the Shared Facilities (the "**Shared Facilities Maintenance Reimbursement**") as set forth below. Sale Parcel Ground Lessee shall pay the Shared Facilities Maintenance Reimbursement to Rental Parcel Ground Lessee within thirty (30) days after Rental Parcel Ground Lessee's demand therefor, which shall include reasonable documentation of such expenses. If Sale Parcel Ground Lessee fails to pay the Shared Facilities Maintenance Reimbursement to Rental Parcel Ground Lessee within such thirty (30) day period, Rental Parcel Ground Lessee shall have the right to file a lien against the Sale Parcel Ground Lessee's leasehold interest in the Sale Parcel, and foreclose the same as a leasehold mortgage in accordance with Florida law.

8. **Right to Relocate.** Sale Parcel Ground Lessee and/or Rental Parcel Ground Lessee may relocate, at its sole cost and expense, any improvement on its portion of the Property; provided, however, such relocation shall not materially and adversely affect the rights of the non-relocating Party.
9. **Amendments and Enforcement.** Any amendment to this Agreement which materially alters the Parties' respective obligations with respect to the operation and/or maintenance of the Surface Water/Stormwater Management System, must have the prior approval of the SFWMD. The SFWMD shall have the right to enforce by proceeding at law or in equity, the provisions contained herein that relate to the Surface Water/Stormwater Management System. Upon conveyance by either Party to one or more third parties of any portion of its respective Parcel, the grantee of such conveyance shall be deemed to have assumed and agreed to perform the obligations of the Water Management Permits as to such portion of the Property, and the conveying Party shall have no further liability or responsibility as to that portion of the Property.
10. **Miscellaneous.**
 - a. **Indemnification.** Any Party (or their agents, employees, tenants or invitees) undertaking any construction, installation, use, operation, repair or maintenance pursuant to or under the terms and conditions of this Agreement (collectively, the "**Indemnitor**") hereby indemnifies, saves and holds harmless the other Party (and their agents, employees, tenants and invitees) (collectively, the "**Indemnitee**") from any claims, liabilities, losses, expenses, costs, injuries or damages (including reasonable attorney's fees) which result from such construction, installation, use, operation, repair or maintenance, provided, however, that following proper completion of construction or installation of any facility or improvement in

accordance with this Agreement, no Party shall be liable to the other Party for claims, liabilities, losses, expenses, costs, injuries or damages resulting from ordinary or routine wear and tear, acts of God or other events not within the reasonable control of such party, provided further, that the Party obligated to maintain or repair such facility or improvement promptly and diligently undertakes any required repair and maintenance. The Indemnitor shall have adequate insurance, including comprehensive broad form general public liability insurance, covering any such construction, installation, use, operation, repair or maintenance, and shall provide evidence of adequate insurance to the Indemnitee upon request. The Indemnitor shall promptly repair any damage caused to the property of the Indemnitee and restore such property to its original condition, following exercise of any temporary construction or maintenance easements granted hereunder. If Indemnitor fails to promptly complete any such repairs or restoration, upon five (5) business days prior notice, Indemnitee may undertake such repairs or restoration and Indemnitor shall pay the repair or restoration costs within thirty (30) days after demand therefor, which shall include reasonable documentation of such expenses. If Indemnitor fails to pay such repair or restoration costs to Indemnitee within such thirty (30) day period, Indemnitor shall have the right to file a lien against the property of Indemnitor and foreclose same as a mortgage in accordance with Florida law.

- b. Platting. In the event that any portion of the Property is replatted, the plat shall contain an express reservation of the continued rights described in this Agreement. In the event that any governmental authority requires the relocation of Allen Avenue or any easements set forth herein such relocation shall be in a location to be reasonably acceptable to the Parties hereto, but in no event shall Allen Avenue or any of the easements set forth herein be smaller than such as were existing at the time of any such platting, unless required by applicable governmental authorities.
- c. No Public Dedication. Nothing contained in this Agreement shall, in any way, be deemed or constituted a gift of or dedication of any portion of the Property to the general public or for the benefit of the general public whatsoever, it being the intention of the Parties hereto that this Agreement shall be limited to and utilized for the purposes expressed herein and only for the benefit of the persons herein named.
- d. Multiple Ownership. In the event of multiple ownership of the Property, each of the subsequent owners, mortgagees, and other parties in interest shall be bound by the terms, provisions and conditions of this instrument. The Parties hereto, as leasehold owners of the Property, do hereby agree and declare that in the event legal title to the Property is hereafter ever divided into separate ownership, then so long as this instrument shall remain in effect, any and all conveyances or transfers of all or any portion of the Property by the Parties hereto, their grantees, successors and assigns, shall be subject to the terms and restrictions of this Agreement as if any such grantee, successor, or assign, were a Party hereto or a signatory hereof. All cost and expense obligations contained in this Agreement shall be binding on the successors and assigns of the Parties hereto and shall not be extinguished upon the sale, lease or conveyance of any portion of the Property to a third party.

- e. Covenant Running with the Land. The Parties hereto hereby agree that this Agreement shall be a covenant running with the title to the leasehold interest in the land set forth herein, which Agreement shall be binding on the Parties hereto, all their successors and assigns, mortgagees, lessees, and against all persons claiming by, through or under them.

- f. Enforcement and Prevailing Party. Subject to Sections 10(h) and 10(r), enforcement shall be by action against the Parties or persons violating or attempting to violate any covenants in this Agreement. The prevailing Party to any action or suit pertaining to or arising out of this Agreement shall be entitled to recover, in addition to costs and disbursements, allowed by law, such sum as the court may adjudge to be reasonable for the services of its attorney. This enforcement provision shall be in addition to any other remedy available at law, in equity or both. The parties hereto agree that interest at the annual rate of twelve percent (12%) shall be paid on any amounts that are due hereunder and have not been paid within thirty (30) days of proper demand therefor. Further, in the event of any Party's failure to perform its obligations hereunder, subject to day for day extensions for force majeure, any Party may give notice to such defaulting Party (the "Notice"). If the required obligations is not completed within one (1) month after receipt of the Notice, the non-defaulting Party may, at its sole discretion, notify the defaulting Party of its intention to complete such construction and/or maintenance at the defaulting Party's expense and the non-defaulting Party and its contractors and representatives shall have the right to enter that portion of the Property reasonably necessary for the completion of the required construction and/or maintenance and shall have the right to perform such required construction and/or maintenance. The defaulting Party shall reimburse the non-defaulting Party for one hundred percent (100%) of all of the actual construction and/or maintenance costs paid by the non-defaulting Party. Such reimbursement shall be due and payable within thirty (30) days after non-defaulting Party's demand therefor, which shall include reasonable documentation of such expenses. If defaulting Party fails to provide reimbursement within such thirty (30) day period, non-defaulting Party shall, subject to Section 8(r), have the right to file a lien against the defaulting Party's leasehold interest in its portion of the Property and foreclose same as a leasehold mortgage in accordance with Florida law.

- g. Notices. Any notice, payment, demand, offer or communication required or permitted to be given by any provision of this Agreement shall be deemed to have been delivered and given for all purposes (a) if the same is delivered personally or (b) whether or not the same is actually received, if sent by registered or certified mail and regular mail simultaneously, postage and charges prepaid, addressed as follows:

If to Sale Parcel
Ground Lessee:

Bahama Village on Fort, Ltd.
1649 Atlantic Boulevard
Jacksonville, FL 32207
Attention: Jason O. Floyd

With a copy to: Bilzin Sumberg Baena Price &
Axelrod LLP
1450 Brickell Avenue, 23rd Floor
Miami, FL 33131
Attention: Terry M. Lovell, Esq.

If to Rental Parcel
Ground Lessee: Bahama Village Community, Ltd.
1649 Atlantic Boulevard
Jacksonville, FL 32207
Attention: Jason O. Floyd

With a copy to: Bilzin Sumberg Baena Price &
Axelrod LLP
1450 Brickell Avenue, 23rd Floor
Miami, FL 33131
Attention: Terry M. Lovell, Esq.

With a copy to: TCC Lofts at Bahama Village LLC
c/o Truist Community Capital, LLC
303 Peachtree Street, N.E., Suite 2200
Mail Code GA-ATL-0243.

And:

Holland & Knight LLP
10 St. James Ave., 12th Floor
Boston, MA 02116
Attn: Jarrod Connors, Esq.

If to Lender: Truist Bank/Truist Community Capital, LLC
303 Peachtree Street N.E., 22nd Floor
Atlanta, Georgia 30308
Attention: Ethan McManus

with copies to: Truist Bank
CRE/Loan Administration/CIG Loan Operations
303 Peachtree Street NE, 3rd Floor
Mail Code 803-05-03-40
Atlanta, Georgia, 30308
Attention: CRE Team Lead

Womble Bond Dickinson (US), LLP
271 17th Street NW, Suite 2400
Atlanta, Georgia 30363
Attention: Vanessa G. Morris, Esq.

Any such notice shall be deemed to be given as of the date so delivered, if delivered personally, or as of the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States Mail, addressed and sent as set forth above, with postage prepaid.

- h. Notices to Mortgagees and Equity Investors - Right to Cure. The Parties hereto agree to furnish duplicate copies of any notices of default delivered to any other Party, to the holder of any mortgage lien encumbering their respective properties (individually, a “**Lender**” and collectively, the “**Lenders**”), and to any investor of any Party hereto, including TCC Lofts at Bahama Village LLC, a Georgia limited liability company (“**Investor Limited Partner**”), provided that the identity and address of such Lender and/or investor have been made known to the Party sending any such notice. Any investor, including the Investor Limited Partner, or Lender receiving a notice under this section shall then have the right, but not the obligation, to cure such default(s) within thirty (30) days prior to any Party filing any liens or taking of any enforcement action hereunder. The Parties hereto agree to accept such cure by the Lender and/or investor as fully as though it had been effectuated by the defaulting Party.
- i. Approvals and Consents. The Parties hereto hereby agree that any consents and/or approvals hereunder, unless otherwise specified herein, shall not be unreasonably withheld, delayed or otherwise conditioned in any way.
- j. Reasonable Cooperation. In the event that any reasonable change is desired by any of the Parties hereto for the completion of the items set forth in this Agreement, the Parties hereto hereby agree to reasonably cooperate to effectuate such change, provided that such change is consistent with and does not materially alter the duties, obligations or liabilities of any of the Parties hereto.
- k. Venue; Jurisdiction. This Agreement shall be governed and construed in all respects in accordance with the laws of the State of Florida, without regard to its conflicts of laws provisions. Further, all Parties hereto agree (i) to avail themselves of and submit to the personal jurisdiction of the Courts of the State of Florida, and (ii) that any suit, action or other legal proceeding arising out of or related to this Agreement shall only be brought in a court of record of the State of Florida in Miami-Dade County or in the United States District Court for the Southern District of Florida.
- l. Interpretation. No provision of this Agreement will be interpreted in favor of, or against, any of the Parties hereto by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason for the extent to which any such provision is inconsistent with any prior draft hereof or thereof.
- m. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single document.
- n. Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto relating in any manner to the subject matter of this Agreement. No prior agreement or understanding pertaining to same shall be valid or of any force

or effect, and the covenants and agreements herein contained cannot be altered, changed or supplemented except in writing and signed by the Parties hereto; however, the Parties hereto agree that any amendment to this Agreement which is (i) executed by all of the Parties hereto and states that such amendment is reasonably necessary to clarify their respective rights and responsibilities or to complete the construction of their respective improvements; and (ii) reasonably comports with the spirit and letter of this Agreement, shall be deemed a permitted modification of this Agreement and shall be deemed to have the same lien priority as this Agreement.

- o. Severability. If any clause or provision of this Agreement is deemed illegal, invalid or unenforceable under present or future laws effective during the term hereof, then the validity of the remainder of this Agreement shall not be affected thereby and shall be legal, valid and enforceable.
- p. Cumulative rights. All rights, remedies and privileges granted herein shall be deemed to be cumulative and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the Party exercising the same from exercising such other additional rights, remedies or privileges as may be available to it.
- q. Estoppel. Each Party agrees, at the request of any other Party, to provide an estoppel within ten (10) days of receipt of a request for the benefit of such Party and its respective Lender(s) and equity investor setting forth whether any defaults exist under this Agreement or any sums are claimed to be owed, and such other matters as may be reasonably requested.
- r. Subordination. The Parties hereto subordinate any lien rights relating to maintenance and/or other costs owed by one Party to any of the other Parties hereunder to any Lender. The definition of Lenders shall also include any related Parties who provide mortgage financing for any portion of the Property if such mortgage financing is initial sourced from a governmental entity or agency. The Parties hereto shall provide notice of any defaults hereunder to Lenders and Lenders shall then have the right, but not obligation, to cure such default(s) within ninety (90) days prior to the filing of any liens or taking of any enforcement action hereunder. The Lenders and their nominees, in foreclosure or deed-in-lieu thereof, shall be relieved of and have no obligation to pay or satisfy any outstanding lien or claim or cost which may arise as set forth in this Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

Signed, witnessed, executed and acknowledged as of the date first mentioned above.

Witnesses:

SALE PARCEL GROUND LESSEE:

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

[Signature]
Signature
Kevin L. Troup
Printed Name

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its managing general partner

By: Vestcor, Inc., a Florida corporation, its manager

[Signature]
Signature
Eric Weller
Printed Name

By: [Signature]
Jason O. Floyd, Vice President

STATE OF FLORIDA)

) SS:

COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me by means of () physical presence or () online notarization, this 24 day of October, 2023, by Jason O. Floyd, who is the Vice President of Vestcor, Inc., a Florida corporation, the manager of Bahama Village on Fort GP, LLC, a Florida limited liability company, the managing general partner of Bahama Village on Fort Ltd., a Florida limited partnership, and is () personally known to me or () produced a as identification.

Sign Name: Karla P. Besemer

Print Name: Karla P. Besemer

My Commission Expires: June 10, 2025

NOTARY PUBLIC

Serial No. (none, if blank): _____

[NOTARIAL SEAL]



EXHIBIT "A"

SALE PARCEL

LEASEHOLD ESTATE CREATED BY LEASE DATED JULY 15, 2022, AND EXECUTED BY THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST, AS LESSOR, AND BAHAMA VILLAGE ON FORT, LTD., A FLORIDA LIMITED PARTNERSHIP, AS LESSEE, RECORDED JULY 19, 2022, IN OFFICIAL RECORDS BOOK 3185, PAGE 1, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DEMISING FOR A TERM OF YEARS, THE FOLLOWING PROPERTY:

PARCEL 1:

A PORTION OF THE LANDS DESCRIBED IN A QUITCLAIM DEED FROM THE U.S. GOVERNMENT (GRANTOR) TO THE CITY OF KEY WEST (GRANTEE) AS RECORDED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DESCRIBED AS:

A PORTION OF LAND LOCATED ON THE ISLAND OF KEY WEST, MONROE COUNTY, FLORIDA, SAID PARCEL ALSO LOCATED IN TRUMAN ANNEX (FORMERLY U.S. NAVY) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NATIONAL OCEAN SURVEY TRIANGULATION STATION, GSL, BEING A BRASS DISC SET IN CONCRETE, LOCATED ON THE OUTER MOLE OF TRUMAN ANNEX, THE COORDINATES OF WHICH ARE N 81,406.14 AND E 386,795.78 (1983/89), BASED ON THE U.S. COAST AND GEODETIC SURVEY MERCATOR GRID COORDINATE SYSTEM WHICH HAS FOR ITS ZERO COORDINATE A POINT OF LATITUDE NORTH 24°20'00" AND 500.00 FEET WEST OF LONGITUDE WEST 81°00'00"; THENCE N 74°38'54" E, A DISTANCE OF 901.39 FEET TO THE POINT OF BEGINNING OF THE LANDS GRANTED TO THE CITY OF KEY WEST AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410 OF SAID PUBLIC RECORDS; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING EIGHT (8) COURSES AND DISTANCES: N 88°01'07" E, A DISTANCE OF 57.69 FEET (1); THENCE N 01°52'38" W, A DISTANCE OF 2.77 FEET (2); THENCE N 88°13'17" E, A DISTANCE OF 19.93 FEET (3); THENCE S 19°53'46" E, A DISTANCE OF 549.69 FEET (4); THENCE S 00°20'55" E, A DISTANCE 409.16 FEET (5); THENCE N 89°49'18" E, A DISTANCE OF 100.84 FEET (6); THENCE S 33°56'54" E, A DISTANCE OF 842.47 FEET (7) TO THE NORTHWEST RIGHT-OF-WAY OF ANGELA STREET; THENCE S 55°59'51" W ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 105.64 FEET (8) TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET ACCORDING TO THE CITY OF KEY WEST STREET MAP DATED MAY 26, 1955; THENCE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 52.55 FEET TO THE POINT OF BEGINNING OF THE SALE PARCEL HEREIN DESCRIBED; THENCE CONTINUE S 33°54'27" E ALONG SAID RIGHT-OF-WAY, 233.94 FEET TO A LINE BEING 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTHEASTERLY BOUNDARY LINE AND ITS NORTHEASTERLY EXTENSION OF TACTS TOWER AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF SAID PUBLIC RECORDS; THENCE S 56°05'33" W ALONG SAID PARALLEL LINE, A DISTANCE OF 305.76 FEET; THENCE N 33°49'42" W, 33.00 FEET TO THE SOUTHEASTERN BOUNDARY LINE OF SAID TACTS TOWER; THENCE N 56°05'33" E ALONG

SAID BOUNDARY, A DISTANCE OF 175.87 FEET TO THE NORTHEAST BOUNDARY OF SAID TACTS TOWER; THENCE N 33°54'27" W ALONG SAID BOUNDARY, 100.00 FEET; THENCE S 56°05'33" W A DISTANCE OF 24.17 FEET; THENCE N 33°54'27" W, 30.82 FEET; THENCE N 56°58'05" W, 15.81 FEET; THENCE N 33°01'55" E, 37.25 FEET; THENCE S 56°58'05" E, 25.40 FEET; THENCE N 56°05'33" E, 30.69 FEET; THENCE N 33°54'27" W, 35.41 FEET; THENCE N 56°05'33" E, 15.48 FEET; THENCE N 12°49'09" E, 42.22 FEET; THENCE N 56°05'33" E, 39.07 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET AND THE POINT OF BEGINNING.

SAID LANDS LYING WITHIN SECTION 6, TOWNSHIP 68 SOUTH, RANGE 25 EAST, CITY OF KEY WEST, MONROE COUNTY, FLORIDA.

EXHIBIT "B"

RENTAL PARCEL

LEASEHOLD ESTATE CREATED BY GROUND LEASE AGREEMENT DATED MARCH 21, 2022, AND EXECUTED BY THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST, AS LESSOR, AND BAHAMA VILLAGE COMMUNITY, LTD., A FLORIDA LIMITED PARTNERSHIP, AS LESSEE, RECORDED MARCH 21, 2022, IN OFFICIAL RECORDS BOOK 3162, PAGE 1069, AS AMENDED BY FIRST AMENDMENT TO GROUND LEASE AGREEMENT, DATED JULY 15, 2022, RECORDED JULY 20, 2022, IN OFFICIAL RECORDS BOOK 3185, PAGE 127, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DEMISING FOR A TERM OF YEARS, THE FOLLOWING PROPERTY:

PARCEL 1:

A PORTION OF THE LANDS DESCRIBED IN A QUITCLAIM DEED FROM THE U.S. GOVERNMENT (GRANTOR) TO THE CITY OF KEY WEST (GRANTEE) AS RECORDED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, DESCRIBED AS:

A PORTION OF LAND LOCATED ON THE ISLAND OF KEY WEST, MONROE COUNTY, FLORIDA, SAID PARCEL ALSO LOCATED IN TRUMAN ANNEX (FORMERLY U.S. NAVY) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NATIONAL OCEAN SURVEY TRIANGULATION STATION, GSL, BEING A BRASS DISC SET IN CONCRETE, LOCATED ON THE OUTER MOLE OF TRUMAN ANNEX, THE COORDINATES OF WHICH ARE N 81,406.14 AND E 386,795.78 (1983/89), BASED ON THE U.S. COAST AND GEODETIC SURVEY MERCATOR GRID COORDINATE SYSTEM WHICH HAS FOR ITS ZERO COORDINATE A POINT OF LATITUDE NORTH 24°20'00" AND 500.00 FEET WEST OF LONGITUDE WEST 81°00'00"; THENCE N 74°38'54" E, A DISTANCE OF 901.39 FEET TO THE POINT OF BEGINNING OF THE LANDS GRANTED TO THE CITY OF KEY WEST AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410 OF SAID PUBLIC RECORDS; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING EIGHT (8) COURSES AND DISTANCES: N 88°01'07" E, A DISTANCE OF 57.69 FEET (1); THENCE N 01°52'38" W, A DISTANCE OF 2.77 FEET (2); THENCE N 88°13'17" E, A DISTANCE OF 19.93 FEET (3); THENCE S 19°53'46" E, A DISTANCE OF 549.69 FEET (4); THENCE S 00°20'55" E, A DISTANCE 409.16 FEET (5); THENCE N 89°49'18" E, A DISTANCE OF 100.84 FEET (6); THENCE S 33°56'54" E, A DISTANCE OF 842.47 FEET (7) TO THE NORTHWEST RIGHT-OF-WAY OF ANGELA STREET; THENCE S 55°59'51" W ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 105.64 FEET (8) TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET ACCORDING TO THE CITY OF KEY WEST STREET MAP DATED MAY 26, 1955; THENCE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 289.49 FEET TO THE POINT OF BEGINNING OF THE RENTAL PARCEL HEREIN DESCRIBED; THENCE CONTINUE S 33°54'27" E, ALONG SAID RIGHT-OF-WAY, 378.33 FEET; THENCE S 56°05'33" W, A DISTANCE OF 55.99

FEET; THENCE N 33°54'27" W, A DISTANCE OF 17.78 FEET; THENCE ALONG THE BOUNDARY OF THE LANDS AS DESCRIBED IN SAID QUITCLAIM DEED FOR THE FOLLOWING FOUR (4) COURSES AND DISTANCES: S 56°05'33" W, A DISTANCE OF 33.80 FEET (1); THENCE S 76°53'05" W, A DISTANCE OF 217.59 FEET (2) TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 40.00 FEET, A CENTRAL ANGLE OF 69°12'28" A CHORD BEARING OF N 68°30'41" W AND A CHORD LENGTH OF 45.43 FEET; THENCE ALONG THE ARC OF SAID CURVE, AN ARC LENGTH OF 48.32 FEET TO THE POINT OF TANGENCY OF SAID CURVE (3); THENCE N 33°54'27" W, A DISTANCE OF 100.28 FEET (4); THENCE N 56°05'33" E, A DISTANCE OF 13.05 FEET; THENCE N 33°49'42" W, A DISTANCE OF 145.64 FEET TO A LINE BEING 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTHEASTERLY BOUNDARY LINE AND ITS NORTHEASTERLY EXTENSION OF TACTS TOWER AS DESCRIBED IN OFFICIAL RECORDS BOOK 1839, PAGE 410, OF SAID PUBLIC RECORDS; THENCE N 56°05'33" E ALONG SAID PARALLEL LINE, A DISTANCE OF 305.76 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF FORT STREET AND THE POINT OF BEGINNING.

SAID LANDS LYING WITHIN SECTION 6, TOWNSHIP 68 SOUTH, RANGE 25 EAST, CITY OF KEY WEST, MONROE COUNTY, FLORIDA.

EXHIBIT 13 TO PROSPECTUS
ALTERNATIVE MEDIA DISCLOSURE FORM

Bahama Village Condominium

Alternative Media Disclosure Statement

 (“Buyer”), the buyer of Unit _____
 in Bahama Village Condominium (“Condominium”) from Bahama Village on Fort, Ltd., a Florida limited partnership (“Developer”), has elected to receive the documents required by Section 718.503, Florida Statutes, to be furnished by a developer to a buyer or lessee (including without limitation, as applicable, the Declaration and any and all Exhibits thereto, all as may be amended and/or modified from time to time, collectively, the “Condominium Documents”) by either: (i) receiving paper copies of same or (ii) receiving electronic copies of same on either a thumb drive, media card, tablet, or other portable computing device, application, CD, DVD, via e-mail, pdf or other electronic medium (“Alternative Media”), rather than receiving paper copies of same.

Developer has given Buyer the option of receiving the Condominium Documents on paper, but by signing below, Buyer has also consented to receive the Condominium Documents by Alternative Media. Buyer should not select Alternative Media as a method of delivery unless Buyer will have the means to read the Condominium Documents delivered by Alternative Media before the expiration of the 15-day cancellation period described in the purchase agreement.

The system requirements necessary to view the Condominium Documents by Alternative Media are as follows:

Operating System: Microsoft Windows XP or higher, including Vista, 7 or 8 or Apple’s Mac OS x10.5 or higher

Memory: 256 MB of Ram

Hard Drive: 60 MB of available hard-disk space

Processor Speed: Intel Core Duo 1.83 GHz or higher

Software: Adobe Reader 5.0 or higher

USB Port: USB 1.1 or higher

Display Resolution: 1024 x 768 pixels or higher

By signing below, Buyer (and its successors and assigns) elects to receive, from time to time, the Condominium Documents by either: (i) Alternative Media or (ii) paper copy. This document will remain valid and effective unless and until revoked by Buyer (and its successors and assigns) and will apply with respect to any other unit that Buyer (and its successors and assigns) may elect to acquire in the Condominium.

This document may be executed in one or more counterparts, a complete set of which shall be deemed an original and said counterparts shall constitute but one and the same instrument. Signatures of the parties below on copies of this document transmitted by facsimile machine or over the internet shall be deemed originals for all purposes under this document, and shall be binding upon the parties. The counterparts and all ancillary documents executed or delivered in connection with this document, if any, may be executed and signed by electronic signature by any of the parties, and delivered by electronic or digital communications to any other party, and the

receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this document, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. Buyer agrees to be bound by the signatures of the electronically mailed or signed signatures and the delivery of the same shall be effective as delivery of an original executed counterpart. Buyer waives any defenses to the enforcement of the terms of this document based on the form of the signature, and agrees that such electronically mailed or signed signatures shall be conclusive proof, admissible in judicial proceedings, of the parties' execution of this document.

Name: _____
Date: _____

Name: _____
Date: _____