

RULES AND REGULATIONS
FOR
SEVILLE CONDOMINIUM 7

1. The recreation facilities and the common elements will be used in such a manner so as to respect the rights of all residents in SEVILLE. Use of the recreation facilities will be controlled by regulations to be issued from time to time, but in general, such use will be prohibited between the hours of 11:00 P.M. and 8:00 A.M.
2. No radio or television antennas or any wiring for any purpose may be installed on the exterior of the building without the written consent of the Association or the Management Contractor.
3. An Owner (Leasehold-Owner) may identify his Apartment with a nameplate of a type and size approved by the Management Contractor, and it may be mounted in a place and manner approved by the Management Contractor. No other signs or notices shall be inscribed, painted or affixed on any part of the Apartment building, or which may be seen from the outside through the windows, except as may be authorized by the Board of Directors of Association or the Management Contractor. Specifically, no for sale or rent signs can be placed on or about an Apartment.
4. The balconies and exterior stairways shall be used only for the purposes intended, and shall not be used for hanging garments or other objects, or for cleaning of rugs or other household items. Children who are guests of residents shall not be permitted to play in the walks, corridors, elevators and stairways of the Apartment building.
5. Common areas, including sidewalks, entrances, elevators, halls, corridors and stairways of the Apartment building, shall be used for the purposes intended and no articles belonging to any Owner (Leasehold-Owner) will be kept therein, and these areas shall be kept free from obstruction.
6. Elevators may be used for the carrying of freight only under the supervision of the Management Contractor.
7. Disposition of garbage and trash shall be only by the use of garbage disposal units or by the use of receptacles supplied by the Management Contractor.
8. No pets will be allowed in the building which cause any annoyance of any type to the neighboring residents. Unobjectionable pets shall be allowed. All pets shall be confined to the Apartment. A dog or cat may be permitted only upon the prior permission of the Management Contractor. Any dog or cat taken out of the Apartment shall be on a leash. No dog or cat shall be allowed to walk or stand on any carpeted surface in the lobbies or elevator.
9. No resident nor occupant of an Apartment may make or permit any disturbing noises in the Apartment building, whether made by himself, his family, friends or servants, nor shall he permit anything to be done by such persons which will interfere with the rights, comforts or convenience of others. No resident or occupant of any Apartment may play or suffer to be played any musical instrument, phonograph, radio or television set in his apartment between the hours of 11:00 P.M. and the following 8:00 A.M. if the same shall disturb or annoy other occupants of the Apartment building.
10. Owners (Leasehold-Owners) are specifically cautioned that their right to make any addition, change, alteration or decoration to the exterior appearance of any portion of the Apartment

Building, including the balconies adjacent to their Apartment is subject to the provisions of the Declaration of Condominium.

11. No cooking shall be permitted on any balcony, terrace or airway of an Apartment building, except barbeque or charcoal grilling.

12. All doors leading from an Apartment shall be closed at all times except when actually used for ingress or egress.

13. Automobiles shall be parked only in the ares provided for that purpose, and an Owner (Leasehold-Owner) shall always park his automobile in his designated parking space. Automobile parking spaces shall be used solely and exclusively for that purpose, and for the purposes set forth herein, and shall not be used for storage of boats, inoperative automobiles, or for any other purpose other than as stated herein. The parking space may be used for day-to-day storage of bicycles or tricycles. An Owner (Leasehold-Owner) may not assign his automobile parking space except in connection with the sale of his Apartment interest, and may not lease said space except with the permission of the Management Contractor.

14. Owners (Leasehold-Owners), residents, their families, guests, servants, employees, agents and visitors shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof, into elevator shafts, elevator equipment rooms or power rooms of any building.

15. There shall not be kept in any Apartment, any inflammable, combustible or explosive fluid material, chemical or substances except for normal household use.

16. The use of any recreational facilities in the development of SEVILLE shall be under the supervision and control of the Management Contractor.

17. Payment of monthly assessments shall be made to the Management Contractor at its office in SEVILLE. Payments may be in the form of checks and payable to Clearwater Management Corporation.

18. No Owner (Leasehold-Owner) or resident shall direct, supervise or attempt to assert any control over any of the employees of the Management Contractor nor attempt to send any of such employees upon private business for such Apartment Owner or resident.

19. All requests for service, care and maintenance of the Condominium Property and the recreational area shall be made to the Management Contractor in writing.

ASSOCIATION RECREATION LEASE

THIS INDENTURE OF LEASE, made and entered into this 14th day of July, 1970, by and between CLEARWATER MANAGEMENT CORP., a Florida corporation, hereinafter called "Management Contractor", and SEVILLE CONDOMINIUM 7, INC., a Florida non-profit corporation, hereinafter called "Association".

W I T N E S S E T H :

That the Management Contractor and the Association, for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, as well as for TEN (\$10.00) DOLLARS and other good and valuable consideration, each to the other in hand paid simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, have agreed as follows:

1. Leased Property. Upon the terms and conditions hereinafter set forth, and in consideration of the payment of rent, from time to time, as set forth herein, by the Association to the Management Contractor, and in consideration of prompt performance continuously by the Association of each and every the covenants and agreements hereinafter contained by the Association to be kept and performed, the performance of each and every of which is declared to be an integral part of the consideration to be furnished by the Association, the Management Contractor does hereby sub-lease unto the Association, and the Association does hereby sub-lease of and from the Management Contractor, the following described property situated in Pinellas County, Florida, towit:

TRACT NO. 1

From the southwest corner of Section 17, Township 29 South, Range 16 East, run North 01°03'04" East along the west line of said Section 17, 810 feet; thence run South 88°57'02" East parallel to the south line of said Section 17, 906.99 feet for a Point of Beginning; thence run North 36°29'07" East, 430 feet; thence run South 53°30'53" East, 258.59 feet; thence run South 1°02'58" West 200.42 feet; thence run North 88°57'02" West, 460.00 feet to the Point of Beginning.

Containing 2.335 acres, more or less.

Subject to an easement over the Southerly 50 feet thereof for roadway and utilities (See O.R. Book 3051, Pages 586-587)

Subject to an easement for ingress and egress over the Southeasterly 40 feet of the Northwesterly 50 feet thereof.

Subject to an easement for a water main over the Southwesterly 10 feet of the Northwesterly 11.40 feet thereof. (See O.R. Book 3273, Page 256, Public Records of Pinellas County, Florida.)

Together with an easement of ingress and egress thereto over Seville Boulevard (See O.R. Book 3051, Page 586-587, Public Records of Pinellas County, Florida).

TRACT NO. 2

From the southwest corner of Section 17, Township 29 South, Range 16 East, run North 01°03'04" East, along the west line of said Section 17, 810.00 feet; Thence run South 88°57'02" East, parallel to the south line of said Section 17, 906.99 feet; Thence run North 36°29'07" East, 430.00 feet for a Point of Beginning; Thence continue North 36°29'07" East, 248.37 feet; Thence run South 43°33'32" East, 262.54 feet; Thence run South 36°29'07" West, 202.98 feet; Thence run North 53°30'55" West, 258.59 feet to the Point of Beginning.

Containing 1.340 acres, more or less.

Subject to an easement for ingress and egress over the Southeasterly 40 feet of the Northwesterly 50 feet thereof.

Subject to an easement for a water main over the Southwesterly 10 feet of the Northwesterly 11.40 feet thereof. (See O.R. Book 3273, Page 256, Public Records of Pinellas County, Florida)

Together with an easement of ingress and egress thereto over Seville Boulevard (See O.R. Book 3051, Pages 586-587, Public Records of Pinellas County, Florida), and together with an easement of ingress and egress thereto over Altira Drive.

2. Term. The term of this lease is for and during the period of 99 years plus with said term to begin with the 1st day of August, 1970, and to terminate on the 17th day of November, 2069.

3. Rental. Association shall pay as rental for the use of the premises for and during the term hereof, the total sum of \$432.00 per month, and said rental shall be payable monthly in advance from and after the 1st day of August, 1970, during the term of this lease.

3.1. Place of payment. Said rental shall be paid at the place or addresses as may be designated by the Management Corporation, its successors or assigns, from time to time hereafter, in writing.

3.2. Method of Payment. The rentals herein specified are to be paid in legal currency of the United States of America.

3.3. Late Charge. Any installment of rent not paid when due shall bear interest from its due date at the rate of 8% per annum until paid.

3.4. Waiver. Extensions, indulgences or changes by the Management Contractor in the amount or time of

payment of rent upon any occasion shall not be construed as a waiver, indulgence or change upon any subsequent occasion.

3.5. Sales Tax. If at any time, there is any Florida sales tax or use tax due upon the rentals required to be collected hereunder, the same shall be paid by the Association.

4. Overall Development Plan. The entering into of this Recreation Lease is part of the overall plan for the development of SEVILLE, and this lease is deemed to be a non-exclusive sub-lease, even though it is hereafter referred to as a "lease".

4.1. Additional Leases. It is anticipated that the types of leases which are similar to this one, shall be entered into by and between the Management Contractor and the other condominium associations located in SEVILLE.

4.2. Consent to Additional Leases. The Association expressly consents to the entering into of additional leases by the Management Contractor with the other condominium associations in the development of SEVILLE for the lease of the lands as leased hereby. The Association understands and agrees that it shall not be the only Sub-Lessee of the above-described land, and consents that additional leases may be entered into from time to time by the Management Contractor on such terms and conditions as it sees fit.

5. Recreation Facilities. The Management Contractor agrees that it shall provide and construct recreation facilities on the above-described property as the development of SEVILLE warrants said construction. The Management Contractor shall have complete discretion as to when the contemplated recreation facilities shall be completed, and complete discretion as to the type of buildings, equipment, and other improvements to be furnished on the above-described property.

6. Payment of Recreational Expenses. The parties hereto acknowledge that a separate contract has been entered into by the parties to this agreement specifying that the Management Contractor shall be responsible for the maintenance of the equipment and improvements located on the above-described property, and that it shall be responsible for the payment of insurance and taxes on the above-described property, and for the payment of maintenance and operational expenses, such as utility bills, insurance, and all other expenses connected with the operation and maintenance of the recreational facilities. The parties hereto understand and agree that the Management Contractor shall assume said obligations as set forth in the above-referenced Management Contract so long as said contract is in effect.

7. Responsibility if Management Contract is Terminated.

In the event the above-referenced Management Contract is terminated or cancelled for any reason, and in the event the Management Contractor does not assume the responsibilities as contained therein through another contract, or in the event another firm, association, or entity does not assume the obligations as contained therein, then the parties hereto understand that no single entity would then be responsible to provide for the upkeep and maintenance of the recreation facilities located on the above described lands, and the parties hereto understand and agree that some method must be available to provide for the maintenance and upkeep of the above property, and for the payment of and collection of the monies which will be needed from time to time in order for said facilities to be operated. The parties hereto understand that the respective condominium associations in the development of SEVILLE should therefore be responsible for its prorata share of the expenses which are necessary in order for the recreation facility to be kept and maintained, and the Association does hereby agree to be responsible for its prorata share of the monies which shall be needed for the maintenance, upkeep, and day-to-day operation of the above recreational facility, as set forth herein.

7.1. Types of Expenses. These expenses would include expenses of every type which are incurred for the operation, repair, replacement, and maintenance of all improvements located on the above-described property including all equipment located therein. Expenses also shall include the insurance which may be required by the Management Contractor from time to time, and the payment of all utilities such as water, sewer, electricity, and any other utilities which may exist during the term of the lease, together with all real estate taxes, assessments, and other governmental levies and charges, general and special, ordinary and extraordinary, of any kind and nature.

7.2. Collection Entity. In the event the above referenced Management Contract is terminated, then the Association agrees that the Management Contractor shall, if it elects to do so, be the entity which manages the recreation facility, and the Management Contractor shall be responsible, if it elects to do so, to make a budget for the operation of the recreation facility and prorate same among the respective condominium associations, and other entities which may use the recreation facilities from time to time in the development of SEVILLE. In the event the Management Contractor does not elect to manage the recreation facility, then the Association agrees to work with the other associations in the development of SEVILLE to establish a method for managing the aforementioned facility in collecting the sums due in order for said facility to be properly operated and maintained.

7.3. Method of Proration. The Association shall be responsible for only its prorata share of expenses and charges necessary for the above-mentioned recreational facility to be operated in the event the aforementioned Management Contract is terminated. The Association shall be responsible for the percent of the square footage of the apartments located in its condominium, as said percentage compares to the total square footage of apartment space in the development of SEVILLE, whose occupants are using the above facilities.

7.4. Example. In the event there is 1,000,000 square feet of apartments in the development of SEVILLE, whose occupants are using the aforementioned recreation lands, and if a condominium association consists of 100,000 square feet, then said association shall be responsible for 10% of the operating expenses as set forth herein.

7.5. Sums Deemed to the Additional Rent. The sums required to be paid hereunder, shall, at the election of the Management Contractor, be deemed to be additional rent required under the terms of this lease.

7.6. Prorata Responsibility Only. The Association shall be responsible for only its prorata share of the responsibilities as set forth in this paragraph and it shall, under no circumstances, be responsible for the obligations of any other condominium association or housing entity in SEVILLE.

8. Use of Recreation Facilities. The Management Contractor shall, have the exclusive control over the use of the above-mentioned property, and shall have the responsibility of managing the facility from day to day. This authority shall continue even though the Management Contract as mentioned above is terminated. In the event the Management Contract, as mentioned above, is terminated, and in the event it becomes necessary for the Management Contractor to hire personnel to supervise the recreation facility, then said expense shall be considered a part of the expense as prorated as set forth in the above paragraph.

9. Office Use. It is contemplated that the Management Contractor, or the developer of SEVILLE, Clearwater Development Corporation, may maintain offices in the above-mentioned facilities, and the Association has no objection to the maintenance of said offices in the above-mentioned facilities, and in the event either of said entities maintain offices in the above-mentioned facilities if the Management Contract, as mentioned above is terminated, then the entity using the facility shall be responsible for contributing to the expense of maintaining and running the recreation facility in the amount determined by the Management Contractor.

10. Sales Usage. The developer shall be entitled to maintain and keep signs and billboards and placards upon the recreation facilities as it may desire to do so from time to time to assist it in its promotion of SEVILLE.

11. Common Expense. The amount of rental and other payments due under this lease shall be a portion of the common expense which the members of Association shall pay in proportion as stated in Paragraph 7.2(A) of the Declaration of Condominium of which this lease is to be a part.

12. Fee included with Management Contract. The parties hereto acknowledge and agree that the sums required under this contract shall be includable in the sums required to be paid by the Association to the Management Contract, pursuant to the Management Contract as mentioned above, and

no separate payment shall be required under the terms of this lease so long as the above-referenced Management Contract is in full force and effect.

13. Security. For the purpose of securing unto the Management Contractor the payment of rent, and other sums which may be due from time to time under this lease, and for the purpose of securing the performance of every and all of the covenants of the Association herein made for the use and benefit of the Management Contractor, the lien as set forth herein is hereby established.

13.1. Establishment of Lien. As a part of the establishment of the Condominium with which this lease shall be a part, a lien is herewith established on all of the rights title and interest of the Owner (Leasehold-Owner), in the Condominium, and all the rights, title and interest of the assets of the Association.

13.2 Type of Lien. This lien is in the nature of a mortgage upon all of the right, title and interest of the Association in and to this lease and the premises leased hereunder, and unto the assets of Association and the common surplus and any other property owned by the Association from time to time.

13.3. Lien on Apartment Interest. In addition to the above lien, a lien is also hereby established upon the Apartment interest which may exist in the Condominium from time to time. This lien shall include all furniture fixtures, furnishings and equipment now or hereafter placed, kept or used in the Apartments of the Condominium, including air conditioners, stoves, ranges, refrigerators, hot water heaters and dishwashers.

13.4. Consent to Lien. The developer of SEVILLE, Clearwater Development Corporation, does hereby consent to the imposition of the above-mentioned lien on its interests in the Apartments, and does hereby ratify, confirm and approve the same.

13.5. Consent by Fee Simple Owner. The Fee Simple Owner, as the term is used from time to time in the Declaration of Condominium, does, by the execution of the Declaration of Condominium, ratify and confirm this agreement, and the liens as set forth herein.

13.6 Acceptance. Each person, firm and corporation, acquiring any Apartment interest in an Apartment in the Condominium, in any manner, whether by gift, purchase, or other acquisition, shall have imposed, at the time such interest is acquired, ab initio and anew, the lien rights against such Apartment interest set forth herein.

13.7. Payment Secured. This lien as mentioned herein shall secure the payment of all monies due the Management Contractor hereunder which may be due from a particular Apartment interest.

13.8 Example. In the event the Owner (Leasehold-Owner) of Apartment 101 fails to pay the monies required of said Owner (Leasehold-Owner) as required hereunder, then said sums shall be secured by the liens as set forth herein, as against the interest of the defaulting Owner (Leasehold-Owner), and this lien shall not secure any monies due by any other Owner (Leasehold-Owner) of the Condominium.

13.9 Method of Collection. The lien as set forth herein may be foreclosed against the Apartment interest upon which the lien is established in the manner provided for the foreclosure of mortgages upon real property. Also, an action for a money judgment may be brought against the Association without waiving any rights to have or foreclose any of the liens mentioned herein.

13.10 Attorney's Fees. In the event such action is needed to enforce the provisions of this lien, including appeals, the Management Contractor shall be entitled to recover reasonable attorney's fees incurred by it, expenses for title searches, and Court costs.

13.11 Affect of Foreclosure. The foreclosure or any other action to enforce any of the liens herein provided shall not be considered or construed as a termination or cancellation of this lease in whole or in part, or shall said foreclosure operate as an extinguishment of such lien as to future amounts due under this lease. This lien shall not stand as security for any amounts realized and actually collected by the Management Contractor in foreclosure or such other action.

13.12 Priority of Lien. The lien as set forth herein shall be inferior to such liens as may be established under the Long Term Lease, and the lien as set forth herein shall be superior to certain liens as may be established in the Management Contract, and any action taken by the Management Contractor to enforce said lien shall not affect the lien as set forth in this agreement.

13.13 Subordination of Lien. The Management Contractor does by this instrument, subordinate the lien as set forth above to any institute or first mortgagee against a single Apartment interest, with the understanding that it does not assume or become obligated to perform any of the covenants of the mortgagor as contained therein. For the purpose of this agreement, the above-referenced lien shall be subordinate to any first mortgage upon an Apartment interest granted to or owned by a bank, savings and loan association or insurance company, (herein referred to as an Institutional First Mortgagee), intending to finance the purchase of an Apartment interest, or to refinance same, or to secure a loan whereby the primary security for same is the Apartment interest. The intention of this agreement is that the abovereferenced subordination shall automatically go into effect whenever a mortgage meeting the requirements as set forth above is placed of record without any additional instruments being executed, but the Management Contractor agrees to execute such additional instruments as may be required from time to time by any institution or first mortgagee.

13.14 Subordination by Non-Institutional First Mortgagee. In the event a mortgage is taken on an Apartment interest by a non-institutional mortgagee, the subordination of the Management Contractor shall be necessary in order for said mortgage to be superior to the lien as set forth herein.

13.15 Foreclosure by Institutional First Mortgagee. In the event an Institutional First Mortgagee shall foreclose its mortgage against an Apartment interest and obtain title to the same by public sale held as a result of such foreclosure suit, then so long thereafter as such Institutional Mortgagee shall continue to hold the title to the Apartment interest, said mortgagee shall not be responsible for paying its prorata share of the rent due hereunder.

A) Limit on Abatement. The benefit as set forth above shall apply only to an Institutional First Mortgagee, and shall not reduce or abate any other promises or covenants of an Owner (Leasehold-Owner) as may be contained in this instrument or in the Declaration of Condominium.

B) Affect of Foreclosure. The foreclosure of an Institutional First Mortgagee's mortgage shall not operate as an extinguishment of this lease in whole or in part or as a termination of the lien of the Management Contractor as against an Apartment interest, but shall act as only a secession of said lien as against the Apartment interest during the time of ownership of the Institutional First Mortgagee.

C) Effective Resale. Upon an Institutional First Mortgagee conveying its title to an Apartment interest, the foregoing abatement of rent and right of lien shall immediately cease and terminate.

D) Subordination. The subordination granted Institutional First Mortgagees as set forth herein shall be subject to the terms and provisions contained in this Paragraph, and in the event the Management Contractor subordinates its liens to any other mortgagee, then in the event said mortgagee obtains title at a foreclosure sale or in lieu of foreclosure, then as a condition to the granting of said subordination to a non-Institutional first mortgagee, the secession of payments acquired under the Recreation Lease shall not apply, and said mortgagee shall be responsible for the payments the same as any other Owner (Leasehold-Owner), and this shall apply to the successors and assigns of said mortgagee.

14. Automatic Consent and Ratification. Each and every person, or entity, who shall take any interest in this Condominium, or any of the Apartments, or portions of the Condominium Property, after the recording of this lease as a part of the Declaration, by acceptance, delivery and recording of the deed,

contract, grant, assignment, or other instruments granting, conveying or providing for such interest, or by the mere first exercise of the rights or uses granted herein, shall be deemed to consent to and ratify without further act being required, the provisions of this lease, to the same affect and extent as is such person or persons had executed this lease with the formalities required in deeds, for the purpose of subordinating and subjecting such person, persons, or entity or entities interest, in full, to the terms of this lease and granting, creating, constituting, affirming and imposing, ab initio and anew, the lien rights granted to the Management Contractor provided for in this lease agreement.

15. Assignability of Lease and Encumbrance of Above-described Property. It is expressly understood and agreed that the following shall determine the assignability of the interest of the Association and the encumbrance as to the above-described property.

15.1 Assignability. The Management Contractor shall have the right to assign or encumber by mortgage or otherwise its interest under this lease and the interest which it has to the lands described above without the consent of the Association being obtained.

15.2 Mortgages. This lease is subject to existing mortgages, if any, which have been recorded on the Public Records of Pinellas County, Florida, at the time this lease is recorded, and the right of the Association shall be subordinate and inferior to such mortgages as the Management Contractor may create from time to time, provided the Association shall at all times have the right to use, occupy and enjoy the above described premises in accordance with the provisions of this lease so long as it shall perform all of its promises and covenants as herein contained. The interest of Association is specifically subordinate to that certain mortgage in favor of the First Federal Savings and Loan Association of Tarpon Springs, Florida, and St. Petersburg Federal Savings and Loan Association of St. Petersburg, Florida, in the principal sum of \$280,000.00 executed by the Management Contractor which will be recorded shortly after this instrument is recorded, and no additional instruments are necessary in order for the aforementioned subordination to be in full force and effect.

15.3 Assignability of Lease by Association. The right, title and interest of the Association in this lease shall not be assigned, encumbered, or conveyed in any manner without the express written consent of the Management Contractor being obtained, and recorded on the Public Records of Pinellas County, Florida.

15.4 Effective Termination of Condominium. Upon the termination of the Condominium, the Association's interest in the leasehold created hereby shall be distributed automatically to the Owners (Leasehold-Owners) as an asset of the Association

and the Owners (Leasehold-Owners) shall thereupon jointly and severally comprise the lessee under this lease, but in said event, said Owner (LeaseholdOwner) shall be responsible for only his proportionate share of the responsibility due hereunder.

16. Acknowledgment of Sub-Lease. The Association acknowledges that this lease instrument constitutes a sub-lease, and that the Management Contractor is the lessee of the property described above for a period of 110 years from August 1, 1970 pursuant to lease dated July 14, 1970, with said lease herein referred to as the "Main Recreation Lease", and the parties hereto acknowledge and agree that this lease instrument by and between the Management Contractor and the Association is subject to the provisions of the "Main Recreation Lease", and it is further understood that the Main Recreation Lease is to be recorded simultaneously with the recordation of this instrument, or immediately thereafter, and that this lease shall be recorded on the Public Records of Pinellas County, Florida, as a part of the Declaration of Condominium of SEVILLE CONDOMINIUM 7, INC.

17. Destruction of Improvements on Above-described Lands or on the Condominium Property. The destruction, alteration, demolition or nonuse of the improvements now hereafter existing upon the lands leased hereby, or on the Condominium Property, of Seville Condominium 7, except the taking by eminent domain, as herein provided, shall not in any way reduce, abate or suspend the Association's promises hereunder, nor shall the same affect termination in whole or in part of this lease.

18. Destruction of Recreation Facilities. Upon the occurrence of any damage, total or partial, to the portion of the premises described above, including improvements, buildings, structures, furniture, furnishings, fixtures and equipment now or hereafter placed thereon, whether or not the casualty causing such damage being insured against, or whether or not if insured, any proceeds are paid under said policy, the same shall be repaired and replaced so as to restore the same to a first-class condition, and said replacement and repairs shall be made as quickly as possible after said damage.

18.1 Responsibility for Repair and Replacement. In the event there is not sufficient proceeds from insurance to repair or replace the property, equipment, or other facilities damaged or destroyed, then the Association shall be responsible for the payment of its prorata share of the monies needed for the damage to be repaired or reconstructed, and the Association's share of said responsibility shall be calculated as set forth herein in Paragraph 7 hereof. The sums due hereunder shall become due at the option of the Management Contractor and shall be deemed additional rent, and shall be secured in the manner as other rent is secured hereunder.

19. Control over Repair and Reconstruction. The Management Contractor shall have full control over the repair and reconstruction of the damage to the recreation facilities, and shall have full authority to make the decisions as may

be required from time to time for the damaged buildings, improvements, structures, and personal property to be repaired and/or replaced in a firstclass condition. If plans and specifications are required, the same shall be prepared by an architect licensed to practice under the laws of the State of Florida. The improvements and repairs made shall be at least equal to the value of the property prior to the destruction of same.

19.1 Failure of Management Contractor to Repair or Reconstruct. In the event the Management Contractor fails to repair or reconstruct as required hereunder, then the Association, together with the other associations and housing entities in the development of SEVILLE, shall take necessary steps in order for the facilities to be repaired and reconstructed.

20. Insurance Fund for Reconstruction and Repair. In the event proceeds of insurance shall be payable by reason of damage and/or total or partial destruction of the improvements, equipment, or buildings located on the above leased premises, and as often as such insurance proceeds shall be payable, the same shall be paid to the Management Contractor and said sums so paid shall be deposited in a special account of the Management Contractor in a bank in Pinellas County, Florida, designated by the Management Contractor and such sums shall be available for the purpose of reconstruction and repair.

20.1 Beneficial Interest. The sums so collected by the Management Contractor hereunder, shall be held for the benefit of the condominium associations or other housing entities in the development of SEVILLE so that the leased recreation facilities may be reconstructed and repaired.

20.2 Sole Use. The Management Contractor contracts that any sums collected pursuant to this paragraph shall be used only for the building and repairing of the recreation facilities and shall only be used in accordance with this paragraph.

20.3 Disbursements. The Management Contractor shall assume the responsibility of having the reconstruction and repairing undertaken, and may make payments from time to time out of the insurance proceeds as the reconstruction, replacement, and repairing proceeds, on the estimates of any architect licensed in the State of Florida having supervision of such construction 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, except, that said architect shall only be used in the event the reconstruction or repair exceeds the sum of \$5,000.00.

20.4 Additional Sums. In the event it appears that the insurance fund shall not be sufficient to handle the costs of reconstruction, replacement and repairing, then the Management Contractor shall give written notice to the associations in SEVILLE, and other housing entities in SEVILLE, if any, and the additional sums required shall be obtained by the associations and shall be forwarded to the Management Contractor within sixty (60) days after giving written notice.

20.5. Surplus. In the event a surplus remains in the above-mentioned insurance fund, said balance shall be paid to the Management Contractor to cover any costs and expenses it has incurred in said matter; and to any other sums which may be due, to the Management Contractor from the associations in SEVILLE from any source whatsoever, and if there is any remaining balance, the same shall be paid to the associations on a prorata basis, or retained by the Management Contractor, at the option of a particular association, for payments due under this lease.

20.6. Mortgagees and Insurance. In the event a mortgagee shall have an option to apply insurance proceeds to the reduction or payment of the mortgage debt which may be due on the recreation facilities, and if it elects to apply the same or some portion thereof, the Management Contractor shall be required, within 120 days after the application of such sum by such mortgagee, to create from its own funds or from the proceeds of a new mortgage upon the above-described leased premises, the same amount of money so applied by such mortgagee, which money shall be held by the Management Contractor as if the same were the proceeds of insurance as set forth above, and in the event it is necessary for the Association to subordinate its lease in order for the Management Contractor to obtain said additional financing, the Association agrees to subordinate its interest upon request.

20.7. Additional Funds. In the event the sums obtained by the Management Contractor are not sufficient in order for the recreational facilities to be reconstructed, replaced, or repaired, as the case may be, then the Association shall provide, within the time limitation as set forth above, such funds, as may be required by the Management Contractor, with the share required to be provided by the Association equal to only its prorata share.

21. Defend Action. It is further covenanted and agreed by and between the parties hereto, that in case the Management Contractor shall, without any fault on its part, be made a party to any litigation commenced by or against the Association, the Association shall be and is under the obligation to defend at the Association's expense the Management Contractor in such litigation, with the right in the Management Contractor at its expense, to furnish additionally such defense thereto as the Management Contractor may wish.

22. Escalation Clause. The rent agreed to be paid hereunder shall be adjusted as provided for in this paragraph. The indicator upon which the rental shall be adjusted shall be the Consumer Price Index (CPI) All Services U.S., 1957 - 1959, equalling 100, as published by the Bureau of Labor Statistics and presently reported in the Current Labor Statistics Section of Monthly Labor Review. The base month of this escalator provision shall be January, 1969, which had an Index Value at that time of 139.0 and shall be adjusted in accordance herewith. For each percent increase or decrease change from the base date index, there shall be a likewise percentage adjustment to the rental in accordance with these provisions. There shall be no adjustment in the rental for a period of three (3) years from January 1,

1969 unless the Index changes more than twelve percent. The first change hereunder shall take effect on the 1st day of the following month after the Management Contractor notifies the Association of the adjustment. An adjustment may be made at any time thereafter upon the request of either party hereto in the event the Index changes twelve percent from the previous adjustment. Notwithstanding any provision herein contained, there shall be no downward change exceeding twenty percent from the beginning fee schedule. If the Bureau of Labor Statistics changes the form or basis of the calculation of the Index as referred above, the parties hereto agree to request the Bureau to make available for the life of this agreement annual consumer price indexes in its present form and calculated on the same basis as the Index for January, 1969. In the event that the Bureau of Labor Statistics U.S. Department of Labor changes its procedure in any manner, such agency of the United States Department of Labor shall be the sole judge of the comparability of the successive Indexes, provided further, that in the event said agency cannot or will not supply Indexes which are requested in the above sentence, the Dean of the Department of Business and Administration of the University of Florida, shall select a method of continuing the intentions of the parties under this paragraph. It is further understood and agreed that in the event the Bureau of Labor Statistics, U.S. Department of Labor, shall publish corrections of Indexes used or to be used in the application of its Index, it is agreed that such corrections shall be taken into account of the adjustment of the amount due as herein provided. The basic purpose of this paragraph is to provide a method of changing the amount due hereunder due to the inflation, deflation, depressions and/or monetary devaluation, or other factors which effect the economy.

23. Arbitration. The process of arbitration shall be available to the parties to this Recreation Lease to determine any question concerning the construction of any provision of this lease or the responsibilities of either party, or the applicability of the above escalation clause, or any other problem arising under the terms of this lease, and the terms of said arbitration shall be conducted in accordance with Paragraph 21 as set forth in the Declaration of Condominium, of Seville Condominium 7.

24. Demolition. The Association shall not demolish any of the buildings, structures or improvements now or hereafter placed on the above-described leased premises without the prior consent, in writing, of the Management Contractor, which consent the Management Contractor may withhold in its absolute discretion or grant upon such terms as it may deem appropriate.

25. Management Contractor's Right to Perform. If the Association shall fail to pay any monies required hereunder (with the exception of rent), or should fail to perform any covenant required hereunder, then the Management Contractor may, but shall not be obligated to, without notice or demand upon the Association, perform the acts omitted or failed to be performed by the Association. If such performance by the Management Contractor shall constitute in whole or in part the payment of monies, such monies so paid by the Management Contractor together with interest at the rate of ten (10%) percent per annum and reasonable attorney's fees incurred by the Management Contractor in and about the collection of the same, shall be deemed additional rent hereunder and shall be payable to the Management Contractor on demand or, at the

option of the Management Contractor may be added to any rent then due or thereafter becoming due under this lease and the Association covenants to pay any such sums with interest and reasonable attorney's fee, as aforesaid, and the Management Contractor shall have, in addition to any and all other rights and remedies herein provided, the same rights and remedies in the event of nonpayment as in the case of default by the Association in the payment of rent, and said amounts shall be secured hereunder in the same manner as rent.

26. Duty of Association to Assess and Pay. It shall be the duty of the Association to assess its Owners (Leasehold-Owners) in accordance with the Declaration and By Laws in such amounts as may be necessary to pay its obligations hereunder, and to otherwise perform its covenants and promises as stated herein, and all payments requested hereunder shall be a common expense.

27. Use of Recreation Facilities. Association covenants and agrees that it will make no unlawful use of the leased premises, nor permit the same to use in any way, contrary to any law or ordinance of the State of Florida, in the County of Pinellas, or any governing municipality, or other governmental agency and that it shall not permit any act by any of its Members which would cause the recreational premises to become a public nuisance.

27.1. Use. Association further covenants and agrees that it will use the said leased premises only for recreational purposes or for other uses consistent with the overall development plan of SEVILLE, and none other, without the prior written consent of the Management Contractor being obtained.

27.2. Persons Entitled to Use Facilities. Any person qualified to occupy the buildings and improvements located upon the Condominium Property shall be entitled to use the recreational facilities described and leased herein.

27.3. Limitation on Lease. All uses designed, calculated, intended are likely to result in deprivation of any Lessee of the premises above leased, and including Association, of an equal opportunity to that of any other Lessee, to use, enjoy, occupy the same except to the extent that the use, occupancy and enjoyment of one Lessee may be greater than another's, by reason of a greater number of Owners (Leasehold-Owners) shall be prohibited.

28. Assumption of Responsibility by Developer. The developer of SEVILLE, Clearwater Development Corporation shall pay the fees required hereunder, as to any Apartment interest which it owns in the development of SEVILLE, which it has not sold, transferred or assigned.

29. Covenant Concerning Similar Leases. None of the covenants of the Association contained herein shall in any way be reduced, abated, suspended or limited by reason of the fact that there are or may be other Sub-Lessees as to the above-described property or that such other Sub-Lessees may have made similar or identical promises and covenants to the Management Contractor.

29.1. Failure of Other Entity to Perform. No failure on the part of any other Sub-Lessee to perform similar or identical covenants or promises contained in its lease with the Management Contractor or failure on the part of the Management Contractor to enforce the same, shall operate as a waiver, extension or indulgence to Association.

29.2. Covenant with Other Lessees. Association understands and agrees, that some of the responsibilities as contained hereunder, may, be prorated between it, and other associations in the development of SEVILLE, and Association covenants and agrees that it shall perform the covenants required hereunder which may be required by other associations under the terms of its leases with the Management Contractor, and that it shall pay the prorata share of its responsibility due hereunder, as herein provided.

29.3. Benefit of Covenants. The covenant as contained above shall be construed as covenants by the Association or unto the benefit of each and every present and future other Sub-Lessee of the above-described premises, and, likewise, similar covenants made by future and present other Sub-Lessees shall be considered as covenants by them to and for the benefit of Association and every other Sub-Lessee.

29.4. Enforcement of Same. The above covenants may be enforced by any association in its own name without joinder of the Management Contract, or other associations, and a party successfully enforcing such covenants shall be entitled to recovery of reasonable attorney's fees and costs.

30. Condemnation. If, during the term of this lease, the premises leased herein shall be taken as a result of the exercise of the power of eminent domain, this lease and all right, title and interest of the Association hereunder, shall cease and come to an end on the date of the vesting of title, pursuant to such proceedings and the Management Contractor shall be entitled to receive the total award made in such proceeding and the Association hereby absolutely assigns such award to the Management Contractor.

30.1. If Less Than Entire Premises Taken. If less than the entire leased premises shall be taken under the exercise of the power of eminent domain, this lease shall not be terminated, but shall continue in full force and effect as to the remaining portion of the leased premises in accordance with the following:

A) Repairs. Association together with the other condominium associations in SEVILLE who are Sub-Lessees of the above-described leased premises shall make such repairs and restorations as may be necessary to fully restore the remaining portion of the premises to a condition as good as that prior to the taking.

B) Proration of Costs. The proration of said costs shall be made in accordance with other paragraphs as contained herein concerning the provision of costs between associations in SEVILLE.

C) Reduction of Rentals. The rentals due hereunder after the date of said taking shall be reduced by the percent of land actually taken as it compares to the whole before said taking.

D) Payment of Proceeds. If only a portion of the above-described leased premises are taken in such eminent domain proceedings, all sums shall be payable to the Management Contractor and the Management Contractor agrees to make one-half of said sums available to the Association and other Sub-Lessees of the above-described leased premises for reconstruction.

E) Control over Repair. In the event a procedure cannot be worked out whereby the property is reconstructed and the funds disbursed, or in the event the Sub-Lessees cannot agree on how the money received under said proceedings shall be spent, then the Management Contractor shall in its sole and absolute discretion use said money for the purpose of rebuilding or replacing the recreation facilities on the above-described leased lands, and it shall be entitled to retaining the remaining funds.

31. Quiet Enjoyment. The Management Contractor covenants and agrees with Association that so long as the Association keeps and performs all of its covenants herein made, the Association shall have quiet and undisturbed and continued possession of the above-described leased premises subject only to the rights of the other Sub-Lessees of said premises and the rights of the Management Contractor and developer, Clearwater Development Corporation as contained herein.

32. Management Offices. Due to the responsibility of the Management Contractor, the Association has no objection to its occupying a reasonable portion of the above described premises as its office.

33. Place of Payments. All payments due hereunder until further notice, shall be paid to the Management Contractor at its office in SEVILLE.

34. Mechanics Liens. Neither the Association nor anyone claiming by, through or under Association, including contractors, subcontractors, materialmen and laborers, shall have any rights to file or place any mechanics' or materialmens' liens of any character whatsoever upon the leased property or upon any building or improvement thereon, and notice is hereby given that no contractor, subcontractor, materialmen, laborers or anyone else who may furnish any material, service or labor for any buildings or improvements, alterations, repairs or any parts thereof at any time shall be or become entitled to any lien whatsoever thereon or therefor. If any Mechanics lien is validly established, then said lien shall be against the interest of Association only and no lien shall be established against the Management Contractor without its consent.

35. Default. If default shall be made by the Association in performance of any of its covenants herein set forth, then the Management Contractor may have any rights which a Landlord may have under the laws of the State of Florida in addition to the rights which the Management Contractor has herein.

36. Notice. Prior to the time any legal action can be taken by the Management Contractor for a default made by the part of the Association, the Management Contractor must give Association thirty (30) days written notice of said default.

36.1 Actions which can be Taken. In the event of a default the Management Contractor may foreclose its lien as set forth herein, and/or declare this lease cancelled and terminated with or without process of law. In the event the lease is terminated, the Management Contractor shall advise the Association of this in writing, and from that point on, the Association, nor any of its Members shall be entitled to use the leased facilities.

36.2 Cumulative Remedies. The rights, remedies, powers, options, elections, preferences and liens of the Management Contractor set forth herein shall be construed as cumulative and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities allowed by law and the exercise of one or more shall not be construed as a waiver of the others. The exercise by the Management Contractor of any of its rights or remedies provided herein shall not be construed as an election by the Management Contractor to terminate and cancel this lease except if it exercises such right or remedy by the declaration by the Management Contractor that this lease is terminated and cancelled due to default on the part of the Association, or the entry of a judgment, decree of writ of eviction as against the Association.

37. Delivery of Premises. At the termination of this lease by lapse of time or otherwise, the Association will peaceably and quietly deliver possession of the premises and all improvements situated thereon including all personal property therein and thereon to the Management Contractor in good state and repair and all buildings, improvements and personal property then situated on the above described premises shall be the property of the Management Contractor. In the event this lease is terminated at any time prior to the expiration of the term, then in such event, this lease shall be terminated as completely as if the term hereunder had expired.

38. Right of Entry. The Management Contractor shall have the right of entry upon the demised premises at all reasonable times to examine the condition and use thereof, provided only such right shall be exercised in such manner as not to interfere with the Association.

39. Easements. The abovedescribed leased premises are subject to such easements for public utilities as now appear of public record, if any, and Management Contractor shall have at all times the exclusive right to create additional nonexclusive easements over such of the above-described premises, if any, for such utilities, as the Management Contractor shall from time to time deem appropriate, free and clear of the provisions of this lease, and the Management Contractor shall also have the right to establish nonexclusive easements over the above-described leased premises for the residents and occupants of SEVILLE for ingress and egress.

40. Miscellaneous Provisions.

A) Time is of the Essence. Time is of the essence of each covenant where the obligation is to pay money.

B) Waiver. No waiver, extension or indulgence by the Management Contractor in any one occasion as to any breach shall be construed as a waiver, extension or indulgence in any succeeding breach of the same covenant.

C) Changes in Writing. No modifications, release or discharge, or waiver of any provision hereof shall be of any force, effect or value unless in writing, and signed by the Management Contractor.

D) Covenants Running with the Land. All covenants, promises, conditions and obligations herein contained or implied are covenants for all of the above-described leased premises and covenants running with the lands described in the Declaration of Condominium, and the same shall attach to and be binding upon the Management Contractor, its successors and assigns, and the Association, its successors and assigns, its present and future Members, occupants, and present and future Owners (Leasehold-Owners) of the Apartment interests in the Condominium, their heirs, personal representatives, successors and assigns.

E) Entire Agreement. This instrument and the Declaration together with the exhibits and attachments constitute the entire agreement between the parties hereto as of the date of the execution, and neither has been induced by the other by representations, promises or understandings, and there are no collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this instrument which are not expressly contained herein.

F) Notice. When either party desires or is required to give notice unto the other in connection with and according to the terms of this lease, such notice shall be given either by registered or certified mail, return receipt requested, and shall be deemed given for all purposes when it shall have been deposited in the United States mail, addressed to the Association or Management Contractor at its last known address.

G) Construction. This lease is to be construed in accordance with the laws of the State of Florida, and the terms used herein shall be construed in accordance with the definitions as set forth in the Declaration of which this lease is a part.

H) Severability. The invalidity in whole or in part of any covenant, section, sentence, clause, phrase or word, or of any provision of this lease or of the Declaration shall not affect the validity or the remaining portions thereof.

I) Construction. Wheresoever the lease so requires, the use of any gender shall be construed to include all genders, and the use of the plural shall include the singular and the singular shall include the plural.

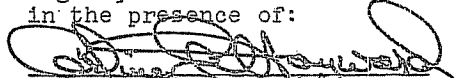
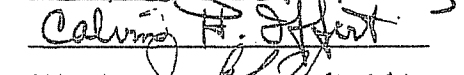
J) Definitions of words and phrases used herein shall have the same meaning as set forth in the Declaration of Condominium of Seville 7.

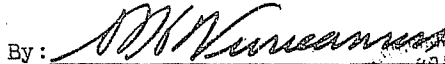
IN WITNESS WHEREOF, the Management Contractor and the

Association have caused this instrument to be executed by the duly authorized officers, on the date first above written.

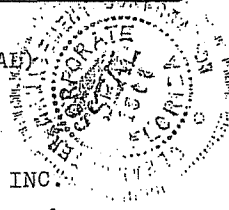
Signed, sealed and delivered
in the presence of:


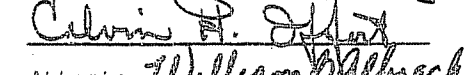
CLEARWATER MANAGEMENT CORPORATION


Calvin H. Effert
Attest: 
Secretary

By: 
Vice President

(CORPORATE SEAL)

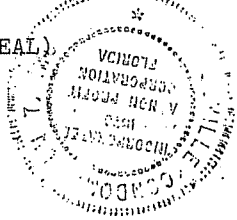



Calvin H. Effert
Attest: 
Secretary

SEVILLE CONDOMINIUM 7, INC.

By: 
President

(CORPORATE SEAL)

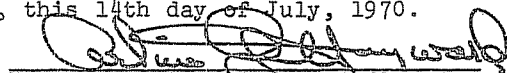


STATE OF FLORIDA
COUNTY OF PINELLAS

BEFORE ME, the undersigned authority, personally appeared S. H. VUNCANNON and JACK L. VUNCANNON, Vice President and Secretary respectively of CLEARWATER MANAGEMENT CORPORATION, a corporation organized and existing under the laws of the State of Florida, to me personally known, and this day acknowledged before me that they executed the foregoing instrument as such officers of said corporation and that they affixed thereto the official seal of the said corporation for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid, this 14th day of July, 1970.



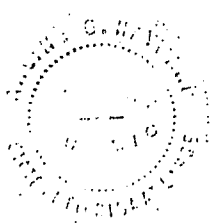

Notary Public - State of Florida
My commission expires:

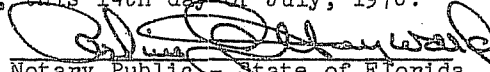
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 4, 1973
BONDED THRU FRED W. DIESTELHORST

STATE OF FLORIDA
COUNTY OF PINELLAS

BEFORE ME, the undersigned authority, personally appeared S. H. VUNCANNON and WILLIAM B. ALBRECHT, President and Assistant Secretary respectively of SEVILLE CONDOMINIUM 7, INC., a corporation organized and existing under the laws of the State of Florida, to me personally known, and this day acknowledged before me that they executed the foregoing instrument as such officers of said corporation and that they affixed thereto the official seal of the said corporation for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid, this 14th day of July, 1970.




Notary Public - State of Florida
My commission expires:

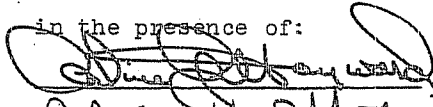
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 4, 1973
BONDED THRU FRED W. DIESTELHORST

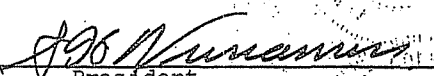
CONSENT AND APPROVAL BY DEVELOPER

CLEARWATER DEVELOPMENT CORPORATION, the developer of SEVILLE consents to the terms of the above described lease and hereby joins in the execution thereof and has caused this instrument to be executed by its duly authorized officers and has caused its seal to be affixed hereto this 14th day of July, 1970.

Signed, sealed and delivered CLEARWATER DEVELOPMENT CORPORATION

in the presence of:


Calvin H. Hoffert

By: 
President

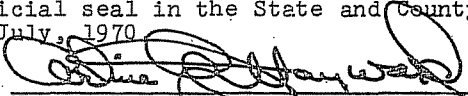
Attest: 
Secretary

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF PINELLAS

BEFORE ME, the undersigned authority, personally appeared S. H. VUNCANNON and WILLIAM B. ALBRECHT, President and Assistant Secretary respectively of CLEARWATER DEVELOPMENT CORPORATION, a corporation organized and existing under the laws of the State of Florida, to me personally known, and this day acknowledged before me that they executed the foregoing instrument as such officers of said corporation and that they affixed thereto the official seal of the said corporation for the uses and purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid, this 14th day of July, 1970.


Notary Public - State of Florida
My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 4, 1973
BORDER TOWN FIRM N. HENTELROST