

OWNER'S PROPRIETARY LEASE

THIS INDENTURE made this _____ day of _____, 19____, by and between VENICE BEACH APARTMENTS ONE, INC., a Florida corporation, as Lessor, and _____ as Lessee.

W I T N E S S E T H :

That in consideration of the covenants hereinafter mentioned to be performed by the respective parties hereto, and the payment of the annual assessments hereinafter designated to be paid by the Lessee in accordance with the provisions of this Lease, the said Lessor has leased, rented, let and demised and by these presents does lease, rent, let and demise unto the said Lessee, Apartment No. _____, in VENICE BEACH APARTMENTS ONE, INC., situate, lying and being in Sarasota County, Florida, to-wit: All of Lots 7, 8, 9, 10 and the West 21 feet of Lots 6 and 11 of Block 1, Venice Gulf View Section, according to the plat thereof as recorded in Plat Book 2, Page 77, Drawing 2 of 2, of the Public Records of Sarasota County, Florida, together with Lot 1-A, Block 1, Venice, Amended Replat of Portion of Gulf View Section, according to the plat thereof as recorded in Plat Book 9, Page 30, of the Public Records of Sarasota County, Florida, reserving an easement for ingress and egress 6 feet in width, the center line of same being described as follows: Commence at a point on the North property line of said Lot 6, Block 1, Venice Gulf View Section, said point being 21 feet East of the Northwest corner of said Lot 6, for a POINT OF BEGINNING; Thence westerly and parallel to the South property line of said Block 1 for a distance of 239.02 feet to the intersection of said center line with the West property line of said Lot 1-A, Block 1, Venice, Amended Replat of Portion of Gulf View Section.

TO HAVE AND TO HOLD the premises unto the said Lessee, his executors, administrators or assigns, from the _____ day of _____, 19____, until the _____ day of _____, 20____.

The terms, conditions, covenants and agreements of this Lease are as follows, to-wit:

1. ANNUAL ASSESSMENTS: The various owners of Proprietary Leases, whether Resident or Special, shall be subject to the payment of assessments for the upkeep and maintenance of the corporate property, together with ground rentals, mortgage payments, operating costs, etc.

The Board of Directors of the Corporation shall from time to time fix and determine the sums of money needed for the operation of the Corporation. They shall determine the amount required for operating items, such as ground rentals, mortgage payments, if any, maintenance, taxes, insurance, repairs, betterments, utilities and the prorata cost of salaries of a manager and other employees and any other sums necessary for the upkeep, operation or maintenance of the Corporation property.

A. The formula to be utilized by the Board of Directors in prorating the above assessments among the various owners shall be as follows:

Apt. No.	Mortgage Payment	Yearly Ground Lease Payment	Approx. Maintenance Per Year
1	\$141.51	\$325.00	\$500.00
2	133.86	325.00	500.00
3	133.86	325.00	500.00
4	110.91	325.00	500.00
5	88.73	275.00	400.00
6	88.73	275.00	400.00
7	92.60	275.00	400.00
8	92.60	275.00	400.00
9	92.60	275.00	400.00
10	110.91	325.00	500.00
11	133.86	325.00	500.00
12	141.51	325.00	500.00
13	92.60	275.00	400.00
14	92.60	275.00	400.00
15	92.60	275.00	400.00
16	92.60	275.00	400.00
17	92.60	275.00	400.00
18	110.91	325.00	500.00
19	110.91	325.00	500.00
20	133.86	325.00	500.00

The formula for said assessments as set forth above may not be amended. However, the exact amount of the maintenance assessment per year may be increased or decreased depending upon the needs of the corporation so long as they are in proportion to the above formula.

B. All assessments shall be payable on a monthly basis except the annual rent due on the 98-year plus sublease. The Board of Directors shall be empowered to set up operating funds which may be replenished from time to time as may be needed. Special assessments as may be required shall be paid and levied in the manner as paid assessments, depending upon the purpose of said assessment. The owners agree to pay promptly when due all assessments assessed against their individual apartment units, but no owner shall be personally liable for corporation debts to any extent whatsoever. If any owner is given possession of his apartment prior to execution of the 98-year plus sublease between VENICE BEACH APARTMENTS ONE, INC. and VENICE BEACH DEVELOPMENT, INC., said owner shall pay the assessments herein provided for to VENICE BEACH DEVELOPMENT, INC. VENICE BEACH DEVELOPMENT, INC. shall during this period maintain the building and keep all expenses current until said 98-year plus sublease is executed with VENICE BEACH APARTMENTS ONE, INC. VENICE BEACH DEVELOPMENT, INC. shall not be responsible for accounting for any of said sums of money so received to any owner or to VENICE BEACH APARTMENTS ONE, INC. except that any monies collected from individual owners for mortgage payments to Sarasota Federal Savings and Loan Association shall be paid to Sarasota Federal Savings and Loan Association and further provided that real property taxes levied against the property shall be prorated as of the date of execution of said sublease between VENICE BEACH APARTMENTS ONE, INC. and VENICE BEACH DEVELOPMENT, INC.

- C. Annual rental due from each apartment shall be due and payable in advance to VENICE BEACH APARTMENTS ONE, INC. on or before the _____ day of _____ of each and every year. In the event that any owner secures possession of his or her apartment prior to the execution of the sublease between VENICE BEACH APARTMENTS ONE, INC. and VENICE BEACH DEVELOPMENT, INC., said owner shall pay said rental in advance to VENICE BEACH DEVELOPMENT, INC. VENICE BEACH DEVELOPMENT, INC. in turn will give VENICE BEACH APARTMENTS ONE, INC. credit for that portion of said advance rental as has been collected by VENICE BEACH DEVELOPMENT, INC. from the date of execution of said sublease. Rentals collected and accrued for the period up to the execution of said sublease shall belong to VENICE BEACH DEVELOPMENT, INC.
- D. In case the Directors fail to make a new assessment, the owners agree to pay the current rate until a new rate is determined.
- E. The Board of Directors or VENICE BEACH DEVELOPMENT, INC. may require an advance payment from each owner at the time when the owner's apartment is ready for occupancy for the purpose of establishing a fund to meet costs of operation, maintenance, rent, etc.
- F. All assessments paid by individual owners to the corporation for maintenance, taxes, operations, mortgage payments, insurance, etc., shall be utilized by the corporation in paying the obligations of the corporation as authorized by the Board of Directors. Any excess of monies received from assessments paid by individual owners and held by the corporation at the conclusion of its taxable year, whether calendar or fiscal, shall be used by said corporation to apply against future expenses of the corporation.
- G. The subleasehold interest and improvements of VENICE BEACH APARTMENTS ONE, INC. will be encumbered by a first mortgage held by Sarasota Federal Savings and Loan Association in the amount of \$285,000.00 bearing interest at the rate of 6½% per annum, which mortgage is payable in monthly installments of principal and interest of \$2,180.00 per month commencing on the 20th day of April, 1962, and monthly thereafter until fully paid. A part of said mortgage has been allocated to each of the apartments in VENICE BEACH APARTMENTS ONE, INC., as hereinafter set forth in Article XII of the By-Laws. Should any owner pay cash for his or her apartment prior to the execution of the sublease with VENICE BEACH APARTMENTS ONE, INC., then and in that event said portion of the mortgage allocated to said apartment shall be paid to Sarasota Federal Savings and Loan Association and said Sarasota Federal Savings and Loan Association shall release said owner's apartment from the lien of said overall mortgage and said owner paying cash shall have no further mortgage payments to make on said apartment. This shall not affect said owner's obligation to pay the assessments for maintenance and ground rental.

After the 98-year plus sublease has been executed between VENICE BEACH APARTMENTS ONE, INC. and VENICE BEACH DEVELOPMENT, INC., any owner desiring to pay off his or her portion of the mortgage allocated to his or her apartment must make the necessary arrangements for paying off the same with Sarasota Federal Savings and Loan Association and the Board of Directors of VENICE BEACH APARTMENTS ONE, INC. and should said owner comply with the required conditions, then and in that event said money shall be paid to Sarasota Federal Savings and Loan Association and applied against the overall mortgage to reduce the same and said owner shall then and in that event be given a release of his or her apartment from the lien of said mortgage.

2. POSSESSION: Lessee has inspected the leased property and will accept the same in its present condition upon the start of this Lease. Lessee upon payment of the assessments above reserved and upon the due performance of the agreements, conditions, covenants and terms herein contained on the Lessee's part to be kept, observed and performed, shall and may at all times and in all things during the term hereby granted, peaceably and quietly have, hold and enjoy the said demised premises without any manner of suit, trouble or hindrance or disturbance by said Lessor.

The Lessor shall be obliged to give the initial Lessee under this Lease peaceful and quiet possession of said apartment unit but thereafter no obligation shall rest upon Lessor to deliver possession.

Lessor further agrees that Lessee shall have the right of joint use and enjoyment in common with other Lessees of the property of the Lessor not specifically leased to other Lessees, except insofar as it may be limited or restricted by this Lease by the rules and regulations and By-Laws of this Lessor corporation.

3. USE: Lessee does hereby agree to promptly observe and comply with, at his own expense during the terms of said Lease all present and future By-Laws and rules and regulations adopted by the Lessor, statutes, ordinances, rules and regulations promulgated by any governmental body having jurisdiction over the leased premises and will abide by all rules and regulations of the Southeastern Underwriters' Association for the prevention of fire.

Lessee agrees that he will not do or suffer to be done in and upon the leased premises any act or thing which shall or may be of a disorderly or unlawful nature or nuisance, or which may cause damage to the Lessor or its premises.

Lessee further agrees that the apartment unit shall be used only as a private residence for the use of the Lessee, or authorized sub-lessee, and his lawful spouse or any member of his family related to him by blood within the second degree. It may also be occupied temporarily by house guests of the approved resident owner or authorized sub-lessee for periods not in excess of 90 days where said house guest is paying no remuneration to the resident owner for his use of said apartment.

4. MAINTENANCE: Lessee agrees that he will keep the apartment unit in good order and repair at his own cost and expense, and will make no structural changes on fixtures or equipment substitutions without prior approval of the Lessor.

Lessee further agrees that he will make all necessary repairs to plumbing and electrical repairs for interior plumbing or electrical wiring.

That he will promptly pay, upon receiving notice of the same, the expenses of repair, damage or replacement, as determined by the Board of Directors, to any property in another Lessee's apartment unit or the common property of the Lessor, caused by the negligence, carelessness, or other acts of such Lessee's household, servants, tenants, visitors and invitees. In the event such Lessee fails to make such payments, the Board of Directors are authorized to assess the same against the Lessee's apartment unit and enforce payment thereof under the provisions of paragraph 17 of this agreement.

That the Lessor will maintain in a good state of repair all plumbing, wiring, sidewalks, swimming pool, parking areas, entrances, roofs, fences and other property intended for the general use of all of the Lessees, provided, however, that in case any repairs shall become necessary to the roof, plumbing, electrical wiring, etc., or other parts of installations intended for the general service of all the Lessees, Lessor, except as hereinafter provided, will execute such repairs with due diligence. Lessor shall not be liable

for interruptions in the supply of services or for other temporary interruptions in the proper operation of said apartment building.

5. **INSURANCE:** Lessor agrees that it will adequately insure all of the property of the Lessor against fire, storm, tornado, extended coverage, boiler and public liability insurance.

Lessee agrees that he will be responsible for carrying adequate fire and extended coverage insurance upon the contents of the apartment leased to Lessee and may carry such other insurance as Lessee desires.

6. **PAYMENT OF TAXES, RENTAL AND OTHER COSTS BY CORPORATION:** The Lessor agrees that to the limit of its resources and out of funds provided by the owners, it will:

- A. Pay the annual rental of \$6,000.00 per year under the 98-year plus sublease wherein the Lessor herein is the Lessee, to the Lessors under said 98-year plus sublease or to their heirs, executors, administrators and assigns.
- B. Pay all taxes and assessments which may be levied against the property of the Corporation, together with mortgage payments to Sarasota Federal Savings and Loan Association.
- C. Pay the premium on any and all necessary insurance required to be carried by the Lessor under this lease.
- D. Pay any and all necessary bills which might be incurred for operation or maintenance of the corporate property, including water and sewer bills.

7. **UTILITY CHARGES:** Lessee agrees to pay promptly when due all charges for individual utilities furnished to his individual apartment, regardless of whether the same might be for telephone, gas or electric.

The Lessor agrees to pay all utilities which may be incurred in connection with the operation of the common areas belonging to the Lessor and used by all of the Lessees and holders of ownership Proprietary Leases.

8. **OPERATION AND MANAGEMENT:** Lessor agrees to provide a high standard of management for the Lessor's property and in connection therewith that it will do and perform all acts reasonably required to maintain a sound operation and to protect the investment of the various Lessees and owners.

It agrees that it shall set up reasonable operating and maintenance reserves designed to carry the operation of the Lessor for specific periods of time so as to alleviate as much as possible the necessity of a large number of special assessments.

Lessor agrees that it will attempt to maintain and manage VENICE BEACH APARTMENTS ONE, INC. as a first-class apartment house, keeping the lawns, landscaping, gardens, walkways, parking areas, and swimming pool in an attractive and sanitary condition for the use and benefit of all the Lessees and owners.

9. **SALE, LEASE, EXCHANGE OR MORTGAGE OF CORPORATE PROPERTY:** The Lessor agrees that it will not purchase any additional real property or sell, lease, exchange or mortgage the corporate real property as an entirety without the approval by vote or written consent of three-quarters of all of the owners obtained in accordance with the requirements of the Certificate of Incorporation and By-Laws.

10. **INSPECTION OF LEASED PROPERTY:** Lessee shall permit the Lessor or its agent to enter the said demised premises at any reasonable time during daylight hours or during an emergency during the hours of darkness for the purpose of inspecting the leased property or of making repairs that the Lessee may neglect or refuse to make in accordance with the agreements, conditions and covenants of this Lease.

11. **LICENSES:** It is agreed that the Lessor shall not be liable to Lessee nor to any of the Lessee's servants, patrons, guests or licensees by reason of the condition of the leased apartment premises or any fixtures or personal property located therein. It shall be the duty of the Lessee at his expense to maintain the interior of said apartment in a safe condition.

12. **PROPRIETARY LEASES:**

- A. There shall be two types of ownership or Proprietary Leases issued by the Lessor - Resident and Special Proprietary Leases. A resident owner shall be defined as any natural person owning a Proprietary Lease under which the owner is currently entitled to full occupancy rights and carries with it full voting rights in the affairs of the Lessor corporation. A special ownership is defined as any person, firm or corporation owning a Proprietary Lease without occupancy rights having been granted by the Board of Directors. Special ownership shall carry with it the right to vote with residence owners on all matters.

The Lessor shall be entitled to issue a total of twenty Resident and Special Proprietary Leases.

- B. The holder of a Resident Proprietary Lease, who has been approved by the Board of Directors, shall be entitled to full occupancy rights in the apartment covered by said Proprietary Lease pursuant to the rules and regulations and By-Laws of this corporation.

In case of a Special Proprietary Lease issued to an owner, it shall not entitle the owner to full occupancy rights but shall entitle the owner to sub-let said apartment pursuant to the provisions of the By-Laws. The Owner may sub-let said apartment to a sub-lessee or sub-lessees for a period in each instance not in excess of three months, without securing the approval of the Board of Directors. In the event the owner desires to sub-let said apartment for a period in excess of three (3) months, said sub-lease must be approved by the Board of Directors in the manner as hereinafter set forth.

The purpose in back of these latter provisions is that it will permit corporations, trustees or other legal entities to hold title to said Special Proprietary Lease for the use and benefit of sub-lessees who will actually occupy the said apartment in accordance with the By-Laws and the rules and regulations of the corporation, and to permit resident owners, whose occupancy rights have been duly terminated, as provided herein, but whose lease has not been terminated, to retain their equity rights.

- C. Any sub-lease made by a Special Owner shall terminate upon the death of the sub-lessee.

13. SALE BY LESSEE OF APARTMENT: In the event of the sale or transfer by the Lessee of the apartment unit, whether voluntary, or involuntary (excepting, however, transfers by way of pledge only or in trust with occupancy rights retained by the Lessee) and upon due notice to the Lessor of said sale or transfer, all occupancy rights of the Lessee and those in possession by virtue of his prior ownership, shall thereupon cease and terminate, and the vendee or transferee shall be deemed the owner of said apartment unit but without right of occupancy unless and until the same be duly approved by the Lessor. Approval of the right of occupancy shall not be denied any transferee or vendee, who, at the time of such transfer or sale (or at the death of a Resident Lessee, if the transfer results from his death) is or was the Resident Lessee's lawful spouse or related to him by blood within the second degree.

14. TENANCY BY THE ENTIRETIES: In the event of death of the owner, should the Proprietary Lease be held by an estate of tenants by entireties, or by joint tenancy with right of survivorship, the transfer of said Proprietary Lease to the survivor shall be automatically accomplished and approved by the Board of Directors.

15. SUBLEASING: The Lessee agrees that he shall not sub-let the demised apartment premises or any part thereof, except in accordance with the provisions set forth in the By-Laws of VENICE BEACH APARTMENTS ONE, INC. It is expressly understood that before any sub-lessee for a period of over three months shall be entitled to occupancy of said apartment, that said sub-lessee must be approved by the Board of Directors in accordance with the By-Laws of VENICE BEACH APARTMENTS ONE, INC. Approval of a sub-lease for a period of three months or less shall not require approval of the Board of Directors, but said sub-lease shall be subject to the special provisions hereinafter set forth.

Approval of a sub-lease shall not release the Lessee from the obligations of this lease.

16. PLEDGE OF LEASE: The Lessor shall maintain a suitable register for the recording of pledged Leases. Any pledgee of a Lease may, but is not obliged to, notify the Lessor of the pledge and the terms thereof, furnishing the Secretary of the Lessor Corporation with such information as may be required by the Board of Directors. In the event such notice of "default" is given any Lessee under the applicable provisions of the By-Laws, a copy of such notice shall likewise be mailed to the registered pledgee. In addition, in event of the sale by the Lessor of its assets, prior to the distribution of the proceeds thereof to the Lessees, suitable notice shall be given all registered pledgees. No other obligation is accepted or assumed by the Lessor with respect to such registration of pledged Lease.

17. DEFAULT:

- A. In the event an assessment or any other sum or charge required to be paid under this Lease is not paid within thirty (30) days from the date notice of it is mailed, the Lessor may treat such failure to pay as an intentional, inexcusable and material breach of this lease, and thereupon the Lessor, by a second notice in writing, transmitted to the Lessee by Registered or Certified Mail, Return Receipt Requested, may at its option, at least thirty (30) days after the mailing of such second notice, declare this lease terminated and without further notice and effect unless such default within such period has been removed. The Lessor may then offer for sale a substitute Lease for the apartment unit at an amount determined by the Board of Directors to be its fair market value. On disposal of the substitute lease the Lessor shall pay to the Lessee the amount of disposal price, less any unpaid assessment or charges accrued to the date of disposition, the expenses of sale (which shall include a reasonable brokerage commission) and the estimated cost of placing the apartment unit covered by the lease in suitable condition for a new occupant. The offering of a substitute Lease shall be limited to persons or entities qualified for resident or special membership.

In the event that an assessment is not paid, and said lease has been terminated for non-payment by the owner of any sums due as hereinabove provided for, the owner or any other person or persons in possession by or through the right of owner shall promptly quit and surrender the apartment to the Lessor in good repair, ordinary wear and tear excepted, and the Lessor shall have the right to re-enter and repossess the said apartment without any additional notice being given to vacate said apartment or to quit possession of the same.

In the event that an owner, or any other person or persons in possession by or through the right of the owner, shall fail to vacate said apartment upon the termination of the lease as aforesaid, the Lessor may bring such action or actions as may be necessary under the laws of the State of Florida to effect an eviction of said owner or other person and regain possession of said apartment. In this connection, all of the applicable provisions of Chapters 82 and 83, Florida Statutes, are incorporated herein by reference and made a part hereof.

In the event that any owner fails to pay any assessment within thirty (30) days from the date notice of the same has been mailed to the owner by the Corporation, the owner shall pay to the Corporation an additional charge of \$1.00 per day for each day the payment is delinquent beyond said thirty-day grace period.

In addition to all of the other remedies afforded it, the Corporation shall have a lien against the Owner's Proprietary Lease to the extent of any sums due the Corporation which are not paid when due. If said sums are not paid within thirty (30) days after the same are due and payable, to the Corporation, the Corporation may, at its option, proceed to foreclose said lien in the Circuit Court of Sarasota County, Florida, in the same manner as the foreclosure of mortgage liens in the State of Florida, and the Corporation shall be entitled to receive, in addition to any sums of principal due or late charges, all their costs and their reasonable attorney's fee incurred in connection with said foreclosure. The Corporation shall be entitled to bid at any sale held pursuant to said foreclosure decree and to apply against said bid all sums due the Corporation for principal or late charges.

- B. In the event of violation by the Lessee of any of the provisions of this Lease or of the Certificate of Incorporation or of the By-Laws or of the rules and regulations of the Lessor as now or hereinafter constituted, the Lessor may, by direction of its Board of Directors, notify the Lessee by written notice of such breach transmitted by Registered or Certified Mail, Return Receipt Requested, and if such violation shall continue for a period of thirty (30) days from the date of Lessee's notice of the existence of such violation as intentional, inexcusable and material and thereupon the Lessor, by a second notice in writing transmitted in the same manner as the first notice, may at its option, at least thirty (30) days after the mailing of such second notice, either require the Lessee to quit and surrender the apartment unit and the Lessee shall thereafter become and be a special owner or declare this lease terminated and without further force and effect and offer for sale a substitute Lease upon the same terms and conditions as in the case where the Lessee's default was for non-payment of any sums, charges or assessments required to be paid under this Lease as hereinbefore set forth in 17 (A) hereof.

In the event that the Lessor should elect to cancel or terminate the lease on thirty days' written notice to the Lessee or any other person or persons in possession by or through the owner for a violation of the provisions of 17 (B), the owner, lessee or any other person or persons in possession by or through the owner shall promptly quit and surrender the apartment to the Lessor in good repair, ordinary wear and tear excepted, and the Lessor shall have the right to re-enter and repossess the said apartment without any additional notice being given to vacate said apartment or to quit possession of the same.

In the event that an owner, or any other person or persons in possession by or through the right of the owner, shall fail to vacate said apartment upon the termination of the lease aforesaid, the Lessor may bring such action or actions as may be necessary under the Laws of the State of Florida to effect an eviction of said owner or other person and regain possession of said apartment. In this connection, all of the applicable provisions of Chapters 82 and 83 Florida Statutes, are incorporated herein by reference and made a part hereof.

- C. In case any sub-lessee of a lease of less than three (3) months, or any member of his family shall violate any of the By-Laws or rules and regulations adopted by the Lessor or any statute, ordinance, rule or regulation promulgated by any governmental body, or the rules and regulations of the Southeastern Underwriters' Association for the prevention of fire, or he or any member of his family shall do or suffer to be done upon the leased premises or the Lessor property, any action or thing which shall or may be of a disorderly or unlawful manner or consequence or which may cause damage to the Lessor or to its premises.

The Board of Directors shall have the right to terminate said sub-lease by giving to the occupant written notice, either through the United States Mails direct to said occupant at the apartment occupied, or by personal delivery of said notice in writing to the occupant or any member of his family to vacate said premises within five (5) days.

Said sublessee shall forthwith vacate the leased premises within five (5) days as set forth in said notice. In the event that said sub-lessee should fail to vacate said premises within five (5) days the Lessor may bring supplementary proceedings as are provided or may be applicable pursuant to the provisions of Chapters 82 and 83 of the Florida Statutes to evict said sublessee and said Statutes are incorporated herein by reference and made a part hereof.

The decision to oust said sublessee shall be in the sole discretion of the Board of Directors as the purpose back of this provision is to insure that occupants of the apartment building owned by the Lessor conduct themselves and their households in a manner which will maintain the high standards of a first-class apartment building.

Any sublessee for under three (3) months accepting a sublease to any apartment unit shall be bound by these provisions as though the same were fully set forth in sublease and shall have no defense either in law or in equity to said eviction proceedings.

18. PROVISIONS OF CERTIFICATE OF INCORPORATION, BY-LAWS, ETC.: It is mutually agreed that this lease is subject to, and the Lessor and the Lessee hereby agree to consult and abide by the provisions of the Certificate of Incorporation, the By-Laws (now existing or hereafter adopted), and the rules and regulations (now existing or hereafter established), of VENICE BEACH APARTMENTS ONE, INC., which said Certificate of Incorporation, By-Laws, rules and regulations and any amendments made thereto in the future are hereby expressly referred to and made a part thereof. The Lessee and the Lessor agree to consult, abide by and obey all such rules and regulations so established, and the Lessee shall require that the same be faithfully observed by his family, guests, employees and tenants.

19. WAIVER: That the waiver of a breach of any covenant, condition or agreement herein contained shall not be construed as a waiver of the covenant, conditions or agreement itself, nor of any subsequent breach thereof, nor affect the validity of this agreement.

20. NOTICE: Any notice required to be served hereunder on the Lessee may be served by delivery of a copy thereof to the Lessee at the Lessee's apartment unit in VENICE BEACH APARTMENTS ONE, INC. or may be served upon the Lessee by mailing a copy of such notice to the Lessee by United States Mail addressed to the Lessee at said building or such other address as the Lessee may have given to the Lessor in writing.

Any notice to be served hereunder on the Lessor may be served by mailing the same to VENICE BEACH APARTMENTS ONE, INC., One Hundred, The Esplanade, Venice, Florida, by United States Mail or by serving the same personally upon one of the officers of the Corporation.

21. BANKRUPTCY OF LESSEE:: Should the Lessee be adjudged bankrupt, or make a voluntary assignment for the benefit of creditors, or if a receiver or trustee in bankruptcy be appointed for the property of the Lessee and such receiver or trustee is not discharged within thirty (30) days after date of appointment, then the Lessor herein shall have the right, at its option, of terminating the Lease upon giving to the Lessee fifteen (15) days written notice of Lessor's election to exercise said option, and upon the expiration of such period of fifteen (15) days this Lease shall cease and terminate.

22. SIGNS: The Lessee agrees that the apartment building of which this apartment is a part is to be maintained as a high-class residential apartment and accordingly, Lessee agrees that no sign, advertisement or notice shall be painted, affixed, or otherwise inscribed on any part of the outside or inside of the building except as authorized by the Lessor.

23. DESTRUCTION OF BUILDING: In case said building shall be partly or completely destroyed by fire or other cause, the same shall be repaired or rebuilt as quickly as possible by the Lessor so as to conform substantially to the plans and specifications of the existing building. The Lessee agrees that during this period he shall continue to pay such assessments as may be required to the Lessor in order to insure that all ground rentals or mortgage payments if any and other necessary carrying charges are met during this period.

24. ATTORNEY'S FEES: That the Lessee shall pay and discharge all reasonable costs, expenses and attorney's fees which shall be incurred and expended by Lessor as a result of default by Lessee in the obligations required by this Lease, whether such are incurred by the institution or litigation, or in obtaining advice of counsel or otherwise.

25. AMENDMENTS TO BY-LAWS AND CHARTER: That no amendment, alteration or addition to the By-Laws or Certificate of Incorporation of the Lessor Corporation by Lessor shall be valid if it shall be inconsistent with or adversely affect the equity rights of Lessee contained in this lease, and no amendment, alteration or addition to the By-Laws or Certificate of Incorporation of the Lessor Corporation shall be made so as to

change the rights of the developer, VENICE BEACH DEVELOPMENT, INC., to sell or sublease apartments, change the formula for assessment to be levied against all owners.

26. OWNERSHIP AND VOTING:

- A. The owner of this proprietary Lease, whether a resident or a special owner, shall be deemed to have the owners equity in the assets of the Lessor, in accordance with the owners equity set forth in the By-Laws of the Lessor. There shall be a total of 20 owners holding proprietary leases, whether resident or special, and the total of the owners equity as set forth in the By-Laws shall constitute the total owners equity in the Lessor.
- B. The management, operation and control of the Corporation shall be vested in the 20 owners, whether resident or special, and each owner, shall be entitled to one vote at any owners' meeting wherein any problems concerning the management, operation or control of the Lessor is raised.

27. GENDER: The term "Lessee" shall, when used in this instrument, refer to the singular as well as the plural, and to both masculine and feminine as the context may require, and shall be read according to the real number and gender of said parties.

28. INVALIDITY CLAUSE: That if any clause or covenant herein contained shall be adjudged invalid, the same shall not affect the validity of the other clauses, or covenants of this agreement or of the agreement itself, or constitute any cause of action in favor of either party as against the other. Any rights and remedies herein given the Lessor and the Lessee shall be in addition to any and all rights and remedies provided by Law; and the Lessor and the Lessee shall specifically have the right to prevent or enjoin any breach or threatened breach of any Lessee or the Lessor of any of the covenants and provisions herein contained. All remedies herein provided for shall be cumulative.

29. CONSTRUCTION OF LEASE: It is agreed by and between the Lessor and the Lessee that even though the Lessee is an owner and has voting rights in the Lessor, that the legal relationship existing between the Lessor and the Lessee with reference to Lessee's use of the apartment covered by this Lease shall be a landlord and tenant relationship for the purpose of construing Lessee's rights of occupancy under this lease.

30. INDIVIDUAL RELEASE FROM MORTGAGE: The permanent mortgage held by Sarasota Federal Savings and Loan Association and other documents relating thereto provide for the release of individual apartments from the lien of said mortgage upon payment by the owner of said apartment of his or her assigned share of the principal and interest of said mortgage. The owner of an apartment so released from said mortgage shall nevertheless be entitled to the use of all common facilities, the right of ingress and egress to said apartment, the right of use of all utilities, the right of vertical and lateral support from other apartments so long as said owner continues to pay the other assessments required under the terms of the Proprietary Lease and By-Laws established by VENICE BEACH APARTMENTS ONE, INC.

31. BINDING ON HEIRS, SUCCESSORS AND ASSIGNS: That this agreement shall be binding upon and insure to the benefit of, respectively, the Lessor and its successors and assigns, and the Lessee, his executors, administrators, legal representatives and assigns, subject to the conditions and limitations herein specified.

32. MISCELLANEOUS: The owners of VENICE BEACH APARTMENTS ONE, INC. shall be entitled to use the recreational area lying to the east of the property on which VENICE BEACH APARTMENTS ONE, INC. is located. It is agreed and understood that said recreational area may also be used by the owners of other cooperative apartment units to be erected to the west of said recreational area and that the use of said recreational area by the owners of VENICE BEACH APARTMENTS ONE, INC. is a non-exclusive use.

The cost of maintenance, upkeep, insurance, taxes and repairs on said recreational area shall be borne proportionately by the various cooperative apartment corporations utilizing said area in proportion to the number of owners in each said cooperative corporations utilizing the area.

For example, during the period when the owners of VENICE BEACH APARTMENTS ONE, INC. are the only owners utilizing said area the entire cost of operation, maintenance, taxes, repairs, insurance, etc. shall be borne by VENICE BEACH APARTMENTS ONE, INC. and the cost shall be proportionately assessed against the twenty (20) owners in said corporation. As owners of units in other cooperative corporations utilize said area, said corporation shall commence their proportionate share of the same.

IN WITNESS WHEREOF, the Lessor has caused this instrument to be signed in its name by its President and its corporate seal to be affixed, attested by its Secretary, and the Lessee has hereunto set his hand and seal the day and year first above written.

Witnesses:

As to Lessor

VENICE BEACH APARTMENTS ONE, INC.

By _____
President

Attest _____
Secretary

LESSOR

As to Lessee

(SEAL)

(SEAL)
LESSEE

STATE OF FLORIDA
COUNTY OF SARASOTA

I CERTIFY that on this date, before me, an officer duly authorized in the State and County aforesaid, to take acknowledgements, personally appeared as President and Secretary, respectively, of VENICE BEACH APARTMENTS ONE, INC. _____ and _____ to me well known to be the persons described in and who executed the foregoing instrument as officers of the corporation.

WITNESS my hand and official seal this _____ day of _____, 19_____.

Notary Public

My Commission expires: