

VENETIAN ESTATES, A COOPERATIVE

MASTER FORM PROPRIETARY LEASE

PROPRIETARY LEASE, made as of November 14, 1988, by and between VENETIAN PARK ESTATES, INC., a Florida Non-Profit Corporation (hereinafter called the "Corporation"), and _____ (hereinafter called the "Lessee").

WHEREAS, the Corporation is a Florida Non-Profit Corporation governing the affairs of VENETIAN ESTATES, a Cooperative; and

WHEREAS, the Corporation is the owner of the land and the real property improvements located thereon, described on Exhibit "A" attached hereto, in the County of Sarasota, which is known as VENETIAN ESTATES, a Cooperative, at 8885 South Tamiami Trail, Sarasota, Florida 34238; and

WHEREAS, the Lessee is the owner of Membership Certificate Number _____ of the Corporation, to which this lease is appurtenant and which has been allocated to Unit _____ in the Cooperative;

NOW, THEREFORE, in consideration of the premises:

1. Demised Premises; Term. The Corporation hereby leases to the Lessee, and the Lessee hires from the Corporation, subject to the terms and conditions hereof, Unit _____ of VENETIAN ESTATES, a Cooperative (hereinafter "Mobile Home Park"), as described in Exhibit "B" (plot plan) of this Proprietary Lease for a term of years from November 14, 1988, until November 14, 2087, (unless sooner terminated as hereinafter provided). As used herein, the unit means the designated plot of land set out on the date of the execution of this lease designated by the above-stated number, together with the appurtenances and fixtures which are allocated exclusively to the occupant of the unit.

2. Rent, Maintenance, Common Expenses-How Fixed.

A. The Lessee shall pay rent and maintenance or common expense in accordance with the rent schedule and maintenance or common expense assessment established and hereafter set forth.

B. In accordance with Section 719.108, Florida Statutes, the various owners of membership certificates and proprietary leases (hereafter "Members") shall be liable for the payment of rent and assessments for upkeep and maintenance of the corporate property, including, but not limited to, mortgage payments, maintenance, taxes, insurance, repairs, betterments, and utilities, and the salaries of the manager and other employees and other operating costs and operating items.

C. The Board of Directors (hereinafter referred to as "Directors") of the Corporation from time to time according to Section 719.106, Florida Statutes, shall fix the sum of money needed for the operation of the Corporation. It shall determine the amount required by operating items and costs, such as: mortgage payments, maintenance, taxes, insurance, repairs, betterments and utilities, salaries of a manager and other employees and any other sums necessary to the upkeep, operation and maintenance of the Corporation's property.

D. The percentage of common expenses allocated to each unit is 1/197 and may not be changed or amended except with the Lessee's written consent; however, the exact amount of maintenance or common expense charges may be increased or decreased based upon an increase or decrease in the estimated operating budget of the Corporation.

E. The Directors are empowered in the manner and subject to Section 719.106, Florida Statutes, to levy and collect assessments for all budgeted mortgage payments, operating maintenance expenses and other ordinary expenses. Special assessments, as required, are to be paid and levied in the same manner as regular assessments. The Members shall pay all assessments against their individual units promptly when due.

F. The Directors shall establish the rent for the units.

G. If the Directors fail to make a new rent schedule and assessment, the Members shall pay at the current rate until a new rate is determined.

H. All rent and assessments paid by Members to the Corporation for maintenance or common expenses shall be used by the Corporation to pay its obligations as authorized by the Directors. Any excess received from Members held by the Corporation at the conclusion of its taxable year, whether calendar or fiscal, will be deemed to be common surplus. Each Member shall own any common surplus of the Cooperative in the same percentage as the common expenses are shared, which for this unit is the percentage as stated in 2.D above. The ownership of common surplus does not include the right to withdraw or require payment or distribution of the same. The common surplus, at the discretion of the Directors, may be used by the Corporation to apply against future expenses of the Corporation.

I. Accurate records and books of account shall be kept by the Directors and shall be open to inspection by members in accordance with Section 719.104, Florida Statutes.

J. All rent, assessments or common expense charges due hereunder shall be payable in equal monthly installments in advance on the first day of each month, unless the Directors, at the time of their determination of the cash requirements, shall otherwise direct. The Lessee shall also pay other sums and charges as may be provided herein when due.

3. Accompanying Membership Certificates to be Specified in Proprietary Leases. In every proprietary lease executed by the Corporation, there shall be specified, the membership certificate and percentage of payment for maintenance or common expenses of the Corporation issued to a Lessee.

4. Cash Requirements Defined. "Cash requirements" whenever used herein shall mean the estimated amount in cash as determined by the estimated operating budget of the Corporation as promulgated and adopted from year to year which the Directors shall from time to time in their judgment determine to be necessary or proper for (1) the operation, maintenance, care, alteration and improvement of the corporate property during the year or portion of the year for which such determination is made; (2) the creation of such reserve for contingencies as they may deem proper; (3) statutory reserves, unless they are voted against by the Membership; and (4) the payment of any obligations, liabilities or expenses incurred or to be incurred, after giving consideration to (i) income expected to be received during such period (other than common expense, assessments and rent), and (ii) cash on hand which the Directors in their discretion may choose to apply. The Directors may from time to time modify their prior determination and increase or diminish the amount previously determined as cash requirements of the Corporation for the year or portion thereof. No determination of cash requirements shall have any retroactive effect on the amount of the rent payable by the Lessee for any period prior to the date of such determination. All determinations of cash requirements shall be conclusive as to all Lessees.

5. Services by the Corporation.

A. The Corporation shall keep, maintain and manage the Mobile Home Park in a neat and attractive manner and shall keep the improvements in good working condition, and shall provide the number of attendants requisite, in the judgment of the Directors, for the proper care and service of the Mobile Home Park. The covenants by the Corporation herein contained are subject, however, to the discretionary power of the Directors to determine from time to time what services and what attendants shall be proper and the manner of maintaining and operating the Mobile Home Park, and also what existing services shall be increased, reduced, changed, modified or terminated.

6. Damage to Unit or Common Facilities. If the unit or the means of access thereto or any of the common facilities of the Cooperative shall be damaged by fire or other cause covered by multi-peril policies commonly carried by cooperative corporations, the Corporation shall, at its own cost and expense, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced, with materials of a kind and quality then customarily in use, the unit and the means of access thereto, and the common facilities but not including the mobile home, cabanas, sheds, landscaping or other improvements on the unit.

7. Assignment of Corporation's Rights Against Occupant. If at the date of the commencement of this lease, a third party shall be in possession or have the right of possession of the unit, then the Corporation hereby assigns to the Lessee all of the Corporation's rights against said third party from and after the date of the commencement of the term hereof, and the Lessee by the execution hereof assumes all of the Corporation's obligations to said third party from said date. The Corporation agrees to cooperate with the Lessee, but at the Lessee's expense, in the enforcement of the Lessee's rights against said third party.

8. Cancellation of Prior Agreement or Statutory Tenancy. If at the date of commencement of this lease the Lessee has the right to possession of the unit under any agreement or statutory tenancy, this lease shall supersede such agreement or statutory tenancy which shall be of no further effect after the date of commencement of this lease.

9. Quiet Enjoyment and Possession. The Lessee, upon paying the rent, common expense and assessments and performing the covenants and complying with the conditions on the part of the Lessee to be performed as herein set forth, shall, at all times during the term hereby granted, quietly have, hold and enjoy the unit without any interference or hindrance from the Corporation, subject, however, to the rights of present tenants or occupants of the unit, if any, and subject to any and all mortgages of the land and improvements as provided in Paragraph 17 below.

10. Inspection and Acceptance of Units and Common Areas. Lessee has inspected the unit and common property and will accept it in its present condition on the start of this lease.

11. Use of Common Areas. Lessee shall have the right of joint use and enjoyment in common with other Lessees of the common areas and the property of the Corporation not specifically leased to other lessees, except insofar as it may be limited or restricted by this lease or by the rules and regulations and

Bylaws of the Corporation. Lessee's use of common areas and property shall not encroach upon the rights of other Lessees.

12. Indemnity. The Lessee agrees to save the Corporation harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of the Lessee to comply with any provision hereof, or due wholly or in part to any act, default or omission of the Corporation, its agents, servants or contractors when acting as agent for the Lessee as in the lease provided. This paragraph shall not apply to any loss or damage when the Corporation is covered by insurance which provides for waiver of subrogation against Lessee.

13. Payments. The Lessee will pay the rent, common expenses and assessments to the Corporation upon the terms and at the times herein provided, without any deduction or action or any setoff or claim which the Lessee may have against the Corporation; and, if the Lessee shall fail to pay any installment promptly, the Lessee shall pay interest thereon at the maximum legal rate from the date when such payment shall have become due to the date of the payment thereof. The Corporation shall be entitled to a lien against Lessee's unit for such interest charges with the same force and effect as if the charges were a part of the common expenses.

14. Mobile Home Park Rules. The Corporation has adopted Mobile Home Park Rules (hereinafter "Rules") of the Corporation and the Directors may alter, amend or repeal such Rules and adopt new Rules. This lease shall be in all respects subject to such Rules which, when a copy thereof has been furnished to the Lessee, shall be taken to be part hereof, and the Lessee hereby covenants to comply with all such Rules and see that they are faithfully observed by family, approved subtenants of Lessee and guests. Breach of a Rule shall be a default under this lease. The Corporation shall not be liable or responsible to the Lessee for the non-observance or violation of Rules by any other Lessee or person.

15. Use of Premises. The Lessee shall not, without the written consent of the Corporation on such conditions as the Corporation may prescribe, occupy or use the unit or permit the same or any part thereof to be occupied or used for any purpose other than: (i) as a private dwelling for the Lessee or members of Lessee's family, but in no event shall more than two (2) persons, each of whom (except as set forth in Lessor's Bylaws at Article II, Section 2.4) must be fifty-five (55) years of age or older, permanently reside in the unit without written consent of the Directors, and (ii) any home occupation use permitted under, and subject to compliance with, the Bylaws of the corporation,

the Rules, applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction. In addition to the foregoing, the unit may be occupied from time to time by qualifying guests of the Lessee as long as such occupancy is not violative of applicable zoning laws, building codes or other rules and regulations of governmental authorities having jurisdiction. Occupancy by guests of the Lessee shall be for a period of time not exceeding one month unless a longer period is approved in writing by the Directors, but no guests may occupy the unit unless one or more of the permitted residents are then in occupancy or unless consented to in writing by the Directors.

16. Subletting - Assignment.

A. Subletting - The Lessee shall not sublet the whole or any part of the unit or renew or extend any previously authorized sublease unless consent thereto shall have been duly authorized by a resolution of the Directors or given in writing by a majority of the Directors. Any consent to subletting may be subject to such conditions as the Directors may impose. There shall be no limitation on the right of the Directors to grant or withhold consent, for any reason or for no reason, to a subletting. No consent to a subletting shall operate to release the Lessee from any obligation hereunder.

B. Assignment - The Lessee shall not assign this lease or transfer the membership certificate appurtenant or any interest therein, and no such assignment or transfer shall take effect as against the Corporation for any purpose, until:

(i) An instrument of assignment in form approved by the Corporation, executed and acknowledged by the Member/Lessee (Assignor), shall be delivered to the Corporation; and

(ii) An agreement executed and acknowledged by the Assignee, who shall meet the membership requirements under this lease, in form approved by the Corporation assuming and agreeing to be bound by all the covenants and conditions of this lease to be performed or complied with by the Lessee on and after the effective date of said assignment shall have been delivered to the Corporation or, at the request of the Corporation, the Assignee shall have surrendered the assigned lease and entered into a new lease in the same form for the remainder of the term, in which case the Lessee's lease shall be deemed cancelled as of the effective date of said assignment; and

(iii) The membership certificate of the Corporation to which this lease is appurtenant shall have been

transferred to the Assignee, with proper transfer taxes paid and stamps affixed, if any; and

(iv) At the option of the Lessor, subject to the provisions of Paragraph 21B, all sums due from the Lessee shall have been paid to the Corporation, together with a sum fixed by the Directors to cover a screening fee of the Corporation and its management in connection with such assignment and transfer of membership certificate, providing same does not exceed fifty dollars (\$50.00); and

(v) Except in the case of an assignment, transfer or bequest of the membership certificates and this lease to the Lessee's spouse or adult siblings or parents and, except as otherwise provided in this lease, consent to such assignment shall have been authorized by resolution of the Directors or given in writing by a majority of the Directors.

C. Right of First Refusal - In the event the Directors disapprove the proposed assignment or subletting, as the case may be, and if a Member still desires to consummate such subletting or assignment, the Member shall, thirty (30) days before such subletting or assignment, give written notice to the secretary of the Corporation of the Member's intention to assign or sublet on a certain date, together with the price and other terms thereof, and the Corporation shall promptly notify the members of the Corporation of the date, price and terms.

Completely apart from and in addition to the Corporation's right to approve or disapprove any proposed sublease or assignment of the sublease, the Corporation is hereby given and granted a first right of refusal to sublet or assign, as the case may be, each proprietary lease and to transfer the membership certificate which is appurtenant thereto. If the Corporation is desirous of exercising its first right of refusal to sublet or assign said proprietary lease and transfer its membership certificate on the same terms and conditions as are contained in a bona fide offer, then the Corporation shall notify the Member holding the proprietary lease of the exercise by the Corporation of its election to take an assignment or sublet as the case may be, such notice to be in writing and sent by certified mail to said Member within fifteen (15) days of receipt by the Corporation of the Member's notice to the secretary of the Corporation of the Member's intention to assign or sublet.

If the Corporation has elected to take an assignment or sublet as aforementioned, then, upon notifying the Member holding such proprietary lease and membership certificate of its election, the Corporation shall execute a sublease or assignment together with the membership certificate appurtenant thereto, and

shall consummate said sublease or assignment on all the terms and conditions as those contained in the offer. In the event the Directors do not exercise their right of first refusal within the fifteen (15) day period, then the Member desiring to sublet or assign may complete the sublease or assignment and transfer of appurtenant membership certificate within a reasonable time thereafter at the price and terms given in his notice, but at no other price or terms without repeating the procedure outlined above.

In the event the Member sublets or assigns without first complying with the terms hereof, the Corporation shall have the right to redeem the assignment or sublease from the purchaser, according to the provisions thereof. The Corporation's rights shall be exercised by reimbursing the purchaser for the monies expended, and immediately after such reimbursement the purchaser or transferee shall convey his right, title and interest in and to the sublease or assignment of lease and membership certificate, as the case may be, to the Corporation. An affidavit of the secretary stating that the Directors approved in all respects on a certain date the sublease or assignment shall be conclusive evidence of such fact, and from the date of approval, as stated in the affidavit, the redemption rights herein afforded the Corporation shall terminate. An affidavit of the secretary of the Corporation stating that the Directors were given proper notice on a certain date of the proposed sublease or assignment and that thereafter all provisions hereof which constitute conditions precedent to the subsequent sublease or assignment of a unit to particularly named persons does not violate the provisions hereof, shall be conclusive evidence of such facts. Such affidavit shall not be evidence of the fact that the subsequent sublease or assignment to such persons was made on the approval, but one hundred twenty (120) days after the date of the notice to the Directors, as stated in the affidavit, the redemption rights herein afforded the Corporation shall be terminated.

D. Death of Lessee - Memberships and leases may be held jointly with right of survivorship; however, in the case of the death of a Member holding sole ownership of a membership certificate, the surviving spouse, if any, and if no surviving spouse, the other member or members of such owner's family residing with the owner at the time of his death, may continue to occupy the unit; and if such surviving spouse or other surviving members of the decedent owner's family shall have succeeded to membership of the unit, by gift, bequest or otherwise, the new owner shall be admitted to membership. In the event the decedent shall have conveyed or bequeathed the membership to some designated person or persons other than a surviving spouse or members of his family, or if some other person is designated by

the decedent's legal representative to receive the membership, or if under the laws of descent and distribution in the State of Florida the unit descends to some person or persons other than a surviving spouse or family member, the Directors, within thirty (30) days from the date the Corporation is given actual notice in writing of the name of the devisee or descendant, may express their refusal or acceptance of the individual or individuals so designated as a member. If the Directors consent, membership may be transferred by proper assignment of the proprietary lease and its appurtenant membership certificate to the person or persons so designated, who shall thereupon become Members of the Corporation subject to the provisions of this proprietary lease and the Bylaws and Articles of Incorporation. If the Directors shall refuse to consent, then the Corporation shall be given an additional thirty (30) days to exercise its first refusal to have the proprietary lease and membership certificate appurtenant thereto transferred to it for its own account upon the same terms and conditions of first refusal as provided for in subsection C above. The purchase price shall be for cash and if the Corporation and the personal representative are unable to agree upon a purchase price within fifteen (15) days from exercise of the Corporation's election to purchase, then the purchase price shall be determined by an appraiser appointed by the Corporation and the personal representative. The expense of appraisal shall be paid equally by the Corporation and the personal representative. In the event the Corporation does not exercise its first refusal right to purchase, then the person or persons named in the notice may take title to the unit by a proper assignment of the decedent's proprietary lease and its appurtenant membership certificate; but such transfer shall be subject in all other respects to the provisions of this proprietary lease and the Bylaws and Articles of Incorporation.

E. Leases, subleases and assignments to Assignees other than individual Assignees (natural persons) are expressly prohibited unless written consent therefor is first obtained from the Directors. Directors' consent therefor may be withheld without limitation or explanation. Such consent shall be withheld whenever it is the opinion of the Directors that the granting of such consent may jeopardize availability of I.R.C. Section 216 tax benefits for Members.

F. If the Sublessee or Assignee of a proprietary lease and membership certificate appurtenant thereto is a corporation, the Directors' approval may be conditioned upon approval of the corporation/occupant of the unit.

17. Lease Subordinate to Mortgages. This lease is and shall be subject and subordinate to the mortgage of record to FIRST NATIONAL BANK OF VENICE, Venice, Florida, recorded in Official

Records Book 2040, Pages 1885, et. seq., of the Public Records of Sarasota County, Florida, encumbering the cooperative property at or prior to execution of this agreement, any and all extensions, modifications, consolidations, renewals, refinances, future advances and replacements thereof and also any subsequent mortgage of the cooperative property. This clause shall be self-operative and no further instrument of subordination shall be required to give such mortgage priority over this lease. In confirmation of such subordination, the Lessee shall at any time, and from time to time, on demand, execute any instruments that may be required by any mortgagee for the purpose of more formally subjecting this lease to the lien of any such mortgage or mortgages, and the duly elected officers, of the Corporation are, and each of them is, hereby irrevocably appointed the attorney-in-fact and agent of the Lessee to execute the same upon such demand, and the Lessee hereby ratifies any such instrument executed by virtue of the power of attorney hereby given. A default in the terms of such Mortgage entitles the holder thereof to foreclose this lease and any assignment thereof.

18. Alterations to the Unit. The Lessee shall not, without first obtaining the written consent of the Corporation, alter in any way the unit which is leased hereunder, or add to the mobile home presently located upon the unit or any of its fixtures and appurtenances. The Lessee shall not change the color of the mobile home located on the premises, or substantially alter its outward appearance without first having obtained the approval thereof from the Directors.

19. Insurance. The Corporation shall procure insurance on the common elements. The Corporation shall also obtain casualty insurance on the cooperative property which shall insure against loss as a result of personal injury occurring thereon. The Lessee shall be responsible for any insurance premium insuring Lessee's mobile home or its contents and the Lessee shall be responsible for maintaining the same.

20. Mechanic's Lien. No Lessee shall have the right to cause the Corporation's interest in the land to become subject to a mechanic's lien under the laws of Florida and, should a mechanic's lien be filed against the unit, then the Lessee shall forthwith cause the lien to be discharged by payment, removal to security, or otherwise; and, if the Lessee shall fail to do so within ten (10) days after notice from the Corporation, then the Corporation may cause the lien to be discharged by payment, without investigation as to the validity thereof or to any offsets or defenses thereto, and shall have the right to collect all amounts paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorney's fees, if any, together with interest thereon from the time or times of

payment at the maximum rate allowed by law, collectively referred to as "charges", which shall, until paid in full, be a lien against Lessee's unit with the same force and effect as if the charges were a part of the common expenses.

21. Pledge and/or Leasehold Mortgage of Membership Certificate and Lease.

A. A pledge and/or leasehold mortgage of this lease and the membership certificate to which it is appurtenant shall not be a violation of this lease; but, except as otherwise provided elsewhere herein, neither the pledgee or mortgagee nor any transferee of the pledged security shall be entitled to have the membership certificates transferred of record on the books of the Corporation, or to vote such membership certificates, or occupy or permit the occupancy by others of the unit, or sell such membership certificates or this lease, without first obtaining the consent of the Corporation in accordance with and after complying with all of the provisions of Paragraph 16. The acceptance by the Corporation of payments by the pledgee or any transferee of the pledged security on account of rent, common expenses, or assessments shall not constitute a waiver of the aforesaid provisions.

B. Secured Party - Notwithstanding the provisions of subsection A of this Paragraph 21 or any other provisions of this lease to the contrary, the following provisions of this paragraph shall govern and be binding:

(i) The Corporation agrees that it shall give to any holder of a security interest in the membership certificate of the Corporation specified in the recitals of this lease or pledgee or mortgagee of this lease who so requests (any such holder being hereinafter referred to as a "secured party") a copy of any notice of default which the Corporation gives to the Lessee pursuant to the terms of this lease, and if Lessee shall fail to cure the default specified in such notice within the time and in the manner provided for in this lease, then the secured party shall have an additional period of time, equal to the time originally given to Lessee, to cure said default for the account of the Lessee or to cause same to be cured, and the Corporation will not act upon said default or cause same to be cured as aforesaid, until such additional period of time shall have elapsed and the default shall not have been cured.

(ii) If this lease is terminated by the Corporation as provided in Paragraph 29 of this lease, or by agreement with Lessee, then: (1) the Corporation shall give notice of such termination to the secured party and (2) upon request of the secured party made within thirty (30) days of the

giving of such notice to the Corporation, the Corporation (i) shall commence and prosecute a summary dispossession proceeding to obtain possession of the unit, all at the expense of the secured party, and (ii) upon securing possession, shall be privileged to pay to secured party the full amount of its lien on the membership certificate or shall reissue the membership certificate to, and shall enter into a new proprietary lease for the unit with, the secured party or any individual designated by the secured party, all without the consent of the Directors to which reference is made in Paragraph 16. The holder of such certificate shall be a member of the Corporation and shall thereafter be liable to the share of rent, common expenses or assessments by the Corporation pertaining to such unit and be obligated to perform all of the Lessee's covenants under this lease.

(iii) As to the priority between the lien of a secured party and the lien for rental or assessment, whether a regular or special assessment, the lien for rent or assessment shall be subordinate and inferior to any institutional secured party regardless of when said rent or assessment was due, but not to any other secured party. The Corporation shall maintain a register of secured parties and said register shall designate whether said secured party is an institutional secured party or a noninstitutional secured party. If the owner of an institutional security agreement-leasehold mortgage or any other purchaser or purchasers of a unit obtains title of the unit (proprietary lease and its appurtenant membership certificate) as a result of the foreclosure of an institutional security agreement-leasehold mortgage, or by voluntary conveyance in lieu of such foreclosure, such acquirer of title, his successors and assigns, shall not be liable for their share of rent, common expenses or assessments by the Corporation pertaining to such unit or chargeable to the former owner of such unit which became due prior to acquisition of title as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid share of rent, common expenses or assessments shall be deemed to be common expenses collectible from all of the members-owners of the units in the Cooperative including such acquirer, his successors and assigns. It is understood that such acquirer shall be liable for his share of rent, common expenses or assessments attributable to his unit from the date of acquisition of said unit (proprietary lease and appurtenant membership certificate for said unit). In the event of a foreclosure or a voluntary conveyance in lieu of foreclosure pertaining to a noninstitutional security agreement-leasehold mortgage, then such acquirer of title, his successors and assigns shall pay to the Corporation on behalf of the Lessee of the proprietary lease, all rents and additional rents, common expense or maintenance charges and other sums owed by the Lessee to the Corporation under this lease for the period ending on the

date of reissuance of the aforementioned membership certificate of the Corporation including, without limitation, all sums owed under this lease.

(iv) If the purchase by the Lessee of the membership certificate allocated to the unit was financed by an institutional security agreement-leasehold mortgage, and a default or an event of default shall have occurred under the terms of the security agreement-leasehold mortgage or either of them entered into between the Lessee and the institutional secured party, notice of said default or event of default shall be given to the Corporation; Corporation shall have the option to pay the secured party the full amount of its lien on the membership certificate or shall reissue the membership certificate and enter into a new proprietary lease as directed by the secured party without further consent of the Directors. The holder of such certificate shall thereafter be liable for the share of rent, common expenses or assessments by the Corporation pertaining to such unit.

(v) If the purchase by the Lessee of the membership certificate allocated to the unit was financed by a noninstitutional security agreement-leasehold mortgage and a default or event of default shall have occurred under the terms of the security agreement-leasehold mortgage or either of them entered between the Lessee and the noninstitutional secured party, notice of said default or event of default shall be given to the Corporation, then the Corporation shall have the option to pay the secured party the full amount of its lien on the membership certificate or shall reissue the membership certificate and enter into a new proprietary lease as directed by the secured party without further consent of the Directors. The holder of such certificate shall thereafter be liable to the share of rent, common expenses or assessments by the Corporation pertaining to such unit.

(vi) Without the prior written consent of any secured party who has requested a copy of any notice of default as hereinbefore provided in subparagraph A of this Paragraph 21: (a) the Corporation and the Lessee will not enter into any agreement modifying or cancelling this lease, (b) no amendment to the form, terms or conditions of this lease, as permitted by Paragraph 45, shall eliminate or modify any rights, privileges or obligations of a secured party as set forth in this Paragraph 21, (c) the Corporation will not terminate or accept a surrender of this lease, except as provided in Paragraph 29 of this lease and in subparagraph B(i) of this Paragraph 21, (d) the Lessee will not assign this lease or sublet the unit, (e) any modification, cancellation, surrender, termination or assignment of this lease or any sublease of the unit not made in accordance with the

provisions hereof shall be void and of no effect, (f) the Corporation will not consent to any further pledge or mortgage of this lease or security interest created in the membership certificate, and (g) any such further pledge or mortgage or security interest shall be void and of no effect.

(vii) A secured party claiming or exercising any of the rights and privileges granted it pursuant to the provisions of this subparagraph B shall be deemed to have agreed to indemnify Corporation for all loss, liability, or expense (including reasonable attorneys' fees) arising out of claims by Lessee, or his successors or assigns, against Corporation or the secured party, or their respective successors or assigns, for acts or omissions to act on the part of either Corporation or secured party, or their respective successors or assigns, pursuant to this subsection B. The Corporation will give the secured party written notice with reasonable promptness of any such claim against Corporation, and the secured party may contest such claim in the name and on behalf of Corporation with counsel selected by the secured party at the secured party's sole expense. Corporation shall execute such papers and do such things as are reasonably necessary to implement the provisions of this subpart (vii).

(viii) Upon Lessee's final payment under the loan given by the secured party or upon prepayment of said loan, secured party will give Corporation notice of such final payment or prepayment.

22. Corporation's Right to Remedy Lessee's Default. If the Lessee shall fail for 30 days after notice to make repairs or perform maintenance to any part of the unit or the interior or exterior of the mobile home(s) situated thereon, its fixtures or equipment, or shall fail to remedy a condition which has become objectionable to the Corporation or, if the Lessee or any person dwelling in the unit shall request the Corporation, its agents or servants to perform any act not hereby required to be performed by the Corporation, the Corporation may make such repairs or arrange for others to do the same or remove such objectionable condition or equipment or perform such act, without liability on the Corporation; provided that, if the condition requires prompt action, notice of less than 30 days may be given or, in case of emergency, no notice need be given. In all such cases the Corporation, its agents, servants and contractors shall, as between the Corporation and Lessee, be conclusively deemed to be acting as agents of the Lessee and all contracts therefor made by the Corporation shall be so construed whether or not made in the name of the Lessee. If Lessee shall fail to perform or comply with any of the covenants or provisions of this lease within the time required by a notice from Corporation (not less than 5 days,

except in the case of an emergency), then Corporation may, but shall not be obligated to, comply therewith, and for such purpose may enter upon the unit of Lessee. The Corporation shall be entitled to charge the Lessee all expenses incurred or for which it has contracted hereunder, which charges shall, until paid in full, be a lien against Lessee's unit with the same force and effect as if the charges were a part of the common expenses.

23. Surrender on Expiration of Term. On the expiration or termination of this lease, the Lessee shall surrender to the Corporation possession of the unit with all additions and improvements. Any personal property not removed by the Lessee on or before such expiration or termination of this lease shall, at the option of the Corporation, be deemed abandoned and shall become property of the Corporation and may be disposed of by the Corporation without liability or accountability to the Lessee. Any personal property not removed by the Lessee at or prior to the termination of this lease may be removed by the Corporation to any place of storage and stored for the account of the Lessee without the Corporation in any way being liable for trespass, conversion or negligence by reason of any acts of the Corporation or of the Corporation's agents, or of any carrier employed in transporting such property to the place of storage, or by reason of the negligence of any person in caring for such property while in storage.

24. Cooperation. The Lessee shall always in good faith endeavor to observe and promote the cooperative purposes for the accomplishment of which the Corporation is incorporated.

25. Waiver. The failure of the Corporation to insist, in any one or more instances, upon a strict performance of any of the provisions of this lease, or to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver or a relinquishment for the future of any such provisions, options or rights, but such provisions, options or rights shall continue and remain in full force and effect. The receipt by the Corporation of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Corporation of any provision hereof shall be deemed to have been made unless in a writing, expressly approved by the Directors.

26. Notices. Any notice by or demand from either party to the other shall be duly given only if in writing and sent by certified or registered mail, return receipt requested: if by the Lessee, addressed to the Corporation at the mobile home park with a copy sent by regular mail to the Corporation's managing agent; if to the Lessee, addressed to the Lessee's unit. Either party may by notice served in accordance herewith designate a different

address for service of such notice or demand. Notices or demands shall be deemed given on the date when mailed, except notices of change of address shall be deemed served when received.

27. Reimbursement of Corporation's Expenses. If the Lessee shall at any time be in default hereunder and the Corporation shall incur any expense (whether paid or not) in performing acts which the Lessee is required to perform or in instituting any action or proceeding based on such default or defending, or asserting a counterclaim in, any action or proceeding brought by the Lessee, the expense thereof to the Corporation, including reasonable attorneys' fees and disbursements (appellate fees and costs, if any) shall be charged to the Lessee by the Corporation, which charges shall, until paid in full, be a lien against Lessee's unit with the same force and effect as if the charges were a part of the common expenses.

28. Corporation's Immunities.

A. The Corporation shall not be liable, except by reason of Corporation's negligence, for any failure or insufficiency of water supply, electric current, gas, telephone or other service to be supplied by the Corporation hereunder or for interference with light, air, view or other interest of the Lessee. No abatement of rent or other compensation or claim of eviction shall be made or allowed because of the making or failure to make or delay in making any repairs or alterations to the common facilities or any fixtures or appurtenances therein or for space taken to comply with any law, ordinance or governmental regulation or for interruption or curtailment of any service agreed to be furnished by the Corporation, due to accidents, alterations or repairs or to difficulty or delay in securing supplies or labor or other cause beyond Corporation's control, unless due to Corporation's negligence.

B. Automobiles and Other Property - The Corporation shall not be responsible for any damage to any automobile or other vehicle left in the care of any employee of the Corporation by the Lessee, and the Lessee hereby agrees to hold the Corporation harmless from any liability arising from any injury to person or property caused by or with such automobile or other vehicle while in the care of such employee. The Corporation shall not be responsible for any property left with or entrusted to any employee of the Corporation, or for the loss of or damage to any property within or without the unit by theft or otherwise.

29. Termination of Lease by Corporation. If upon, or at any time after, the happening of any of the events mentioned in subsections A through G inclusive of this Paragraph 29, the Corporation shall give to the Lessee a notice stating that the

term hereof will expire on a date at least five (5) days thereafter, the term of this lease shall expire on the date so fixed in such notice as fully and completely as if it were the date herein definitely fixed for the expiration of the term, and all right, title and interest of the Lessee hereunder shall thereupon wholly cease and expire, and the Lessee shall thereupon quit and surrender the unit to the Corporation, it being the intention of the parties to create hereby a conditional limitation, and thereupon the Corporation shall have the right to reenter the unit and to remove all persons and personal property therefrom, either by summary dispossession proceedings or by any suitable action or proceeding at law or in equity or by force or otherwise, and to repossess the unit in its former state as if this lease had not been made, and no liability whatsoever shall attach to the Corporation by reason of the exercise of the right of reentry, repossession and removal herein granted and reserved:

A. If the Lessee shall cease to be the owner of the membership certificate to which this lease is appurtenant, or if this lease shall pass or be assigned to anyone who is not then the owner of said membership certificate;

B. If at any time during the term of this lease: (i) the then holder hereof shall be adjudicated a bankrupt under the laws of the United States; or (ii) a receiver of all of the property of such holder of this lease shall be appointed under any provision of the laws of the State of Florida or under any statute of the United States or any statute of any state of the United States and the order appointing such receiver shall not be vacated within thirty (30) days; or (iii) such holder shall make a general assignment for the benefit of creditors; or (iv) the membership certificate owned by such holder to which this lease is appurtenant shall be duly levied upon under the process of any court whatever unless such levy shall be discharged within thirty (30) days; or (v) this lease or the membership certificate to which it is appurtenant shall pass by operation of law or otherwise to anyone other than the Lessee herein named or a person to whom such Lessee has assigned this lease in the manner herein permitted, but this subsection (v) shall not be applicable if this lease shall devolve upon the personal representatives of the Lessee and provided that, within eight (8) months (which period may be extended by the Directors) after the death, said lease and membership certificate shall have been transferred to any Assignee in accordance with Paragraph 16 hereof; or (vi) this lease or the membership certificate to which it is appurtenant shall pass to anyone other than the Lessee herein named by reason of a default by the Lessee under a pledge or security agreement or a leasehold mortgage made by the Lessee;

C. If there be an assignment of this lease, or any subletting hereunder, without full compliance with the requirements of Paragraph 16 hereof or if any person not authorized by Paragraphs 15 or 16 shall be permitted to use or occupy the unit and the Lessee shall fail to cause such unauthorized person to vacate the unit within ten (10) days after written notice from the Corporation;

D. If the Lessee shall be in default for a period of three months in the payment of rent, sums, charges, common expenses or assessments or of any installment thereof and shall fail to cure such default within ten (10) days after written notice from the Corporation;

E. If the Lessee shall be in default in the performance of any covenant or provision hereof, other than the covenant to pay rent, and such default shall continue for thirty (30) days after written notice from the Corporation; provided, however, that, if said default consists of the failure to perform any act, the performance of which requires any substantial period of time, then, if within said period of thirty (30) days such performance is commenced and thereafter diligently prosecuted to conclusion without delay and interruption, the Lessee shall be deemed to have cured said default;

F. If at any time the Corporation shall determine, upon the affirmative vote of seventy-five percent (75%) of its then Board of Directors, at a meeting duly called for that purpose, that, because of objectionable conduct on the part of the Lessee or of a person dwelling or visiting in the unit, repeated after written notice from Corporation, the tenancy of the Lessee is undesirable; it being understood, without limiting the generality of the foregoing, that to repeatedly violate or disregard the Rules attached to the Bylaws or hereafter established in accordance with the provisions of this lease or by the Bylaws or to permit or tolerate a person of dissolute, loose or immoral character to enter or remain in the unit, shall be deemed to be objectionable conduct);

G. If Lessee shall default in the payment or performance of any of Lessee's obligations under any pledge or leasehold mortgage or other security agreement (the "security agreement") given a secured party (who has complied with the provisions of said subsection B of Paragraph 16) and written notice of such default is given to Corporation by the secured party or its counsel;

H. If at any time the Corporation shall determine to terminate all proprietary leases upon: (i) the affirmative vote of two-thirds (2/3) of its then Board of Directors at a meeting

of such Directors duly called for the purpose, and (ii) the affirmative vote of the record holders of at least ninety percent (90%) of its then Membership Certificates at a meeting duly called for that purpose;

I. If the common facilities shall be destroyed or damaged and the Corporation shall decide not to repair or rebuild upon: (i) the affirmative vote of two-thirds (2/3) of its then Board of Directors at a meeting of such Directors duly called for the purpose, and (ii) the affirmative vote of the recordholders of at least seventy-five percent (75%) of its then Membership Certificates at a meeting duly called for the purpose, then all proprietary leases shall be terminated.

30. Corporation's Rights After Lessee's Default.

A. In the event the Corporation resumes possession of the unit, either by summary proceedings, action of ejectment or otherwise, because of default by the Lessee in the payment of any rent, sums, charges, common expenses or assessments due hereunder, or on the expiration of the term pursuant to a notice given as provided in Paragraph 29 hereof upon the happening of any event specified in subsections A to G inclusive of Paragraph 29, Lessee shall continue to remain liable for payment of a sum equal to the sums which would have become due hereunder and shall pay the same in installments at the time such sums would be due hereunder. No suit brought to recover any installments of rent, sums, charges, common expenses or assessments shall prejudice the right of the Corporation to recover any subsequent installment. After resuming possession, the Corporation may, at its option, from time to time: (i) relet the unit for its own account, or (ii) relet the unit as the agent of the Lessee, in the name of the Lessee or in its own name, for a term which may be less than or greater than the period which would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent, in its discretion. Any reletting of the unit shall be deemed for the account of the Lessee, unless within ten (10) days after such reletting the Corporation shall notify the Lessee that the premises have been relet for the Corporation's own account. The fact that the Corporation may have relet the unit as agent for the Lessee shall not prevent the Corporation from thereafter notifying the Lessee that it proposes to relet the unit for its own account. If the Corporation relets the unit as agent for the Lessee, it shall, after reimbursing itself for its expenses in connection therewith, including leasing commissions and a reasonable amount for attorneys' fees and expenses, and repairs in and to the unit, apply the remaining avails of such reletting against the Lessee's continuing obligations hereunder. There shall be a final accounting between the Corporation and the Lessee upon the earliest of the four

following dates: (i) the date of expiration of the term of this lease as stated on Page 1 hereof; (ii) the date as of which a new proprietary lease covering the unit shall have become effective; (iii) the date the Corporation gives written notice to the Lessee that it has relet the unit for its own account; (iv) the date upon which all proprietary leases of the Corporation terminate. From and after the date upon which the Corporation becomes obligated to account to the Lessee, as above provided, the Corporation shall have no further duty to account to the Lessee for any avails of reletting and the Lessee shall have no further liability for sums thereafter accruing hereunder, but such termination of the Lessee's liability shall not affect any liabilities theretofore accrued.

B. If the Lessee shall at any time sublet the unit and shall default in the payment of any sum due hereunder, the Corporation may, at its option, so long as such default shall continue, demand and receive from the subtenant the sums due or becoming due from such subtenant to the Lessee, and apply the amount to pay sums due or to become due from the Lessee to the Corporation. Any payment by a subtenant to the Corporation shall constitute a discharge of the obligation of such subtenant to the Lessee, to the extent of the amount so paid. The acceptance of rent from any subtenant to the Lessee shall not be deemed a consent to or approval of any subletting or assignment by the Lessee or a release or discharge of any of the obligations of the Lessee hereunder.

C. Upon the termination of this lease under the provisions of subsections A to G inclusive of Paragraph 29, the Lessee shall surrender to the Corporation the membership certificate of the Corporation owned by the Lessee to which this lease is appurtenant. Whether or not said certificate is surrendered, the Corporation may reissue a new proprietary lease for the unit and issue a new certificate for the membership certificate of the Corporation owned by the Lessee and allocated to the unit when a purchaser therefor is obtained, provided that the issuance of such membership certificate and such lease to such purchaser is authorized by a resolution of the Directors, or by a writing signed by a majority of the membership certificates of the Corporation accompanying proprietary leases then in force. Upon such issuance the certificate owned or held by the Lessee shall be automatically cancelled and rendered null and void. The Corporation shall apply the proceeds received for the issuance of such membership certificate first, towards the payment of Lessee's indebtedness hereunder (including interest, attorneys' fees (including appellate fees and costs, if any), and other expenses incurred by the Corporation); second, if said termination shall result pursuant to subsection G of Paragraph 29 by reason of a default under the security agreement towards the

payment of Lessee's indebtedness under the security agreement (including costs, expenses and charges payable by Lessee thereunder); and third, if the proceeds are sufficient to pay the same, the Corporation shall pay over any surplus to the Lessee, but, if insufficient, the Lessee shall remain liable for the balance of the indebtedness due hereunder or (if applicable) under said security agreement. Upon issuance of any such new proprietary lease and certificate, the Lessee's liability hereunder shall abate and the Lessee shall only be liable for rent and expenses accrued to that time. The Corporation shall not, however, be obligated to sell such membership certificate and appurtenant lease or otherwise make any attempt to mitigate damages.

31. Waiver of Right of Redemption. The Lessee hereby expressly waives any and all right of redemption in case the Lessee shall be dispossessed by judgment or writ of any court or judge. The words "enter", "reenter" and "reentry" as used in this lease are not restricted to their technical legal meaning.

32. Surrender of Possession. Upon the termination of this lease under the provisions of subsections A to G inclusive of Paragraph 29, the Lessee shall remain liable as provided in Paragraph 29 of this lease. Upon the termination of this lease under any other of its provisions, the Lessee shall be and remain liable to pay all rent, additional rent and other charges due or accrued and to perform all covenants and agreements of the Lessee up to the date of such termination. On or before any such termination the Lessee shall vacate the unit and surrender possession thereof to the Corporation or its assigns and, upon demand of the Corporation or its assigns, shall execute, acknowledge and deliver to the Corporation or its assigns any instrument which may reasonably be required to evidence the surrendering of all estate and interest of the Lessee in the unit.

33. Continuation of Cooperative Management of the Mobile Home Park After All Leases Terminated. No later than thirty (30) days after the termination of all proprietary leases, whether by expiration of their terms or otherwise, a special meeting of the Members of the Corporation shall take place to determine whether: (a) to continue to operate the Mobile Home Park, (b) to alter, demolish or rebuild the common facilities or any part thereof, or (c) to sell the Mobile Home Park and liquidate the assets of the Corporation. The Directors shall carry out the determination made at said meeting of the Members of the Corporation, and all of the holders of membership certificates of the Corporation shall have such rights as inure to shareholders of corporations having title to real estate. Each Member shall own his equity interest in the Corporation equal to his

percentage of ownership of equity interest and percentage of sharing of common expenses as set out in the Bylaws of the Corporation.

34. Unsold Membership Certificates. The term "unsold membership certificates" means and has exclusive reference to the membership certificates of the Corporation which are unsold which shall retain their character as such until such membership certificates become the property of a purchaser for bona fide occupancy (by himself or a member of his family) of the unit to which such membership certificate is allocated.

35. Foreclosure - Receiver of Rents and Maintenance. Notwithstanding anything contained in this lease, if any action shall be instituted to foreclose any mortgage on the Mobile Home Park, the Lessee shall, on demand, pay to the receiver of the rents and maintenance appointed in such action rent and maintenance, if any, owing hereunder on the date of such appointment and shall pay thereafter to such receiver in advance, on the first day of each month during the pendency of such action, the rent and maintenance for the unit as last determined and established by the Directors prior to the commencement of said action, and such sums shall be paid during the period of such receivership, whether or not the Directors shall have determined and established the sums payable hereunder for any part of the period during which such receivership may continue. The provisions of this paragraph are intended for the benefit of present and future mortgagees of the land or the common facilities and may not be modified or annulled without the prior written consent of any such mortgage holder.

36. To Whom Covenants Apply. The references herein to the Corporation shall be deemed to include its successors and assigns, and the references herein to the Lessee or to a Member of the Corporation shall be deemed to include the personal representatives, legatees, distributees and assigns of the Lessee or of such Member; and the covenants herein contained shall apply to, bind and inure to the benefit of the Corporation and its successors and assigns, and the Lessee and the personal representatives, legatees, distributees, successors and assigns of the Lessee, except as hereinabove stated.

37. Corporation's Additional Remedies. In the event of a breach or threatened breach by Lessee of any provision hereof, the Corporation shall have the right of injunction and the right to invoke any remedy at law or in equity, as if reentry, summary proceedings and other remedies were not herein provided for, and the election of one or more remedies shall not preclude the Corporation from any other remedy. All remedies of the Corporation are cumulative to each other and any other remedies given by law.

38. Lessee More Than One Person. If more than one person is named as Lessee hereunder, the Corporation may require the signatures of all such persons in connection with any notice to be given or action to be taken by the Lessee hereunder, including, without limiting the generality of the foregoing, the surrender or assignment of this lease or any request for consent to assignment or subletting. Each person named as Lessee shall be jointly and severally liable for all of the Lessee's obligations hereunder. Any notice by the Corporation to any person named as Lessee shall be sufficient and shall have the same force and effect, as though given to all persons named as Lessee.

39. Effect of Partial Invalidity. If any clause or provision herein contained shall be adjudged invalid, the same shall not affect the validity of any other clause or provision of this lease or constitute any cause of action in favor of either party as against the other.

40. Notice to Corporation of Default. The Lessee may not institute an action or proceeding against the Corporation or defend or make a counterclaim in any action by the Corporation related to the Lessee's failure to pay rent, if such action, defense or counterclaim is based upon the Corporation's failure to comply with its obligations under this lease or any law, ordinance or governmental regulation unless such failure shall have continued for thirty (30) days after Lessee has given written notice thereof to the Corporation.

41. Unity of Membership Certificate and Lease. The membership certificate of the Corporation held by the Lessee and allocated to the unit has been acquired and is owned subject to the following conditions agreed upon with the Corporation and with each of the other proprietary lessees for their mutual benefit:

A. The membership certificate represented by each certificate is transferable only as an entirety and only in connection with a simultaneous transfer of this lease.

B. The membership certificate shall not be sold except to the Corporation or to an Assignee of this lease after compliance with all the provisions of Paragraph 16 of this lease relating to assignments.

42. Unit Boundaries. The boundaries of each unit in the Mobile Home Park leased by the Corporation shall be as follows:

A. Boundaries abutting streets and driveways in the Mobile Home Park shall be the edge of the street or driveway as shown on the plot plan, "Exhibit B".

B. Boundaries between units on the side and to the rear shall be the boundaries currently maintained on the date of recording of this proprietary lease.

C. Boundaries not covered under either A or B of this paragraph shall be the boundaries currently observed on the date of the recording of the proprietary lease.

D. Should any dispute arise over the location of any boundary of a unit, the Directors shall determine such boundary by a majority vote of a quorum of the Directors, which determination shall be final.

43. Payment of Taxes and Other Costs by the Corporation. To the limit of its resources and out of funds provided by Members of the Corporation, the Corporation shall:

A. Pay all taxes and assessments that may be levied against the property of Corporation, except that, if taxes and assessments are assessed and billed to separate units, then the Lessee of the unit shall pay same;

B. Pay the premium on all necessary insurance required to be carried by the Corporation under this lease;

C. Pay all necessary expenses incurred for operation and maintenance of the Corporation property;

D. Pay any required mortgage payments to the mortgagee holding the blanket mortgage on the Corporation's property.

44. Interest Rate in the Event of Default of Lessee. Any payment required under this lease that the Lessee fails to make bears interest at the highest rate allowed by law from the due date until paid.

45. Amendment of this Lease. This proprietary lease may be amended by the approval of a resolution adopting such amendment by not less than seventy-five percent (75%) of the Members of the Corporation. Amendments may be proposed by either the Board of Directors or by not less than fifty percent (50%) of the Members of the Corporation.

Notice of the intention to propose an amendment together with the text of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. Members not present at the meeting considering the amendment may appoint a Member to act as proxy for the purpose of voting at any such meeting.