

This instrument prepared by and return to:
Rebecca F. Emmons, Esq.
Stewart, Evans, Stewart & Emmons, PA
2911 Cardinal Drive
Vero Beach, FL 32963

PROPRIETARY LEASE

LESSOR: SECOND OCEAN CLUB HOUSING ASSOCIATION, INC., a Florida corporation, whose address is 4410 North A-1-A, Vero Beach, FL 32963

LESSEE: Ocean Club 308, LLC, a Florida limited liability company, whose address is: 219 Joy Haven Drive, Sebastian, FL 32958.

TERM OF LEASE BEGINS: November 16, 2015

APARTMENT UNIT DEMISED IN THIS LEASE: Apartment #308

CAPITAL STOCK OF LESSOR CORPORATION PURCHASED BY LESSEE:

Certificate No. 181 for 27 shares.

1. **(Estate of Lessor)** The Lessor is the owner and holder of a leasehold interest in certain real property located in Indian River County, Florida, by reason of a Lease for an initial period of fifty (50) years from OSLO PACKING COMPANY, a Florida corporation, as Lessor, to SECOND SAND-DYE CONSTRUCTION CORPORATION, a Florida corporation, as Lessee, and this Lease is recorded in the Public Records of Indian River County, Florida, in Official Record Book 354, Page 424; said Lease being subsequently assigned to SECOND OCEAN CLUB HOUSING ASSOCIATION, INC., a Florida corporation, as Lessor herein, and the Assignment of Lease is recorded in Official Record Book 354, Page 354, Public Records of Indian River County, Florida. The legal description of the real estate demised in that Lease is:

The South 200 feet of the North 370 feet of that part of Government Lot 3, Section 29, Township 32 South, Range 40 East, lying East of Highway A-1-A, the right-of-way of which is as described in Deed Book 113, page 203, Indian River County, Florida public records.

2. **(Purpose of Lessor)** Lessor is a corporation under the laws of the State of Florida that was organized to be operated as a cooperative corporation, as is fully set forth in its Certificate of Incorporation and By-Laws. The Lessor owns and operates apartments in Vero Beach, Florida, on the real estate described above in paragraph number one, and these apartments are located at: 4410 North Hwy A1A, Vero Beach, FL 32963.

3. **(Special Condition for Lessee)** Ownership by the Lessee of 27 shares of capital stock of Lessor corporation is a necessary condition to the efficacy and issuance of this Proprietary Lease.

4. **(Demise)** Lessor hereby leases to Lessee the apartment unit identified above for a term beginning on the date stated above and ending upon the termination or expiration of the fifty (50) year lease, and any extension of the lease, to the Lessor on the underlying real estate as described in paragraph number one, above. This demise to the Lessee includes all appurtenances belonging to that apartment. The Lessee shall have and hold the demised premises, together with all appurtenances to that apartment, subject to the covenants, duties and obligations, conditions and provisions contained in this "Proprietary Lease", the "Certificate of Incorporation" of the Lessor, the "By-Laws" of the Lessor, the "Membership Application and Purchase Agreement" and "Option Agreement" heretofore executed by the Lessee.

5. **(Lessee's Covenants, Duties and Obligations)** The Lessee covenants and agrees to the following:

(a) The Lessee will promptly pay to the Lessor as "rent" at the Lessor's principal office, or such other place as the Lessor designates in writing, the assessments made by the Lessor in the manner and for the purposes prescribed in the By-Laws of the Lessor and in paragraph number seven of this Proprietary Lease, and to pay the same when such assessments are due and payable.

(b) House rules for the management and control of the apartment community may be established by resolutions of the Board of Directors, and may be changed from time to time as deemed expedient by the Board of Directors, and the Lessee agrees to abide by the house rules that are properly established by the Board of Directors, and the Lessee agrees to obey such rules and require them to be obeyed by such other persons as are under the Lessee's control and direction. All house rules shall affect Lessees equally and without discrimination.

(c) The Lessee shall not use the apartment described above for any purpose other than a private dwelling for the Lessee and his family, and the Lessee shall not allow anything to be done or kept in his apartment which will interfere with other occupants, annoy other occupants, obstruct the common ways in the apartment dwelling community, or violate any applicable regulations of public authorities.

(d) The Lessee shall be solely responsible for furniture, rugs, drapes, and any and all moveable personal property within his apartment and covenants and agrees to keep the interior of the apartment in good condition and repair at all times. The Lessee shall also maintain and keep in repair the plumbing, air conditioning, heating, electrical and gas outlets or fixtures, stoves, refrigerators, and garbage disposal containers within or appertaining to his apartment.

(e) The Lessee agrees to assign neither this Lease nor the capital stock of the Lessor Corporation owned by the Lessee except in the manner provided in the By-Laws of the Lessor, and subject to the terms and conditions stated therein.

(f) The Lessee covenants and agrees not to sublet the apartment described above or allow its occupancy by anyone other than himself or his family except in compliance with the terms of the By-Laws of the Lessor and subject to the other terms and conditions established by the Board of Directors of the Lessor.

(g) Upon the termination of this Lease for any reason, the Lessee covenants and agrees to surrender and deliver possession of said apartment in good condition and repair, ordinary wear and tear

excepted, to the Lessor, including all additional alterations and improvements which cannot be removed without damage to the demised premises.

(h) Lessee acknowledges receipt of the Stock Certificate identified at the beginning of the Proprietary Lease, and Lessee acknowledges that all requirements have been met to qualify him as a stockholder of the corporation. The Lessee hereby pledges to the Lessor that Stock Certificate and all of the shares of stock owned by Lessee in Lessor Corporation as security for the faithful performance by the Lessee of all of Lessee's covenants, agreements, promises, duties and obligations, and this pledge shall be security for the payment of any obligation of the Lessee to the Lessor regardless of the source or cause of the obligation. This pledge shall be accompanied by delivery of possession of said Stock Certificate to Lessor by the Lessee.

(i) The Lessee covenants and agrees to pay all reasonable costs, expenses, attorneys' fees, accounting or bookkeeping costs which shall be incurred and expended by the Lessor in collecting any delinquent assessments under this Lease, whether by the institution of litigation or otherwise.

(j) The Lessee under this Proprietary Lease accepts the apartment described by this lease in its present condition and any change desired by the Lessee and permitted under the agreements between the Lessee herein and the Lessor shall be made at the expense of the Lessee under this lease. The Lessee under this lease shall have no rights to have additional work done on the demised premises except as are specifically agreed to by the Lessor.

6. **(Option of Termination by Lessor)** This Proprietary Lease is expressly conditional on compliance by the Lessee with the terms hereof, and the Lessor shall have the option of terminating this Proprietary Lease upon the occurrence of any of the following events or contingencies:

(a) The Lessee shall fail to pay any assessment when due, and shall remain in default in payment as to such assessment for more than thirty (30) days after such assessment is due and payable where such assessment was duly and properly made by the Lessor as permitted in its By-Laws and paragraph number seven of this Proprietary Lease.

(b) The Lessee shall default in the performance of any other of his covenants, promises, duties or obligations of this Proprietary Lease (including those incorporated from other documents) and shall remain in default for thirty (30) days after written notice of Lessee's default has been mailed to the Lessee, special delivery, postage prepaid, by the Lessor.

(c) The Lessee ceases to be the owner of the number of shares of stock of the Lessor corporation that is stated at the beginning of this Proprietary Lease that were issued to the Lessee in conjunction with the execution and issuance of this Proprietary Lease. This provision is subject to an exception where the cessation of ownership is because of the death of the Lessee, in which case a continuance of the Proprietary Lease is permitted under the terms and conditions stated more fully in the By-Laws.

(d) The Lessee is adjudicated insolvent or bankrupt under any insolvency act, including the bankruptcy laws of the United States of America, or the Lessee makes a general assignment for the benefit of creditors including Lessee's stock or interest in the Lessor, or any of the stock of the Lessee in the Lessor or any other interest of the Lessee in the Lessor is pledged by the Lessee or levied upon by any court.

(e) The conduct of the Lessee is obnoxious or objectionable to the other Lessees at the Lessor's apartment community identified above in paragraph number two, in which event the Lessee may be expelled from membership in the Lessor cooperative corporation as provided for in the By-Laws of the Lessor, and the Lessee by executing this lease acknowledges notice of the provisions for termination of proprietary leases and exclusion from membership in the Lessor cooperative apartment that are stated in the By-Laws of the Lessor, and the Lessee agrees to accept and comply with the expulsion proceedings stated therein.

(f) The Lessor decides to terminate all proprietary leases to apartments in the cooperative housing community identified above under the procedure stated more fully in the By-Laws. If all or a substantial portion of the building or buildings at the cooperative housing community identified above are taken by eminent domain proceedings.

(g) The Lessee assigns this lease or sublets his apartment without full compliance with the requirements of this lease and the By-Laws of the Lessor.

(h) The Lessor's remedy of terminating this Proprietary Lease shall be in addition to all other remedies of the Lessor may have against the Lessee for defaults of the Lessee in the performance of Lessee's covenants, promises, duties and obligations whether contained in this Proprietary Lease or any other document. Exercise of the option of termination of this Proprietary Lease by the Lessor under the authority of this part of the Proprietary Lease shall operate to terminate the "membership" of the Lessee in the cooperative apartment.

7. **(Rent)** The cost to the Lessee of leasing and hiring the apartment identified above shall be the "Rent and Other Assessments" that are to be determined and assessed in the manner and amounts described in Article VII of the corporate By-Laws of the Lessor corporation, and the Lessee acknowledges notice of that Article of the By-Laws, and the Lessee agrees to pay the "Rent and Other Assessments" determined and assessed in compliance with that Article of the By-Laws of the Lessor.

(a) The "Rent and Other Assessments" determined and assessed under Article VII of the corporate By-Laws of the Lessor are not subject to the approval or ratification of the stockholders of the Lessor's corporation.

(b) All "Rent and Other Assessments" determined and assessed under Article VII of the By-Laws of the Lessor shall be payable monthly, in equal payments, over the period of time for which the assessment applies, and each monthly payment shall be made on the first day of each calendar month, in advance. It is understood that normally the payments due for "Rent and Other Assessments" will be due over a yearly period and will be payable in twelve (12) equal installments as aforesaid. However, "Special Assessments" under Section 2 of Article VII may be made payable at times and in amounts different from other sums determined and assessed as "Rent and Other Assessments".

(c) Notice shall be required from the Lessor to the Lessee when there has been a "Special Assessment" pursuant to the authority granted in Section 2 of Article VII of the corporate By-Laws of Lessor, and this notice shall be given at least ten (10) days prior to the due date for such "Special Assessment" as determined and set by the Lessor's Board of Directors. No other notices shall be required of installments due as "Rent and Other Assessments" as determined and set by the Board of Directors.

(d) If any payment due as "Rent and Other Assessments" determined and assessed in compliance with the requirements of this section and Article VII of the corporate By-Laws of the Lessor is not paid within thirty (30) days of the due date, there shall be an additional charge of One Dollar (\$1.00) per day for each day the payment remains unpaid after the thirty (30) day "grace period".

(e) "Rent and Other Assessments" determined and assessed by the duly elected Board of Directors of the Lessor in compliance with this section and Article VII of the corporate By-Laws of the Lessor shall be final and irrevocable by the stockholders of the Lessor corporation.

8. (Lessor's Covenants, Duties and Obligations) The Lessor covenants, promises and agrees with the Lessee to the following matters and things:

(a) If the Lessee pays the "Rent and Other Assessments" due from Lessee on account of this Proprietary Lease and performs all of Lessee's covenants and agreements with the Lessor, the Lessee shall have the right of quiet enjoyment of the apartment demised herein to Lessee.

(b) The Lessor shall be responsible for and keep in good repair all of the common facilities in the above described apartment dwelling community and shall maintain and manage the buildings as a first class apartment building. The Lessor's responsibility shall extend to foundations, walls, paving on the outside of the buildings, structural members, entrance ways, hallways, stairways, windows not located within any apartment dwelling, and the Lessor shall also be responsible for and maintain in good repair all pipes and conduits together with all other plumbing and electrical apparatus intended for the general use of the occupants. The Lessee is responsible for the giving notice to the Lessor of any defect known to the Lessee and requiring maintenance or repair by the Lessor. Nothing herein is to be construed as relieving the Lessee or anyone else of legal responsibility for their negligence.

(c) Other proprietary leases of the Lessor shall be in substantially the same form as this lease, and the terms or conditions of proprietary leases shall not be changed by the Lessor except in the manner provided in the By-Laws of the Lessor.

9. (Termination upon Assignment) This lease shall automatically terminate when a transfer is approved by Lessor in accordance with the provisions for assignment of proprietary leases in the Certificate of Incorporation and corporate By-Laws of Lessor, and in compliance with the requirements of all other agreements between the Lessor and the Lessee, including this Proprietary Lease, and the termination of this lease shall be effective when the new lease is fully executed and delivered.

10. (Benefit) This lease shall inure to the benefit of the respective parties, their heirs, successors and assigns, except as limited in the documents integrating the terms of the contract and agreement between the Lessor and the Lessee.

11. (Amended and Restated Proprietary Lease) This Proprietary Lease amends and completely restates the Proprietary Lease previously issued by the Lessor dated September 15, 1970 and recorded in Official Record Book 935, Page 2776, Public Records of Indian River County, Florida, as assigned, which said Proprietary Lease shall be of no further force or effect.

12. (Notice) Any notice to be served hereunder shall be served by delivery of the original or a true, correct and complete copy to the person to be served, or an officer of a corporate party to this lease, or by mailing a true, correct and complete copy or the original of such notice to the person to be served at the address of such person stated above, unless that address has been changed in writing.

13. **(Copies)** This lease is executed in duplicate with one executed lease for the Lessor and another for the Lessee and both executed leases shall be considered originals for all purposes.

14. **(Singular, plural form of language)** Reference to the parties hereto in the singular form is for convenience and simplicity of language, and if there is more than one person who is becoming a "Lessee" hereunder, then, the word, "Lessee" shall be construed as a plural for clarification of the meaning of this Proprietary Lease.

[Signatures contain on the following page]

IN WITNESS WHEREOF the parties have executed this instrument the 18th day of November, 2015.

SECOND OCEAN CLUB HOUSING ASSOCIATION, INC.

Signed, sealed and delivered in the presence of:

Ronda Booth
Ronda Booth
#1 Printed Signature (as to President)

Ginny M Rhodes
Ginny M Rhodes
#2 Printed Signature (as to President)

BY: Charles Halberstam
Charles Halberstam, President

ATTEST: Barbara Stedronsky
Barbara Stedronsky, Secretary

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this 18th day of November, 2015, by **Charles Halberstam**, President of Second Ocean Club Housing Association, Inc. He is personally known to me or has produced FL Drivers License as identification.



(NOTARY SEAL)

Ginny M Rhodes
Ginny M Rhodes

Printed Signature
Notary Public, State of FL
My Commission Expires:

PROPRIETARY LESSEE

Ocean Club 308, LLC, a Florida limited liability company

By: Janice Paidir
Janice Paidir, Managing Member

Jennifer D. Resnik
Jennifer D. Resnik
#1 Printed Signature (as to Lessee)

Kathryn Dale
Kathryn Dale
#2 Printed Signature (as to Lessee)

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this ^{TBD 16th} ~~12th~~ day of NOV., 2015 by Janice Paider, as Managing Member of Ocean Club 308, LLC, who is personally known to me or has produced FL DL as identification.


Toni Gatlin-Daddis

Printed Signature
Notary Public, State of FL
My Commission Expires:

(NOTARY SEAL)

