

151 Cape
Shores
Circle
Bldg 1

LONG TERM LEASE

THIS LEASE, made and entered into this 15th day of December, 1971, by and between CAPE SHORES DEVELOPMENT CORPORATION, a Florida corporation, hereinafter called the "Lessor," and CAPE SHORES ASSOCIATION, INC., a Florida corporation not for profit, hereinafter called the "Lessee"; which terms "Lessor" and "Lessee" shall be deemed to extend to and include the successors and assigns of the said parties;

WITNESSETH:

WHEREAS, the Lessor is the owner of parcels of land in Brevard County, Florida, described in Exhibits A and B attached hereto and made a part hereof; and said parcels of land are within reasonable proximity of each other; and

WHEREAS, the Lessor intends to submit all of the parcel of land described in Exhibit B to the condominium form of ownership, by filing Declarations of Condominium for separate portions thereof; and

WHEREAS, it is anticipated that approximately twenty (20) separate condominiums will thereby be established by the Lessor upon said land described in Exhibit B; attached hereto;

WHEREAS, it is anticipated that the Lessee will be responsible for the operation of all of said condominiums established by the Lessor and that each condominium will consist of at least one apartment building containing certain specified types of apartments, including but not limited to those to be designed by the Lessor as 2 Bedroom and 1 Bedroom apartments; and

WHEREAS, the Lessor will offer said condominium apartments for sale and the owners thereof (including the Lessor) will be unit owners, as defined by Chapter 711, Florida Statutes 1969 (Condominium Act), and will become members of the Lessee corporation; and

WHEREAS, the Lessor will construct certain recreational facilities upon the parcel of land described in Exhibit A, as hereinafter described; and

WHEREAS, the Lessor and the Lessee desire to provide for the use of said recreational facilities by the owners of such condominium apartments, members of their families and their social guests.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed as follows:

1. DEMISE

The Lessor does hereby lease, let and demise unto the Lessee and the Lessee does hereby lease of and from the Lessor, the parcel of land in Brevard County, Florida described in Exhibits A ~~and B~~ attached hereto and made a part hereof, together with the improvements, furniture, furnishings and equipment located thereon or to be located thereon by the Lessor pursuant to the terms hereof (hereinafter called the "Demised Premises").

EXHIBIT E

2. DURATION OF TERM

The term and duration of this lease will be for a period of time commencing on the date of the recording by the Lessor of a Declaration of Condominium in the public records of Brevard County, Florida, by which any portion of the land described in Exhibit B attached hereto and made a part hereof is submitted to the condominium form of ownership. It will continue for a period of ninety-nine (99) years thereafter, unless sooner terminated in accordance with its terms.

3. RENT

The Lessee will pay rent to the Lessor, on a monthly basis, during the term of this lease. The amount of said rent will be determined in the following manner:

a. The sum of \$18.00 will be multiplied by the number of 2 Bedroom condominium apartments that are located upon any portion of the land described in Exhibit B and that are operated by the Lessee at the time said monthly rent shall be due and payable.

b. The sum of \$12.60 will be multiplied by the number of 1 Bedroom condominium apartments that are located upon any portion of the land described in Exhibit B and that are operated by the Lessee at the time said monthly rent shall be due and payable.

c. In the event apartments of types not designated by the Lessor as 2 Bedroom or 1 Bedroom are located upon any portion of the land described in Exhibit B and they are operated by the Lessee at the time said monthly rent shall be due and payable, a sum equal to \$.0155 multiplied by the number of square feet of living area within its walls (as taken from the building plans), with the product thereof divided by twelve (12), will be determined for each such apartment.

d. The total of the sums calculated each month under the provisions of paragraphs a, b, and c of this Article 3 will constitute the monthly rent due and payable to the Lessor for the period of time commencing on the date that the first rent payment is due, as hereinafter set forth, and continuing for a period of five years thereafter.

e. After the publication and issuance thereof, the Lessor will deliver to the Lessee a true copy of the Consumer Price Index (hereinafter called "The Index"), the United States City Average All Items and Commodity Groups of the Bureau of Labor Statistics of the United States Department of Labor for the month ending on the last day of the five year period described in paragraph d of this Article 3 and for the months ending on the last day of each fifth year subsequent to the expiration of said five year period for the remainder of the term of this lease. If the Index for the month ending on the last day of the five year period described in paragraph d of this Article 3 and for the months ending on the last day of each fifth year subsequent to the expiration of said five year period for the remainder of the term of this lease shows a decrease or an increase in the purchasing power of the sums set forth in paragraphs a, b, and c of this Article 3, to-wit: \$18.00, \$12.60, and a sum equal to \$.0155 multiplied by the number of square feet of living area within its walls, with the product thereof divided by twelve (12), for each apartment not designated as 2 Bedroom or 1 Bedroom, as compared in each case to the Index for the month beginning on the date that the first rent