

This instrument prepared by:
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BAY COUNTY, FLORIDA

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** OFFICIAL RECORDS **
BOOK: 1665 PAGE: 373

The Above Space Provided for Recording Information

Owners Proprietary Lease

For one dollar (\$1.00) and other good and valuable consideration including the mutual covenants, promises and conditions hereinafter set forth, **Fontainebleau Terrace Owners Association, Inc.**, a non-profit Florida corporation, hereinafter sometimes called the "Association", and **C. J. Grant and wife, Jirean M. Grant**, whose post office address is 127 Darren Drive, Trafford, Alabama 35172 hereinafter sometimes called the "Owner", hereby agree as follows:

1. **Property and Term.** The Association hereby leases to the Owner unit number 427, in the cooperative apartment building known as "Fontainebleau Terrace", located at 14401 Front Beach Road, Panama City Beach, Florida 32407, and upon lands located in Bay County, Florida, more particularly described as follows:

Commencing at the SW Corner of Block "G" of Bid-A-Wee Subdivision, according to Plat on file in the public records of Bay County, Florida, and running Northwesterly along the Northerly right-of-way line of U. S. Highway 98, a distance of 40 feet across Nautilus Street for a point of beginning; thence continue Northwesterly along said Northerly right-of-way line 207 feet; thence South 31 degrees 00 minutes West to the water's edge of the Gulf of Mexico; thence Southeasterly along said water's edge to the intersection of said water's edge with the projection of the Westerly line of said Nautilus Street; thence Northeasterly along said projection to the point of beginning. Less and except right-of-way on U. S. Highway 98, being a part of Section 28, Township 3 South, Range 16 West.

Owner hereby acknowledges that Owner is aware of that certain law suit captioned, Steven H. Chitwood, Trustee of the Fontainebleau Terrace Land Trust v. Thomas Richard Spradlin, et al., case number 93-1409, in the Circuit Court, Fourteenth Judicial Circuit, in and for Bay County, Florida, and that this unit is subject to said action which could adversely effect the title thereto and neither the preparer nor the Association makes no promises or representations concerning the outcome of said action or the status of Owner's title at the conclusion thereof.

Together with the undivided share in the assets of the Association appurtenant thereto for a term beginning on the date of this Proprietary Lease and ending on October 31, 2079.

2. **Associations Interest.**

(A) Owner acknowledges that the Association's interest is pursuant to a Ground Lease given by Stewart R. Dudley, Trustee, as the Lessor, to the Association, as Lessee, dated February 16, 1981, and recorded in the public records of Bay County, Florida, hereinafter called the "Ground Lease", a copy of which has been delivered to the Owner herein, who hereby confirms and ratifies the terms, provisions and conditions thereof.

(B) Real and personal property taxes for the year 1996 and subsequent years shall be paid by Owner.

(C) Zoning and/or other restrictions, limitations and prohibitions imposed by any governmental authority (none of which, however, shall serve to prohibit the use of the apartment for permanent or temporary residential purposes or the use of the commercial units for commercial purposes).

(D) Articles of Incorporation and By-Laws of the Association, a copy of which has been delivered to the Owner herein, who hereby confirms and ratifies the terms, provisions and conditions thereof.

3. **Membership in Association.** The owner of this Proprietary Lease shall, by virtue of the ownership, be a member of the Association, as provided in the Articles of Incorporation and By-Laws of the Association, which also provide for the duration of membership, the termination thereof, and the duties, obligations, liabilities and rights incident to membership.

4. **Assessments.** The Owner hereby agrees to pay assessments to the Association for the upkeep and maintenance of the cooperative property, including but not limited to mortgage payments, ground rent, operating costs and other operating items. The amount of the assessment of the Owner shall be computed as set forth in the By-Laws of the Association.

5. **Possession.** The Owner has inspected the subject unit and the property of the Association and accepts the same in its present condition. The Owner, upon the payment of the assessments referred to herein, and upon the performance of the covenants, conditions and agreements recited herein and in the Articles of Incorporation and By-Laws of the Association, shall peacefully and quietly hold and enjoy the unit and shall be entitled to all revenues, profits, income or proceeds derived therefrom, and further, shall be entitled to the joint use and

occupancy, together with all other owners of proprietary leases of the units at the subject property, of those portions of the subject property which are owned by the Association but not included within the units, said portions being hereinafter sometimes called "common areas".

6. Use.

(A) The Owner, so long as he shall comply with the terms and conditions hereof, shall peacefully enjoy the exclusive use of the subject unit, and, the joint use with the other owner of proprietary leases and those holding under them, of the common areas of the Association. The use of the cooperative property of the Association shall be in accordance with the following provisions as long as the cooperative exists and any apartment building in useful condition exists on the land.

(B) Each of the apartments shall be occupied only as a residence either permanent, temporary or transient, and for no other purpose. Each of the commercial units shall be occupied only as an apartment or for commercial purposes. The common areas shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the owner or occupants of the units.

(C) No nuisance shall be allowed upon the cooperative property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the cooperative property by its occupants.

(D) No unlawful use shall be made of the cooperative property nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modifications or repair of the cooperative property shall be the same as the responsibility for the maintenance and repair of the property concerned.

(E) No unit shall be rented, leased, sublet nor the possession thereof transferred except pursuant to the By-Laws of the Association.

(F) The Owner of an apartment and his family, guests and invitees shall abide by and comply with all rules and regulations of the Association, as well as the provisions of the Proprietary Lease, the Article of Incorporation and by-Laws of the Association as they now exist or may hereafter be amended. The Owner will keep the unit in good order and repair at his own cost and expense will make no structural charges or fixture or equipment substitutions or changes or alterations to the exterior of the apartment building without the prior written consent of the Association.

(G) The Owner and his family, employee, guest and business invitees shall abide by and comply with all of the rules and regulations of the Association as same exist on the date of inception of this Proprietary Lease, as well as the provisions of the Proprietary Lease, the Articles of Incorporation and the By-Laws of the Association as they exist on the date of inception of this Proprietary Lease.

7. Maintenance.

(A) The Owner shall be responsible for the maintenance and repair of any and all fixtures, windows, doors, interior electrical wiring and interior plumbing in his unit. The Owner shall promptly pay the expenses of repair, damage or replacements, as determined in the sole discretion of the Board of Directors of the Association, to any property in another Owner's unit or the common areas of the cooperative property, damaged by the action of the Owner, his servants, tenants, visitors, employees or invitees, whether such action be intentional or non-intentional, negligent or non-negligent. If the Owner fails to do so, the Board of Directors may assess the cost against the Owner's unit and this proprietary lease and enforce payment under the provisions of the Association's By-Laws.

(B) The Association shall maintain in a good state of repair all of the common areas which shall include but not necessarily be limited to all plumbing and wiring not within the interior of the units, the sidewalks, parking areas, entrances, exterior walls, roofs, fences and other property intended for the general use of all owners of proprietary leases. In case any repairs shall become necessary to the roof, plumbing, electrical wiring or other parts of installations intended for the general service or use of all owners, the Association, except as hereinafter provided, will execute such repairs with due diligence. The Association shall not be liable for interruption in the supply of services or for other temporary interruptions in the property operations of the apartment building.

(C) The Association shall not be liable for any damages to the interior of the Owner's unit caused by leakage or overflow of water, gas, steam or vapor from any water, drain or gas pipe or electrical conduits, exterior walls or from any other source belonging or appertaining to any other part of the building which is included in a proprietary lease to another owner, unless the repairs are necessitated or the damage caused by the neglect or fault of the Association or its employees, or is caused by a leak in the roof, in which event the Association shall be responsible for replacing any damaged plaster or sheetrock and for normal repainting. The Association shall not be responsible for replacing any painting, murals, wallpaper or special decorations, and the Association shall not be responsible for any damage to personal property of the Owner or of anyone claiming by or through the Owner.

(D) The owner of an apartment shall make no structural changes or substitutions of fixtures or equipment within the interior of the apartment except household appliances without prior written approval of the Association. The Owner shall make no changes or alterations to the exterior of the building without the prior written consent of the Association.

(E) The Owner shall keep the unit free of liens and encumbrances. The Owner has no authority to create an encumbrance or mechanic's lien on the cooperative property superior to the Association's rights or title. If any encumbrance or lien is placed against the unit and is not removed within sixty (60) days, the Association may require the Owner to give satisfactory security for its removal in an amount equal to that of the encumbrance or lien with costs, expenses, interest and attorney's fees, including appellate proceedings. The Owner may contest the validity of the encumbrance or lien, but if he fails to do so or to prosecute the contest diligently or to have the encumbrance or lien released, the Association may release it, with the right in the Association's uncontrolled discretion to compromise it, but with no duty to do so. The Owner shall reimburse the Association on demand for any sums so expended.

(F) The Association shall not be liable for any injury to the Owner's unit, loss of income therefrom, or for damage to the Owner's personal property or that of the Owner's employees, invitees or any other person in or on the unit, or for injury to the Owner or his employees, agents or contractors caused by casualty or accident, whether the loss, damage or injury in any case results from conditions of the cooperative property, and regardless of whether the cause or means of rectifying the condition is inaccessible to the Owner. The Association shall not be liable to the Owner for any claim or demand arising from any act or omission of any other occupant of the cooperative property. The Association and the Owner waive all claims or demands against each other for loss or damages to the property of either located in the cooperative property caused by any hazard covered by any insurance and for which subrogation may be waived under the insurance policies. Further, both parties shall exercise their best efforts to obtain insurance policies on their property with provisions permitting waiver of subrogation before loss.

8. Insurance.

(A) The Association shall use its best efforts to adequately provide fire and extended coverage insurance, windstorm and flood insurance, public liability insurance and such other insurance and such other risks as may from time to time be customarily covered with respect to buildings similar to the co-operative building. The extent or amount of such insurance coverage shall be determined by the Board of Directors of the Association in its sole discretion, subject to the terms, conditions and limitations of the various mortgages, leases and other instruments referred to in paragraph 2 hereof.

(B) The Owner shall be responsible for carrying adequate fire and extended coverage, windstorm, flood, liability, contents and other insurance as the apartment Owner may desire.

9. **Payment of Taxes, Rentals and Other Costs by the Association.** To the limit of its resources and out of funds provided by the owners, the Association shall pay the following expenses:

(A) All taxes and assessments that may be levied against the cooperative property as a whole; provided that, the Owner shall pay all taxes and assessments that may be levied against the unit individually and separate from the other units.

(B) The premiums on any and all necessary insurance required to be carried by the Association under this lease or by virtue of any other agreement or contract entered into by the Association.

(C) All bills that may be incurred for operation and maintenance of the cooperative property, including water and sewage bills, and special assessments of municipal and governmental authorities.

(D) Utility charges for utilities provided to the cooperative property as a whole and billed as one charge; provided that the Owner shall pay utility charges for utilities furnished and billed on an individual unit basis.

10. **Payment of Utilities Charges and Taxes by Owners.** The Owner shall promptly pay when due all charges for utilities furnished and billed to his unit on an individual basis; for all taxes and assessments levied against his unit on an individual basis; and for all ground rentals due and payable on an individual basis.

11. **Operation and Management.** The Association shall provide management for the cooperative property and for all acts reasonably required to maintain a sound operation for the purpose of protecting the investment of the Owners. In furtherance thereof, the Association shall have the right to enter into such management agreement or contracts as the Board of Directors of the Association, in its sole discretion, shall determine to be necessary or convenient in providing for the operation and management of the cooperative property and to pay such manager reasonable compensation therefore, said compensation to be included as a charge for operation and maintenance of the Association.

12. **Inspection of Apartment.** The Owner shall permit the Association or its agent to enter upon the unit at any reasonable time during daylight hours or during an emergency during the hours of darkness for the purpose of inspection the unit or making repairs that the Owner may have neglected or refused to make. In the event the purpose for such entry is to make repairs for which the Owner is responsible under the terms and provisions of this lease, then the cost thereof shall be assessed against the Owner and shall be paid by him promptly.

13. **Liability.** The Association shall not be liable to the Owner or to any of the Owner's servants, patrons, guests, invitees or licensees by reason of the condition of the cooperative property or of any fixture or personal property located thereon. The Owner shall maintain at his own expense the interior of his unit in a safe condition.

14. **Transfer of Proprietary Lease.** Units may be sublet and proprietary leases may be sold, transferred or pledged only pursuant to the By-Laws and other cooperative documents of the project.

15. **Default.**

(1) In the event an assessment or other sum or charge required to be paid pursuant to the terms and conditions of this Lease is not paid within fifteen (15) days from the date notice thereof is mailed, the Association may treat such failure to pay as an intentional, inexcusable and material breach of this Lease, and thereupon the Association shall have all of the rights or remedies provided under Chapter 719, Florida Statutes.

(2) In the event an assessment or other sum or charge required to be paid under the provision hereof has not been paid, and this Lease has been terminated for non-payment thereof as set forth above, the Owner or any person in possession by or through the right of the Owner, shall promptly quit and surrender the unit to the Association in good repair, ordinary wear and tear excepted, and the Association shall have the right to re-enter and repossess the unit without any additional notice being given to vacate the unit.

(3) In the event the Owner or other person in possession by or through the right of the Owner shall fail to vacate the unit upon cancellation of this Lease as set forth above, the Association may bring such action or actions as may be necessary or appropriate under the laws of the State of Florida to effectuate an eviction of such Owner or other person and to retake possession of the unit, and the Owner shall be responsible for the payment of all costs and expenses including reasonable attorney's fees incurred in connection therewith.

(4) In addition to the foregoing provisions, the Association shall have the further right to assess against any Owner who has failed to pay any assessment, charge or sum due under the provisions hereof within fifteen (15) days of the date of first notice thereof, the sum of \$5.00 per day for each day the payment is delinquent beyond the said initial fifteen (15) day period.

(5) In addition to all of the other remedies set forth above, the Association shall have a lien against this proprietary lease to the extent of any sums due the Association that are not paid when due, which lien shall be superior to the rights of the Owner or any person in possession under the Owner and if said sums are not paid within fifteen (15) days after they are due and payable to the Association, the Association may, at its option, proceed to enforce the lien in a court of competent jurisdiction in the same manner as mortgage liens are foreclosed in the State of Florida, and the Association shall be entitled to receive, in addition to sums due under the provisions hereof, all of its costs, expenses and reasonable attorney's fees incurred in connection with such foreclosure. The Association shall be entitled to bid at any sale held pursuant to the foreclosure proceedings and to apply such bid against all sums due under the terms and provisions hereof.

16. **Destruction of Building.** In case the cooperative building in which the unit is located shall be partially or completely destroyed by casualty, the determination of whether the building shall be repaired, restored or rebuilt shall be made in accordance with the provisions of the By-Laws of the Association. The Owner agrees that during any period of reconstruction and repair, he shall continue to pay such assessments as may be required by the Association in order to insure that all rentals on the Ground Lease, Mortgages and other necessary operating and maintenance charges may be paid when due.

17. **Attorney's Fees.** The Owner shall pay all reasonable costs, expenses and attorney's fees that may be incurred by the Association as a result of default or breach by the Owner and the obligation of his Lease, whether same are incurred by institutional litigation including appeals or in the obtaining of advice of counsel, or otherwise.

18. **Number and Gender.** The term "Owner" when used in this instrument shall refer to the plural as well as the singular and to the masculine and the feminine as the context may require.

19. **Severability.** If any part of this Lease is adjudged invalid, the validity of the other parts hereof shall not be affected. Any rights and remedies given the Association and the Owner by this Lease shall be in addition to those provided by law. The Association and the Owner may enjoin any breach or threatened breach of this Lease. All remedies in this Lease shall be cumulative.

20. **Successors and Assigns.** This Lease shall be binding upon and shall inure to the benefit of the parties, their successors, assigns, heirs and beneficiaries.

In witness whereof, the Association has caused this Lease to be signed in its name by its President and its corporate seal affixed and attested by its Secretary, and the Owner has affixed his hand and seal this 30 day of ~~August~~^{Sept}, 1996.

Signed, sealed and delivered in the presence of:

Lindsey M. Berling

First Witness

Lindsey M. Berling

(Print Name)

Katrice A. Middlebrook

Second Witness

Katrice A. Middlebrook

(Print Name)

Fontainebleau Terrace Owners
Association, Inc.,

By:

[Signature]

Its President

Brian D Hess
First Witness
BRIAN D. HESS
(Print Name)
Patricia A. Middlebrooks
Second Witness
Patricia A. Middlebrooks
(Print Name)

C. J. Grant
C. J. Grant

Brian D. Hess
First Witness
BRIAN D. HESS
(Print Name)
Patricia A. Middlebrooks
Second Witness
Patricia A. Middlebrooks
(Print Name)

Jirean M. Grant
Jirean M. Grant

State of Florida
County of Bay

I hereby certify that on this 14 of Oct. of September 1996 before me, an officer duly qualified to take acknowledgments, personally appeared Alvin Shepher as president of Fontainebleau Terrace Owners Association, Inc., who was to me personally known; or who produced _____ as identification who executed the foregoing instrument and acknowledged the execution thereof to be the act and deed of the corporation, in such capacities as stated herein, for the uses and purposes therein mentioned.



PATRICIA A. MIDDLEBROOKS
MY COMMISSION # CC312006 EXPIRES
August 30, 1997
BONDED THRU TROY FAIN INSURANCE, INC.

(Affix Notary Seal)

Patricia A. Middlebrooks
Notary Public
My commission expires: _____
Commission #: _____

State of Florida
County of Bay

I hereby certify that on this 30 day of September, 1996 before me, an officer duly qualified to take acknowledgments, personally appeared C. J. Grant and wife, Jirean M. Grant who is to me personally known; or who produced Alvin Shepher as identification who executed the foregoing instrument and acknowledged the execution thereof to be his act and deed in such capacities as stated herein, for the uses and purposes therein mentioned.

(Affix Notary Seal)

Patricia A. Middlebrooks
Notary Public
My commission expires: _____
Commission #: _____



PATRICIA A. MIDDLEBROOKS
MY COMMISSION # CC312006 EXPIRES
August 30, 1997
BONDED THRU TROY FAIN INSURANCE, INC.

RCD Oct 15 1996 01:25pm
HAROLD BAZZEL, CLERK