

GULF HARBORS SEA FOREST TRANSFER AGREEMENT

This TRANSFER AGREEMENT made the 4th day of October, 1984, is between LINDRICK CORPORATION, a Florida corporation, as Developer, and GULF HARBORS SEA FOREST ASSOCIATION, INC., a Florida not-for-profit corporation, as Association.

BACKGROUND

WHEREAS:

- (a) Developer is the developer of the Gulf Harbors Sea Forest subdivisions, a residential real estate development situate in Pasco County, Florida, hereinafter designated the Development and governed and controlled by a Declaration of Covenants and Restrictions filed for record on February 8, 1982, in Official Record Book 1234, Page 625, public records of Pasco County, Florida;
- (b) Said Declaration provides for and permits the expansion of the Development by the addition of other real property owned by Developer which is contiguous or adjacent to or in the immediate vicinity of the Development, and provides for the sale of lots to persons who will by virtue of their purchase of said lots become members of the Association; and the Developer states that it may add parcels from elsewhere within unrecorded Gulf Harbors Sections 40 and 50 to the Development;
- (c) The Association has been established for the purpose of providing ownership, maintenance, and operation of the Common Areas as defined in said Declaration and as delineated on plats heretofore or hereafter recorded by Developer, including the Recreation Center and other amenities;
- (d) The Declaration requires the transfer of each Common Area from Developer to the Association following completion of any improvements thereon, but not later than the fifth anniversary of the date of the recordation of the plat containing said Common Area;
- (e) The Declaration provides for the development and sale of lots and parcels on an incremental basis;
- (f) The members of the Association will agree at the time of the purchase of lots within the Development that the Association will accept the ownership, maintenance, and operation of the Common Areas and other amenities when transferred from Developer to the Association; and
- (g) The parties hereto are willing to be bound by the terms and provisions of this instrument in implementing the transfer of said Common Areas and other amenities;

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN THE PARTIES AGREE AS FOLLOWS:

1. Developer agrees to construct or cause to be constructed, at its sole expense, a Recreation Center consisting of a clubhouse, swimming pool, tennis courts, docks and boat ramp, and parking area within a Common Area so designated within the Development, and agrees to construct or cause to be constructed overhead street lighting throughout the Development, some on dedicated rights-of-way, and some on private properties subject to easements. Developer shall retain ownership of the above Common Areas and any other Common Area until such time as any improvements thereon if any, have been completed (as hereinafter defined) and until such time as in the judgment of Developer the Association is able to maintain the same; provided however that Developer shall transfer ownership of each Common Area to the Association not later than the fifth anniversary of the date of the recordation of the plat upon which said Common Area is located. Each conveyance shall be free of all liens and encumbrances except non-delinquent property taxes, restrictions, reservations, and easements of record. Developer shall be liable for the cost of effecting each transfer. An improvement in a Common Area shall be deemed complete when so certified by the project architect. Additional Common Areas may be added by subsequent plats and the provision of this agreement shall apply to those common areas as well.

2. Following completion, the Association agrees to accept title to each Common Area when transferred by Developer to the Association and thereafter to own, maintain, and operate same at its sole expense and in compliance with the terms and provisions of the Declaration and of this Agreement. The obligations of the Association shall include but not be limited to providing ordinary and extraordinary repair and maintenance, capital improvements and replacements as needed, security, payment of property taxes and special assessments, if any, payment of utility charges incident thereto, maintaining property and public liability insurance, and all other costs and expenses related to the ownership, operation, and maintenance thereof. Further, the Association agrees to accept the obligation of maintenance and operation of the overhead street lighting as the same is completed on an incremental basis.

3. Developer has heretofore transferred the ownership, maintenance, and operation of the Gulf Harbors Beach located on the Gulf of Mexico, south of the North Channel, to the Gulf Harbors Beach Club, Inc., a Florida not-for-profit corporation. By the provisions of the Declaration and an Agreement between the Association and said Beach Club, each member of the Association is also a member of

the Beach Club and is obligated to pay a prorata share of the cost of maintenance and operation of said beach and the Association is obligated to collect assessments from its members for the proportionate cost of said maintenance and operation. The Association agrees to carry out said obligation as provided for in the Declaration and said agreement with the Beach Club.

4. Developer has or will cause to be constructed, certain roadways, drainage, and landscaping throughout the Development. These roadways, drainage, and landscaped areas have been or will be dedicated to the public. To the extent that the County of Pasco or other governmental agencies fail to maintain said amenities, the Association agrees to do so and to prorate the cost among its membership.

5. Developer has or will cause to be constructed, certain canals, waterways, and navigation aids within the Development. (Title thereto may be transferred to one or more governmental entities or the Association.) The Association agrees that to the extent that governmental entities fail to maintain said amenities the Association agrees to do so and to cause the cost thereof to be prorated among its members.

6. The Association agrees that its obligation for maintenance as to each Common Area shall commence following the completion of construction of any improvements thereon and notice from Developer to the Association directing the Association to assume said maintenance responsibility. Said obligation may commence before or after the transfer of ownership of said Common Area from Developer to the Association. Said obligation shall abate in the amount of \$4.00 per month per member so long as the Developer is using any portion of the clubhouse for the promotion of sales and development programs as reserved in the Declaration and other documentation. The parties acknowledge that following the completion of the clubhouse and other adjacent amenities and including the obligation for a prorata cost of the maintenance of the Beach Club, the assessment per lot shall be not less than \$240 per year. The Association agrees to levy said assessment commencing concurrently with the commencement of its obligation for the maintenance of the recreation amenities provided for heretofore in this Agreement.

7. Developer in recognition of the Association's inability to financially perform its obligations hereunder until a future date, agrees to subsidize the Association by paying to it the difference between the actual cost of owning, operating, and maintaining the amenities covered by this Agreement and the income derived by the Association through assessments paid by its members; but in no event shall the Developer be liable to do so beyond September 30, 1986. The amount of the subsidies shall be

designated on the Association's financial statements prepared on an accrual accounting basis in accordance with generally accepted accounting principles.

To the extent that membership dues exceed operating expenses on a cumulative basis (from the date of this Agreement through and including September 30, 1986), resulting in a surplus, such surplus shall be paid to Developer as a reduction of any advances made during the term of this Agreement. To the extent that membership dues are less than operating expenses on a cumulative basis (from the date of this Agreement through and including September 30, 1986), resulting in a deficit, any advances made during the term of this agreement by Developer shall be deemed a subsidy with no obligation on the part of the Association to repay.

8. The Association agrees to indemnify, defend, and save harmless the Developer from any loss, damage, or expense incurred by Developer on account of or rising out of the Association's failure to perform any of its obligations hereunder, including a reasonable indemnification.

9. This Agreement shall be binding upon the successors and assigns of the parties hereto. No amendment of the terms and provisions of this Agreement shall be binding unless provided for in a written instrument executed by both parties. This Agreement shall be executed in duplicate, each of which shall be considered an original agreement.

EXECUTED in Pasco County, Florida, the date and year first above written.

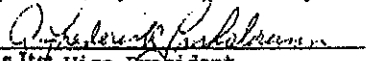
LINDRICK CORPORATION,
a Florida corporation,

By: 
As Its: Vice President

(Affix Corporate Seal here)

DEVELOPER

GULF HARBORS SEA FOREST ASSOCIATION
INC., a not-for-profit Florida corporation,

By: 
As Its: Vice President

(affix Corporate Seal here)

ASSOCIATION

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**FIRST AMENDMENT TO GULF LANDINGS ASSOCIATION
TRANSFER AGREEMENT**

This FIRST AMENDMENT, made effective the 30th day of September, 1986 to the GULF LANDINGS ASSOCIATION TRANSFER AGREEMENT, formerly known as Gulf Harbors Sea Forest Association, dated October 4, 1984, extends the terms of said Agreement, from September 30, 1986 until December 31, 1988, or until such time as LINDRICK CORPORATION relinquishes control over the GULF LANDINGS ASSOCIATION, INC., whichever occurs earlier. The parties confirm and ratify all other terms and provisions of said Agreement, not in conflict with the terms and provisions of this FIRST AMENDMENT.

LINDRICK CORPORATION,
a Florida corporation

By: 

R. E. Gentry, as its
Vice President

(Affix Corporate Seal Here)

GULF LANDINGS ASSOCIATION, INC.,
a Florida not-for-profit corporation

By: 

A. Frederick Tschabrunn, as its
Vice President

(Affix Corporate Seal Here)