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LAN 06-14

Prepared by/Return to:
Kathleen A. Massey, Sr. Closing Specialist
South Florida Water Management District
3301 Gun Club Road, P. O. Box 24680
West Palm Beach, FL 33416-4680

Project: PalMar
Tract Nos: 23-116-018, 116-019, 116-022 and 116-023
Folio Nos.: 14-40-41-000-000-00010-9; 15-40-41-000-000-00010-6; 17-40-41-000-000-00010-2; 16-40-41-000-000-00010-4; 16-40-41-000-000-00021-0; 17-40-41-000-000-000120-0 and 17-40-41-000-000-00013-0

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QUITCLAIM DEED

THIS INDENTURE made this 10th day of August, 2006, between SOUTH FLORIDA WATER MANAGEMENT DISTRICT, a public corporation of the State of Florida, with its principal office at 3301 Gun Club Road, West Palm Beach, Florida 33406, and whose mailing address is Post Office Box 24680, West Palm Beach, Florida 33426-4680, Palm Beach County, hereinafter referred to as Grantor, and MARTIN COUNTY, a Political Subdivision of the State of Florida, whose mailing address is 2401 SW Monterey Road, Stuart, Florida 34996-3397, hereinafter referred to as Grantee.

W I T N E S S E T H:

That said Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, by these presents does remise, release and quitclaim unto the said Grantee, its successors and assigns forever an undivided 50% fee simple interest in the following described land, situate, lying and being in Martin County, State of Florida, to wit:

See Exhibit "A" attached hereto and made a part hereof

This instrument conveys an undivided 50% interest in said land that was acquired by Grantor in those certain Warranty Deeds recorded in Official Records Book 1951, page 2172 and Official Records Book 2131, page 2090, Martin County public records.

By acceptance of this Quitclaim Deed, the Grantee hereby agrees that the use of the Property described in Exhibit "B" shall be subject to the covenants and restrictions as set forth in the Declaration of Restrictive Covenants attached hereto as Exhibit "B" and recorded in the Public Records of Martin County, Florida. These covenants and restrictions shall run with the Property described in Exhibit "B". If any term or condition of the Declaration of Restrictive Covenants is violated by the Grantee or by some third party with the knowledge of the Grantee and the Grantee does not correct the violation pursuant to the Declaration of Restrictive Covenants, fee simple title to all Grantee's interest in the Project Site as described in Exhibit "B" shall be conveyed to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida in accordance with Chapter 380, Part III, Florida Statutes.

Accepted pursuant to
Resolution No. 06-5.16

TO HAVE AND TO HOLD the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest and claim whatsoever of the said Grantor, either in law or in equity, to the only use, benefit and behoof of the said Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, the SOUTH FLORIDA WATER MANAGEMENT DISTRICT has caused these presents to be executed in its name and its official seal affixed hereto by its Governing Board, acting by the Chairman of said Board and attested by its District Clerk/Secretary, at West Palm Beach, Palm Beach County, State of Florida.

GRANTOR:

SOUTH FLORIDA WATER MANAGEMENT DISTRICT, BY ITS GOVERNING BOARD

(Corporate Seal)

BY: _____, Chairman

ATTEST:

_____, _____ Secretary

Form Approved By:

_____
South Florida Water Management District Counsel

Date: 8/09/2006

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 9 day of August, 2006, by _____, Chairman of the Governing Board and _____, District Clerk/Secretary of the South Florida Water Management District, a public corporation of the State of Florida, on behalf of the corporation, who are personally known to me.

_____
Notary Public

_____
Print

My Commission Expires: 6/25/2010

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File No.: 0614809C

Exhibit "A"

(I) PAL MAR EAST PROPERTY:

(1) Phase I

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Lands lying and being in Township 40 South, Range 41 East, Martin County, Florida and more particularly described as follows:

All of Section 14, Less and Except the North 100 feet of the East 89 feet, the North 86 feet and the South 129 feet of said Section 14 and Less and Except the lands described below:

All of Section 15, Less and Except the North 86 feet and the South 129 feet of Section 15.

LESS AND EXCEPTING, however, the following lands:

Lands lying and being in Sections 13 and 14, Township 40 South, Range 41 East, Martin County, Florida, being more fully described as follows:

Commence at the Southwest corner of Section 13, Township 40 South, Range 41 East, thence North 00°07'24" West along the West line of Section 13, a distance of 129.00 feet to a point on a line 129.00 feet North of and parallel to the South line of Section 14 and the Point of Beginning; thence South 89°36'45" West, parallel to the South line of Section 14, a distance of 961.62 feet; thence North 00°07'24" West, parallel to the East line of Section 14, a distance of 5049.51 feet to a point on a line 86.00 feet South of and parallel to the North line of Section 14; thence South 89°53'46" East, parallel to the North line of Section 14, a distance of 872.62 feet to a point on a line 89.00 feet West of the East line of Section 14; thence South 00°07'24" East, parallel to the East line of Section 14, a distance of 14.00 feet to a point on a line 100.00 feet South of and parallel to the North line of Section 14; thence South 89°53'46" East, parallel to the North line of Section 14, a distance of 89.00 feet to the East line of Section 14; thence North 89°12'26" East, parallel to the North line of Section 13, a distance of 1004.43 feet to a point on a line 100.00 feet West of and parallel to the West right-of-way line of the Sunshine State Parkway (Florida's Turnpike) (a 300.00 foot wide right-of-way) as shown on Florida State Turnpike Authority right-of-way map Station 4000+00 to 4120+00, dated June 15, 1955; thence South 45°56'47" East, parallel to and 100.00 feet West of said right-of-way line, a distance of 1845.23 feet to an intersection with the East line of the West 2327.75 feet of Section 13; thence South 00°07'24" East, parallel to the West line of Section 13, a distance of 3750.52 feet to a point on a line 129.00 feet North of and parallel to the South line of Section 13; thence South 89°48'48" West, along a line parallel to and 129.00 feet North of the South line of Section 13, a distance of 2327.75 feet to the Point of Beginning.

(2) Phase II

Lands lying and being in Township 40 South, Range 41 East, Martin County, Florida and more particularly described as follows:

The East 1/2 of Section 17, Less and Except the South 129 feet thereof.

All of Section 16, Less and Except, the East 486 feet of the North 486 feet thereof and Less and Except the South 129 feet thereof.

The East 486 feet of the North 486 feet of Section 16, Less and Except the East 86 feet of the North 86 feet of Section 16.

That part of the West 1/2 of Section 17, lying East of the right-of-way for State Road No. 711, Less and Except the South 129 feet and the West 114 feet of that part of Section 17, lying South of State Road No. 711, and

Less and Except the following:

Commence at the Northwest corner of said Section 17; thence South 89°41'03" East, along the North line of said Section 17, a distance of 492.30 feet to the Point of Beginning, said point being on the Southeast right-of-way line of Seminole Pratt-Whitney Road; thence continue South 89°41'03" East, along said North line of Section 17, a distance of 1568.74 feet to a point on a line 1350.00 feet Southeasterly of and parallel with said Southeast right-of-way line of Seminole Pratt-Whitney Road; thence South 30°56'10" West, along said line parallel with Seminole Pratt-Whitney Road, a distance of 987.73 feet to a point on a line 850.00 feet South of and parallel with said North line of Section 17; thence North 89°41'03" West, along said line parallel with the North line of Section 17, a distance of 1439.47 feet to a point on a line 114.00 feet East of and parallel with the West line of said Section 17; thence North 00°00'51" East, along said line parallel with the West line of Section 17, a distance of 216.48 to a point on the Southeast right-of-way line of Seminole Pratt-Whitney Road; thence North 30°56'10" East, along said Southeast right-of-way line, a distance of 736.17 feet to the Point of Beginning.

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Exhibit "B"

This document prepared by:
Kristen L. Coons, Esq.
Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399

Record and Return to:

FLORIDA COMMUNITIES TRUST
AWARD #03-092-FF3 & 04-046-FF4
FCT Contract #05-CT-C9-03-F3-J1-092
FCT Contract #05-CT-31-04-F4-J1-046
PAL-MAR EAST PHASE I & II

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GRANT AWARD AGREEMENT
(a/k/a DECLARATION OF RESTRICTIVE COVENANTS)

THIS AGREEMENT is entered into by and between the FLORIDA COMMUNITIES TRUST ("FCT"), a nonregulatory agency within the State of Florida Department of Community Affairs, and MARTIN COUNTY, a local government of the State of Florida ("Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

WHEREAS, the intent of this Agreement is to impose terms and conditions on the use of the proceeds of certain bonds, hereinafter described, and the lands acquired with such proceeds, as described in Exhibit "A" attached hereto and made a part hereof ("Project Site"), that are necessary to ensure compliance with applicable Florida law and federal income tax law and to otherwise implement the provisions of Sections 259.105, 259.1051 and Chapter 380, Part III, Florida Statutes;

WHEREAS, Chapter 380, Part III, Fla. Stat., the Florida Communities Trust Act, creates a non-regulatory agency within the Department of Community Affairs ("Department") that will assist local governments in bringing into compliance and implementing the conservation, recreation and open space, and coastal elements of their comprehensive plans or in conserving natural resources and resolving land use conflicts by providing financial assistance to local governments and nonprofit environmental organizations to carry out projects and activities authorized by the Florida Communities Trust Act;

WHEREAS, FCT is funded through either Section 259.105(3)(c), Fla. Stat. of the Florida Forever Act, which provides for the distribution of twenty-two percent (22%), less certain reductions, of the net Florida Forever Revenue Bond proceeds to the Department, or any other revenue source designated by the Florida Legislature, to provide land acquisition grants to local governments and nonprofit environmental organizations for the acquisition of community-based projects, urban open spaces, parks and greenways to implement local comprehensive plans;

WHEREAS, the Florida Forever Revenue Bonds are issued as tax-exempt bonds, meaning the interest on the Bonds is excluded from the gross income of bondholders for federal income tax purposes;

WHEREAS, Rule 9K-7.009(1), Florida Administrative Code ("F.A.C."), authorizes FCT to impose conditions for funding on those FCT applicants whose projects have been selected for funding;

WHEREAS, FCT has approved the terms under which the Project Site was acquired and the deed whereby the Recipient acquired title to the Project Site. The deed shall contain such covenants and restrictions as are sufficient to ensure that the use of the Project Site at all times complies with Section 375.051, Florida Statutes and Section 9, Article XII of the State Constitution and it shall contain clauses providing for the conveyance of title to the Project Site to the Board of Trustees of the Internal Improvement Trust Fund ("Trustees") upon the failure of the Recipient to use the Project Site acquired thereby for such purposes; and

WHEREAS, the purpose of this Agreement is to set forth the covenants and restrictions that are imposed on the Project Site subsequent to disbursing FCT Florida Forever funds to the Recipient for Project Costs.

NOW THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FCT and the Recipient do hereby contract and agree as follows:

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I. PERIOD OF AGREEMENT

1. This Agreement shall begin upon execution by both parties. The covenants and restrictions contained herein shall run with the Project Site and shall bind, and the benefit shall inure to, FCT and the Recipient and their respective successors and assigns.

II. MODIFICATION OF AGREEMENT

1. Either party may request modification of the provisions of this Agreement at any time. Changes which are mutually agreed upon shall be valid only when reduced to writing and duly signed by each of the parties hereto. Such amendments shall be incorporated into this Agreement.

III. RECORDING AND APPROVAL OF DECLARATION OF RESTRICTIVE COVENANTS

1. Upon execution by the parties hereto, the Recipient shall cause this Agreement to be recorded and filed in the official public records of **Martin County, Florida**, and in such manner and

in such other places as FCT may reasonably request. The Recipient shall pay all fees and charges incurred in connection therewith.

2. The Recipient and FCT agree that the State of Florida Department of Environmental Protection shall forward this Agreement to the Department of Environmental Protection Bond Counsel for review. In the event Bond Counsel opines that an amendment is required to this Agreement so that the tax-exempt status of the Florida Forever Bonds is not jeopardized, FCT and the Recipient shall amend the Agreement accordingly.

IV. NOTICE AND CONTACT

1. All notices provided under or pursuant to this Agreement shall be in writing and delivered either by hand delivery or first class, certified mail, return receipt requested, to the addresses specified below. Any such notice shall be deemed received on the date of delivery if by personal delivery or upon actual receipt if sent by registered mail.

FCT: Florida Communities Trust
Department of Community Affairs
2555 Shumard Oak Blvd.
Tallahassee, FL 32399-2100
ATTN: Program Manager

Recipient: Martin County
2401 S.E. Monterey Road
Stuart, Florida 34996
ATTN: Real Property Manager

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2. In the event that a different representative or address is designated for paragraph 1. above after execution of this Agreement, notice of the change shall be rendered to FCT as provided in paragraph 1. above.

V. PROJECT SITE TITLE REQUIREMENTS IMPOSED BY CHAPTER 259, CHAPTER 375 AND CHAPTER 380, PART III, FLA. STAT.

1. Any transfer of the Project Site shall be subject to the approval of FCT and FCT shall enter into a new agreement with the transferee containing such covenants, clauses or other restrictions as are sufficient to protect the interest of the State of Florida.

2. The interest acquired by the Recipient in the Project Site shall not serve as security for any debt of the Recipient.

3. If the existence of the Recipient terminates for any reason, title to the Project Site shall be conveyed to the Trustees unless FCT negotiates an agreement with another local government, nonprofit environmental organization, the Florida Division of Forestry, the Florida Fish and Wildlife Conservation Commission, the Department of Environmental Protection or a Water Management District who agrees to accept title and manage the Project Site.

4. In the event that the Project Site is damaged or destroyed or title to the Project Site, or any part thereof, is taken by any governmental body through the exercise or the threat of the exercise of the power of eminent domain, the Recipient shall deposit with FCT any insurance proceeds or any condemnation award and shall promptly commence to rebuild, replace, repair or restore the Project Site in such manner as is consistent with the Agreement. FCT shall make any such insurance proceeds or condemnation award moneys available to provide funds for such restoration work. In the event that the Recipient fails to commence or to complete the rebuilding, repair, replacement or restoration of the Project Site after notice from FCT, FCT shall have the right, in addition to any other remedies at law or in equity, to repair, restore, rebuild or replace the Project Site so as to prevent the occurrence of a default hereunder.

Notwithstanding any of the foregoing, FCT shall have the right to seek specific performance of any of the covenants and restrictions of this Agreement concerning the construction and operation of the Project Site.

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VI. MANAGEMENT OF PROJECT SITE

1. The Project Site shall be managed only for the conservation, protection and enhancement of natural and historical resources and for compatible passive, natural resource-based public outdoor recreation, along with other related uses necessary for the accomplishment of this purpose. The proposed uses for the Project Site are specifically designated in the Management Plan approved by FCT.

2. The Recipient shall ensure that the future land use designation assigned to the Project Site is for a category dedicated to open space, conservation or outdoor recreation uses, as appropriate. If an amendment to the applicable comprehensive plan is required, the amendment shall be proposed at the next comprehensive plan amendment cycle available to the Recipient.

3. The Recipient shall ensure, and provide evidence thereof to FCT, that all activities under this Agreement comply with all applicable local, state, regional and federal laws and regulations, including zoning ordinances and the adopted and approved comprehensive plan for the jurisdiction, as applicable. Evidence shall be provided to FCT that all required licenses and permits have been obtained prior to the commencement of any construction.

4. The Recipient shall, through its agents and employees, prevent the unauthorized use of the Project Site or any use thereof not in conformity with the Management Plan approved by FCT.

5. FCT staff or its duly authorized representatives shall have the right at any time to inspect the Project Site and the operations of the Recipient at the Project Site.

6. All buildings, structures, improvements and signs shall require the prior written approval of FCT as to purpose. Further, tree removal, other than non-native species, and major land alterations shall require the written approval of FCT. The approvals required from FCT shall not be unreasonably withheld by FCT upon sufficient demonstration that the proposed structures, buildings, improvements, signs, vegetation removal or land alterations will not adversely impact the natural resources of the Project Site. FCT's approval of the Recipient's Management Plan addressing the items mentioned herein shall be considered written approval from FCT.

7. If archaeological and historic sites are located on the Project Site, the Recipient shall comply with Chapter 267, Fla. Stat. The collection of artifacts from the Project Site or the disturbance of archaeological and historic sites on the Project Site shall be prohibited unless prior written authorization has been obtained from the Department of State, Division of Historical Resources.

8. As required by Rule 9K-7.013, F.A.C., each year after FCT reimbursement of Project Costs the Recipient shall prepare and submit to FCT an annual stewardship report that documents the progress made on implementing the Management Plan.

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VII. SPECIAL MANAGEMENT CONDITIONS

The management plan for the Project Site is mentioned throughout this Agreement, and is particularly described in Section IV. above. In addition to the various conditions already described in this Agreement, which apply to all sites acquired with FCT funds, the Management Plan shall address the following conditions that are particular to the Project Site and result from either representations made in the application that received scoring points or observations made by the FCT staff during the site visit described in Rule 9K-7.009(1), F.A.C.:

1. Two or more resource-based outdoor recreational facilities including a picnic pavilion and nature trails shall be provided at the Project Site. The facilities shall be designed and located with minimal impact to natural resources on the Project Site.

2. A permanent recognition sign shall be maintained in the entrance area of the Project Site. The sign shall acknowledge that the Project Site is open to the public and was purchased with funds from the Florida Communities Trust, Martin County, and the South Florida Water Management District.

3. Interpretive signage shall be provided to educate visitors about the natural environment of the Project Site.

4. A biological inventory of the natural communities found on the Project Site, including the dominant and listed plant and animal species, shall be conducted prior to any site development. The inventory shall be used to ensure the protection of biological resources and be updated periodically.

5. The natural communities on the Project Site shall be restored and appropriately managed to ensure the long-term viability of these communities.

6. The Project Site shall be managed in a manner that protects and enhances habitat for native wildlife species that utilize or could potentially utilize the site. The development of the management plan shall be coordinated with the Fish and Wildlife Conservation Commission to ensure the preservation and viability of native wildlife species and their habitat. Periodic surveys shall be conducted to ensure that site management is compatible with the listed species using the Project Site.

7. A vegetation analysis shall be performed to determine which areas of the Project Site need a prescribed burn regime to maintain natural fire-dependent natural communities. The development of the prescribed burn program shall be coordinated the Division of Forestry and the Florida Fish and Wildlife Conservation Commission.

8. The water quality of the Loxahatchee River watershed shall be protected and the natural hydrology of the Project Site shall be restored to a more natural function. The development of the restoration plan shall be coordinated with the South Florida Water Management District and Department of Environmental Protection.

9. The degraded wet prairie shall be restored to a natural community in terms of biological composition and ecological function.

10. An ongoing monitoring and control program for invasive vegetation including exotic (non-native) and nuisance native plant species shall be implemented at the Project Site. The objective of the control program shall be the elimination of invasive exotic plant species and the maintenance of a diverse association of native vegetation. The Management Plan shall reference the Exotic Pest Plant Council's List of Florida's Most Invasive Species to assist in identifying invasive exotics on the Project Site.

11. A feral animal removal program shall be developed and implemented, as necessary, for hogs and other non-native wildlife that may be found on the Project Site.

12. Management of the Project Site shall be coordinated with the land managers of other conservation and preservation lands in the project area, including the South Florida Water Management District, the Department of Environmental Protection, and Palm Beach County.

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13. Prior to the commencement of any proposed development activities, measures shall be taken to determine the presence of any archaeological sites. All planned activities involving known archaeological sites or potential site areas shall be closely coordinated with the Department of State, Division of Historic Resources in order to prevent the disturbance of significant sites.

14. The location and design of the parking and other site improvements shall have minimal impact on natural resources. The parking area shall incorporate pervious material wherever feasible. Stormwater management facilities on the Project Site shall be designed to provide recreational open space or wildlife habitat.

15. The Project Site shall be developed and managed as part of the Pal-Mar recreational trail system and fill a link in Atlantic Ocean to Okeechobee Lake Trail. The development and management of the Project Site shall be coordinated with the Office of Greeenways and Trails, to ensure the Project Site is managed as part of a linked trail system.

16. The requirements imposed by other grant program funds that may be sought for activities associated with the Project Site shall not conflict with the terms and conditions of this Agreement.

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VIII. OBLIGATIONS OF THE RECIPIENT RELATING TO THE USE OF BOND PROCEEDS

1. FCT is authorized by Section 380.510, Fla. Stat. to impose conditions for funding on the Recipient in order to ensure that the project complies with the requirements for the use of Florida Forever Bond proceeds including, without limitation, the provisions of the Internal Revenue Code and the regulations promulgated thereunder as the same pertain to tax exempt bonds.

2. The Recipient agrees and acknowledges that the below listed transactions, events, and circumstances, collectively referred to as the "disallowable activities," may be disallowed on the Project Site as they may have negative legal and tax consequences under Florida law and federal income tax law. The Recipient further agrees and acknowledges that these disallowable activities may be allowed up to a certain extent based on guidelines or tests outlined in the Federal Private Activity regulations of the Internal Revenue Service:

a. any sale or lease of any interest in the Project Site to a non-governmental person or organization;

b. the operation of any concession on the Project Site by a non-governmental person or organization;

c. any sales contract or option to buy or sell things attached to the Project Site to be severed from the Project Site with a non-governmental person or organization;

d. any use of the Project Site by a non-governmental person other than in such person's capacity as a member of the general public;

e. any change in the character or use of the Project Site from that use expected at the date of the issuance of any series of Bonds from which the disbursement is to be made;

f. a management contract for the Project Site with a non-governmental person or organization; or

g. such other activity or interest as may be specified from time to time in writing by FCT to the Recipient.

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3. If the Project Site, after its acquisition by the Recipient and/or the Trustees, is to remain subject to any of the disallowable activities, the Recipient shall provide notice to FCT, as provided for in paragraph III.1. above, at least sixty (60) calendar days in advance of any such transactions, events or circumstances, and shall provide FCT such information as FCT reasonably requests in order to evaluate for approval the legal and tax consequences of such disallowable activities.

4. In the event that FCT determines at any time that the Recipient is engaging, or allowing others to engage, in disallowable activities on the Project Site, the Recipient shall immediately cease or cause the cessation of the disallowable activities upon receipt of written notice from FCT. In addition to all other rights and remedies at law or in equity, FCT shall have the right to seek temporary and permanent injunctions against the Recipient for any disallowable activities on the Project Site.

DELEGATIONS AND CONTRACTUAL ARRANGEMENTS BETWEEN THE RECIPIENT AND OTHER GOVERNMENTAL BODIES, NONPROFIT ENTITIES OR NON GOVERNMENTAL PERSONS FOR USE OR MANAGEMENT OF THE PROJECT SITE WILL IN NO WAY RELIEVE THE RECIPIENT OF THE RESPONSIBILITY TO ENSURE THAT THE CONDITIONS IMPOSED HEREIN ON THE PROJECT SITE AS A RESULT OF UTILIZING BOND PROCEEDS TO ACQUIRE THE PROJECT SITE ARE FULLY COMPLIED WITH BY THE CONTRACTING PARTY.

IX. RECORDKEEPING; AUDIT REQUIREMENTS

1. The Recipient shall maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure

of funds under this Agreement. These records shall be available at all reasonable times for inspection, review or audit by state personnel, FCT and other personnel duly authorized by FCT. "Reasonable" shall be construed according to the circumstances, but ordinarily shall mean the normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

2. If the Recipient expends a total amount of State financial assistance equal to or in excess of $500,000 in any fiscal year of such Recipient, the Recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Fla. Stat., the applicable rules of the Executive Office of the Governor and the Comptroller and Chapter 10.550 (local government entities) or Chapter 10.650 (nonprofit organizations), Rules of the Auditor General. In determining the State financial assistance expended in its fiscal year, the Recipient shall consider all sources of State financial assistance, including State funds received from FCT, other state agencies and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for Federal program matching requirements. The funding for this Agreement was received by FCT as a grant appropriation.

In connection with the audit requirements addressed herein, the Recipient shall ensure that the audit complies with the requirements of Section 215.97(7), Fla. Stat. This includes submission of a reporting package as defined by Section 215.97(2)(d), Fla. Stat. and Chapter 10.550 (local government entities) or 10.650 (nonprofit organizations), Rules of the Auditor General.

3. If the Recipient expends less than $500,000 in State financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Fla. Stat. is not required. If the Recipient elects to have an audit conducted in accordance with the provisions of Section 215.97, Fla. Stat., the cost of the audit must be paid from non-State funds (i.e., the cost of such an audit must be paid from Recipient funds not obtained from a State entity).

4. The annual financial audit report shall include all management letters, the Recipient's response to all findings, including corrective actions to be taken, and a schedule of financial assistance specifically identifying all Agreement and other revenue by sponsoring agency and agreement number. Copies of financial reporting packages required under this Article shall be submitted by or on behalf of the Recipient directly to each of the following:

Department of Community Affairs (at each of the following addresses):
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

and

Florida Communities Trust
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

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State of Florida Auditor General at the following address:
Auditor General's Office
Room 401, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32302-1450

5. If the audit shows that any portion of the funds disbursed hereunder were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to FCT of all funds not spent in accordance with the applicable regulations and Agreement provisions within thirty (30) days after FCT has notified the Recipient of such non-compliance.

6. The Recipient shall retain all financial records, supporting documents, statistical records and any other documents pertinent to this Agreement for a period of five years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the five-year period, the records shall be retained until the litigation or audit findings have been resolved.

7. The Recipient shall have all audits completed in accordance with Section 215.97, Fla. Stat. performed by an independent certified public accountant ("IPA") who shall either be a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above.

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X. DEFAULT; REMEDIES; TERMINATION

1. If any essential term or condition of the Declaration of Restrictive Covenants is violated by the Recipient or by some third party with the knowledge of the Recipient, the Recipient shall be notified of the violation by written notice given by personal delivery, registered mail or registered expedited service. The recipient shall diligently commence to cure the violation or complete curing activities within thirty (30) days after receipt of notice of the violation. If the curing activities can not be reasonably completed within the specified thirty (30) day time frame, the Recipient shall submit a timely written request to the FCT Program Manager that includes the status of the current activity, the reasons for the delay and a time frame for the completion of the curing activities. FCT shall submit a written response within thirty (30) days of receipt of the request and approval shall not be unreasonably withheld. It is FCT's position that all curing activities shall be completed within one hundred twenty (120) days of the Recipient's notification of the violation. However, if the Recipient can demonstrate extenuating circumstances exist to justify a greater extension of time to complete the activities, FCT shall give the request due consideration. If the Recipient fails to correct the violation within either (a) the initial thirty (30) day time frame or (b) the time frame approved by FCT pursuant to the Recipient's request, fee simple title to all interest in the Project Site shall be conveyed to the Trustees unless FCT negotiates an agreement with another local government, nonprofit environmental organization, the Florida Division of Forestry, the Florida Fish

and Wildlife Conservation Commission, the Department of Environmental Protection or a Water Management District, who agrees to accept title and manage the Project Site. FCT shall treat such property in accordance with Section 380.508(4)(e), Fla. Stat.

XI. STANDARD CONDITIONS

1. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict and shall be severable, but shall not invalidate any other provision of this Agreement.

2. No waiver by FCT of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of FCT hereunder, or affect the subsequent exercise of the same right or remedy by FCT for any further or subsequent default by the Recipient.

3. The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications.

4. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime or on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit lease bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list or on the discriminatory vendor list.

5. No funds or other resources received from FCT in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

This Agreement including Exhibit "A" embodies the entire agreement between the parties.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

Witness:
ATTEST:

Print Name: MARSHA EWING, CLERK

Print Name: Colleen Holmes

MARTIN COUNTY, a local government of the State of Florida

By: Susan Valliere
SUSAN VALLIERE, CHAIRMAN

Date: 5/23/06

Approved as to Form and Legality:
By:
Print Name: STEPHEN FRY, COUNTY ATTORNEY

STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 23rd day of May, 2006, by SUSAN VALLIERE, CHAIRMAN on behalf of the Local Government, and who is personally known to me.

Colleen J. Holmes
Notary Public
Print Name:
Commission No.
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
Colleen J. Holmes
Commission # DD414119
Expires June 9, 2009
Bonded Troy Fain - Insurance, Inc. 800-385-7019

Copy Copy Copy

DRC\04-046-FF4
5/19/2006

Witness:

Print Name: [illegible]

Print Name: Gayle H. Brett

FLORIDA COMMUNITIES TRUST

By: _____
Janice Browning, Chief of Staff
Department of Community Affairs

Date: 6/22/06

Approved as to Form and Legality:
By: _____
Kristen L. Coons, Trust Counsel

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STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 22nd day of June, 2006, by Janice Browning, Chief of Staff, Department of Community Affairs. She is personally known to me.

Notary Public
Print Name: _____
Commission No. _____
My Commission Expires: _____

Gayle H. Brett
MY COMMISSION EXPIRES
October 6, 2006
#DD153509
Bonded thru
Troy Fain-Insurance
NOTARY PUBLIC, STATE OF FLORIDA

DRC\04-046-FF4
6/20/2006

EXHIBIT "A"

LEGAL DESCRIPTION

A PORTION OF SECTION 14, TOWNSHIP 40 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 14, TOWNSHIP 40 SOUTH, RANGE 41 EAST; THENCE NORTH 00°04'23" WEST, ALONG THE WEST LINE OF SAID SECTION 14, A DISTANCE OF 129.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00°04'23" WEST, ALONG THE WEST LINE OF SAID SECTION 14, A DISTANCE OF 3,264.90 FEET; THENCE NORTH 89°31'03" EAST, DEPARTING FROM SAID WEST LINE AND ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID SECTION 14, DISTANCE OF 4,350.39 FEET TO A POINT ON A LINE 961.62 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID SECTION 14; THENCE SOUTH 00°01'12" EAST, DEPARTING SAID PARALLEL LINE AND ALONG SAID LINE 961.62 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SECTION 14, A DISTANCE OF 3,273.03 FEET TO A POINT ON A LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 14; THENCE SOUTH 89°37'12" WEST, DEPARTING SAID PARALLEL LINE AND ALONG A SAID LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 14, A DISTANCE OF 1,692.29 FEET; THENCE SOUTH 89°37'36" WEST, CONTINUING ALONG SAID LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 14, A DISTANCE OF 2,654.00 FEET TO THE POINT OF BEGINNING.

SUBJECT TO EXISTING EASEMENTS, RIGHTS-OF-WAY, COVENANTS, RESERVATIONS AND RESTRICTIONS OF RECORD, IF ANY.

SAID LANDS LYING AND SITUATE IN MARTIN COUNTY, FLORIDA.

SAID LANDS CONTAIN 14,216110.90 SQUARE FEET OR 326.36 ACRES, MORE OR LESS.

AND

A PORTION OF SECTION 15, TOWNSHIP 40 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 40 SOUTH, RANGE 41 EAST: THENCE NOTH 00°03'47" EAST, ALONG THE WEST LINE OF SAID SECTION 15, A DISTANCE OF 129.00 FEET TO THE POINT OF BEGINNING: THENCE NORTH 00°03'47" EAST, ALONG THE WEST LINE OF SAID SECTION 15, A DISTANCE OF 3,253.30 FEET: THENCE SOUTH 89°54'52" EAST, DEPARTING SAID WEST LINE AND ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID SECTION 15 A DISTANCE OF 4,990.11 FEET TO A POINT OF INTERSECTION WITH THE EAST LINE OF SAID SECTION 15: THENCE SOUTH 00°04'23" EAST, DEPARTING SAID PARALLEL LINE AND ALONG THE EAST LINE OF SAID SECTION 15, A DISTANCE OF 3,264.90 FEET: THENCE NORTH 89°46'54" WEST, DEPARTING FROM SAID EAST LINE AND 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 15, A DISTANCE OF 4,997.90 FEET TO THE POINT OF BEGINNING.

SUBJECT TO EXISTING EASEMENTS, RIGHTS-OF-WAY, COVENANTS, RESERVATIONS AND RESTRICTIONS OF RECORD, IF ANY.

SAID LANDS LYING AND SITUATE IN MARTIN COUNTY, FLORIDA

SAID LANDS CONTAIN 16,275,890.50 SQUARE FEET OF 373.64 ACRES, MORE OR LESS

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AND

A PORTION OF SECTION 16, TOWNSHIP 40 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 40 SOUTH, RANGE 41 EAST; THENCE NORTH 00°02'32" WEST, ALONG THE WEST LINE OF SAID SECTION 16, A DISTANCE OF 129.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE NORTH 00°02'32" WEST, ALONG THE WEST LINE OF SAID SECTION 16, A DISTANCE OF 2,054.04 FEET; THENCE SOUTH 89°54'14" EAST, DEPARTING SAID WEST LINE AND ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID SECTION 16 , A DISTANCE OF 5,294.76 FEET TO THE POINT ON THE EAST LINE OF SAID SECTION 16 ; THENCE SOUTH 00°03'47" WEST, DEPARTING SAID NORTH LINE AND ALONG THE EAST LINE OF SAID SECTION 16, A DISTANCE OF 2,055.11 FEET; TO A POINT ON A LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SECTION 16; THENCE NORTH 89°52'37" WEST, DEPARTING SAID EAST LINE AND ALONG A LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 16, A DISTANCE OF 2,645.61 FEET; THENCE NORTH 89°54'27" WEST, CONTINUING ALONG A LINE 129.00 NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 16, A DISTANCE OF 2,645.06 FEET TO THE POINT OF BEGINNING.

SUBJECT TO EXISTING EASEMENTS, RIGHTS-OF-WAY, COVENANTS, RESERVATIONS AND RESTRICTIONS OF RECORD, IF ANY.

SAID LANDS LYING AND SITUATE IN MARTIN COUNTY, FLORIDA.

SAID LANDS CONTAIN 10,872,702.30 SQUARE FEET OR 249.60 ACRES, MORE OR LESS.

AND

A PORTION OF SECTION 17, TOWNSHIP 40 SOUTH, RANGE 41 EAST, MARTIN COUNTY, FLORIDA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 17, TOWNSHIP 40 SOUTH, RANGE 41 EAST; THENCE NORTH 00°00'51" EAST, ALONG THE WEST LINE OF SAID SECTION 17, A DISTANCE OF 128.82 FEET; THENCE SOUTH 89°59'10" EAST, DEPARTING FROM SAID WEST LINE AND PERPENDICULAR FROM THE WEST LINE OF SECTION 17, A DISTANCE OF114.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00°00'51" EAST, DEPARTING FROM SAID PERPENDICULAR LINE AND ALONG A LINE PARALLEL WITH THE WEST LINE OF SAID SECTION 17, A DISTANCE OF 4,327.23 FEET; THENCE SOUTH 89°41'03" EAST, DEPARTING FROM SAID PARALLEL LINE AND ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID SECTION 17, A DISTANCE OF 1,439.47 FEET; THENCE NORTH 30°56'10" EAST, DEPARTING FROM SAID PARALLEL LINE , DISTANCE OF 987.73 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 17; THENCE SOUTH 89°41'03" EAST, ALONG THE NORTH LINE OF SAID SECTION 17, A DISTANCE OF 3,246.50 FEET TO THE NORTHEAST CORNER OF SAID SECTION 17; THENCE SOUTH 00°02'32" EAST, ALONG THE EAST LINE OF SAID SECTION 17, A DISTANCE OF 5,158.57 FEET TO A POINT ON A LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SECTION 17; THENCE NORTH 89°53'13" WEST, DEPARTING FROM SAID EAST LINE AND ALONG SAID LINE 129.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SECTION 17, A DISTANCE OF 2,655.78 FEET; THENCE NORTH 89°53'38" WEST, CONTINUING ALONG SAID PARALLEL LINE, A DISTANCE OF 2,542.78 FEET TO THE POINT OF BEGINNING.

SUBJECT TO EXISTING EASEMENTS, RIGHTS-OF-WAY, COVENANTS, RESERVATIONS AND RESTRICTIONS OF RECORD, IF ANY.

SAID LANDS LYING AND SITUATE IN MARTIN COUNTY, FLORIDA.

SAID LANDS CONTAIN 25,412,778.80 SQUARE FEET OR 583.40 ACRES, MORE OR LESS.

END OF LEGAL DESCRIPTION

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