

**TERMS, CONDITIONS, AND PROVISIONS
of
CHANDLEY RESERVATION**

pursuant to this Reservation shall not interfere with **BUYER'S** ownership, use, operation and enjoyment of the Premises. **BUYER'S** rights during the Reservation Term shall include, but not be limited to, the right to enter upon and travel through, over and across the Premises at any time for all lawful purposes, including but not limited to conducting inspections, investigations, soil borings and other pre-construction activities which do not materially interfere with **SELLER's** rights reserved hereunder, as well as the right to conduct water sampling and water resource assessments.

4. **Sale of Premises.**

Notwithstanding anything contained in this **RESERVATION** to the contrary, in the event of a sale or conveyance by **BUYER** of the Premises or any portion thereof, any such sale or conveyance shall automatically operate to release **BUYER** from any future liability upon any of the terms, provisions, covenants or conditions, express or implied, herein contained in favor of **SELLER**, and in such event **SELLER** agrees to look solely to the successor in interest of **BUYER** in and to the Premises. This **RESERVATION** shall not be affected by any such sale, and **SELLER** agrees to attorn to the purchaser.

5. **Taxes.**

(a) **SELLER understands and agrees that the Premises shall remain upon the tax rolls of the county in which the Premises is located without exempt status.** **BUYER** may, in **BUYER'S** sole and absolute discretion, record a Memorandum of Reservation, executed by the **BUYER**. **SELLER** shall pay when due all real property taxes, intangible property taxes and personal property taxes, as well as all assessments, including but not limited to pending, certified, confirmed and ratified special assessment liens, accrued or levied with respect to the Premises or this **RESERVATION** during the Reservation Term. The amount of taxes or assessments will be determined by the county property appraiser. **SELLER** shall have the right, at **SELLER's** sole cost and expense and in a timely manner, to appeal the property appraiser's said assessment. **BUYER** and **SELLER** agree that any such appeal shall not excuse **SELLER's** obligation to pay taxes when due and in no event shall **BUYER** be required to take any action which could: result in liability, cost or expense to **BUYER**; require **BUYER** to become a co-applicant with **SELLER**; require **BUYER** to indemnify, defend or hold harmless; require **BUYER** to warrant title to the Premises; or require **BUYER** to take any action determined by **BUYER** to be prohibited by law, statute or the constitution of the State of Florida. **SELLER** acknowledges that it shall be liable for such real property taxes, personal property taxes and intangible taxes, and assessments as are applicable for the Premises and this **RESERVATION**, during the full Reservation Term. Upon the expiration of the **RESERVATION**, **SELLER** shall pay all real property taxes accrued with respect to the Premises in accordance with Florida Statute 196.295.

(b) **SELLER** shall pay such taxes and assessments promptly upon receipt of an assessment notice from the taxing authority but no later than their due date, and shall furnish proof of such payment to the **BUYER** within 30 days of payment. Any penalties or late fees incurred for failure to pay said taxes and assessments shall be the responsibility of the **SELLER**.

ENCLOSURE

6. Hunting/Firearms.

SELLER shall not hunt, trap or capture any wildlife upon the Premises and shall use their best efforts to prevent others to do so. Possession or discharge of firearms is strictly prohibited anywhere on the Premises.

7. Notification of Certain Events.

The **SELLER** agrees to immediately report any incidence of the following to the **BUYER**:

- A. - Fire
- B. - Injury or death
- C. - Vandalism
- D. - Theft
- E. - Poaching and trespassing
- F. - Any hazard, condition or situation that may become a liability to the **BUYER** or may be damaging to the Premises or improvements on the Premises of the **BUYER** or injurious to any person.
- G. - Any violation observed pertaining to rules and regulations promulgated by the **BUYER**, the Florida Game and Fresh Water Fish Commission or any other State or local agency as authorized by the **BUYER**.
- H. - Any violation of applicable State and local laws.
- I. - Disposition of pollutants or contaminants per paragraph 13 hereof.

8. Improvements and Alterations.

SELLER shall not construct fences, structures, additions or other improvements or alterations on or to the Premises (portable or permanent), or demolish any structures or improvements, without prior written approval of the **BUYER**. No trailers may be placed on the Premises. Any fence, structure or other improvement erected by **SELLER**, except for movable furniture and equipment, shall become the property of the **BUYER** at the expiration or termination of this **RESERVATION**.

9. Repair and Maintenance.

SELLER shall be responsible, at **SELLER's** expense, for the maintenance and repair of the Premises and all structures and other improvements located thereon and keeping the Premises in a good condition and repair, to the reasonable satisfaction of **BUYER**. The Premises shall be kept free of junk, debris, and litter.

10. Burning.

All prescribed burning on the Premises shall be done by personnel or agents of the **BUYER**. **SELLER** shall not knowingly or deliberately set or cause to be set any fire or fires on the Premises.

11. **Fertilization and Maintenance of Lands.**

There shall be neither fertilization nor application of chemicals (including but not limited to pesticides, herbicides, and agrichemicals) with respect to the Premises without the prior written consent of **BUYER**, which consent may be withheld by **BUYER** in its sole and absolute discretion; provided, however, **SELLER** shall be allowed to treat and control Exotic Pest Plants and nuisance species with herbicides in accordance with federal labeling standards. Any on-site chemical use shall not create contamination above regulatory limits. **SELLER** shall not cut or remove any standing green, dead or fallen timber from the Premises. **SELLER** shall not, for any purpose, drive nails, spikes or staples into or otherwise deface or mar any tree, either green or dead, on the Premises.

12. **Persons Employed By SELLER.**

The **SELLER** shall neither employ nor continue to employ any person, nor allow any other person or entity to occupy or use the Premises, who performs an act detrimental to the purpose of this **RESERVATION** or damages the Premises in any way.

13. **Hazardous Materials/Pollutants:**

(a) For purposes of this **RESERVATION**, "Pollutant" shall mean any hazardous or toxic substance, material, or waste of any kind, petroleum, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws. "Disposal" shall mean the release, storage, use, handling, discharge or disposal of such Pollutants. "Environmental Laws" shall mean any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restriction.

(b) The **SELLER** shall not cause or permit the Disposal of any Pollutants upon the Premises or upon adjacent lands. **SELLER** shall operate and occupy, and shall cause all others in occupancy of the Premises to operate and occupy, the Premises in compliance with all Environmental Laws. Any Disposal of a Pollutant, whether caused by **SELLER** or any other third party, shall be reported to the **BUYER** immediately upon the knowledge thereof by the **SELLER**. The **SELLER** shall be solely responsible for the entire cost of cleanup of any Pollutants disposed of or otherwise discovered on the Premises or emanate from the Premises to adjacent lands, as a result of use or occupation of the Premises or surrounding lands by **SELLER**, or its agents, licensees, invitees, subcontractors or employees. For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, **SELLER** shall indemnify, defend and hold harmless **BUYER**, from and against any and all claims, suits, judgments, loss, damage, and liability which may be incurred by **BUYER**, including but not limited to **BUYER's** reasonable attorney's fees and costs, which arises directly, indirectly or proximately, in whole or in part, as a result of the Disposal of any Pollutants which affect the Premises or emanates from the Premises to adjacent lands. This responsibility shall continue to be in effect for any Pollutants as are discovered after the date of termination or expiration of this **RESERVATION**. While this paragraph establishes contractual liability for the **SELLER** regarding pollution of the Premises as provided herein, it does not alter or diminish any statutory or common law liability of the **SELLER**

for such pollution.

14. **Assignment/Transfer of Reservation.**

The **SELLER** shall not assign, delegate, lease, mortgage, encumber, or otherwise transfer or convey any of its rights and obligations as set forth in this **RESERVATION** without the prior written consent of the **BUYER**, which consent may be withheld by **BUYER** in its sole and absolute discretion. In the event **BUYER** does permit an assignment by **SELLER**, then the assignee shall automatically be deemed to have assumed all duties, responsibilities and obligations of **SELLER** under this Reservation and the **SELLER** shall not be released of any of its duties, responsibilities or obligations under this Reservation; but shall remain liable therefore.

15. **Compliance With Laws.**

The **SELLER** shall strictly comply with, and be the responsible entity for remedying all violations of, all applicable federal, state, local and **BUYER's** laws, ordinances, rules and regulations; building, housing, fire, and health codes; and private restrictions, applicable to the Premises and **SELLER's** operations conducted thereon and occupancy thereof, as well as **SELLER's** performance of this **RESERVATION** and the rights reserved herein. **BUYER** undertakes no duty to ensure such compliance. All rules and regulations under Chapter 373, Florida Statutes pertaining to the Premises remain in full force and effect.

16. **Permits.**

The **SELLER** shall obtain and maintain throughout the Reservation Term any and all applicable, federal, state, and local permits, as well as any other governmental approvals as may be required by law in the exercise of any of the **SELLER'S** reserved rights, including but not limited to **BUYER'S** Surface Water Management, Water Use, Works of the District, and Surface Water Improvement and Management permits. The **SELLER** shall be solely responsible for compliance with all permit terms and conditions. Within five (5) days of demand by **BUYER** to **SELLER**, **SELLER** shall submit to **BUYER** copies of all permits and authorizations that **SELLER** is required to obtain pursuant to the provisions of this **RESERVATION**.

17. **Indemnification.**

For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the **SELLER** shall release and defend, indemnify, save, and hold the **BUYER** harmless from and against any and all claims, suits, judgments, loss, damage and liability incurred by **BUYER**, its employees, officers, staff and Governing Board members, (including but not limited to reasonable attorney's fees and costs) which arise directly, indirectly or proximately, in whole or in part, as a result of any acts or omissions in connection with the use or occupation of the Premises by **SELLER**, or **SELLER'S** employees, agents, invitees, licensees or subcontractors; **SELLER's** operations conducted on the Premises; or the performance or non-performance of any term, condition, covenant or provision of this Reservation. **BUYER** shall have the absolute right to choose its own legal counsel in connection with all matters indemnified for and defended against herein.

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18. **SELLER's Risk.**

All of **SELLER'S** personal property, equipment, improvements, structures and fixtures located upon the Premises shall be at the sole risk of **SELLER** and **BUYER** shall not be liable under any circumstances for any damage thereto or theft thereof. In addition, **BUYER** shall not be liable or responsible for any damage or loss to property or injury or death to persons occurring on or adjacent to the Premises resulting from any cause, including but not limited to, defect in or lack of repairs to the improvements located on the Premises.

19. **Insurance:**

A. **SELLER** shall procure and maintain throughout the Reservation Term at **SELLER's** sole cost and expense the following types of insurance which must be in form and substance acceptable to the **BUYER**:

(1) **Worker's Compensation Insurance:** As applicable, Worker's Compensations insurance up to the limits specified by Florida Statute. Notwithstanding the number of employees or any other statutory provisions to the contrary, the Worker's Compensation Insurance shall extend to all employees of the **SELLER** and subcontractors. The Worker's Compensation Insurance policy required by this Reservation shall also include Employer's Liability.

(2) **Liability Insurance:** Comprehensive General Liability Insurance relating to the Premises and its improvements and appurtenances, which shall include, but not be limited to, Premises and Operations; Independent Contractors, Products and Completed Operations and Contractual Liability. Coverage shall be no more restrictive than the latest edition of the Commercial General Liability policies of the Insurance Services Office (ISO). This policy shall provide coverage for death, bodily injury, personal injury, and property damage that could arise directly, indirectly or proximately from the performance or non-performance of the duties, responsibilities and obligations of Grantor under this **RESERVATION**. This policy shall also provide coverage for death, bodily injury, personal injury, and property damage that could arise directly, indirectly or proximately from the use or occupancy of the Premises by any other person or entity. **The minimum limits of coverage shall be \$1,000,000 per occurrence**, Combined Single Limit for Bodily Injury Liability and Property Damage Liability. The limits of comprehensive general liability insurance shall in no way limit or diminish the **SELLER's** liability under paragraph 17 hereof.

B. **Proof of Insurance:** The **SELLER** shall provide the **BUYER** with insurance certificates for all insurance required under this **RESERVATION** as proof of insurance prior to occupancy of the Premises. The **SELLER** shall also provide the **BUYER** with insurance certificates evidencing renewal of all insurance policies for all insurance required under this **RESERVATION**, not less than thirty (30) days prior to its policy's expiration date. The **SELLER** shall, upon request by the **BUYER**, have its insurance agent provide certified copies of all insurance coverage required under this **RESERVATION** and/or additional certificates evidencing **BUYER** as an additional insured. Such copies shall be provided within ten (10) days of request.

All insurance required under this **Reservation** shall be written on a financially sound company acceptable to **BUYER** and shall name the **BUYER** as additional insured.

C. **Notice of Insurance Cancellation:** The **SELLER** shall notify the **BUYER** at least thirty (30) days prior to cancellation or modification of any insurance required under this **RESERVATION**. Insurance required under this **RESERVATION** shall contain a provision that it may not be cancelled or modified until thirty (30) days after written notice to **BUYER**. In the event **SELLER** fails to obtain and keep any insurance required hereunder in full force and effect, **BUYER** may at its option obtain such policies and **SELLER** shall pay to **BUYER** the premiums therefore, together with interest at the maximum rate allowed by law, upon demand.

D. **Subcontractor Insurance:** It shall be the responsibility of the **SELLER** to ensure that all subcontractors are adequately insured or covered under its policies.

20. **Termination or Expiration of Reservation.**

Prior to the expiration or termination of this **RESERVATION**:

- (a) **SELLER** shall remove all personalty and equipment from the Premises.
- (b) **SELLER** shall remove and appropriately dispose of all tanks, trucks, and trailers, discarded machinery, scrap metal, construction debris, chemicals, petroleum products, petroleum by products, pesticides and any other liquid or solid waste contained within the Premises.
- (c) **SELLER** shall represent and warrant: (1) that the **SELLER** has obtained and is in full compliance with any and all permits required by state, federal or local governmental authorities relating to the agricultural operations and the Disposal of Pollutants on the Premises or contiguous property, (2) that the **SELLER** is not aware nor does it have any notice, actual or constructive, of any past, present or future events, conditions, activities or practices which is or was not in compliance with any law, regulation, code or policy of any federal, state or local government or authority which may give rise to any liability or form a basis for any claim, demand, cost or action relating to the agricultural operations or the Disposal of Pollutants, and (3) that **SELLER** is aware of no civil, criminal or administrative action, suit, claim, demand, investigation or notice of violation pending against the **SELLER** relating in any way to the agricultural operations or the Disposal of Pollutants on the Premises or any contiguous land.
- (d) **SELLER** shall execute and deliver to **BUYER** a Quitclaim Deed of the Premises in recordable form to facilitate the removal of the Premises from the tax rolls; however, this **RESERVATION** and all of **SELLER'S** rights and interests with respect to the Premises shall automatically terminate and be of no further force or effect after termination, whether or not said quitclaim deed is executed, delivered and recorded.
- (e) **SELLER** shall satisfy the requirements of paragraph 5.
- (f) **SELLER** shall deliver complete possession of the Premises to **BUYER** free and clear of all parties in possession.

21. Liens

(a) **SELLER** shall keep the Premises free from any liens, including, but not limited to mechanic's liens, arising out of any work performed, materials furnished or obligations incurred by **SELLER**.

(b) The **SELLER** herein shall not have any authority to incur liens for labor or material on the **BUYER's** interest in the Premises and all persons contracting with the **SELLER** for the destruction or removal of any building or for the erection, installation alteration, or repair of any building or other improvements on the Premises and all materialmen, contractors, mechanics and laborers, are hereby charged with notice that they must look to the **SELLER** and to the **SELLER's** interest only in the Premises to secure the payment of any bill for work done or material furnished during the term of this **RESERVATION**.

(c) In the event that **SELLER** shall not, within 10 days following written notice to **SELLER** of the imposition of any such lien, cause the same to be released of record by payment or posting of a property bond, **BUYER** shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by **BUYER**, including, but not limited to reasonable attorney's fees and expenses incurred by it in connection therewith, together with interest at the maximum rate allowed by law, shall be payable to **BUYER** by **SELLER** on demand.

(d) **BUYER** shall have the right at all times to record in the public records or post and keep posted on the Premises any notice permitted or required by law, or which **BUYER** shall deem proper, for the protection of **BUYER**, the Premises, the improvements located thereon and any other party having an interest therein, from mechanic's and materialmen's liens, and **SELLER** shall give to **BUYER** at least thirty (30) days prior notice of commencement of any construction on the Premises.

(e) Pursuant to Sections 713.01(21) and 713.10, the interest of **BUYER** in the Premises and the improvements located thereon shall not be subject to liens for improvements made by **SELLER** and such liability is expressly prohibited.

22. Default.

If **SELLER** fails to fulfill its duties, responsibilities and obligations under this **RESERVATION** in a timely and proper manner, the **BUYER** shall have the right, in addition to any claim for damages or any other remedy at law or in equity, to terminate this **RESERVATION** and **SELLER'S** possession of the Premises hereunder by giving written notice of any deficiency and by allowing the **SELLER** thirty (30) days to correct the deficiency. If the **SELLER** fails to correct the deficiency within this time, **SELLER** shall vacate the Premises at the expiration of the thirty (30) day time period. In the event that the Premises is no longer used for agricultural purposes either by abandonment of that use or by written notification by the **SELLER** to the **BUYER**, then the Reservation Term and **SELLER'S** possession of the Premises shall automatically terminate.

23. Kissimmee River Restoration Project.

The **SELLER** is aware that it is the primary intention of the **BUYER** to undertake the Kissimmee River Restoration Project to restore the components of the Kissimmee River Flood Plain through major construction activities and habitat manipulation projects such as hydroperiod restoration (periodic inundation of certain areas). **SELLER** acknowledges and confirms that there is a high probability that the water levels affecting the Premises will be evaluated during this Reservation Term resulting in elevated water levels as to the Premises. **SELLER** further acknowledges and confirms that with respect to elevating water levels applicable to the Premises, **BUYER** shall have the absolute right to do so without regard or consideration to the use of, or activities and operations conducted on, the Premises by the **SELLER** even if the result of elevated water levels with respect to the Premises interferes with, impacts, obstructs or terminates **SELLER'S** use of the Premises or **SELLER'S** activities and operations conducted on the Premises. **SELLER** and **BUYER** agree that no adjustments will be made to **SELLER'S** obligations pursuant to Paragraph 5. of this Reservation if certain areas are closed or use interrupted due to Project construction or operation.

All of **SELLER'S** improvements, personal property, fixtures, equipment and other belongings located on the Premises shall be at **SELLER'S** sole risk. Under no circumstances shall **BUYER** be liable for any loss, damage or liability incurred by **SELLER** which results directly, indirectly or proximately from elevated water levels applicable to the Premises, and in consideration of **BUYER** purchasing the Premises subject to this **RESERVATION**, **SELLER** hereby releases, indemnifies and saves and holds harmless **BUYER**, its agents, employees, officers, directors, independent contractors, successors and assigns from and against any and all claims, demands, losses, judgments, damages, causes of action, or other liability resulting directly, indirectly, or proximately, in whole or in part, as a result of the elevated water levels applicable to the Premises.

24. Survival.

In addition to any other terms or provisions set forth in this **RESERVATION** which by their terms bind **SELLER** after the expiration or termination of this **RESERVATION**, the provisions of paragraphs 13, 17, 20 and 23 shall survive the expiration or termination of this **RESERVATION**.

Exhibit "A-1"
Tract No. 18-001-054

A tract of land lying East of Grape Hammock Acres as recorded in Official Records Book 689, Pages 166 and 167 and lying North of Unrecorded Chandley Point in the North half of Section 3, Township 31 South, Range 31 East, Polk County, Florida, described as follows:

Bounded on the North by the South line of the North 1, 400.00 feet of said Section 3.

Bounded on East by Lake Kissimmee.

Bounded on the South the Northerly Ordinary High Water Line of the canal lying

Northerly of said Unrecorded Chandley Point.

Bounded on the West by the Easterly Ordinary High Water Line of the canal lying Easterly of said Grape Hammock Acres.

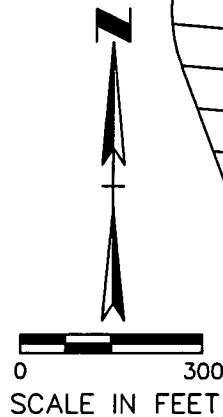
Containing 2.21 acres, more or less, above elevation 54.0 feet (NGVD 29) and 7.16 acres, more or less, below elevation 54.0 feet (NGVD 29).

This legal description is not valid unless accompanied by a description sketch.

KCOL\Chandley, Edgar C. Jr. & Barbara C.
Folio: 313103000000011010

R:\Legals\001-054_A-1.lgl
August 31, 2001

33 34
4 3



NORTH LINE OF SECTION 3

1,400'

NORTH HALF SECTION 3
TOWNSHIP 31 SOUTH
RANGE 31 EAST
POLK COUNTY
FLORIDA

SOUTH LINE OF THE NORTH 1400.00'

AREA ABOVE ELEVATION 54.0' ± 2.21 ACRES

APPROXIMATE LOCATION 54.0' CONTOUR LINE USED FOR AREA CALCULATIONS ONLY

APPROXIMATE LOCATION 52.5' CONTOUR LINE USED FOR AREA CALCULATIONS ONLY

AREA BETWEEN ELEVATION 54.0' AND ELEVATION 52.5' ± 7.16 ACRES

TRACT NO. 18-001-054 ± 9.37 ACRES

GRAPE HAMMOCK ACRES

D.R.S. 689 PAGE 156 AND 157

CANAL

CANAL

CHANDLEY POINT
(UNRECORDED)

LAKE KISSIMMEE

CERTIFICATION

I HEREBY CERTIFY THAT THIS SKETCH IS A GRAPHIC REPRESENTATION OF THE ACCOMPANYING DESCRIPTION AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS DESCRIPTION AND SKETCH MEETS THE APPLICABLE MINIMUM TECHNICAL STANDARDS FOR SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.07 FLORIDA STATE STATUTES.

RICHARD E. BARNES, JR.
PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA CERTIFICATION NUMBER 5173

NOTES

THIS IS NOT A SURVEY

1. UNLESS IT BEARS THE SIGNATURE AND ORIGINAL RAISEDSEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS DRAWING, SKETCH, PLAT, OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.
2. THIS DESCRIPTION SKETCH IS NOT VALID UNLESS ACCOMPANIED BY A LEGAL DESCRIPTION.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT
CONSTRUCTION AND LAND MANAGEMENT DEPARTMENT

P.O. BOX 24680
3301 GUN CLUB ROAD
WEST PALM BEACH, FLORIDA 33416-4680

EXHIBIT "A"
GRAPE HAMMOCK / CHANDLEY POINT
TRACT NO. 18-001-054
10.68 ACRES ±

63									
RVS		29AUG01	ASSIGNED TRACT NO.	DRAWN	CHECKED	DATE	SCALE	DRAWING NUMBER	SHEET
DRAWN	CHECKED	DATE	REVISIONS	RVS		29MAR01	AS SHOWN	18001054B.dwg	2 OF 2