

KOVE ASSOCIATION, INC.
of VOLUSIA

PROPRIETARY LEASE

Amended 2006

AMENDED PROPRIETARY LEASE 2006

THIS AMENDED PROPRIETARY LEASE made by and between Kove Association, Inc. of Volusia, a Florida cooperative corporation with offices at State Road 415, Osteen, Florida, hereinafter called Kove Association, and _____, hereinafter called Unit Owner.

Kove Association is the owner of the land, the improvements installed thereon and the buildings erected thereon, known by name as KOVE ESTATES, hereinafter called the Park. The land is described with particularity in Exhibit A, attached hereto and made part hereof.

Unit Owner holds a Membership Certificate in Kove Association, and this lease is appurtenant to such membership.

“Unit” is defined as that part of the cooperative property which is subject to exclusive use and possession, i.e. the lot (not the home or residence). “Unit Owner” is defined as the person or persons holding a share or membership certificate in the cooperative association and a proprietary lease of a unit.

1. Lease of Premises; Term. in consideration of the mutual covenants and subject to the terms and conditions set forth below, Kove Association leases to Unit Owner and Unit Owner leases from Kove Association, Mobile Home/R.V. Lot No. _____ in the Park, hereinafter referred to as the Unit, more particularly described in Exhibit B, Attached hereto, for a term which unless sooner terminated as hereinafter provided, or earlier extended by a majority of the membership. As used in this lease, “the Unit” means the permanent improvements on the mobile home or R.V. lot designated by the above stated number, other than any mobile home or R.V. situated thereon, as existing on the date of execution of this lease, together with the appurtenances and fixtures thereon that are allocated exclusively to the occupant of the Unit.

2. Rent and Assessments

(a) During the continuance of this lease, Unit Owner shall be liable for both rent and amounts by way of annual assessments and supplemental assessments, determined by the Board of Administration (“the Board”) of Kove Association in the manner set forth in the By-Laws of Kove Association.

(b) Rent for the Unit is Ten Dollars (\$10.00) per month due and payable in advance on the first day of each month. Increases in the amount of rent due hereunder (and under the proprietary leases) may be made as the Board may determine.

(c) Annual assessments and supplemental assessments will be made against the Unit on the basis of the proportionate share of common expenses allocated to the Unit based upon the market value of the Unit at the time of first occupancy compared to the market value of Units at the time of first occupancy which is _____ per cent. Although amounts required to be funded by assessment will be determined on a yearly basis, the actual assessments for the Unit will be made monthly, covering the next succeeding month. Unit Owner shall also pay promptly when due any supplemental assessments as may be provided for herein.

3. Repairs by Kove Association. Kove Association shall at its own expense keep in good repair the common areas and equipment and facilities therein, including the roads, sidewalks, parking areas, golf course, swimming pool, shuffleboard courts, recreation buildings, sewer and water facilities, electrical system, and landscaped areas located on the premises, excepting only those portions in the maintenance and repair of which are expressly stated to be the responsibility of Unit Owner in Section 14 hereof.

4. Services by Kove Association. Kove Association shall maintain and manage the Park as a first class mobile home and R.V. park, and shall keep the common areas clean and properly lighted, and shall provide the number of attendants requisite, in the judgment of the members of the Board of Administration, for the proper care and service of the Park. Kove Association shall provide the Unit with sewer and water services, and also shall provide the recreation buildings with a sufficient supply of hot and cold water and with heat and air conditioning when deemed appropriate by the Board. Covenants of Kove Association contained herein are subject to the discretionary power of Board to determine from time to time what services, attendants, and manner of maintaining and operating the Park are proper, and what existing services should be increased, reduced, or otherwise modified or terminated.

5. Damage to Park or Unit.

(a) Insured Losses. If the Park or any part thereof, including the Unit and the means of access thereto, is damaged by fire or other cause covered by multiperil policies commonly carried by owners of mobile home and R.V. parks in Volusia County, Florida, Kove Association shall, with due diligence after receipt of notice of such damage, carry out or cause to be carried out replacements and/or repairs shall be as appropriate at the expense of Kove Association and shall be effected with materials of a kind and quality then customary in structures and improved premises of the same type. Included within the scope of Kove Association's obligation is the replacement or repair of walls, floors, ceilings, pipes, wiring and conduits in the recreation buildings, the concrete slabs or driveways, if any, on each Unit, and the sewer, water and electrical system up to the boundary of each Unit. Any other damage is to be repaired by Kove Association or Unit Owner pursuant to Sections 3 and 14, as the case may be. However, anything in this Section or Section 3 to the contrary notwithstanding, Kove Association shall not be required to repair or replace, or cause to be repaired or replaced, Mobile homes, R.V.s equipment, fixtures, furniture, furnishings, or decorations installed by Unit Owner or any of his predecessors in title, nor shall Kove Association be obligated to repaint or replace wallpaper or other decorations in any Mobile home or R.V. occupied, leased or owned by any Unit Owner.

(b) Determination Not to Repair. If the Board determines that (1) a building or other improvement in the Park is totally destroyed by fire or other cause; or (2) such building or other improvement in the Park is so damaged that it will not be possible to repair it within a reasonable time after the loss has been adjusted with the insurance carriers; or (3) the destruction or damage was not covered by Kove Association's insurance policies then in effect; then if members entitled to at least two-thirds of the then authorized membership votes in Kove Association, at a member's meeting duly called for that purpose and held within thirty (30) days after the determination by the Board, vote not to repair, restore or rebuild, then no repair, restoration or rebuilding shall be accomplished.

6. Books of account. Kove Association shall keep full and accurate books of account at its principal office or at such place as the Board may from time to time determine, and such books shall be open to inspection by Unit Owner or his representative during all reasonable hours. Within a reasonable time after the end of each fiscal year, Kove Association shall deliver to Unit Owner, in accordance with the By-Laws of the Association, an annual report of corporate financial affairs, including a balance sheet and a statement of income and expenses.

7. Changes in Terms and Conditions of Proprietary Leases. Each proprietary lease shall be in the form of this lease, unless a variation of the form of lease is authorized by members entitled to exercise at least three-quarters of the then authorized membership votes in Kove Association. The form and provisions of all proprietary leases then in effect may be changed by approval of members entitled to at least two-thirds of the then authorized votes, and such changes will be binding on all Unit Owners even if they did not vote for such changes, except that the proportionate share of common expenses payable by any Unit Owner may not be increased without his express consent. Approval by Unit Owners as provided for herein shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose.

8. Quiet Enjoyment. On paying the rent and assessments, performing the covenants, and complying with the conditions set forth herein, Unit Owner shall at all times during the term thereof quietly have, hold and enjoy the Unit without any suit, trouble, or hindrance from Kove Association: subject, however, to the rights of present tenants or occupants of the Unit, and to any and all mortgages encumbering the premises owned by the Kove Association.

9. Payment of Rent and Assessments. Unit Owner will pay the rent and assessments to Kove Association on the terms and at times herein provided, without any deduction on account of any set-off or claim that Unit Owner may have against Kove Association. If Unit Owner shall fail to pay any installment of rent or annual assessments, or supplemental assessment promptly when due, Unit Owner shall pay interest thereon at the rate of nine percent (9%) per annum from the due date of such installment to the date of payment thereof, and such interest shall be deemed an additional assessment hereunder.

10. Use of Premises. Unit Owner shall not, without written consent of Kove Association on such conditions as Kove Association may prescribe and subject to compliance with the Rules and Regulations of the Park from time to time in effect, occupy or use the Unit or permit the same or any part thereof to be occupied or used for any purpose other than as the private dwelling for Unit Owner and Unit Owner's spouse, their children, grandchildren, parents, grandparents, brothers and sisters. In no event shall more than two related unmarried individuals, one married couple or one cohabitating couple own/lease or occupy the unit without written consent of Kove Association. Notwithstanding the foregoing restrictions, the Unit may be occupied from time to time by guests of Unit Owner for a period not exceeding one month, or such longer period as may be approved in writing by Kove Association; however, unless consented to in writing by Kove Association, no guests may occupy the Unit unless one or more of the permitted adult residents are then in occupancy. (September 8, 1999)

11. Subletting.

(a) Unit Owner shall not sublet the Unit, in whole or in part, renew or extend any previously authorized sublease, without the consent of the Board or, if the Board fails

or refuses to give such consent, the consent of members entitled to exercise at least a majority of the then authorized membership votes in Kove Association. Consent of the Board shall be evidenced by resolution or by writing executed by a majority of the Board. Consent by members shall be evidenced by written consent or by affirmative vote taken at a meeting called for such purpose. Any consent to subletting may be subject to such reasonable condition as the Board or members may impose.

(b) If Unit Owner at any time sublets the Unit and defaults in the payment of any rent, assessment, or supplemental assessment, Kove Association may, at its option, so long as such default continues, demand and receive from the subtenant the rent, assessment or supplemental assessment, due or becoming due from such subtenant to Unit Owner, and apply such amounts to pay sums due and to become due from Unit Owner to Kove Association. Any payment by a subtenant to Kove Association shall constitute a discharge of the obligation of such subtenant to Unit Owner to the extent of the amount so paid. The acceptance of such amounts from any subtenant shall not be deemed a consent to or approval of any subletting or assignment by Unit Owner, or a release or discharge of any of the obligations of Unit Owner hereunder.

(c) Unit Owner shall not sublet the Unit in whole or part for less than twelve (12) months, or occupy the unit within the term of the authorized sublease, without the consent of the Board or, if the Board fails or refuses to give such consent of members entitled to exercise at least a majority of the then authorized membership votes in Kove Association.

12. Assignment.

(a) Unit Owner shall not assign this lease or transfer the membership to which it is appurtenant or any interest therein, and not such assignment or transfer shall take effect as against Kove Association for any purpose, until,

(1) An instrument of assignment in form approved by Kove Association, executed and acknowledged by the Assignor, is delivered to Kove Association;

(2) An agreement in form approved by Kove Association, executed and acknowledged by Assignee, assuming and agreeing to be bound by all the covenants and conditions of this lease as of the date of the assignment, is delivered to Kove Association or, at the request of Kove Association, the Assignee surrenders the assigned lease and enters into a new lease in the same form as this lease for the remainder of the term hereof, in which case Unit Owner's lease will be cancelled as of the effective date of the assignment;

(3) The membership in Kove Association to which this lease is appurtenant has been transferred to Assignee;

(4) All sums due from Unit Owner have been paid to Kove Association, together with the actual expense of a credit report on the Assignee, to a maximum of Fifty Dollars (\$50,00);

(5) A search or certification from a title or abstract company, as the Board may require, is provided; and

(6) Except in the case of an assignment, transfer, or bequest to Unit Owner's spouse, consent to the assignment has been authorized by the Board; or, if the Board has failed or refused to give such consent within thirty (30) days after submission of references to them or Unit Owner's agent, by members entitled to exercise at least a majority of the then authorized votes in Kove Association. Consent of the Board shall be evidenced by a resolution or by a writing executed by a majority of them. Consent of members shall be evidenced by written consent or by affirmative vote taken at a meeting called for such a purpose in the manner provided in the By-Laws.

(b) If Unit Owner shall die, consent shall not be unreasonably withheld to an assignment of the lease and membership to a financially responsible member of Unit Owner's family other than Unit Owner's spouse as to whom no consent is required).

(c) On assignment of this lease in compliance with the terms hereof, Unit Owner-Assignor shall have no further liability on any of the covenants hereof to be performed after the date of assignment.

(d) Regardless of any prior consent theretofore given, neither Unit Owner, nor his executor or administrator, nor any trustee or receiver of the property of Unit Owner, nor anyone to whom the interests of Unit Owner may pass by law, shall be entitled further to assign this lease, or to sublet the Unit or any part thereof, except on compliance with the conditions of this lease.

(e) At any time at which this lease is in force and effect, Kove Association shall, promptly on the request of the Unit Owner, deliver to the Assignee a written statement that this lease remains in force and effect as of the date of such statement. However, no such statement shall be deemed an admission that there is no default under the lease.

13. Pledge of Lease.

A pledge of this lease shall not constitute a violation thereof. However, neither the pledgee nor any transferee of the pledged security shall be entitled, (1) to exercise the membership vote to which the Unit Owner is entitled, (2) to occupy the Unit or permit its occupancy by others, or (3) to assign this lease, without first obtaining the consent of Kove Association in accordance with and after complying with all the provisions of Sections 10, 11, or 12 as the case may be. The acceptance by Kove Association of payments by the pledgee or any transferee of the pledged security on account of rent, assessment, or supplemental assessments shall not constitute a waiver of the aforesaid provisions.

14. Repairs by Unit Owner.

(a) Unit Owner shall keep the area comprising the Unit, including shrubbery, plantings, concrete improvements made by the Unit Owner and exterior mobile home or R.V. surfaces, decorations and fixtures in good repair. Unit Owner shall do all painting and

decorating required on the exterior or interior of the Mobile home or R.V. located on the Unit, and shall be solely responsible for the maintenance, repair and replacement of plumbing, gas and heating fixtures and equipment and such refrigerators, dishwashers, removable and through the wall air conditioners, washing machines, ranges and other appliances as may be in the Mobile home or R.V. on the Unit. "Plumbing, gas and heating fixtures" as used herein includes exposed gas, steam and water pipes attached as well as any special pipe or equipment the Unit Owner may install within the wall or ceiling, or under the floor. The term shall not include water, sewer, electric, or telephone lines, pipes or conduits up to the boundary of the Unit. Unit owner shall be solely responsible for the maintenance, repair and replacement of all lighting and electrical fixtures, appliances and equipment, and all meters, fuse boxes or circuit breakers, and the electrical wiring and conduits from the junction box to the riser into and through the Unit Owner's Unit. Any ventilator or air conditioning device visible from the outside of the mobile home on the Unit shall at all times be painted by Unit Owner in standard color which Kove Association shall select for the Park.

(b) Unit Owner shall not permit unreasonable cooking or other odors to escape into the Park. Unit Owner shall not permit any unreasonable noises or vibrations or anything else that would interfere with the rights of or unreasonably annoy other Unit Owners, and Unit Owner shall not obstruct the roadways, sidewalks, or areas in common use.

(c) If, in Kove Association's sole judgment, any of unit Owner's equipment or appliance result in or present a substantial danger of damage to the Park or poor quality or interruption of service to other portions of the Park, or overloading of, or damage to facilities maintained by Kove Association for supplying sewer, water, and electricity to the Park, or if any appliances visible from the outside of the Unit become rusty or discolored, Unit Owner shall, promptly on notice from Kove Association, remedy the condition, and pending such remedy, shall cease using any appliance or equipment creating the objectionable condition or danger thereof.

(d) Unit owner shall comply with all requirements of the National Board of Fire Underwriters, insurance authorities, and all governmental authorities, and with all laws, ordinances, rules and regulations with respect to the occupancy or use of the Unit. If any mortgage affecting the land or the Park contains any provisions pertaining to the right of Kove Association to make changes or alterations in the Unit, or to remove any fixtures, appliances, equipment, or installations, Unit Owner shall comply with such requirements. On Unit Owner's written request, Kove Association will furnish to Unit Owner copies of applicable provisions of each and every such mortgage.

15. Kove Association Remedies on Default. If Unit Owner fails for thirty (30) days after notice to make repairs to any part of the Unit or its fixtures or equipment, as required herein, or fails to remedy any condition that has become objectionable to Kove Association for any of the reasons set forth above, or if Unit Owner or any person dwelling in the Unit requests Kove Association or its agents or employees to perform any act not herein required to be performed by Kove Association, Kove Association may make or cause to be made such repairs, and may remove such objectionable condition, without incurring any liability thereof. If, in the sole judgment of Kove Association, the condition requires prompt action, notice of less than thirty (30) days may be given, and if, in the sole judgment of Kove Association, an emergency

exists, no notice need be given. In all actions taken or caused to be taken by Kove Association hereunder, Kove Association and its agents, employees, and contractors shall as between Kove Association and Unit Owners, be conclusively deemed to be acting as agents of Unit Owner, and all contracts entered into by Kove Association pursuant to this section shall be so construed whether or not made in the name of Unit Owner. If Unit Owner fails to perform or comply with any of the other covenants or provisions of this lease within such time, not less than thirty (30) days, as may be required by a notice from Kove Association, then Kove Association may, but need not, comply therewith, and for such purpose may enter the Unit. Kove Association shall be entitled to recover from Unit Owner all expenses incurred or for which it has contracted hereunder, and such expenses shall be payable by Unit Owner on demand as an additional assessment.

16. Insurance. Unit Owner shall obtain and maintain liability insurance upon the Unit for the protection of the Unit Owner in an amount not less than Twenty Five Thousand Dollars (\$25,000) for injury to more than one person arising out of any one accident or catastrophe on or about the Unit and in an amount not less than Five Thousand Dollars (\$5,000) for property damage. Also, Unit owner shall furnish to Kove Association a certificate as evidence that said insurance is in full force and effect.

Unit Owner shall not permit anything to be done or kept at the Unit that would increase the rate of fire insurance on the Park or the contents thereof. If, by reason of the occupancy or use of the Unit by Unit Owner, the rate of fire insurance on the Park or any Unit therein or the contents of either is increased, Unit Owner shall, if such objectionable occupancy or use continues for more than thirty (30) days after written notice thereof is given by Kove Association, become liable for the additional insurance premiums incurred by Kove Association or any Unit Owner or Unit Owners of Units in the Park on all policies so affected, and Kove Association shall have the right to collect the same for its benefit or the benefit of any such Unit Owner or Unit Owners as an additional assessment for the Unit, due on the first day of the calendar month following written demand therefor by Kove Association.

17. Alterations.

(a) Unit Owner shall not, without first obtaining the written consent of Kove Association, which consent shall not be unreasonably withheld, make in or on the Unit, or on any roof, terrace, or porch appurtenant thereto, any alteration, enclosure, or addition, or any alteration of or addition to the sewer, water, or electrical system, or any other installation or facility in the Unit or Park. Performance by Unit owner of any work in the Unit shall be in accordance with any applicable Rules and Regulation of Kove Association and such governmental agencies as may have jurisdiction thereof. Unit Owner shall not in any case install any appliance that would overload the existing wiring or equipment in the Park,

(b) Unit Owner shall not, without Kove Association's written consent, remove any fixtures, appliance, additions, or improvements from the Unit except as hereinafter provided. If Unit Owner or a prior Unit Owner has heretofore placed or installed, or if Unit Owner hereafter places or installs in the Unit, at Unit Owner's own expense, any additions, improvements, appliances, or fixtures, or decorations, or built-in ornamental items, which can be

removed without structural alterations or permanent damage to the Unit, then title thereto shall remain in Unit Owner and Unit Owner shall have the right, prior to the termination of this lease, to remove the same at Unit Owner's own expense if certain conditions are satisfied. The conditions are that (1) at the time of such removal Unit Owner is not in default in the payment of rent, assessments or supplemental assessments, or in the performance or observance of any other covenants or conditions of this lease; (2) prior to the termination of this lease, Unit Owner repairs at his own expense, all damage to the Unit caused either by the installation or removal of any of such additions, improvements, or fixtures; (3) in the event Unit Owner has removed from the Unit any articles or materials owned by Kove Association, or any fixtures or equipment necessary for the use of the Unit, Unit Owner either restores such articles, materials fixtures and equipment, and repairs any damage resulting from their removal and restoration, or replaces them with others of a type and quality customary in comparable mobile home parks and satisfactory to Kove Association; and (4) in the event any mortgagee has acquired a lien on any such property prior to the extension of this lease, Unit Owner first procures from such mortgagee its written consent to such removal.

(c) On the expiration or termination of this lease, Unit Owner shall surrender to Kove Association possessions of the Unit with all additions, improvements, appliances, and fixtures then included therein, except as herein above provided. Any additions, improvement, fixtures, or appliances not removed by Unit Owner on or before such expiration or termination shall, at the option of Kove Association, be deemed abandoned, and shall become the property of Kove Association, and may be disposed of by Kove Association without liability or accountability to Unit Owner.

18. Cooperation. Unit Owner shall always in good faith endeavor to observe and promote the cooperative purposes for the accomplishment of which Kove Association is incorporated.

19. Right of Entry. Kove Association, its agents, and their authorized workmen shall be permitted to visit, examine, or enter the Unit and any storage space assigned to Unit Owner, at any reasonable hour of the day on notice, or at any time and without notice in case of emergency, to make or facilitate repairs in any part of the Park, or to cure any default by Unit Owner. Such persons shall also be permitted to remove such portions of the walls, floors, and ceilings of any Mobile home or R.V. on the Unit and storage space as may be required for any such purpose provided Kove Association shall thereafter restore the unit and storage space to its proper and usual condition at Unit Owner's expenses if such repairs are the obligation of Unit Owner or any of Unit Owner's family, guests, agents, employees or subtenants.

In order that Kove Association may at all times have access to the Unit and storage rooms for the purposes provided in this lease, Unit Owner shall provide Kove Association with a key to each lock providing access to the Unit and storage room, and if any lock is altered or a new lock installed, Unit Owner shall provide Kove Association with a key to thereto immediately on installation. If Unit Owner is not personally present to open and permit entry at any time when an entry is necessary or permissible hereunder, and has not furnished a key to Kove Association, Kove Association or the agents of Kove Association may forcibly enter the Unit or storage space without liability for damages by reason thereof, and without in any manner affect the obligations and covenants of this lease; provided that except in case of emergency, such entry shall require the authorization of an officer of Kove Association or an officer of the

managing agent, and provided further that during any such enter Kove Association shall accord reasonable care to Unit Owner's property. The right and authority hereby reserved does not impose, nor does Kove Association assume by reason thereof, any responsibility or liability for the care or supervision of the Unit, or any of the pipes, fixtures, appliances, or appurtenances therein contained, except as herein specifically provided.

20. Reimbursement of Kove Association's Expenses. If Unit Owner is at any time in default hereunder, and Kove Association incurs any expenses (whether actually paid or not) in performing acts that Unit Owner is required to perform, or in instituting any action or proceeding based on such default, or in defending or asserting a counterclaim in any action or proceeding brought by Unit Owner, the expense thereof to Unit Owner, including reasonable attorney's fees and disbursements, shall be paid by Unit Owner to Kove Association, on demand, as an additional assessment.

21. Kove Association Lien for Unpaid Rent or Assessments. Kove Association has and may enforce a lien on the Unit for any unpaid rent and/or assessments or supplemental assessments, and interest thereon at the rate of nine percent (9%) per annum. Such lien also secures payment by Unit Owner of reasonable attorney's fees incurred by Kove Association in collecting overdue rent or assessments or supplemental assessments, or in enforcing the lien. In any action by Kove Association to enforce such lien, Unit Owner shall have the right to interpose any defenses, legal or equitable, the Unit Owner may have against Kove Association under this lease.

22. Termination of Lease by Kove Association. On, or at any time after the happening of any one of the events mentioned in subsections (a) to (h) of the paragraph, Kove Association may give notice to Unit Owner that the term of this lease will expire on a date not less than thirty (30) days after the date of such notice, and term of this lease shall expire on the date so fixed. All right, title and interest of Unit Owner hereunder shall thereupon wholly cease, and Unit Owner shall thereupon quit and surrender the Unit to Kove Association, it being the intention of the parties to create hereby a conditional limitation. Thereupon, Kove Association shall have the right to reenter the Unit and to remove all persons and personal property therefrom by any suitable action or proceeding at law or in equity, and to repossess the Unit as of its former estate as if this lease had not been made. No liability whatsoever shall attach to Kove Association by reason of the exercise of the right of reentry, repossession, and removal herein granted and reserved.

(a) Unit Owner Becomes Bankrupt. This lease may be terminated if at any time during the term hereof (1) the then holder hereof is adjudicated a bankrupt under the laws of the United States; (2) a receiver of all the property of such holder or of this lease is appointed under such provision of the laws of any state, or of the United States, and the order appointing such receiver is not vacated within sixty (60) days; (3) such holder makes a general assignment for the benefit of creditors; or (4) this lease or the membership in Kove Association to which it is appurtenant passes by operation of law or otherwise to anyone other than Unit Owner or a person to whom Unit Owner has assigned this lease in the manner herein permitted; provided that this subparagraph (4) shall not be applicable if this lease devolves on the executors or administrators of Unit Owner and with six (6) months (which period may be extended by the Board) after the death of Unit Owner, this lease and the membership to which it is appurtenant are transferred to any Assignee in accordance with Section 12 hereof.

(b) Unauthorized Assignment, Sublease, or Occupancy. If this lease is assigned, or if there is any subletting hereunder without full compliance with the requirements of Sections 11 or 12 hereof: or if any person not authorized by Section 10 is permitted to use or occupy the Unit, and Unit Owner fails to cause such unauthorized person to vacate the Unit within ten (10) days after written notice from Unit Owner, this lease may be terminated.

(c) Default in Payment of Rent or Assessment or Supplemental Assessment. If Unit Owner remains in default for a period of thirty (30) days in the payment of any installment of rent or assessment, or of any supplemental assessment, and fails to cure such default within thirty (30) days after written notice from Kove Association, this lease may be terminated.

(d) Default in Performance of Covenants. If Unit Owner is in default in the performance of any covenant or provision hereof, other than the covenant to pay rent and assessments, and such default continues for thirty (30) days after written notice thereof from Kove Association, this lease may be terminated.

(e) Objectionable Conduct. If at any time Kove Association determines, by an affirmative vote of two-thirds of its then Board of Administration at a meeting duly called for that purpose that because of objectionable conduct on the part of Unit Owner or of any person dwelling or visiting in the Unit, repeated after written notice from Kove Association, the continued tenancy of Unit Owner is undesirable, this lease may be terminated.

(f) Termination of all Proprietary Leases. If at any time Kove Association determines, on the affirmative vote of two-thirds of its then Board of Administration at a Board meeting duly called for that purpose, and the affirmative vote of members entitled to exercise at least three-quarters of the then authorized voted in Kove Association, at a member's meeting duly called for that purpose, to terminate all proprietary leases, this lease may be terminated.

(g) Condemnation. If at any time the Park or a substantial portion thereof is taken by condemnation proceedings, this lease may be terminated

23. Rights and Duties on Termination. (a) If Kove Association resumes possession of the Unit, by any legal means available to it, on expiration of the term pursuant to a notice given as provided in Section 22 hereof on the happening of any event specified in subsections (a) to (e) inclusive of that section, Unit Owner shall continue to remain liable for payment of a sum equal to the rent, assessments and supplemental assessments that would have become due hereunder, and shall pay the same in installments at the time it would be due hereunder, until the time specified in the subsection (c) of this section. Suit brought to recover any installment of such rent or assessments shall not prejudice the right of Kove Association to recover any subsequent installment.

After resuming possession, Kove Association may, at its option, from time to time (1) relet the Unit for its own account, or (2) relet the Unit as agent of Unit Owner, in the name of Unit Owner or Kove Association, for a term or terms less than, equal to, or greater than the period that would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent in its discretion. Any reletting of the Unit shall be deemed for the account of Kove Association unless, within thirty (30) days after such reletting, Kove

Association notifies Unit Owner that the premises have been relet of Kove Association's own account. If Kove Association relet the Unit as agent for Unit Owner, it shall, after reimbursing itself for its expenses in connection therewith, including leasing commissions and reasonable amount for attorney's fees and expenses, and decorations, alterations, and repairs in and to the Unit, apply the remaining proceeds of such reletting, if any, against Unit Owner's continuing obligation hereunder.

(b) On termination of this lease under the provisions of subsections (a) to (e) inclusive of Section 22 hereof, Unit Owner will surrender to Kove Association the proprietary lease and the certificate when a purchaser therefore is obtained, provided that the issuance of such lease and certificate to the purchaser is authorized by resolution of the Board, or by members entitled to exercise at least a majority of the then authorized membership votes in Kove Association. On such issuance, the lease and certificate held by Unit Owner shall be automatically cancelled and rendered null and void. Kove Association shall apply the proceeds received for the issuance of the new lease toward the payment of Unit Owner's indebtedness hereunder, including interest, attorneys' fees, and other expenses incurred by Kove Association. If the proceeds are sufficient to pay the same, Kove Association will pay over any surplus to Unit Owner; if the proceeds are insufficient, Unit Owner shall remain liable for the balance of the indebtedness. Kove Association shall not, however, be obligated to sell such membership and appurtenant lease or otherwise make any attempt to mitigate damages.

24. Applicability of Covenants. As used herein, the term "Kove Association" shall include the successors and assigns of Kove Association. As used herein the terms "Unit Owner" and "members of Kove Association" shall include the executors, administrators, legal representatives, legatees, distributees, and Assignees of Unit Owner and such members. The covenants herein contained shall apply to, bind and insure to the benefit of Kove Association, Unit Owner, and members of Kove Association, except as herein above specifically provided.

25. Kove Association's Additional Remedies. In the event of a breach or threatened breach by Unit Owner of any provision hereof, Kove Association shall have the right of injunction, and the right to invoke any remedy at law or in equity as if reentry and other remedies were not herein provided for. The election of one or more remedies shall not preclude Kove Association from any other remedy.

26. Waivers. Failure of Kove Association to insist, in any one or more instances, on the strict performance of any of the provisions of this lease, or to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding shall not be construed as a waiver or a relinquishment for the future of any such provisions, options, or rights. Receipts by Kove Association of rent and assessments, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by Kove Association of any provision hereof shall be deemed to have been made unless in writing expressly approved by the Board.

27. Notices. Any notice by or demand from either party to the other required or permitted to be given hereunder shall be deemed duly given only if in writing and sent by certified mail. A notice by Unit Owner shall be addressed to Kove Association at the Park, with a copy sent by regular mail to Kove Association's managing agent, if any; a notice to Unit Owner

shall be addressed to the Park. Either party may, by notice served in accordance herewith, designate a different address of service of such notice or demand. Notices or demand shall be deemed given on the date mailed.

28. Unit Owner More Than One Person. If more than one person is named as Unit Owner herein, Kove Association may require the signatures of such person in connection with any notice to be given or action to be taken by Unit Owner hereunder, including without limitation, the surrender or assignment of this lease, or any request of consent to assignment or sublease. Each person named as Unit Owner shall be jointly and severally liable for all of Unit Owner's obligations hereunder. Any notice by Kove Association to any person named as Unit Owner shall be sufficient, and shall have the same force and effect as though given to all persons named as Unit Owner.

29. Subordinate to Mortgages. All interests of Unit Owner shall be subject and subordinate to such mortgage or mortgages as may from time to time be executed by, or assumed by the Association and duly recorded, and to any and all extensions, modifications, renewals and replacements thereof, or substitutions therefor.

30. Partial Invalidity; Effect. If any clause or provision of this lease is adjudged invalid, such adjudication shall not affect the validity of any other clause or provision, or constitute a cause of action in favor of either party against each other.

31. Headings. Headings preceding sections and subsections of this lease are not to be considered a part of this lease, and are in no way intended to limit or fully describe the contents of the sections or subsections the precede.

32. Oral Modifications. The provisions of this lease may not be changed orally. However amendments may be made by written approval of (2/3) two-thirds vote of the membership.

33. Age 55 and Older Community Provision. It is the intent of this Age 55 Provision that the Kove Association will comply with the Federal Fair Housing Act and any other applicable federal or state law or regulation, as amended from time to time, which allow the Association to restrict the occupancy of the Units based on age provided certain criteria are met.

(1) At least one person who is fifty-five (55) years of age or older shall occupy permanently at least eight percent (80%) of all units, subject to calculation as delineated in Title 24, United States Code of Federal Regulations, Part 100, as may be amended from time to time, which regulation shall apply to all occupancy calculations under this provision. Such occupant shall be a Unit owner or a tenant of a Unit owner. Persons under fifty-five (55) years of age who are also age eighteen (18) years or older may occupy and reside in a Unit if one of the other permanent occupants of the Unit is age fifty-five (55) years or older. Persons under eighteen (18) years of age shall not permanently occupy a Unit except as set forth herein, but such persons age eighteen (18) years or less may occupy a Unit only on a temporary basis, not to exceed on (1) month in any calendar year.

(2) Notwithstanding the requirements set forth in subsection (1) above, and except as set forth in subsection (3) below, the following exceptions to the aforesaid age restrictions shall apply as permitted by the Kove Association's Board of Directors on a case-by-case basis.

(a) If a Unit owner who is fifty-five (55) years of age or older dies, then the Board of Directors may waive the requirement for one occupant of this Unit to be age fifty-five (55) years or older. This exception for each Unit shall lapse upon transfer of the Unit to a person who was not an heir of the deceased Unit owner. For the Board of Directors to consider this exception, the deceased Unit owner's heir(s) shall notify the Board of Directors within thirty (30) days of the death of a Unit owner who was over fifty-five (55) years of age.

(b) In the event of a divorce the result of which is that there is no longer an occupant in the Unit who is age fifty-five (55) years or older, the Board of Directors may waive the requirement for one occupant of this Unit to be age fifty-five (55) years or older. This exception for each such Unit shall lapse upon transfer of the Unit. For the Board of Directors to consider this exception, the Unit owner shall notify the Association's Board of Directors within thirty (30) days of the effective date of said divorce.

(c) The restriction on occupancy by persons less than fifty-five (55) years of age shall not apply to those Unit in which no person age fifty-five (55) years or older occupies such Unit as of the date of adoption of this provision, for as long as such lot remains permanently occupied by one or more of the same occupants. This exception for each such Unit shall lapse upon transfer of the Unit to a new Unit owner or tenant.

(d) If a person under eighteen (18) years of age is or becomes the legal ward of a Unit Owner who is age fifty-five or older or if such person under eighteen (18) years of age is or becomes otherwise economically or medically dependent upon such Unit Owner, the Board of Directors may waive the one (1) month limitation for occupancy by such under-aged person on a yearly, case-by-case basis. However, this exception shall only be available for Units occupied by the owner thereof who is fifty-five (55) years of age or older.

(e) The Board of Directors may consider other exceptions for hardship situations on a case-by-case basis.

(3) None of the foregoing exceptions delineated in this section shall be permitted where granting such exception will result in the Kove Association violating the Fair Housing Act or its implementing regulations or where granting such exception will result in Kove Association losing its right to enforce its Proprietary Lease. It shall be the responsibility of the Board of Directors to determine whether eighty (80%) percent of the Units subject to calculation as delineated in Title 24, United States Code of Federal Regulations, Part 100, are occupied by at least one person who is age fifty-five (55) years or older. The Board of Directors shall have the sole and absolute authority to deny occupancy to any person(s) seeking occupancy after the effective date of this provision where such occupancy would create a violation of the required percentage as set forth in Title 24, United States Code of Federal Regulations, Part 100.

(4) To implement this provision according to the Fair Housing Act and all amendments and implementing regulations thereto, The Board shall undertake the following actions:

(a) This provision shall be published to all Unit Owners and tenants to demonstrate this Association adheres to policies and procedures intended to provide housing for persons fifty-five (55) years of age and older.

(b) The Kove Association shall comply with regulations issued by the United States Department of Housing and Urban Development and set forth in Title 24, United States Code of Federal Regulations, Part 100, as same may be amended from time to time, for verification of occupancy by reliable surveys and affidavits and for the maintenance of records demonstrating that at least one person who is age 55 years or older occupies at least 80% of the Units.

(December 13, 2004)

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(Matt Coale April 2023)