

Prepared by and Return to:
Spottswood, Spottswood & Spottswood
500 Fleming Street
Key West, Florida 33040

GRANT OF EASEMENT

THIS GRANT OF EASEMENT is entered into this ____ day of _____, 2008 (herein "Agreement"), by and between **MONROE COUNTY**, a political subdivision of the State of Florida, its successors and assigns, whose address is 1100 Simonton Street, Key West, Florida 33040 (herein "Monroe County"), and **ISLANDER VILLAGE, LLC**, a Florida limited liability company, its successors and assigns, whose address is 201 Front Street, Suite 224, Key West, Florida 33040 (herein "Islander Village"), collectively referred to herein as "Grantor", and **FLORIDA KEYS AQUEDUCT AUTHORITY, a special District of the State of Florida** (herein "FKAA"), whose address is 1100 Kennedy Drive, Key West, Florida 33040 and referred to herein as "Grantee."

RECITALS

WHEREAS Monroe County has purchased property from Drive-In Ltd. and is now the owner of said real property located in Monroe County, Florida, which property is described on Exhibit "A" attached hereto and made a part hereof (herein "Affordable Property"); and,

WHEREAS, Islander Village and Monroe County entered into a ninety-nine (99) year ground lease (hereinafter "Lease") recorded at Official Records Book 2301 at Page 365, pursuant to which Islander Village has leased the Affordable Property from Monroe County for the development and subsequent sale of eighty-nine (89) affordable units to individual unit owners (herein the "Project"); and,

WHEREAS, the parties are desirous of entering into this Agreement to provide Grantee with a non-exclusive perpetual easement over, in, under and across the Affordable Property for public utility purposes, together with a reasonable right of ingress and egress over said property; and,

WHEREAS, Islander Village has requested utility service from Grantee for public utility purposes of the Project; and,

WHEREAS, the parties have agreed, under the terms and conditions set forth herein, to grant to Grantee the right to use the Affordable Property for the purposes set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The above Recitals are true and correct and are hereby incorporated herein by reference.

2. Each Party hereto warrants that this grant of easement, and all terms and conditions contained herein, are supported by adequate consideration.

3. Islander Village and Monroe County hereby grant, convey, declare and create for the benefit of FKAA, a perpetual, non-exclusive easement as reasonably necessary in, upon, over and across the Affordable Property for the management, operation, maintenance and construction of public utilities, together with the reasonable right of ingress and egress over said property so as to afford FKAA reasonable use and enjoyment of this easement for the purposes of providing utility service to the Project; provided, however, any future installation will be subject to the approval of Islander Village. Additionally, Islander Village and Monroe County grant to FKAA the right to construct, reconstruct, lay, install, operate, maintain, relocate, repair, replace, improve, remove and inspect water distribution facilities and all appurtenances thereto within the Affordable Property provided the foregoing rights do not unreasonably interfere with the rights of the residential owners in regard to their units. Furthermore, Islander Village, its successors, assigns or designees reserve the right at any time in the future, and from time to time, to relocate any existing water distribution facilities and/or appurtenances thereto located within the Affordable Property provided Islander Village shall bear the cost of any relocation or modification of said facilities when the change is necessitated by Islander Village.

4. FKAA shall indemnify, protect, defend and hold Grantor harmless from any and all liability, loss, damage, cost or expense (including but not limited to attorneys' fees and court costs at the trial level and during appellate proceedings) in which Grantor should incur as a result of or in connection with FKAA's use of the Affordable Property.

5. FKAA hereby acknowledges that Islander Village, its invitees, and contractors retain the right to use the Affordable Property. Monroe County hereby acknowledges that the grant of the easements set forth herein which encumbers the Affordable Property shall survive termination of the Lease with Islander Village. This easement shall run with the Affordable Property forever and be binding upon and inure to the benefit of and be enforceable by the parties hereto, their heirs, legal representatives, successors and assigns, including but not limited to the homeowners' associations of the owners of the developments located on the Affordable Property.

6. This Agreement may not be terminated or amended, modified, altered, or changed in any respect whatsoever, except by a further agreement in writing duly executed by the parties (or their successors or assigns) and recorded in Public Records of Monroe County, Florida. No breach of the provisions of this Agreement shall entitle any party to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other rights or remedies which any party may have by reason of any breach of the provisions of this Agreement.

7. This Agreement may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute one and the same Agreement.

8. Nothing contained in this Easement Agreement shall create or shall be deemed to create any easements or use rights in the general public or constitute a public dedication for any public use whatsoever.

9. In the event of any controversy, claim, or dispute relating to this instrument or the breach of it, the prevailing party shall be entitled to recover reasonable expenses, attorneys' fees, and costs.

10. If any provision of this Agreement, or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be severable and valid and enforceable to the fullest extent permitted by law.

11. All notices, consents, approvals or other communications hereunder shall be in writing and shall be deemed properly given if sent by United States certified mail, return receipt requested, addressed to the appropriate party or successor-in-interest.

12. This Agreement shall be construed in accordance with the laws of the State of Florida. All parties acknowledge and agree that in the event of any dispute arising under this Agreement, the sole jurisdiction for such dispute shall be in Monroe County, Florida.

13. For the purposes of interpreting any ambiguity arising under this Agreement, no party shall be considered the "drafter" of same.

14. Each party to this Agreement agrees to waive a jury trial on any dispute arising under this Agreement and each party agrees to have any dispute heard by the court without a jury.

15. The undersigned hereby represent and warrant that all action, approvals and consents necessary for the execution of this Agreement have been taken or obtained, and the persons executing this Agreement are authorized and directed to execute this Agreement.

16. This easement shall terminate if at any time its use is discontinued for one (1) year.

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Witnesses:

ISLANDER VILLAGE, LLC

Print Name: _____

By: _____

Printed Name: _____

Its: _____

Print Name: _____

STATE OF FLORIDA
COUNTY OF MONROE

On this ____ day of _____, 2008, before me personally appeared _____, as _____ of Islander Village, LLC, who is personally known to me, and who acknowledged execution of the foregoing instrument.

Notary Public

(SEAL)

**MONROE COUNTY, a political
subdivision of the State of Florida**

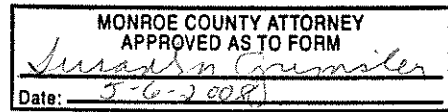
Attest:

Danny Kolhage

By: _____

Printed Name: _____

Its: Mayor



STATE OF FLORIDA
COUNTY OF MONROE

On this ____ day of _____, 2008, before me personally appeared _____, as Mayor of Monroe County, a political subdivision of the State of Florida, who is personally known to me, and who acknowledged execution of the foregoing instrument.

Notary Public

Print Name

(SEAL)

Witnesses:

**FLORIDA KEYS AQUEDUCT
AUTHORITY, a special District of the
State of Florida**

Print Name: _____

By:: _____
James C. Reynolds, Executive Director

Print Name: _____

STATE OF FLORIDA
COUNTY OF MONROE

On this ____ day of _____, 2008, before me personally appeared James C. Reynolds, Executive Director of Florida Keys Aqueduct Authority, a special District of the State of Florida, who is personally known to me, and who acknowledged execution of the foregoing instrument.

Notary Public

(SEAL)