

### RESTRICTIVE COVENANT

Whereas, LPI/Key West Associates, Ltd., a Florida Limited Partnership, hereinafter "OWNER" is the owner, pursuant to 99-year lease dated December 14, 1989, of real property located at 2814-2816 N. Roosevelt Blvd., legally described as follows:

A parcel of land on the Island of Key West and being a part of Parcel 10 according to "Plat of Survey, Part of lands formerly owned by Key West Improvement, Inc., recorded in Plat Book 4 at page 69 of the Public Records of Monroe County, Florida, and being more particularly described in 99-year Lease Agreement between Trustees of the Spottswood Family Trust, et al, and LPI/Key West Associates, Ltd. Dated December 14, 1989, as recorded in the Public Records of Monroe County, Florida

RE# 00066150-000000 and

WHEREAS, the City of Key West, hereinafter "CITY" distributes building permits for housing units which are allocated to it by the State of Florida; and

WHEREAS, the OWNER desires to build 3 affordable housing unit(s) on the above described property or has designated an already constructed unit(s) on the above described property as affordable ; and

WHEREAS, the building permits available from CITY are for housing units designated as "affordable" and "affordable, low income" by the CITY under its Affordable Housing Regulations;

NOW, THEREFORE, the OWNER agrees to the following:

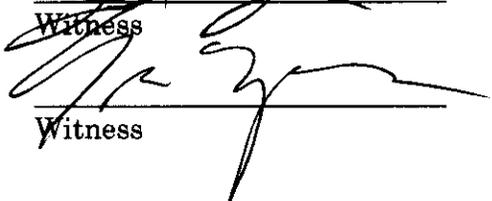
1. The permits for the units will be awarded from the CITY'S affordable housing permit allocation specifically for 2816 N. Roosevelt Blvd., units 2, 3 and 4 (second floor, above "Key West Diner").
2. The housing built and designated affordable as a result of this award shall be restricted in its rental and sale prices, as well as by the income limitations on tenants and ownership, by the restrictions in CITY'S affordable housing regulations and ordinances as defined in the Land Development Regulations in the Code of Ordinances of the City of Key West, including but not limited to Section 122-1466, *et.seq.*, as it is currently written or as it is amended or codified.
3. The above described real property may be mortgaged. In the event of a foreclosure, the lender may sell the property for the greater of :
  - a) a price which includes the loan amount, plus the cost of foreclosure, interest due until time of sale, legal costs and expenses, and the cost of emergency repairs to restore the property to a condition suitable for resale; or
  - (b) the sales price as defined in Section 122-1466 of the Code of Ordinances of the City of Key West as no more than three and one-half times the annual median household income (adjusted for family size) for Monroe County, or as determined if the section is amended.

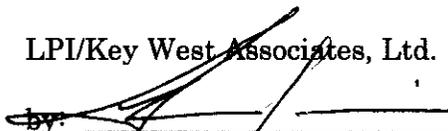
The lender must notify the CITY's Planning Department by letter to the City Planner of the proposed foreclosure. The purpose of the notification is to allow the City Planner to propose purchasers who are qualified under the terms of the Code of Ordinances of the City of Key West.

- 4. In the event that a property with more than one unit is sold or divided into condominiums and it contains a unit or units designated as affordable, the sales price and qualifications of the buyer and all other aspects of the sale of that unit must conform to the City's affordable housing ordinance and regulations in the Code of Ordinances of the City of Key West.
- 5. The execution and filing of this document in the public records of Monroe County creates no rights in the OWNER to the permits and units herein described. All other codes, ordinances, and regulations of the CITY must be adhered to within the required time frames to obtain a Certificate of Occupancy for the above units(s).
- 6. The above restrictions shall be a restrictive covenant, which shall run with the land and remain in full force and effect for a period of 25 years from the date of this deed of restrictions unless renewed or rescinded by the CITY. In the event of a violation or breach of these restrictions, CITY and any person aggrieved by a violation or breach shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. The failure to enforce any right, reservation, restriction or condition contained herein, however long continued, shall not be deemed a waiver of the right to do so thereafter as to the same breach.

Made and executed on the 26<sup>th</sup> day of April, 2004

  
 \_\_\_\_\_  
 Witness

  
 \_\_\_\_\_  
 Witness

LPI/Key West Associates, Ltd.  
 by:   
 \_\_\_\_\_  
 Signature of Owner

Thomas E. Lewis, President,  
 LPI/Key West, Inc. (General Partner)

Subscribed and sworn to (or affirmed) before me on April 26, 2004 by Thomas E. Lewis, as President of LPI/Key West, Inc., General Partner of LPI/Key West, Ltd. He is personally known to me or has presented Driver license as identification.

  
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 Notary's Signature and Seal

FRANCES PAEZ  
 Notary Public, State of Florida  
 My comm. exp. April 7, 2008  
 Comm. No. DD 308298

Name of Acknowledger typed, printed or stamped  
Title or Rank

Commission Number, if any