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THIS INSTRUMENT PREPARED BY:

M. Lance Holden
Sharil, Bunn, Chilton,
Holden & Stambaugh, P.A.
99 Sixth Street, S.W.
P. O. Box 9498
Winter Haven, FL 33883-9498

Barcelona

Barcelona

SERVICE AGREEMENT

THIS AGREEMENT made and entered into this 26th day of January, 1998, by and between BAY TREE MANAGEMENT COMPANY, a Florida corporation, party of the first part hereinafter called the "Contractor," and **ORCHID SPRINGS VILLAGE NO. 300, INC.** a non-profit corporation existing under the laws of the State of Florida, party of the second part, hereinafter called "Association."

WITNESSETH:

WHEREAS, the parties previously entered into that Service and Maintenance Agreement, recorded on December 26, 1972 in O.R. Book 1507, pages 711 through 718, inclusive, of the Polk County public records, for those facilities described herein; and

WHEREAS, the parties hereto desire to extend said Agreement for the performance of designated services as hereinafter defined for the following described really, which consists of one building containing a total of thirty-eight (38) units and related facilities, legally described as:

(SEE EXHIBIT A, ATTACHED HERETO)

NOW THEREFORE, for and in consideration of the sum of Ten Dollars and other good and valuable considerations, each to the other in hand paid, the receipt whereof is hereby acknowledged, the parties agree as follows:

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I. The term of this Agreement shall be a period of twenty-five (25) years and shall commence on the first day of ~~February~~, 1998, ~~and terminate on the first day of~~

~~February~~ 2023

II. The Contractor shall provide the following services if so requested:

a) On an annual basis, bid out on behalf of the Association public liability insurance for a minimum coverage of One Million Dollars (\$1,000,000.00) single bodily injury and/or property damage; and insurance covering fire and extended coverage on the building, consisting of thirty-nine (39) units as provided for and subject to all of the conditions of paragraph 17 of the Declaration of Condominium, save and except for paragraph 17(b)(3). It shall be the sole responsibility of the Association to conform to and pay for any adjustments, improvements, or modifications demanded by the Association's insurance company for compliance with the policy terms. It is specifically understood by all parties herein that insurance covering fire and extended coverage on the building shall cover the physical building itself together with the common elements thereon, but shall not cover the personal effects and/or personal property of the condominium unit owner, such as rugs, drapes, and curtains, furniture and other items commonly included within the homeowners policy. Flood and sinkhole insurance for the Association will be bid out on behalf of the Association by Contractor, if so requested by the Association.

On a monthly basis, the Contractor will provide recordkeeping, billing and mailing for insurance services for the Association. Insurance may be purchased for a one year term. The Contractor may enter into an agreement to finance this insurance coverage through the insurance carrier or by some other means. The Association and unit owner shall be responsible for the proportionate share of insurance payments on a monthly basis.

b) On a monthly basis, provide recordkeeping, billing and mailing for gas service for the units of the Association. All costs of utility service (including capital improvements or compliance with governmental mandates) shall be borne by the Association and its individual members pursuant to the pro rata shares from each unit apportioned as per the percentage indicated for each unit in Exhibit B.

c) On a monthly basis, provide recordkeeping, billing and mailing for water and sewer service for the units of the Association. All costs of utility service (including capital improvements or compliance with governmental mandates) shall be borne by the Association and its individual members pursuant to the pro rata shares from each unit apportioned as per the percentage indicated for each unit in Exhibit B.

d) On a monthly basis, provide recordkeeping, billing and mailing for electric service for the house meter of the Association. All costs of utility service (including capital improvements or compliance with governmental mandates) shall be borne by the Association and its individual members pursuant to the pro rata shares from each unit apportioned as per the percentage indicated for each unit in Exhibit B.

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The Contractor shall provide sufficient manpower to provide the services specified herein and shall employ at least one (1) person to perform these services. The parties specifically recognize that the personnel performing those functions enumerated above shall also perform those functions for other associations and entities during the term of this Agreement.

It is also recognized that the Contractor has the authority to enter into agreements on behalf of the Association for water and sewer, electricity, gas, and such other services as may be necessary to fulfill the provisions of this Agreement.

III. The Contractor shall not, under any circumstances, be liable under or by reason of this Agreement, directly or indirectly, for any accident, injury, breakage or damage of any machinery or appliance not attributed to the action or inaction of the Contractor or of any of its agents, employees, or servants, nor shall it be held responsible or liable for any loss, damage, detention or delay in furnishing materials or failure to perform duties as hereinabove provided when such is caused by fire, flood, strike, acts of civil or military authorities, or by insurrection or riot, or by any other cause which is unavoidable or beyond its control.

IV. Procedures for collecting and depositing yearly assessments levied against the Association units owners:

a) Yearly base assessments levied against unit owners of the Association by the Association will be divided into monthly amounts. Each respective monthly base assessment amount will be added to each unit owner's monthly Service and Maintenance fee. The total of these two sums is the total monthly amount (assessment) a unit owner shall pay to the Contractor. The Association will advise the Contractor of any changes in the amount of base assessments charged by the Association against the individual unit owners.

b) The Association Board of Directors may need to levy special assessments upon unit owners of the Association. The amount of a special assessment would be added on to one or more monthly assessment payments.

V. The Contractor agrees to perform the following banking, bookkeeping and record keeping function for the Association:

a) The Contractor will establish two banking accounts for the Association: one account for checking and the other an investment account where monies not needed from year to year can generate income. The Association shall direct the Contractor where each account shall be opened. The Association shall be responsible for all maintenance upkeep and costs as required by the financial institutions. These accounts can be drawn on only by a person or persons designated by the Association Board of Directors.

b) From each of the Association's unit owner's monthly amount paid

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to the Contractor, the Association's monthly assessment amount (as defined in Paragraph IV(a) and (b), above) will be deposited in the Association's two bank accounts according to the Association's Treasurer's instructions.

c) The Contractor will establish an in-house bookkeeping system showing only the status of Association directed assessment payments (as defined in Paragraph IV(a) and (b), above). from the thirty-nine (39) unit owners of the Association and the allocation of the Association's monies to a general fund and various budget categories. The Contractor will provide monthly and yearly statements of activities in these accounts to the Association's Treasurer. The Contractor does not have any requirements and will not be subject to any reporting of its financial records or any other records to the Association.

d) If the Association so desires, the Contractor will submit the Association's annual filing with the Florida Secretary of State. The Association will pay the filing fee and any other costs required by the State.

e) The services described in paragraphs IV and V, above, are available at the option of the Association. If the Association elects to undertake those functions, the Contractor shall have no obligation to provide or supervise such services until such time as the Association provides written notice requesting same to Contractor.

VI. The primary obligation for payment to the Contractor, shall be by the Condominium unit owners, individually. However, the Association is also jointly and severally liable to the Contractor for any obligations of the unit owner and Contractor, in its sole discretion, shall be entitled to collect such obligations from the Association without first pursuing any collection efforts against the unit owner. On the first day of each month each owner of a condominium unit shall be responsible for payment to the Contractor in an amount as provided for in the schedule set forth hereinabove, as part of the total assessment due. In the event the owner of the condominium fails to pay the specified amount provided for herein to the Contractor on or before the tenth day of each month, then the Contractor shall be authorized to discontinue and terminate any one or all of the services to such unit that are provided for by the Contractor until said owner shall have made full payment in accordance with the terms and conditions of this Agreement. In addition to the right to discontinue services, the Association does hereby grant and assign to the Contractor any and all rights of the Association to assert a lien against the property of the defaulting owner, including the right to sue or bring an action (legal or equitable) in the name of the Association against the owner. Each unit owner or the Association shall pay the Contractor the greater of \$15.00 or 1-1/2% per month interest on each unit's monthly assessment received after the tenth (10th) of any month. The unit owner shall be responsible for all costs incurred in collecting any amounts due, including a reasonable attorney's fee. The Association shall indemnify and hold Contractor harmless for any claim or counterclaim asserted against Contractor arising out of or connected with such action to enforce the assessments.

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VII. The Contractor shall not be responsible for any services not specifically enumerated herein.

VIII. Attorney's Fees - Should a dispute arise concerning the terms and conditions of this Agreement, the party prevailing shall be entitled to recover costs and attorney's fees.

IX. If any one or more provisions of this Agreement are declared invalid, such invalidity shall in no way impair or affect the validity, enforceability, or effect of the remainder of this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the date and year first above written.

Signed, sealed and delivered
in the presence of:

Sandra L. Powell

SANDRA L. POWELL
Printed Name of Witness

June S. Roberts

JUNE S. ROBERTS
Printed Name of Witness

Sandra L. Powell

SANDRA L. POWELL
Printed Name of Witness

June S. Roberts

JUNE S. ROBERTS
Printed Name of Witness

BAY TREE MANAGEMENT COMPANY

By: *Albert B. Lawrence*

ALBERT B. LAWRENCE, President
710 Overlook Drive
Winter Haven, FL 33884

ORCHID SPRINGS VILLAGE
NO. 300, INC.

By: *Albert B. Lawrence*

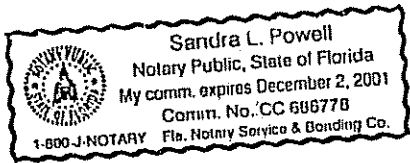
ALBERT B. LAWRENCE, President
710 Overlook Drive
Winter Haven, FL 33884

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STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this 20th day of February, 1998, by ARDELL B. UPSHAW, as President of Bay Tree Management Company, a Florida corporation, on behalf of the corporation, and is personally known to me or has produced _____ as identification.

(SEAL)



Sandra L. Powell

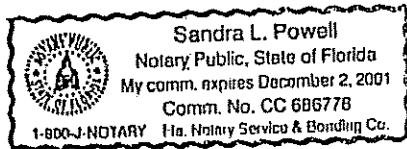
Notary Public - State of Florida
SANDRA L. POWELL

Print/Type Name of Notary Public
Commission No. _____
My Commission Expires: _____

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this 26th day of February, 1998, by MARLENE HARRIS, as President of Orchid Springs Village No. 300, Inc., a Florida corporation, on behalf of the corporation, and is personally known to me or has produced DEBBIE L. HARRIS as identification.

(SEAL)



Sandra L. Powell

Notary Public - State of Florida
SANDRA L. POWELL

Print/Type Name of Notary Public
Commission No. _____
My Commission Expires: _____

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A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East 1000.80 feet; thence South 89° 43' 00" West 330.81 feet for the point of beginning;

thence continue South 89° 43' 00" West 310.00 feet; thence North 0° 17' 00" West 227.67 feet; thence North 63° 03' 00" East 88.59 feet; thence South 26° 57' 00" East 3.14 feet; thence South 69° 32' 20" East 106.34 feet; thence North 62° 48' 50" East 145.76 feet; thence South 0° 17' 00" East 292.92 feet to the point of beginning.

Said parcel of land containing 1.796 acres, more or less.

RESERVING to Developer, its successors and assigns, a perpetual easement and right-of-way, including the perpetual right to enter upon the property hereinafter described (and arbitrarily designated as tracts A, B, C, D, E,) at any time that it may see fit, and construct, maintain and repair sewage, gas and water pipe lines and mains, wire lines and conduits of all kinds for general utilities, together with the right to excavate and refill ditches and trenches, remove trees, bushes, sod, undergrowth and other obstructions interfering with the location, construction and maintenance of said pipe lines, mains, wire lines and conduits, over and across, through and under the following described property:

TRACT A - A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East, along the East boundary of said Section 35, a distance of 1000.80 feet; thence South 89° 43' 00" West 330.81 feet for the point of beginning;

thence continue South 89° 43' 00" West 310.00 feet; thence North 0° 17' 00" West 15.00 feet; thence North 89° 43' 00" East 310.00 feet; thence South 0° 17' 00" East 15.00 feet to the point of beginning.

TRACT B - A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East, along the East boundary of said Section 35, a distance of 1000.80 feet; thence South 89° 43' 00" West 490.31 feet for the point of beginning;

thence continue South 89° 43' 00" West 10.00 feet; thence North 0° 17' 00" West 26.50 feet; thence North 89° 43' 00" East 10.00 feet; thence South 0° 17' 00" East 26.50 feet to the point of beginning.

TRACT C - A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

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Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East, along the East boundary of said Section 35, a distance of 1000.80 feet; thence South 89° 43' 00" West 554.64 feet for the point of beginning;

thence continue; South 89° 43' 00" West 10.00 feet; thence North 0° 17' 00" West 56.29 feet; thence South 89° 43' 00" West 5.00 feet; thence North 0° 17' 00" West 15.00 feet; thence North 89° 43' 00" East 15.00 feet; thence South 0° 17' 00" East 71.29 feet to the point of beginning.

TRACT D - A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East, along the East boundary of said Section 35, a distance of 735.80 feet; thence South 89° 43' 00" West 559.86 feet for the point of beginning;

thence South 69° 32' 20" East 14.78 feet; thence South 26° 57' 00" East 35.46 feet; thence South 69° 32' 20" East 76.05 feet; thence North 62° 48' 52" East 144.19 feet; thence South 0° 17' 00" East 8.97 feet; thence South 62° 48' 52" West 143.65 feet; thence North 69° 32' 20" West 85.66 feet; thence North 26° 57' 00" West 47.28 feet to the point of beginning.

TRACT E - A parcel of land situated in the Northeast Quarter of Section 35, Township 28 South, Range 26 East, Polk County, Florida, and being more particularly described as follows:

Commence at the Northeast corner of said Section 35, and run South 0° 22' 00" East, along the East boundary of said Section 35, a distance of 735.80 feet; thence South 89° 43' 00" West 559.86 feet for the point of beginning;

thence South 69° 32' 20" East 106.34 feet; thence North 62° 48' 52" East 145.76 feet; thence South 0° 17' 00" East 26.91 feet; thence South 62° 48' 52" West 144.19 feet; thence North 69° 32' 20" West 143.25 feet; thence North 63° 03' 00" East 35.48 feet; thence South 26° 57' 00" East 3.14 feet to the point of beginning.

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<u>UNIT</u>	<u>PERCENT</u>	<u>UNIT</u>	<u>PERCENT</u>
101	2.712%	201	2.712%
102	2.170%	202	2.170%
103	2.170%	203	2.170%
104	1.768%	204	1.768%
105	1.768%	205	1.768%
106	2.170%	206	2.170%
107	2.170%	207	2.170%
108	2.712%	208	2.712%
109	2.170%	209	2.170%
110	1.768%	210	1.768%
111	1.768%	211	1.768%
112	2.170%	212	2.170%
114	4.382%	214	4.382%
115	2.836%	215	2.836%
116	2.836%	216	2.836%
117	2.836%	217	2.836%
118	3.618%	218	3.618%
119	3.593%	219	3.593%
120	4.382%	220	4.382%

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