

EXHIBIT 1

HISTORIC PRESERVATION PROPERTY TAX EXEMPTION COVENANT

This covenant is made by Michael O. Massey and Patricia Duffy (hereinafter referred to as the Owner(s)) and in favor of City of Gainesville (hereinafter referred to as the City) for the purpose of the restoration, renovation or rehabilitation, of a certain Property located at 835 E. University Avenue, which is owned in fee simple by the Owner and is listed in the National Register of Historic Places or locally designated under the terms of a local preservation ordinance or is a contributing Property to a national register listed district or a contributing Property to a historic district under the terms of a local preservation ordinance. The areas of significance of this Property, as identified in the National Register nomination or local designation report of the Property or the district in which it is located are xxx architecture, xxx history, archaeology.

The Property, a residential building, is comprised essentially of grounds, collateral, appurtenances, and improvements. The Property is more particularly described as follows: See Legal Description attached as Exhibit "A" and made a part hereof as if set forth in full. In consideration of the tax exemption granted by the City, the Owner hereby agrees to the following for the period of the tax exemption, which is from January 1, 2011, to December 31, 2020. In order to retain the exemption, however, the historic character of the property, and improvements, which qualified the property for an exemption, must be maintained over the period for which the exemption is granted.

1. The Owner agrees to assume the cost of the continued maintenance and repair of said Property so as to preserve the architectural, historical, or archaeological integrity of the same in order to protect and enhance those qualities that made the Property eligible for listing in the National Register of Historic Places or designation under the provisions of the local preservation ordinance.

2. The Owner agrees that no visual or structural alteration will be made to the Property without prior written permission of the Local Historic Preservation Office.

The address of the certified Local Historic Preservation Office is:

Name of Office/Agency: Planning and Development Services Department of the City of Gainesville

Address: Box 490 Station 11

City: Gainesville, FL Zip 32602

Telephone: (352) 334-5022

3. The Owner agrees to ensure the protection to the site against willful damage or vandalism. Nothing in this Covenant shall prohibit the Owner from developing the site in such a manner that will not threaten or damage the archaeological resource, provided that permission for alteration of the site is pursuant to paragraph 2, above.

4. The Owner agrees that the Local Historic Preservation Office, and appropriate representatives of the City, their agents and designees shall have the right to inspect the Property at all reasonable times in order to ascertain whether or not the conditions of this Covenant are being observed. The City will inspect the property upon expiration of the exemption to ensure the terms of the Covenant have been upheld. In the event the original Owner (or any successive owners) sells the Property prior to the expiration of the exemption, the Buyer must arrange for an inspection by the Local Historic Preservation Office prior to closing to ensure that he or she does not assume responsibility for the prior owner's violation of the Covenant. Failure of the Buyer to have the Property inspected prior to closing shall create a presumption that the Buyer is responsible for violations of this Covenant found at the next inspection. The current property owner is required to provide notice to Buyer and their heirs, successors or assigns of the existence of this covenant.

5. In the event of the non-performance or violation of the maintenance provision of the Covenant by the Owner or any successor-in-interest during the term of the Covenant, the

Local Historic Preservation Office, will report such violation to the Property Appraiser and Tax Collector, who shall take action pursuant to s. 196.1997 (7), F.S. The Owner shall be required to pay the difference between the total amount of taxes which would have been due in March in each of the previous years in which the Covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s.212.12 (3), F.S.

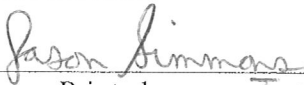
6. If the Property is damaged by accidental or natural causes during the Covenant period, the Owner will inform the Local Historic Preservation Office, in writing, of the damage to the Property, including (1) an assessment of the nature and extent of the damage; and (2) an estimate of the cost of restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion. In order to maintain the tax exemption, the Owner shall complete the restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion on a time schedule agreed upon by the Owner and the Local Historic Preservation Office.

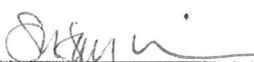
7. If the Property has been destroyed or severely damaged by accidental or natural causes during the Covenant period, that is, if the historical integrity of the features, materials, appearance, workmanship, and environment or the archaeological integrity which made the Property eligible for listing in the National Register of Historic Places or the designation under the terms of the local preservation ordinance have been lost or so damaged that the restoration is not feasible, the Owner will notify the Local Historic Preservation Office, in writing, of the loss. The Local Historic Preservation Office will evaluate the information provided and notify the Owner in writing of its determination regarding removal of the Property from eligibility for tax exemption. If the Local Historic Preservation Office determines that the Property should be removed from eligibility for tax exemption, it will notify the Alachua County Property Appraiser in writing so that the tax exemption can be canceled for the remainder of the Covenant period. In such cases, no penalty or interest shall be assessed against the Owner.

8. If it appears that the historical integrity of the features, materials, appearance, workmanship, and environment, or archaeological integrity which made the Property eligible for listing in the National Register of Historic Places or designation under the terms of the local preservation ordinance have been lost or damaged deliberately or through gross negligence of the Owner, the Local Historic Preservation Office shall notify the Owner in writing. For the purpose of this covenant, "gross negligence," means the omission of care, which even inattentive and thoughtless persons never fail to take of their own Property. The Owner shall have 30 days to respond, indicating any circumstances which show that the damage was not deliberate or due to gross negligence. If the Owner cannot show such circumstances, he shall develop a plan for restoration of the Property and a schedule for completion of the restoration. In order to maintain the tax exemption, the Owner shall complete the restoration work necessary to return the Property to the condition existing at the time of project completion on a time schedule agreed upon by the Owner and the Local Historic Preservation Office. If the Owner does not complete the restoration work on the agreed upon time schedule, the Local Historic Preservation Office will report such a violation to the Property Appraiser and Tax Collector who shall take action pursuant to Section 196.1997 (7), F.S. The Owner shall be required to pay the differences between the total amount of taxes which would have been due in March in each of the previous years in which the Covenant was in effect had the Property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s. 212.12 (3), F.S.

9. The terms of this Covenant shall be binding on the current Property Owner, transferees, and their heirs, successors, or assigns.

WITNESSES:


Printed name: Jason Simmons


Printed name: Susan Niemann

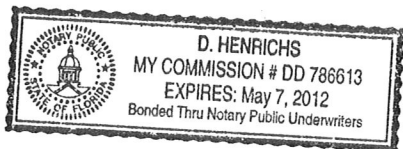
OWNER


MICHAEL O. MASSEY


PATRICIA DUFFY

STATE OF FLORIDA
COUNTY OF ALACHUA

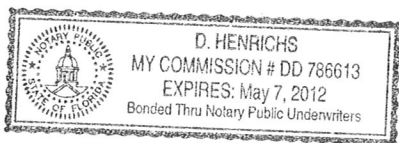
The foregoing instrument was acknowledged before me this 4 day of NOV, 2010, by Michael O. Massey, who is personally known to me or has produced _____ as identification.



[Signature]
Notary Public, State of Florida
Print Name: D. HENRICHS
My Commission Expires: 5/7/12

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me this 4 day of NOV, 2010, by Patricia Duffy, who is personally known to me or has produced _____ as identification.



[Signature]
Notary Public, State of Florida
Print Name: D. HENRICHS
My Commission Expires: 5/7/12

ATTEST:

[Signature]
Kurt Lannon, Clerk of the Commission

CITY

[Signature]
CRAIG LOWE, MAYOR

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me this 13 day of December, 2010, by CRAIG LOWE and KURT LANNON, Mayor and Clerk of the Commission, respectively, of the City of Gainesville, Florida, a municipal corporation, who are personally known to me and duly sworn, who acknowledged that as such officers, and pursuant to authority from said corporation, they executed the foregoing instrument and affixed the corporate seal for an on behalf of said corporation, as its act and deed, and for the uses and purposes set forth and contained in said instrument.

[Signature]
Notary Public, State of Florida
Print Name: Sharon D. Williams
My Commission Expires: 10/25/2011



Exhibit "A"

LEGAL DESCRIPTION FOR PARCEL NO. **12628-000-000** LOCATED AT 835 EAST
UNIVERSITY AVENUE, GAINESVILLE, FLORIDA

Lot 1 OF KING ADDITION to Gainesville, as per plat thereof
recorded in Plat Book "A", Page 58 of the Public Records of
Alachua County, Florida.