





Spottswood Companies, Inc. 506 Fleming Street Key West, FL 33040

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Certified Mail

April 26, 2010

Amy Kimball-Murley, AICP Planning Director City of Key West 604 Simonton Street Key West, FL 33040

Re: Development Agreement for Key West Resort and Conference Center 3800, 3820, 3840, 3850, and 3852 North Roosevelt Boulevard and dwelling units at 1185 20th Street Key West, Florida, 33040

Dear Amy:

This letter serves as the first annual progress report for the referenced project. No reportable development activity has occurred under the agreement since the date of its execution on April 13, 2009.

Sincerely,

Robert A. Spottswood

cc: Sherry Spiers, Esq., Greenberg Traurig, P.A.

Thomas A. Pope, P.A.