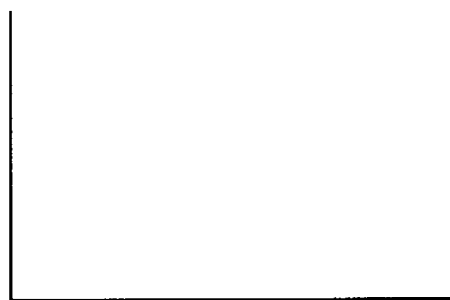




THIS INSTRUMENT PREPARED BY
 AND RETURN TO:
 Robert B. Dunckel, Assistant City Attorney
 City of Fort Lauderdale
 P.O. Drawer 14250
 Fort Lauderdale, FL 33302-4250

INSTR # 100915929
OR BK 31401 PG 1823
 RECORDED 03/22/2001 04:29 PM
 COMMISSION
 BROWARD COUNTY
 DEPUTY CLERK 1038



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LEASE AGREEMENT

THIS LEASE AGREEMENT is entered into this 20 day of March, 2001 by and between:

CITY OF FORT LAUDERDALE, a municipal corporation, its successors and assigns, hereinafter "LESSOR" or "CITY",

and

CASTILLO GRAND L.L.C., a Florida Limited Liability Company, its successors and assigns, hereinafter "LESSEE".

WHEREAS, pursuant to Resolution No. 00-180, adopted at its meeting of December 19, 2000, the City Commission of CITY authorized the proper CITY officials to execute this Agreement.

WHEREAS, the LESSEE has requested to lease an ingress/egress easement from CITY leading from Southbound A-1-A, across the City Parcel to the St. Regis Hotel Property for the purpose of obtain vehicular and pedestrian ingress to and egress from the St. Regis Hotel Property and to construct an Access Way therein;

WHEREAS, CITY owns several parcels of land ("Landscape Parcels") in close proximity to the St. Regis Hotel Property which it is desirous of landscaping and maintaining as park land;

WHEREAS, the construction and operation of the Access Way will benefit the St. Regis Hotel Property and the St. Regis Hotel, both of which are owned by LESSEE;

WHEREAS, LESSEE has requested CITY approve various improvements to Castillo Street from Northbound A-1-A to Southbound A-1-A, said portion of Castillo Street bordering the St. Regis Hotel Property to the North;

WHEREAS, the CITY'S Property and Right-Of-Way Committee has recommended approval of the Access Way at this location subject to the terms and conditions of this Lease, and subject to LESSEE securing all necessary permits and approvals required by governmental regulatory agencies having jurisdiction over the Leased Premises, Landscape Parcels and Castillo Street Improvements; and

WHEREAS, the City has found that the construction of such Access Way in the location proposed is in the best interest of the public, subject to the terms and conditions hereof.

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the mutual covenants contained herein, LESSOR does hereby lease, let and demise to LESSEE, and LESSEE hereby leases from LESSOR, the Leased Premises upon the terms and conditions hereinafter:

ARTICLE 1 DEFINED TERMS

1.1. Defined Terms. The following terms, as used and referred to herein, shall have the meaning as set forth below:

Access Way means the improvements, both pavement, landscaping and irrigation, within the Leased Premises which LESSEE undertakes to construct, maintain and repair under this Lease.

Archway means the archway improvement, including properly permitted signage, within Castillo Street the construction, maintenance and repair of which LESSEE undertakes as an obligation under this Lease. The Archway improvements are more particularly set forth in **Exhibit "G"** attached hereto and made a part hereof.

St. Regis Hotel means that development approved by the City Commission January 19, 2000 under Resolution No. 00-9 (Planning & Zoning Board Case No. 126-R-99).

St. Regis Hotel Property means the real property owned by Developer and upon which the St. Regis Hotel shall be developed, such real property being described in **Exhibit "E"** attached hereto and made a part hereof.

Castillo Street means that public right of way, the Sketch and Description of which is attached as **Exhibit "F"**.

Castillo Street Improvements means those improvements within, under, over and above Castillo Street which LESSEE undertakes to construct, maintain and repair under this Lease, such improvements being identified in **Exhibit "C"**.

City means the City of Fort Lauderdale, a municipal corporation, LESSOR herein.

City Parcel means that parcel of land owned by LESSOR within, over, under and through which the ingress/egress easement and Leased Premises are situated, the Sketch and Legal Description for which is set forth at **Exhibit "B"** attached hereto and made a part hereof. The City Parcel is also one of the Landscape Parcels.

Day(s). In computing any period of time expressed in day(s) in this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. When the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation.

Effective Date means the effective date of this Lease, which shall be the date upon which authorization for the proper City officials to execute this Lease is granted by the City Commission.

Environmental Agency means a governmental agency at any level of government having jurisdiction over Hazardous Substances and Hazardous Substances Laws and the term as used herein shall also include a court of competent jurisdiction when used as a forum for enforcement or interpretation of Hazardous Substances Laws.

Hazardous Substances means any hazardous or toxic substances, materials or wastes, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) as now in effect or as same may be amended from time to time, or such substances, materials and wastes which are now or hereafter become regulated under any applicable local, state or federal law including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated byphenyls, (iv) radon, (v) designated as a "hazardous substance" pursuant to Section 311 Clear Water Act, 33 U.S.C. Section 1251, et seq. (33 U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317), (vi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 690, et seq. (42 U.S.C. Section 6903), (vii) defined as "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq. (42 U.S.C. Section 9601), or (viii) designated as a "hazardous substance" as defined in Chapter 403 (Part IV) of the Florida Statutes.

Landscape Parcels means those six (6) parcels which LESSEE undertakes to landscape, irrigate, maintain and repair, the Sketches and Legal Descriptions to which are set forth in **Exhibit "D"** attached hereto and made a part hereof.

Leased Premises means that ingress/egress easement leased herein to LESSEE upon, over, within, above, under and through that parcel located in the City of Fort Lauderdale, Broward County, Florida, the Sketch and Legal Description for which is attached hereto as **Exhibit "A"** and made a part hereof. Within the Leased Premises, LESSEE shall construct an Access Way. LESSEE shall have the right to use the easement rights thereto

for use to attain vehicular and pedestrian ingress to and egress from the St. Regis Hotel Property.

Person means any individual, firm, partnership (general or limited), corporation, company, association, joint venture, joint stock association, estate, trust, business trust, cooperative, limited liability corporation, limited liability partnership, limited liability company or association, or body politic, including any heir, executor, administrator, trustee, receiver, successor or assignee or other person acting in a similar representative capacity for or on behalf of such Person.

ARTICLE 2.
LESSEE REPRESENTATIONS

2.1. Representations. LESSEE represents and warrants to LESSOR the following:

(a) that it is the fee simple owner of the St. Regis Hotel Property;

(b) that it is an entity authorized to do business in the State of Florida;

(c) that it has obtained adequate financial resources to construct the improvements specified herein and that it has adequate financial resources to perform all other obligations imposed by this Lease;

(d) that it has the requisite business skill and ability to perform the obligations imposed upon it by this Lease; and

(e) that it shall obtain all of the permits and approvals from all applicable governmental agencies having jurisdiction over the Leased Premises, Access Way, Landscape Parcels and Castillo Street Improvements and the construction, operation and maintenance thereof, including, but not limited to, any final development plan approvals required by City, any applicable City Engineering Permits, and the approvals of the State of Florida to construct the improvements over, under, within and above the State's right-of-way and within the Coastal Construction Setback Line, or any other regulatory agency having jurisdiction over the Leased Premises, Access Way, Landscape

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Parcels and Castillo Street Improvements or any portion thereof which requires approval, all prior to the issuance of a building permit from the City.

(f) that it shall not bargain, sell, transfer or assign the St. Regis Hotel Property, except in conjunction with an assignment of all its rights and obligations under this Lease.

**ARTICLE 3
LEASEHOLD; TERM; COMMENCEMENT DATE**

3.1. Leasehold. Subject to the terms and conditions hereof, LESSOR leases unto LESSEE and LESSEE leases from LESSOR the Leased Premises for the purposes set forth herein.

3.2. Commencement Date. The Commencement Date of the Lease term shall be the first day of the month next following the Effective Date hereof. Between the Effective Date and the Commencement Date this Lease shall be recorded in the in the Public Records of Broward County, Florida by LESSOR, the cost of which shall be borne by LESSEE.

3.3. Conditions.

(a) This Lease and LESSEE's rights herein shall be subject to and conditioned upon LESSEE first obtaining all necessary permits and approvals (i) for the landscaping (sod only) and irrigation improvements to be placed and constructed upon the Landscape Parcels within fifteen (15) days from the Effective Date hereof and (ii) for all other landscaping and improvements to be placed upon and constructed within the Access Way and Castillo Street Improvements within sixty (60) days from the Effective Date hereof. In the event LESSEE fails to secure the necessary permits and approvals within the time(s) set forth above, this Lease shall automatically become null and void and of no further force and effect and the parties, by the terms hereof, shall be released from any further rights or obligations each to the other under this Lease.

(b) In the event LESSEE fails to secure a Certificate of Occupancy for the Grand Castillo Hotel development within thirty (30) months from the Effective Date hereof, this Lease shall automatically become null and void and of no further force



and effect and the parties, by the terms hereof, shall be released from any further rights, claims or obligations each to the other under this Lease.

(c) In the event LESSOR has a need to utilize the City Parcel for any governmental or proprietary purpose at any time during the term of this Lease, where LESSEE's use of the Leased Premises would interfere with the City's proposed governmental or proprietary use, LESSOR may terminate the Lease by providing LESSEE with six (6) months advance written notice of termination. Six (6) months after delivery of such notice, this Lease shall automatically become null and void and of no further force and effect and the parties, by the terms hereof, shall be released from any further rights, claims or obligations each to the other under this Lease.

3.4. Term. The Lease Term shall start on the Commencement Date and shall run for a term of fifty (50) years, subject to the terms and conditions hereof.

ARTICLE 4 RENT; ADDITIONAL RENT

4.1. Rent. The annual rent shall be One thousand & 00/100 Dollars (\$1,000.00) payable on or before the Commencement Date of this Lease and continuing each and every year thereafter during the term hereof on the anniversary date of the Commencement Date.

4.2. Annual Rent Adjustments. The annual rent shall be adjusted annually in accordance with the terms of this Section. The annual rent for the second year of the Term and each successive year thereafter shall be adjusted in accordance with the fractional increase or decrease in the Consumer Price Index, as more particularly set forth below. The adjustment to the annual rent to be made and, therefore, the adjusted annual rent for each year shall be determined as follows:

(a) In the event the "Consumer Price Index for All Urban Consumers, U.S. City Average (1982 - 1984 = 100)" (hereinafter referred to as the "Price Index") published by the Bureau of Labor Statistics of the United States Department of

Labor, or a comparable successor or substitute index designated by the Lessor, appropriately adjusted, reflects increases or decreases in the cost of living as contrasted with the cost of living as reflected by the Price Index for the month preceding the Commencement Date (hereinafter referred to as the "Base Price Index"), then the annual rent shall be adjusted in accordance with subsection (b) below.

(b) The annual rent for the second annual rental period, and for all successive annual rental periods thereafter, shall be adjusted by multiplying the adjusted annual rent for the preceding year by a fraction, the numerator of which shall be the Price Index for the month preceding the appropriate anniversary of the Commencement Date, and the denominator of which (for each such fraction) shall be the Base Price Index. In no event shall the adjusted rents hereunder be less than the amount of the annual rent specified above.

(c) In the event the Price Index ceases to use the 1982-84 average of 100 as the basis of calculation, or if a substantial change is made in the terms or number of terms contained in the Price Index, or in the event the U.S. Department of Labor ceases to prepare and publish such Price Index, the adjustment of annual rent thereafter shall be in accordance with the most closely comparable price index published by the U.S. Department of Labor or U.S. Department of Commerce. If such is not determined by either of those Departments, then the most closely comparable price index as determined by the Lessor shall apply to the adjustments.

4.3. Additional Rent; Landscape Parcels. As and in the nature of additional rent, during the Term of this Lease, LESSEE shall at no cost to CITY:

4.3.1. Secure all necessary permits and approvals attendant to the installation of irrigation and sod on the Landscape Parcels on or before fifteen (15) days after the Effective Date hereof.

4.3.2. Complete irrigation and sod of the Landscape Parcels within forty-five (45) days after the Effective Date hereof.

4.3.3. Complete all landscaping of the Landscape Parcels in accordance with the Landscape Plans approved by the CITY prior to obtaining a Certificate of Occupancy on the St. Regis Hotel; and

4.3.4. Irrigate and maintain in a safe, secure, healthy and vibrant manner the Landscape Parcels, including the periodic replacement of landscaping and irrigation.

4.4. **Additional Rent; Castillo Street Improvements.** As and in the nature of additional rent, during the term of this Lease, LESSEE shall at no cost to CITY:

4.4.1. Construct certain improvements to Castillo Street as described herein.

4.4.2. The Castillo Street Improvements shall include and be subject to the following:

(a) Castillo Street asphalt along with the adjacent sidewalks shall be replaced with brick pavers as depicted in **Exhibit "C"** similar to those used by the CITY in other areas along A-1-A in the Central Beach Area, subject to securing all required permits and approvals.

(b) LESSEE shall install palm trees along both sides of Castillo Street as depicted in the attached **Exhibit "C"** and provide irrigation therefor, subject to securing all required permits and approvals.

(c) LESSEE shall provide Castillo Street improvements which shall include pavers and landscaping over Castillo Street as depicted in the attached **Exhibit "C"**, subject to securing all required permits and approvals.

(d) LESSEE shall construct an Archway and signage for Castillo Street on the Castillo Street Improvements as depicted in the attached **Exhibit "C"**, subject to securing all required permits and approvals.

(e) All of the above landscaping and improvements shall be subject to approval by the CITY in the final construction plans and issuance of applicable permits therefor.

(f) LESSEE shall be responsible for all costs and fees associated with the planning, permitting and construction of the Castillo Street Improvements. The Castillo Street Improvements shall be indicated on the site and approved by the CITY prior to commencement of construction.

(g) LESSEE agrees that it shall replace or repair all public improvements which are damaged as a result of the construction of the Castillo Street Improvements utilizing the same quality of materials and workmanship as approved by the CITY's Engineer.

(h) Before the commencement of construction of the Castillo Street Improvements, LESSEE shall obtain and provide to CITY or require LESSEE's contractor to furnish a surety bond in a form, content and amount acceptable to CITY and payable to CITY in a sum equal to the cost of constructing the improvements and which guarantees to CITY the completion of the construction of the improvements and which guarantees the performance of the work necessary to complete the improvements as well as full payment of all suppliers, materialmen, laborers or subcontractors employed to provide services to complete the improvements, with a surety company having at least an A Best's Policy Holder's rating and a Class VII Best's Financial size category. LESSEE shall enter into a contract for the construction of the Castillo Street Improvements and agrees to provide a statutory payment and performance bond in accordance with Chapter 713, Florida Statutes in at least this amount. LESSEE agrees to deliver or cause to be delivered the form of the surety bond to be provided and any other documentation requested by CITY reasonably necessary to show that LESSEE has the ability to meet the requirements of providing a surety bond as provided in this subsection, at least five (5) days prior to the issuance of the permits necessary to undertake the construction of any of the Castillo Street Improvements. CITY shall notify LESSEE in writing in the event the surety bond is not acceptable to CITY within three (3) days of the CITY's receipt of same specifying the defects. CITY's approval of the surety bond shall not unreasonably be withheld. Such bond shall remain in effect for one (1) year after completion of the Castillo Street Improvements and LESSEE shall correct any defective or faulty work or materials, which appear within one (1) year after completion of the Castillo Street Improvements.

(i) The general location of the Castillo Street Improvements is set forth in **Exhibits "C"**. The specific location of such Castillo Street Improvements shall be subject to the approval of the CITY Engineer. The Castillo Street Improvements, upon completion, shall be the property of CITY, subject to the maintenance, repair, replacement and reconstruction obligations of LESSEE as set forth herein.

4.5. Property of Lessor. All landscaping and improvements constructed, placed, erected, maintained, repaired, and reconstructed pursuant to the terms hereof shall be and remain the property of LESSOR.

ARTICLE 5 TAXES, UTILITIES AND COSTS

5.1. Taxes and Assessments. LESSEE shall pay, as the same become due and payable, all taxes, assessments and charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Premises, and Castillo Street Improvements or Archway or any structures, improvements, machinery, equipment or other property constructed, installed or brought therein or thereon by LESSEE. The obligation to pay taxes and assessments under this Section which accrue prior to termination of the Lease shall survive the termination of the Lease.

5.2. Utilities and Operating Costs. LESSEE agrees to promptly pay when due all operating, maintenance and servicing charges and costs, including telephone, gas, electricity, cable, telecommunications, water, sewer, sewer connection, and all other expenses incurred in the use and operation of the Leased Premises as well as in the construction, operation, maintenance and repair of the Landscape Parcels, Castillo Street Improvements and Archway. The accrual of utilities and operating costs under this Section prior to termination of the Lease shall survive the termination of the Lease.

5.3. Governmental permits and regulations. LESSEE agrees to obtain, at its sole cost and expense, all permits and licenses which may be required by any governmental unit in conjunction with the construction, operation, modification, alteration, repair, maintenance or demolition of any improvements or use of

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the Leased Premises, Landscape Parcels, Castillo Street Improvements and Archway in accordance with all applicable governmental regulations and that all such construction, operation, modification, alteration, repair, maintenance or demolition or use shall proceed only in accordance with such applicable governmental regulations.

ARTICLE 6
CONDITION AND USE OF PREMISES

6.1. Condition of Premises. LESSEE has had ample opportunity to inspect the Leased Premises, Landscape Parcels, and Castillo Street and LESSEE agrees to accept the such in "as is" condition and suitable for the purposes intended herein.

6.2 Use of Leased Premises. The Leased Premises are to be used by LESSEE for the construction, use, operation, maintenance and repair of an Access Way, including landscaping and irrigation thereof, from Southbound A-1-A into the St. Regis Hotel Property.

6.3 Construction of Improvements. LESSEE shall construct all improvements, landscaping and irrigation necessary or incidental to the operation of the Access Way. No such improvements shall be constructed until a development permit therefor has been approved and issued by CITY. LESSEE shall secure, at its own cost and expense, to the extent required by law, all applicable building permits for construction of the improvements, landscaping and irrigation. The construction, landscaping and irrigation of the Access Way shall be completed no later than upon issuance of a Certificate of Occupancy for the St. Regis Hotel. Thereafter, the improvements and landscaping shall be continuously used, operated, maintained and repaired in accordance with the terms of this Lease for the duration of the Lease term.

6.4 Use of Leased Premises Pending Construction of Improvements. Subject to the issuance of the proper permits and approvals by any regulatory agency having jurisdiction over the Leased Premises, LESSEE may use the Leased Premises during construction of the St. Regis Hotel for ingress to and egress from the St. Regis Hotel Property, provided a hard dustless surface is provided.

6.5. Liens Against the Leased Premises, Landscape Parcels or Castillo Street. Except as may be expressly provided otherwise herein, LESSEE shall have no power or authority to incur any indebtedness giving a right to a lien of any kind or character upon the right, title and interest of LESSOR in and to the Leased Premises, Landscape Parcels or Castillo Street, and no Person shall ever be entitled to any lien, directly or indirectly derived through or under the LESSEE, or its agents, servants, employees, contractors or officers or on account of any act or omission of said LESSEE, which lien shall be superior LESSOR's right, title and interest in and to the Leased Premises, Landscape Parcels or Castillo Street or to the lien of this Lease reserved to the LESSOR upon the Leased Premises, Landscape Parcels or Castillo Street. All Persons contracting with the LESSEE, or furnishing materials or labor to said LESSEE, or to its agents or servants, as well as all Persons shall be bound by this provision of the Lease. Should any such lien be filed, LESSEE shall discharge the same within thirty (30) days thereafter, by paying the same or by filing a bond, or otherwise, as permitted by law. LESSEE shall not be deemed to be the agent of LESSOR, so as to confer upon a laborer bestowing labor upon the Leased Premises, or upon a materialman who furnishes material incorporated in the construction and improvements upon the Leased Premises, Landscape Parcels or Castillo Street, a construction lien pursuant to Chapter 713, Florida Statutes or an equitable lien upon the LESSOR's right, title and interest in the Leased Premises, Landscape Parcels or Castillo Street. These provisions shall be deemed a notice under Section 713.10(1), Florida Statutes of the "non-liability" of the LESSOR.

6.6 Compliance with Regulations of Public Bodies. LESSEE shall, at its own cost and expense, make such improvements on the Leased Premises, Landscape Parcels and Castillo Street Improvements and perform such acts and do such things as shall be lawfully required by any public body having jurisdiction over the Leased Premises, Landscape Parcel and Castillo Street Improvements, in order to comply with health and sanitary requirements, fire hazard requirements, zoning requirements, building code requirements, City of Fort Lauderdale Engineering Standards, environmental requirements and other similar regulatory requirements.

6.7 Inspection. LESSOR or its agents, servants, employees, and officials shall have the right to enter the Leased Premises

and the improvements constructed or landscaping planted thereon, at all reasonable hours for the purpose of inspecting the same, or for any other purposes not inconsistent with the terms or spirit of this Lease.

6.8 Repairs and Maintenance. LESSEE shall not commit or suffer waste or injury to the Leased Premises, Landscape Parcels or Castillo Street Improvements. LESSEE shall, at its own cost and expense, at all times cause the Leased Premises, Landscape Parcels and Castillo Street Improvements to be adequately lighted, safely and securely maintained, kept in good condition, repair, clean, and free of rubbish and other hazards to Persons using them and maintained in such a manner as to at all times have the appearance and functionality of a signature entranceway for greeting tourists and other visitors to a five-star hotel. LESSEE further covenants and agrees, to make or cause to be made any and all repairs or replacements, ordinary or extraordinary, structural or otherwise, necessary to keep in good physical order, appearance and condition the Leased Premises, Landscape Parcel and Castillo Street Improvements, including but not limited to, repairs to and replacement of foundations, structures, wires or conduits for electricity, irrigation facilities, landscaping and fixtures. All repairs and replacements shall be at least of equal quality and class to the original work and shall be approved by the City Engineer. Other than paver bricks, the color of the Castillo Street Improvements shall be white unless otherwise approved by the City Manager. When making such repairs, replacements and maintenance LESSEE shall comply with all laws, ordinances, codes, regulations and State and City Engineering standards then in effect. Such maintenance and repair shall include but not be limited to:

- (a) Removal of all papers, debris, filth and refuse;
- (b) Cleaning, maintaining in a neat and clean condition, and removing trash, rubbish and debris from the Castillo Street Improvements;
- (c) Maintaining only such signs as approved by the City Commission which such approval may be denied in the City's sole and unfettered discretion;
- (d) Providing cleaning, maintenance, repair and lighting, as needed;

- (e) Maintenance of Castillo Street free from any obstructions not required for their intended use;
- (f) Removing any signs not permitted by City;
- (g) Providing reasonable security;
- (h) Painting and repairing Castillo Street Improvements.

6.9 Alterations and Additions. Upon completion of the landscaping and construction of the improvements upon the Leased Premises, Landscape Parcels and Castillo Street Improvements, the LESSEE agrees to make no further alterations, changes or additions to the Leased Premises, Landscape Parcels or Castillo Street Improvements without first obtaining the written consent of LESSOR, which such consent shall not unreasonably be withheld and which such consent may be given by LESSOR's City Manager. No landscaping shall be removed or replaced without written consent of the Director of the City's Parks and Recreation Department, or successor agency thereof, together with securing appropriate landscape permits from the City's Zoning Division, or successor agency thereof.

6.10 Bonding of Improvements to be Made by LESSEE. LESSEE shall furnish statutory payment and performance bonds pursuant to Chapter 713, Florida Statutes written by a Corporate Surety company on the U.S. Department of Treasury current approved list of acceptable sureties on Federal Bonds, as found in the U.S. Treasury Circular No. 570, as same may be updated from time to time, in the full amount of any contract entered into the LESSEE for any significant capital improvement upon the Leased Premises, Landscape Parcels or Castillo Street in excess of \$10,000.00, with said bonds being executed and issued by a Resident Agent licensed by and having offices in the State of Florida representing such Corporate Surety at the time such capital improvements are constructed, conditioned upon full and faithful performance by LESSEE or its contractor(s) of such contract(s), and full payment to all laborers and materialmen supplying labor or material for such improvements. LESSOR shall be a co-obligee under the bonds.

6.11 Damage to Public Property. In the event the construction, operation, maintenance, repair, demolition or reconstruction of the Leased Premises, Landscape Parcels or

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Castillo Street Improvements causes any damage whatsoever to any public property, including but not limited to, damage to State Road A-1-A or the public beach areas, erosion of sand, or damage to the sidewalk areas on either side of State Road A-1-A, then LESSEE shall be responsible for the cost of repair and shall, at LESSOR's option, make said repairs or reimburse LESSOR for the cost of same.

6.12 Damage or Destruction. If during the term of this Lease the landscaping, structures or improvements within the Leased Premises, Landscape Parcels or Castillo Street Improvements shall be damaged, destroyed or deteriorated in whole or in part by fire, casualty, obsolescence, failure to maintain or any other cause, and whether or not such destruction or damage is covered by any insurance policy on the Leased Premises, Landscape Parcels or Castillo Street Improvements, LESSEE shall give to LESSOR immediate notice thereof, and LESSEE shall:

(a) seek the necessary permits and approvals from CITY and any other regulatory agency with jurisdiction over the Leased Premises, Landscape Parcels or Castillo Street Improvements to repair, replace and rebuild the same or cause the same to be repaired, replaced or rebuilt as nearly as possible to their original condition; or

(b) to the extent that such destruction or damage affected the landscaping, structures or improvements within the Leased Premises, Landscape Parcels or Castillo Street Improvements, or any part thereof, if LESSOR elects to remove such structures and improvements, or any part thereof, then LESSOR shall seek the necessary permits and approvals from CITY and any other regulatory agency with jurisdiction over such areas to promptly replace said landscaping, structures or improvements with new landscaping, structures or improvements having the same general character and conditions (as nearly as may be possible under the circumstances) as the landscaping, structures or improvements as originally placed or constructed; or

(c) seek the approval of CITY to remove the landscaping, structure(s) or improvement(s).

All such repair, restructure and replacement shall be hereafter referred to as "Restoration". The cost of Restoration shall be paid solely by LESSEE.

**ARTICLE 7
USE AND QUIET ENJOYMENT; RESTRICTIONS ON USE**

7.1 Quiet Enjoyment. LESSOR hereby covenants and agrees with LESSEE that LESSEE shall quietly and peaceably hold, possess and enjoy the Leased Premises for the full term of this Lease without any let, hindrance or molestation from LESSOR, or any Persons claiming by, through or under LESSOR or any Person or Persons whomsoever, and said LESSOR hereby covenants and agrees with LESSEE that it is seized of the Leased Premises in fee simple, free and clear of all encumbrances, except as set forth herein. LESSOR will defend the title to the Leased Premises and the use and occupation of same by LESSEE during the term of this Lease against the claims of any and all Persons whomsoever, and will, at its sole cost and expense, perfect or defend any and all legal proceedings or suits which may be instituted by any Persons whomsoever, directly or indirectly, attacking LESSOR's full ownership of the Leased Premises.

7.2. Restrictions Upon Use. LESSEE shall use the Leased Premises solely in compliance with all local, state and federal laws, regulations and ordinances and in accordance with the terms and conditions of this Lease.

7.3. Unity of Title; Assignment.

(a) LESSEE agrees, for itself and its successors and assigns, that fee simple ownership of the St. Regis Hotel Property and LESSEE's right, title, interest, obligations and responsibilities under this Lease shall be irrevocably bound together during the term of this Lease, it being the intent of the parties that this Lease and LESSEE's right, title, interest, obligations and responsibilities under this Lease shall be deemed covenants running with the St. Regis Hotel Property during the term of this Lease.

(b) LESSEE may not sell, transfer or assign its leasehold interest under this Lease or any interest herein, without the prior written consent of LESSOR, which such consent shall be given to the assignee or transferee of LESSEE's fee simple interest in the St. Regis Hotel Property and shall be given in a recordable form and shall be recorded by LESSEE or LESSEE's assignee or transferee. Such consent shall be conditioned upon

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LESSEE's assignee or transferee assumption of all obligations arising under this Lease, past, present and future, and LESSEE shall be fully released and relieved from all liability and obligation hereunder. LESSEE shall not assign or attempt to assign its leasehold interest in this Lease or any portion thereof prior to completion of construction. Assignment of this Lease shall only be made to the fee simple owner of the St. Regis Hotel Property.

7.4 Subordination. LESSOR shall never be obligated to subordinate its fee title interest.

7.5. Surrender Upon Termination. Subject to compliance with the Article on Hazardous Substances, at the termination of this Lease, whenever occurring or howsoever caused, LESSEE shall immediately surrender and deliver possession of the Leased Premises to LESSOR in its then existing condition.

ARTICLE 8 HAZARDOUS SUBSTANCES

8.1. Hazardous Substances. LESSEE covenants and agrees to the following terms and conditions relating to Hazardous Substances and the construction, operation, maintenance and use of the Leased Premises, Landscape Parcels, Castillo Street and Castillo Street Improvements:

8.1.1. LESSOR'S Consent Required. LESSEE covenants and agrees that in the construction, operation, maintenance and use of the Leased Premises, Landscape Parcels and Castillo Street or Castillo Street Improvements that no Hazardous Substances shall be brought upon or kept or used in or about the such areas by any Person whomsoever, unless LESSEE first obtains the written consent of LESSOR.

8.1.2. Compliance with Environmental Laws. During the Lease term, LESSEE shall have the absolute responsibility to ensure that the Leased Premises, Landscape Parcels, and Castillo Street Improvements are used by LESSEE, its agents, servants, contractors or invitees at all times and all operations or activities conducted thereon by them are in compliance with all local, state and federal laws, ordinances, regulations and orders (collectively, "Hazardous Substances Laws"), as same may now

exist or may from time to time be amended, relating to industrial hygiene, environmental protection and/or regulation or the use, analysis, generation, manufacture, storage, disposal or transportation of Hazardous Substances. LESSEE shall be absolutely liable to LESSOR for any violation of Hazardous Substances Law during the term of the Lease which is committed by LESSEE, its agents, servants, contractors or invitees

8.1.3. Hazardous Substances Handling. LESSEE covenants and agrees that it is responsible to LESSOR to ensure that any and all activities conducted upon the Leased Premises by LESSEE, its agents, servants, contractors or invitees be conducted only in compliance with all Hazardous Substances Laws and all conditions of any and all permits, licenses and other Environmental Agency approvals required for any such activity conducted upon the Leased Premises.

8.1.3.1. LESSEE covenants that any and all Hazardous Substances removed from the Leased Premises, Landscape Parcels or Castillo Street Improvements shall be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposition of such Hazardous Substances and only in accordance with Hazardous Substances Laws and consistent with all conditions of any and all permits, licenses and other Environmental Agency approvals required for such removal and transportation.

8.1.3.2. LESSEE covenants that in any and all activities conducted upon the Leased Premises, Landscape Parcels or Castillo Street by LESSEE, its agents, servants, contractors or invitees that Hazardous Substances shall be handled, treated, dealt with and managed in conformity with all applicable Hazardous Substances Laws and prudent industry practices regarding management of such Hazardous Substances.

8.1.3.3. Upon expiration or earlier termination of the term of the Lease, LESSEE shall cause all Hazardous Substances which are brought upon the Leased Premises, Landscape Parcels or Castillo Street Improvements by LESSEE, its agents, servants, contractors or invitees during the term of the Lease to be removed from the Leased Premises, Landscape Parcels and Castillo Street and to be transported for use, storage or disposal in accordance and compliance with all applicable Hazardous Substances Laws; provided, however, that LESSEE shall not take

any remedial action in response to the presence of Hazardous Substances in or about the Leased Premises, Landscape Parcels or Castillo Street, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Substances Laws in any way connected with the such areas, without first notifying LESSOR of LESSEE's intention to do so and affording LESSOR reasonable opportunity to appear, intervene, or otherwise appropriately assert and protect LESSOR's interest with respect thereto.

8.1.4. Notices. If at any time LESSEE shall become aware, or have reasonable cause to believe, that any Hazardous Substance has come to be located on or beneath the Leased Premises, Landscape Parcels or Castillo Street Improvements, then LESSEE shall immediately upon discovering such presence or suspected presence of the Hazardous Substance give written notice of that condition to LESSOR. In addition, LESSEE shall immediately notify LESSOR in writing of (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed, or threatened pursuant to any Hazardous Substances Laws, (ii) any written claim made or threatened by any Person against LESSEE, the Leased Premises, Landscape Parcels or Castillo Street Improvements or improvements located thereon relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Substances, and (iii) any reports made to any Environmental Agency arising out of or in connection with any Hazardous Substances in or removed from the Leased Premised, Landscape Parcels, or Castillo Street Improvements or any improvements located thereon, including any complaints, notices, warnings or asserted violations in connection therewith. LESSEE shall also supply to LESSOR as promptly as possible, and in any event, within five (5) business days after LESSEE first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Leased Premises, Landscape Parcels or Castillo Street Improvements or improvements located thereon or LESSEE's use thereof.

8.1.5. Reports and Test Results Supplied to LESSOR. LESSEE agrees to provide a copy of all environmental and Hazardous Substance reports and test results dealing with the Leased Premises, Landscape Parcels or Castillo Street

Improvements to the LESSOR within a reasonable time following LESSEE's receipt of same.

8.1.6. Hazardous Substance Indemnification of LESSOR.
LESSEE shall indemnify, defend and hold LESSOR harmless of and from all claims, demands, fines, penalties, causes of action, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees, experts' fees, mediation fees and court costs), which LESSOR may sustain, (unless any of the foregoing was caused by LESSOR's negligence or willful misconduct or that of LESSOR's agents, employees, contractors, subcontractors or licensees), occurring during the term of the Lease with respect to the Leased Premises, Landscape Parcels or Castillo Street Improvements which arise from a violation of the foregoing Hazardous Substances provisions. This indemnification shall survive the termination of this Lease.

8.1.6.1 In addition, and not in limitation of the foregoing, LESSEE shall indemnify, defend and hold LESSOR harmless from and against any and all claims, demands, suits, losses, damages, assessments, fines, penalties, costs or other expenses (including attorneys' fees, experts' fees, mediation fees and court costs) arising from or in any way related to, damage to the environment, costs of investigation charged by Environmental Agencies, personal injury or debt, or damage to property, due to a release of Hazardous Substances on or under the Leased Premises, Landscape Parcels or Castillo Street Improvements or on the surface or groundwater located on or under the such areas, or gaseous emissions (excluding methane, radon, and other naturally occurring gases) from such areas or any other condition existing on the Leased Premises, resulting from a violation of the foregoing Hazardous Substances provisions where any of the foregoing occurred during the term of the Lease. LESSEE further agrees that its indemnification obligations shall include, but are not limited to, liability for damages resulting from the personal injury or death of an employee of the LESSEE, regardless of whether LESSEE has paid the employee under the Workers' Compensation laws of the State of Florida, or other similar federal or state legislation for the protection of employees. The term "property damage" as used in this Section includes, but is not limited to, damage to the property of the LESSEE, LESSOR, and of any third Persons caused by LESSEE or by the presence of Hazardous Substances on the Leased Premises as a result of the actions of any third Persons whomsoever (excluding

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LESSOR) and shall include any remedial activities performed by an Environmental Agency (including the City of Fort Lauderdale), or by LESSEE pursuant to directives from an Environmental Agency.

8.1.6.2. Further, LESSEE shall indemnify, defend and hold LESSOR harmless from and against all liability, including, but not limited to, all damages directly arising out of the use, generation, storage or disposal of Hazardous Substances which occurred upon the Leased Premises, Landscape Parcels or Castillo Street Improvements during the term of the Lease, arising out of a breach of violation of the foregoing Hazardous Substances provisions, including, without limitation, the cost of any required or necessary inspection, required by law, audit, clean up required by law, or detoxification required by law and the preparation of any closure or other required plans, consent orders, license applications, or the like, whether such action is required by law or not, to the full extent that such action is attributable to the use, generation, storage or disposal of Hazardous Substances on the Leased Premises, Landscape Parcels or Castillo Street Improvements during the term of the Lease, and all fines and penalties associated with any of the foregoing.

8.1.6.3. LESSEE agrees that its foregoing obligation to indemnify, defend and hold LESSOR harmless extends to and includes all reasonable attorneys' fees, experts' fees, mediation fees, court costs and other costs incurred in the defense of any of the foregoing claims or demands as well as indemnifying LESSOR from any and all such reasonable attorneys' fees, experts' fees, mediation fees, court costs and other costs incurred by LESSOR in LESSOR's enforcement of the provisions of this Section respecting Hazardous Substances. The indemnifications provided in this Lease shall survive the termination of this Lease, but shall end, with respect to any claim or cause of action, with the expiration of any applicable statute of limitations for such claim or cause of action.

8.1.7. **LESSOR's Right of Entry for Testing.** At any time during the term of the Lease, LESSOR may, upon reasonable prior written notice to LESSEE (taking into account the potential for disruption of LESSEE's operations, particularly during the tourist season), enter upon the Leased Premises, Landscape Parcels or Castillo Street Improvements for the purpose of conducting environmental tests ("LESSOR's Tests") to determine

the presence and extent of contamination by Hazardous Substances on or under the Leased Premises.

8.1.7.1. LESSOR's Tests shall be at the sole cost of LESSOR. The cost and expenses relating to LESSOR's Tests shall not be included in the scope of any indemnification provided in favor of LESSOR in this Lease.

8.1.8. Petroleum Liability and Restoration Insurance Program. During the term of this Lease, LESSEE shall, so long as coverage is available and the State of Florida maintains the Petroleum Liability and Restoration Insurance Program and the Inland Protection Trust Fund, maintain in effect the Petroleum Liability and Restoration Insurance Program Coverage for Third Party Liability for Contamination.

8.1.9. Environmental Assessments; Consent to Assignment. Any provision herein to the contrary notwithstanding, LESSEE shall, at its own cost and expense, furnish to LESSOR a complete Phase I and Phase II Environmental Assessment of the Leased Premises, performed by environmental experts reasonably found qualified by LESSOR, as a condition precedent to LESSOR's consent to an assignment of the leasehold interest. The Environmental Assessment shall include a qualitative and quantitative analysis of the presence of Hazardous Substances on, within or below the Leased Premises, Landscape Parcels and Castillo Street Improvements. LESSOR may withhold consent to the assignment of the leasehold interest until security is posted with LESSOR which is reasonably deemed by LESSOR to be adequate to cover the costs of any legally required clean-up, detoxification or remediation of the Leased Premises from the presence of Hazardous Substances within or below the Leased Premises, Landscape Parcels or Castillo Street Improvements and any and all fines or penalties associated therewith. The foregoing is collectively referred to as the "Environmental Procedure."

8.1.10. Periodic Environmental Procedure. In addition to the requirement in the foregoing Section, for Environmental Procedure to be performed as a condition precedent to the LESSOR's consent to any assignment leasehold interest, LESSEE shall, periodically, as set forth herein, perform the Environmental Procedure for the benefit of LESSOR one (1) year prior to end of the initial Lease Term and each Renewal Term thereof. The foregoing is referred to as the "Periodic



Environmental Procedure." In each case, the Periodic Environmental Procedure shall be completed, such that the Phase I and Phase II Environmental Assessments are delivered to LESSOR not later than 45 days subsequent to the due date for each Periodic Environmental Procedure. At the time of each Periodic Environmental Procedure, LESSEE shall comply with the remediation, clean-up and security requirements as set forth in the Environmental Procedure.

8.1.11. Environmental Liability Insurance. The parties shall cooperate each with the other in developing mutually acceptable environmental liability insurance clauses to substitute or supplement several of the foregoing Hazardous Substance provisions in this Article.

ARTICLE 9 INSURANCE AND INDEMNIFICATION

9.1 Workers' Compensation. At all times during this Lease, LESSEE shall, at its sole cost and expense, carry, maintain and pay for all necessary Workers' Compensation insurance with coverage for LESSEE, its employees, agents, contractors and subcontractors and their respective employees performing any work on the Leased Premises, Landscape Parcels or Castillo Street Improvements.

9.2 Fire and Extended Coverage Insurance; All Risk Insurance. At all times during this Lease, Lessee shall, at its sole cost and expense, provide Fire and All Risk Property and Extended Coverage (including flood) on the structures, improvements, fixtures and machinery located on the Leased Premises, Landscape Parcels and Castillo Street Improvements in an amount equal to not less than ninety (90%) percent of its full insurable value. The deductible shall be no more than ten (10%) percent of the value of the structures or improvements at issue.

9.3 Commercial General Liability Insurance. At all times during the Lease, LESSEE shall, at its sole cost and expense, provide Commercial General Liability Insurance for the benefit of LESSOR and LESSEE with minimum limits of coverage of not less than Five million (\$5.0 million) dollars covering bodily injury and property damage. This policy shall not be affected by any other insurance carried by LESSOR. The minimum limits of

coverage shall be adjusted every five (5) years, on the anniversary date of the Lease year, in accordance with the increase or decrease in the Consumer Price Index for "All Urban Consumers, U.S. City Average (1982 - 1984 = 100)" (hereinafter, CPI) published by the Bureau of Labor Statistics of the United States Department of Labor, or any comparable successor or substitute index designated by LESSOR. For the purposes of this Section, the beginning CPI figures shall be the most recently published index figures in effect as of the Effective Date of this Lease. On the date(s) of adjustment, the adjusting figures shall be the most recently published figures in effect on the subject adjustment date(s).

9.4 Insurance Proceeds. In the event of destruction or damage of the property covered by insurance, the funds payable pursuant to said insurance policies shall be deposited with the primary depository for LESSOR, in an interest bearing trust fund for the benefit of LESSOR and LESSEE, and said funds shall be used for the purpose of reconstruction or repair, as the case may be, of any of the buildings, improvements or personal property so damaged or destroyed. Such reconstruction and repair work shall be done in strict conformity with all applicable building and zoning codes. Should the cost of reconstruction or repair exceed the amount of funds available from the proceeds of such insurance policy, then and in such event, such funds shall be used as far as the same will permit in paying the cost of said reconstruction or repair, and any difference shall be made up by LESSEE.

9.5 Policies. LESSEE shall deliver to LESSOR's Risk Manager duplicate copies of all insurance policies required under this Article and proof of full payment therefor within ten (10) days prior to the Commencement Date of this Lease. From time to time, LESSEE shall procure and pay for renewals of this insurance before it expires. LESSEE shall deliver to lessor the renewal policy at least twenty (20) days before the existing policy expires. All of the policies of insurance provided for in this Lease:

(i) shall be in the form and substance approved by the Insurance Department of the State of Florida ("D.O.I."),

(ii) shall be issued only by companies licensed by the D.O.I.,

(iii) shall be with a carrier having an A Best's Rating of not less than A, Class VII,

(iv) shall bear endorsements showing the receipt by the respective companies of the premiums thereon or shall be accompanied by other evidence of payment of such premiums to the insurance companies, including evidence of current annual payment, if on any installment payment basis, and

(v) shall provide (i) that they may not be canceled by the insurer for thirty (30) days after service of notice of the proposed cancellation upon LESSOR and shall not be invalidated as to the interest of LESSOR by any act, omission or neglect of LESSEE and (ii) waiver of subrogation as to LESSEE'S claims against LESSOR.

(vi) With the exception of Workers' Compensation and General Commercial Liability Insurance coverage, all such insurance to be provided by LESSEE under this Lease shall name the LESSEE and LESSOR as insured, as their respective interests may appear. The All Risk Policy shall include LESSOR'S interest as a loss payee. All such policies of insurance shall also provide for the adjustment of claims under such policies by LESSEE.

In any case where the original policy of any such insurance shall be delivered to LESSEE, a duplicate original or certificate of such policy shall thereupon be delivered to LESSOR. All insurance policies shall be renewed by LESSEE, and certificates evidencing such renewals, bearing endorsements or accompanied by other evidence of the receipt by the respective insurance companies of the premiums thereon, shall be delivered to LESSOR, at least twenty (20) days prior to their respective expiration dates.

9.6. Indemnity. LESSEE shall protect, defend, indemnify and hold harmless LESSOR, its officers, employees and agents from and against any and all lawsuits, penalties, damages, settlements, judgments, decrees, costs, charges and other expenses including attorney's fees or liabilities of every kind, nature or degree arising out of or in connection with the rights, responsibilities and obligations under this Lease, or the breach or default by LESSEE of any covenant or provision of this Lease except for any occurrence arising out of or resulting from the intentional torts

or gross negligence of LESSOR, its officers, agents and employees. Without limiting the foregoing, any and all such claims, suits, causes of action relating to personal injury, death, damage to property, defects in construction, rehabilitation or restoration of the any of the structures or improvements contemplated herein, alleged infringement of any patents, trademarks, copyrights or of any other tangible or intangible personal or real property right, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation or decree of any court, is included in the indemnity. LESSEE further agrees to investigate, handle, respond to, provide defense for, and defend any such claims at its sole expense and agrees to bear all other costs and expenses related thereto even if the claim is groundless, false or fraudulent and if called upon by LESSOR, LESSEE shall assume and defend not only itself but also the City in connection with any claims, suits or causes of action, and any such defense shall be at no cost or expense whatsoever to LESSOR, provided that LESSOR shall retain the right to select (exercisable by the LESSOR's Risk Manager) counsel of its own choosing.

LESSOR makes no representations upon which LESSEE may rely with regard to the ability of the LESSEE to use the Leased Premises as provided herein and the LESSEE shall indemnify LESSOR against any claims it or anyone else may have with regard to any actions of LESSOR in connection with the Leased Premises, Landscape Parcels or Castillo Street Improvements, this Lease or any combination of same.

**ARTICLE 10
DEFAULT AND REMEDIES**

10.1. Default; Termination of Lease. If the LESSEE shall fail to keep and perform any of the covenants, conditions and agreements herein provided to be performed by said LESSEE, and such default shall continue for a period of thirty (30) days from the date of LESSOR's notice of the existence of such breach [said notice to be provided in accordance with the Section entitled "Notices" to the LESSEE and any appropriate Leasehold Mortgagee or Secured Party] directing that said default be corrected within thirty (30) days of the date of said notice, then LESSOR shall have the right to treat such default as intentional, inexcusable and material, and thereupon LESSOR, by

notice in writing transmitted to the LESSEE, as provided in the Section entitled "Notices", may at its option declare this Lease to be terminated and of no further force and effect.

10.2. Default; Alternative Remedies of LESSOR.

(a) In the event LESSEE fails to construct, maintain, make repairs, demolish or take such actions as provided in this LEASE and such default(s) shall continue for a period of thirty (30) days after notice by LESSEE, LESSEE has the option and right to take such action which was required to be taken by LESSEE at LESSEE's sole cost and expense. LESSEE shall then be liable for payment to LESSOR for all reasonable and necessary costs and expenses incurred by LESSOR in connection with the performance of the action or actions plus a surcharge of fifty percent (50%) for amounts up to One Thousand Dollars (\$1,000) and ten percent (10%) for amounts over One Thousand Dollars (\$1,000) and LESSEE shall reimburse LESSOR within sixty (60) days following written demand therefor. Interest shall accrue on the unpaid amount at the rate of twelve (12.0%) percent per annum, compounded monthly, but in no event shall interest exceed the highest amount allowed by Florida law. The demand shall include reasonable documentation supporting the expenses incurred by LESSOR. If a dispute arises as to the need for, or amount due to LESSOR for repairs or maintenance undertaken by LESSOR in accordance with this Lease, and such dispute is not resolved within forty-five (45) days after the date that LESSOR makes the original written demand for payment, LESSEE shall pay to LESSOR the undisputed amount and shall provide LESSOR with a bond or other security acceptable to LESSOR for the disputed amount pending a resolution of the dispute by negotiation or litigation. In addition to any other remedies available to LESSOR, LESSOR shall be entitled to recover from LESSEE all costs of collection, including reasonable attorneys' fees and court costs incurred at all tribunal and appellate levels, provided LESSEE ultimately prevails in such proceedings.

(b) If LESSEE does not make the payments required by subparagraph (a) above within the sixty (60) day period set forth therein, then the LESSOR shall have a right to record a Claim of Lien upon the St. Regis Hotel Property, which Lien may be for all reasonable and necessary costs and expenses of any cure undertaken by the City in accordance with subparagraph (a) above, the cost of any interim insurance policy as provided in

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herein, and reasonable attorneys' fees and costs associated therewith. The Lien shall be effective upon the recording of a Claim of Lien in the Public Records of Broward County, Florida, which Claim of Lien shall state all amounts due and owing to the City. The Lien may be foreclosed upon in the same manner as provided by law for mortgages. The Lien shall continue until payment to LESSOR of the amounts set forth in the Lien (at which time the City shall record a Satisfaction of such Lien). In addition to the Lien, LESSOR shall have all other rights and remedies granted to it at law or in equity for LESSEE's failure to reimburse LESSOR pursuant to subparagraph (a) above. LESSEE shall be entitled to pursue all legal and equitable remedies to contest the amount or existence of any such lien.

(c) In the event that LESSOR has provided the notice described in subparagraph (a), but LESSEE has failed to cure or to commence and diligently pursue cure of the default(s), and LESSOR cures such default(s), makes such repairs or undertakes such protection or maintenance or take other actions described herein, and LESSEE fails to make payment in accordance with subparagraph (a), then LESSEE shall be in default under this Lease. Such a default shall not arise where LESSEE has paid the undisputed amount and secured any disputed amount, or where the LESSEE pays the costs of cure as set forth in subparagraph (b) above prior to a judicial determination of a default. Upon judicial determination of such a default LESSOR shall be entitled to a judgment of specific performance of this Agreement or termination of the Lease and LESSOR shall have the right to repossess the Leased Premises.

10.3. Forfeiture and Re-entry. Upon termination of the Lease as provided above, LESSOR is authorized to re-enter and repossess the Leased Premises and the structures, improvements and personal property located thereon, either with or without legal process, and the LESSEE does in such event hereby waive any demand for possession of said property, and agrees to surrender and deliver up said Leased Premises and property peaceably to said LESSOR.

10.2.1 In the event of such forfeiture, the LESSEE shall have no claim whatsoever against the LESSOR by reason of improvements made upon the Leased Premises, Landscape Parcels or Castillo Street Improvements, rents paid, or from any other cause whatsoever relating thereto.

10.2.2 In the event of such forfeiture, the title and right of possession to all landscaping and other improvements on the Leased Premises, Landscape Parcels or Castillo Street Improvements, usually situated on the Leased Premises shall remain the property of LESSOR, free and clear of any right or interest therein by the LESSEE or any Person claiming by, through or under LESSEE.

10.2.3 The provisions of this Section shall not be construed so as to divest the LESSOR, in the event of such default, of any legal right and remedy which it may have by statutory or common law, enforceable at law, or in equity, it being intended that the terms and conditions of this Section shall afford to LESSOR a cumulative remedy, in addition to any other remedy or remedies as the law affords a lessor when the terms of a Lease have been broken by a lessee.

10.3 **Excusable Default.** In the event that a default occurs which cannot be corrected by reasonable diligence within thirty (30) days of receipt of the notice to do so as aforesaid, and if the LESSEE commences corrections of said default within such thirty (30) days' period and proceeds with diligence to completion, then such default shall be considered excusable.

10.4. **Separability.** Each and every covenant and agreement herein shall be separate and independent from any other, and the breach of any covenant or agreement shall in no way or manner discharge or relieve the performance of any other covenant or agreement. Each and all of the rights and remedies given to LESSOR by this Lease or by law or equity are cumulative, and the exercise of any such right or remedy by LESSOR shall not impair LESSOR's right to exercise any other right or remedy available to LESSOR under this Lease or by law or equity.

10.5. **No Waiver.** No delay in exercising or omission of the right to exercise any right or power by LESSOR shall impair any such right or power, or shall be construed as a waiver of any breach or default or as acquiescence thereto. One or more waivers of any covenant, term or condition of this Lease by LESSOR shall not be construed by the other party as a waiver of a continuing or subsequent breach of the same covenant, provision or condition. The consent or approval by LESSOR to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or

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approval of any subsequent similar act. Payment or receipt of a lesser amount than that due hereunder shall not be deemed to be other than on account of the earliest amount due hereunder. Any endorsement or statement on any check or letter accompanying any check shall not be deemed an accord and satisfaction, and LESSOR may accept and negotiate such check or payment without prejudice to LESSOR's right to recover the balance of such rent or pursue any other remedy available hereunder.

**ARTICLE 11
MISCELLANEOUS**

11.1. Brokers. Each of the parties represents and warrants there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease and each of the parties agrees to indemnify and hold harmless the other from any and all liabilities, costs and expenses (including attorneys' fees) arising from any such claim.

11.2. Relationship of Parties. The relationship between the parties hereto shall be solely as set forth herein and neither party shall be deemed the employee, agent, partner or joint venturer of the other.

11.3. Emergencies. Within sixty (60) days of the Effective Date of this Lease, LESSEE shall provide in writing to LESSOR an emergency contact name and phone number. If an emergency situation arises with respect to the Leased Premises, Landscape Parcels or Castillo Street Improvements or any condition thereof presents an imminent threat to the health or safety of Persons or property, LESSOR shall make reasonable efforts to provide telephone notice to the contact person. If, following that notice, LESSEE fails to take timely action to correct the emergency situation, and allowing the emergency situation to continue would pose an imminent threat to health or safety to Persons or property, LESSEE may undertake such limited actions as are necessary to eliminate the emergency; and LESSEE shall be entitled to recover its costs of cure from Developer in accordance with the terms of this Lease.

11.4. Notices. All notices, certificates or other communications hereunder shall be deemed given by personal delivery or on the second day following the day on which the same

have been mailed by registered or certified mail, return receipt requested, postage prepaid, and either delivered or addressed as set forth on the cover hereof. The parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. All notices required by law and by this Lease to be given by one party to the other shall be in writing, and the same shall only be deemed given if forwarded as follows:

(a) By certified mail, return receipt requested to the following addresses:

LESSOR: City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL. 33301

With copy to: City Attorney
City of Fort Lauderdale
P.O. Drawer 14250
Fort Lauderdale, FL 33302-4250

LESSEE: John McDonald, Member
Castillo Grand, L.L.C.
1500 N. Federal Highway,
Suite 200
Fort Lauderdale, FL 33308

With copy to: F. Ronald Mastriana
Mastriana & Christiansen, P.A.
1500 N. Federal Highway
Suite 200
Fort Lauderdale, FL 33304

or to such other addresses as the parties may by writing designate to the other party.

(b) The notice may also be served by personal delivery to LESSOR or LESSEE, or to the agent of LESSEE in charge of the Leased Premises.

11.5. Attorneys' Fees. In the event of any controversy arising under or relating to the interpretation or implementation of this Lease or any breach thereof, the prevailing party shall

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be entitled to payment for all attorneys' fees, paralegals' fees, experts' fees, mediation fees and costs incurred in connection therewith both at the trial and appellate levels..

11.6. Entire Agreement. This Lease, together with any other agreements entered into contemporaneously herewith, constitutes and represents the entire agreement between the parties hereto and supersedes any prior understandings or agreements, written or verbal, between the parties hereto respecting the subject matter herein. This Lease may be amended, supplemented, modified or discharged only upon an agreement in writing executed by all of the parties hereto. This Lease shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns, subject, however, to the limitations contained herein. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

11.7. Interpretation of Lease. This Lease shall be governed by and construed in accordance with the laws of the State of Florida. If any Lease provision, or its application to any person or situation, is deemed invalid or unenforceable for any reason and to any extent, the remainder of this Lease, or the application of the remainder of the provisions, shall not be affected. Rather, this Lease is to be enforced to the extent permitted by law. The captions, headings and title of this Lease are solely for convenience of reference and are not to affect its interpretation. Each covenant, agreement, obligation or other provision of the Lease is to be construed as a separate and independent covenant of the party who is bound by or who undertakes it, and each is independent of any other provision of this Lease, unless otherwise expressly provided. All terms and words used in this Lease, regardless of the number or gender in which they are used, are deemed to include any other number and other gender as the context requires.

11.8. Time is of the Essence. Time is of the essence in the performance of the terms and conditions of this Lease.

11.9. Choice of Laws; Venue. This Lease shall be governed by the laws of the State of Florida. In the event of litigation between the parties, venue for any such litigation shall be in Broward County, Florida.



11.10. Compliance with Governing Laws. The parties shall comply with all applicable laws, ordinances, and codes of the United States of America, the State of Florida and all local governments having jurisdiction, in carrying out the rights and responsibilities provided in this Lease.

11.11. Recording. Prior to the conveyance of the Leased Premises from LESSOR to the City of Fort Lauderdale, this Lease shall be recorded at LESSEE'S sole cost and expense, in the Public Records of Broward County, Florida and a copy thereof shall be filed with the City Clerk's Office of the City of Fort Lauderdale.

11.12. Condemnation. If the Leased Premises or any part thereof shall be taken by eminent domain, this Lease shall terminate on the date when title vests pursuant to such taking. LESSEE shall not be entitled to any part of the award or any payment in lieu thereof; excepting that LESSEE shall be entitled to any separate award rendered for trade fixtures installed by LESSEE at its own cost and expense and which are not part of the realty.

11.13. Radon Gas Disclosure. Pursuant to Florida law, the following disclosure must be made about radon gas: "Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

11.14. Attornment. In the event any Person succeeds to LESSOR'S interest in the Lease ("successor in interest"), LESSEE will be bound to such successor in interest for the balance of the term of the Lease and any extension thereof as if such successor in interest were the LESSOR under this Lease and LESSEE will attorn to such successor in interest as its LESSOR, immediately upon such successor in interest succeeding to the interest of LESSOR under the Lease; however, LESSEE shall not be obligated to pay rent to or render any other performance to the successor in interest until LESSEE receives written notice from such successor in interest that it has succeeded to the interest of LESSOR in the Lease. Subject to the terms and conditions of

ABD

this Lease, upon such attornment the rights and obligations of LESSEE and successor in interest shall be the same as they would have been if the successor in interest had been LESSOR under the Lease and the LESSOR named herein shall not be liable to LESSEE or any successor in interest for any obligations or liabilities based on or arising out of events or conditions occurring on or after the date in which the successor in interest succeeded to the LESSOR named herein's interest in the Lease.

[This space intentionally left blank]

RBD

IN WITNESS WHEREOF the parties have set their hands and seals the day and year first above written.

WITNESSES:

CITY OF FORT LAUDERDALE

Kathleen Edwards

By [Signature]
Mayor

KATHLEEN EDWARDS
[Witness type or print name]

Yvonne Brackett Buck
Yvonne Brackett Buck
[Witness type or print name]

By [Signature]
City Manager

(CORPORATE SEAL)

ATTEST:

Nancy Ball
Asst. City Clerk

Approved as to form:

Robert B. Duce
Asst. City Attorney

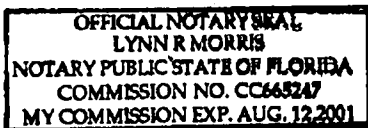
Access Easement Lease
City / Castillo Grand

[Signature]

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me
this March 21, 2001, by JIM NAUGLE, Mayor of the
CITY OF FORT LAUDERDALE, a municipal corporation of Florida. He
is personally known to me and did not take an oath.

(SEAL)



Lynn R Morris
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

LYNN R MORRIS
Name of Notary Typed,
Printed or Stamped

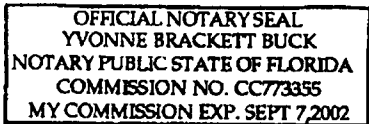
My Commission Expires: CC665247
8/12/2001

Commission Number

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me
this March 21st, 2001, by F.T. JOHNSON, City Manager
of the CITY OF FORT LAUDERDALE, a municipal corporation of
Florida. He is personally known to me and did not take an oath.

(SEAL)



Yvonne Brackett Buck
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

Yvonne Brackett Buck
Name of Notary Typed,
Printed or Stamped

My Commission Expires: 9-7-2002

CC 773355
Commission Number

Access EASEMENT LEASE
City/Castillo Grand

WITNESSES:

CASTILLO GRAND L.L.C., a
Florida Limited Liability
Company

[Signature]
John W. Scarsdale, Jr.
[Witness print/type name]

By [Signature]
John McDonald / PARTNER
[Print/type name & title]

[Signature]
Daniel Sieloff
[Witness print/type name]

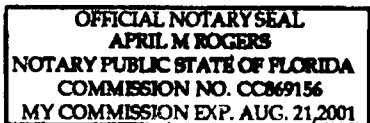
ATTEST:

[CORPORATE SEAL]

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me
this March 20, 2001, by John McDonald
as N/A of CASTILLO GRAND L.L.C., a
Florida Limited Liability Company. He/She is personally known to
me or has produced N/A as identification and
did not (did) take an oath.

(SEAL)



[Signature]
Notary Public, State of
Florida (Signature of Notary taking
Acknowledgment)

April M. Rogers
Name of Notary Typed,
Printed or Stamped

My Commission Expires: 8.21.01

CC869156
Commission Number

L:\REALPROP\LEASES\BEACH\CASTILLO.WPD

[Handwritten initials]



ENGINEERING * SURVEYING * PLATTING * LAND PLANNING
400 N.E. 3rd AVENUE FORT LAUDERDALE, FLORIDA 33301
PHONE (954) 763-7611 * FAX (954) 763-7615

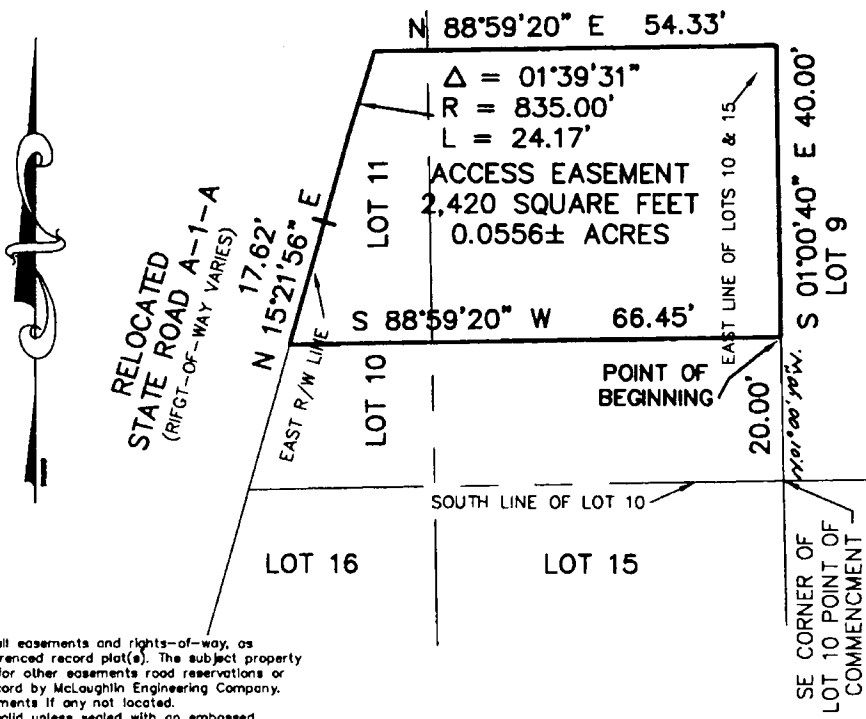
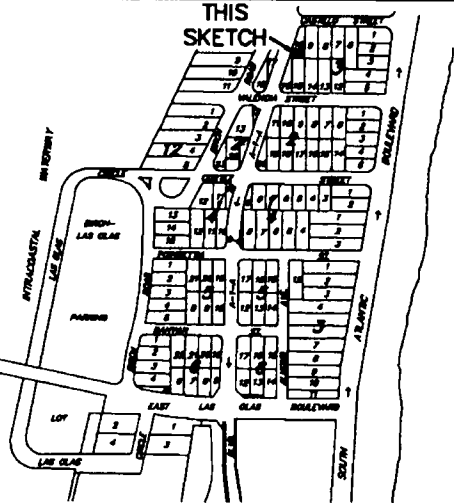
SCALE 1" = 20'

**SKETCH AND DESCRIPTION
40' ACCESS EASEMENT**

A portion of Lots 10 and 11, Block 3, LAUDER-DEL-MAR, according to the plat thereof, as recorded in Plat Book 7, Page 30, of the public records of Broward County, Florida, more fully described as follows:

COMMENCING at the Southeast corner of said Lot 10; thence North 01°00'40" West, on the East line of said Lot 10, a distance of 20.00 feet to the POINT OF BEGINNING; thence South 88°59'20" West, a distance of 66.45' feet; thence North 15°21'56" East, on the East Right-of-Way line of Relocated State Road A-1-A, a distance of 17.62 feet, to a Point of Curve; thence Northerly on said East Right-of-Way line and on a curve to the right, with a radius of 835.00 feet, a central angle of 01°39'31", an arc distance of 24.17 feet, to a point; thence North 88°59'20" East, a distance of 54.33 feet; thence South 01°00'40" East, on the East line of said Lot 10, a distance of 40.00 feet to the Point of Beginning.

Said lands situate, lying and being in the City of Fort Lauderdale, Broward County, Florida, and containing 2,420 square feet or 0.0556 acres more or less.



- NOTES:
- 1) This sketch reflects all easements and rights-of-way, as shown on above referenced record plat(s). The subject property was not abstracted for other easements road reservations or rights-of-way of record by McLaughlin Engineering Company.
 - 2) Underground Improvements if any not located.
 - 3) This drawing is not valid unless sealed with an embossed surveyor's seal.
 - 4) Boundary information does not infer title or ownership
 - 5) Bearings shown refer to State Plane Coordinate Grid System Florida Mercator East Zone as shown in Miscellaneous Map Book 6, Page 10, Broward County Records.

LEGEND

- ELEV.= ELEVATION
- O/S= OFFSET
- W/Md. CAP= WITH McLAUGHLIN ENGINEERING CO. CAP
- CL= CENTERLINE OF RIGHT-OF-WAY
- F.P.L.= FLORIDA POWER AND LIGHT CO.
- S.B.T.= SOUTHERN BELL TELEPHONE
- B.C.R.= BROWARD COUNTY RECORDS
- D.C.R.= DADE COUNTY RECORDS
- O.R.= OFFICIAL RECORDS BOOK
- PG.= PAGE
- R/W= RIGHT-OF-WAY
- P.O.C.= POINT OF COMMENCEMENT
- P.O.B.= POINT OF BEGINNING

CERTIFICATION

CERTIFIED CORRECT.
Dated at Fort Lauderdale, Florida, this 12th day of October, 2000.
Revised this 16th day of October, 2000.

McLAUGHLIN ENGINEERING COMPANY

JERALD A. McLAUGHLIN
Registered Land Surveyor No. 5269
State of Florida.



FIELD BOOK NO. T-4385

EXHIBIT "A"

DRAWN BY: JMMj

JOB ORDER NO.

CHECKED BY: JAM

ck T I 10/17/00

E:\SUR\T4385.DWG

EXHIBIT "B"

CITY PARCEL

All of Lots 10 and 11, Block 3, LAUDER-DEL-MAR, according to the Plat thereof, as recorded in Plat Book 7, Page 30 of the Public Records of Broward County, Florida, lying East of the East Right-Of-Way line of Southbound State Road A-1-A, as shown on that certain Right-Of-Way Map on file in the Office of the City Engineer of Fort Lauderdale at File Number 4-113-5.

L:\REALPROP\LEASES\BEACH\B_CASTIL.WPD

ABD

EXHIBIT "C"

CASTILLO STREET IMPROVEMENTS

The Castillo Street Improvements are shown on the Castillo Grand Site Plan, P&Z Case No. 126-R-99, Sheets A1-1, L-2, L-3, L-5, L-6 and L-8 as approved by the City Commission. The Site Plan is on file in the City of Fort Lauderdale, Construction Service Bureau and is incorporated herein by reference.

BD

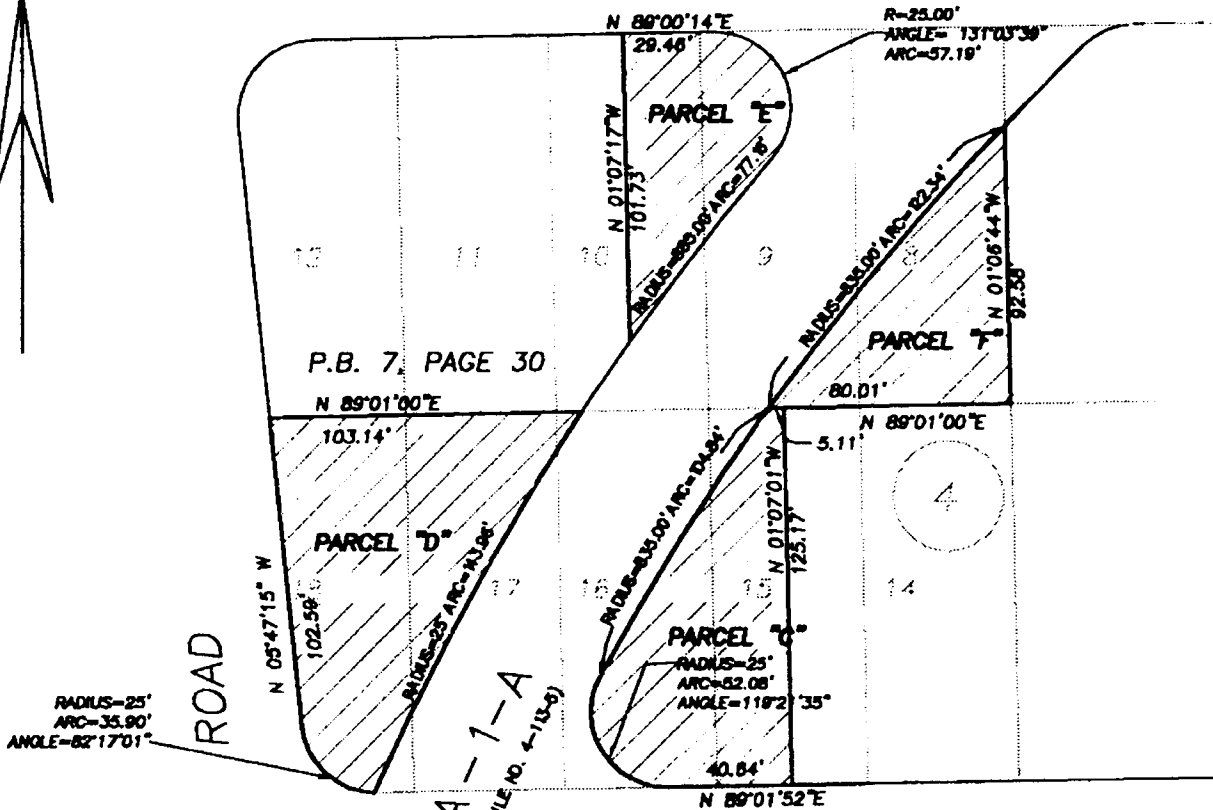
SKETCH AND DESCRIPTION

31401 PG 1864

THIS IS NOT A SURVEY



SEBASTIAN STREET

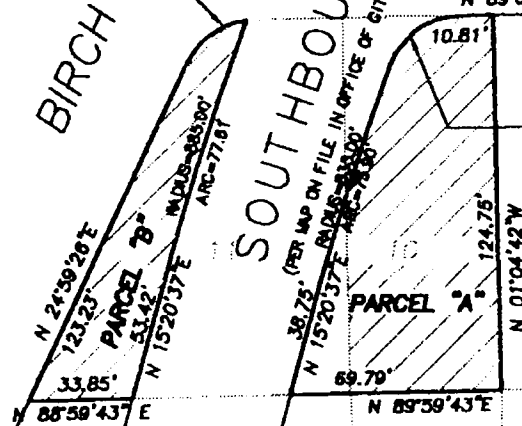


CASTILLO STREET

(50' RIGHT OF WAY)

RADIUS=25'
ARC=25.41'
ANGLE= 58°14'28"

BIRCH



P.B. 7, PAGE 30

P.O.B. DENOTES POINT OF BEGINNING
P.O.C. DENOTES POINT OF COMMENCEMENT
P.B. DENOTES PLAT BOOK

2/15/01 - REVISE PARCEL "C"
SHEET 1 OF 2 SHEETS

CITY OF FORT LAUDERDALE

SKETCH AND DESCRIPTION
LAUDER DEL MAR
P.B. 7, PAGE 30

ANTHONY R. IRVINE
PROFESSIONAL SURVEYOR AND MAPPER NO.4420
STATE OF FLORIDA

BY: T.I.	ENGINEERING DIVISION	DATE: 10/12/00
CHK'D T.I.		SCALE: 1"=60'

EXHIBIT "D" 10/12/00

SKETCH AND DESCRIPTION

THIS IS NOT A SURVEY



DESCRIPTION:

PARCEL "A"

ALL OF LOTS 10 AND 11, BLOCK 3 "LAUDER DEL MAR", ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 7, PAGE 30, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, LYING EAST OF THE EAST RIGHT OF WAY LINE OF SOUTHBOUND STATE ROAD A-1-A, AS SHOWN ON THAT CERTAIN RIGHT OF WAY MAP ON FILE IN THE OFFICE OF THE CITY ENGINEER OF FORT LAUDERDALE AT FILE NUMBER 4-113-5;

TOGETHER WITH:

PARCEL "B"

ALL OF THAT PORTION OF LOT 11, BLOCK 3 OF SAID "LAUDER DEL MAR", LYING WEST OF THE WEST RIGHT OF WAY LINE OF SAID SOUTHBOUND STATE ROAD A-1-A;

TOGETHER WITH:

PARCEL "C"

THE WEST HALF OF LOT 15 AND ALL OF LOTS 16, BLOCK 4, OF SAID "LAUDER DEL MAR", LYING EAST OF THE EAST RIGHT OF WAY LINE OF SAID SOUTHBOUND STATE ROAD A-1-A;

TOGETHER WITH:

PARCEL "D"

ALL OF LOTS 16, 17 AND 18 OF SAID BLOCK 4, "LAUDER DEL MAR", LYING WEST OF THE WEST RIGHT OF WAY LINE OF SAID SOUTHBOUND STATE ROAD A-1-A;

TOGETHER WITH:

PARCEL "E"

ALL OF LOT 9 AND THE EAST ONE HALF OF LOT 10 OF SAID BLOCK 4, "LAUDER DEL MAR", LYING WEST OF THE WEST RIGHT OF WAY LINE OF SAID SOUTHBOUND STATE ROAD A-1-A;

TOGETHER WITH:

PARCEL "F"

ALL OF LOTS 8 AND 9 OF SAID BLOCK 4, "LAUDER DEL MAR", LYING EAST OF THE WEST RIGHT OF WAY LINE OF SAID SOUTHBOUND STATE ROAD A-1-A;

SAID LANDS SITUATE, LYING AND BEING IN THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA.


BEARINGS SHOWN HEREON, ARE BASED ON AN ASSUMED MERIDIAN.

THIS SKETCH AND DESCRIPTION CONSISTS OF 2 SHEETS.

P.O.B. DENOTES POINT OF BEGINNING
 P.O.C. DENOTES POINT OF COMMENCEMENT
 P.B. DENOTES PLAT BOOK

2/15/01 - REVISE PARCEL "C"
 SHEET 2 OF 2 SHEETS

CITY OF FORT LAUDERDALE		
SKETCH AND DESCRIPTION LAUDER DEL MAR P.B. 7, PAGE 30		
BY: T.I.	ENGINEERING	DATE: 10/12/00
CHK'D T.I.	DIVISION	SCALE: NONE


 ANTHONY R. IRVINE
 PROFESSIONAL SURVEYOR AND MAPPER NO. 4420
 STATE OF FLORIDA

10/12/00

EXHIBIT "E"

ST. REGIS HOTEL PROPERTY

Parcel 1

Lots 1, 2, 3, 4, 5, 6, 7, 8, 12, and 13, Block 3, LAUDER-DEL-MAR, according to the Plat thereof, recorded in Plat Book 7, Page 30, of the Public Records of Broward County, Florida;

TOGETHER WITH that portion of the North one-half (N ½) of Valencia Avenue, now vacated per City of Fort Lauderdale Ordinance No. C-94-10, lying adjacent to said Lots 5, 12 & 13;

Said lands situate, lying and being in the City of Fort Lauderdale, Broward County, Florida and containing 76,713 sq. ft. or 1.7611 acres, more or less.

Parcel 2

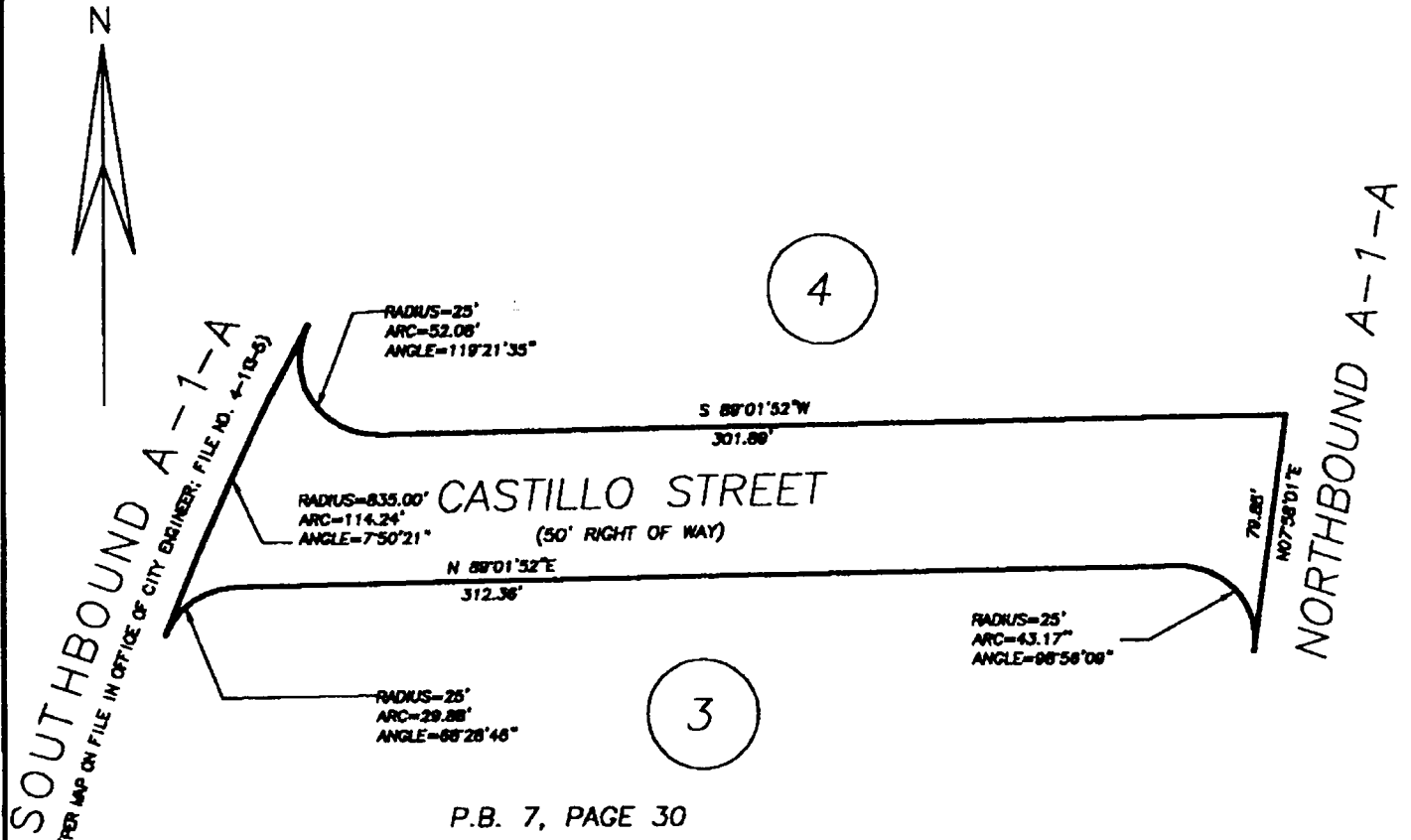
Lot 9, Block 3, LAUDER-DEL-MAR, according to the Plat thereof, recorded in Plat Book 7, at Page 30 of the Public Records of Broward County, Florida, LESS AND EXCEPT the lands conveyed to the City of Fort Lauderdale described in Special Warranty Deed recorded in Official Records Book 24212, Page 873 of the Public Records of Broward County, Florida; said lands lying, situate and being in the City of Fort Lauderdale, Broward County, Florida.



SKETCH AND DESCRIPTION

THIS IS NOT A SURVEY

OR BK 31401 PG 1867



DESCRIPTION:

ALL OF THAT PORTION OF "CASTILLO STREET", AS SHOWN ON THE PLAT OF "LAUDER DEL MAR", ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 7, PAGE 30, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, BOUNDED ON THE WEST BY THE EASTERLY RIGHT OF WAY LINE OF SOUTHBOUND A-1-A AS SHOWN ON THAT CERTAIN RIGHT OF WAY MAP ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF FORT LAUDERDALE, AT FILE NUMBER 4-113-5; AND BOUNDED ON THE EAST BY THE WEST RIGHT OF WAY LINE OF NORTHBOUND A-1-A, AS SHOWN ON SAID MAP.

SAID LANDS SITUATE, LYING AND BEING IN THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA.

BEARINGS SHOWN HEREON ARE BASED ON AN ASSUMED MERIDIAN.

- P.O.B. DENOTES POINT OF BEGINNING
- P.O.C. DENOTES POINT OF COMMENCEMENT
- P.B. DENOTES PLAT BOOK

Anthony R. Irvine
 ANTHONY R. IRVINE
 PROFESSIONAL SURVEYOR
 STATE OF FLORIDA

EXHIBIT "F"

CITY OF FORT LAUDERDALE		
SKETCH AND DESCRIPTION A PORTION OF CASTILLO STREET		
BY: T.I.	ENGINEERING DIVISION	DATE: 9/18/00
CHK'D T.I.		SCALE: 1"=60'

9/18/00

EXHIBIT "G"

ARCHWAY IMPROVEMENTS

The Archway Improvements are shown on the Castillo Grand Site Plan, P&Z Case No. 126-R-99, Sheets A2-1 and A2-3, as approved by the City Commssion. The Site Plan is on file in the City of Fort Lauderdale, Construction Services Bureau and is incorporated herein by reference.



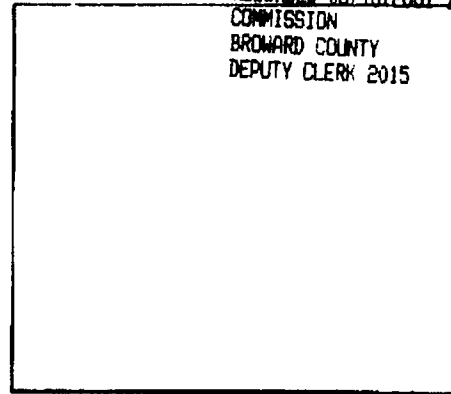
**INSTR # 101043520
OR BK 31614 PG 0821**

RECORDED 05/18/2001 11:27 AM

COMMISSION
BROWARD COUNTY
DEPUTY CLERK 2015

PREPARED BY AND RETURN TO:

Robert B. Dunkel, Assistant City Attorney
Office of City Attorney
City of Fort Lauderdale
P.O. Drawer 14250
Fort Lauderdale, FL 33302-4250



Space Reserved for Recording Information

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT is entered into this 5th day of April, 2001 by and between:

CITY OF FORT LAUDERDALE, a municipal corporation, its successors and assigns, hereinafter, "LESSOR" or "CITY"

and

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company, its successors and assigns, hereinafter "LESSEE".

RECITALS

LESSEE has requested that the Lease be amended to permit the LESSEE to bring underground utilities to the St. Regis Hotel Property through the Leased Premises.

This request was reviewed by the CITY'S Property and Right of Way Committee at its meeting of February 15, 2001 and the Committee recommended approval of the proposed Lease Amendment.

Upon Motion duly adopted by the City Commission at its meeting of April 5, 2001, the proper CITY officials were authorized to execute this First Amendment to Lease Agreement.

First Amendment to Lease / Castillo Grand, LLC
April 5, 2001

RBD

NOW, THEREFORE, in consideration of the mutual covenants exchanged herein and other good and valuable considerations, to which the receipt and sufficiency of which the parties to hereby stipulate, the LESSOR and LESSEE agree as follows:

1. The foregoing recitals are true and correct.
2. That Paragraph 1.1, Defined Terms, of the Lease is hereby modified to read as follows:

Access Way means the improvements, both pavement, landscaping, and irrigation, together with underground utilities within the Leased Premises which LESSEE undertakes to construct, operate, use, maintain and repair under this Lease.

City Parcel means that parcel of land owned by LESSOR within, over, under and through which the ingress/egress and underground utilities easement and Leased Premises are situated, the Sketch and Legal Description for which is set forth at Exhibit "B" attached hereto and made a part hereof. The City Parcel is also one of the Landscape Parcels.

Leased Premises means that ingress/egress and underground utilities easement leased herein to LESSEE upon, over, within, above, under and through that parcel located in the City of Fort Lauderdale, Broward County, Florida, the Sketch and Legal Description for which is attached hereto as Exhibit "A" and made a part hereof. Within the Leased Premises, LESSEE shall construct an Access Way. LESSEE shall have the right to use the easement rights thereto for use to attain vehicular and pedestrian ingress to and egress from the St. Regis Hotel Property as well as for the purpose of constructing, maintaining, using, repairing, reconstructing and operating underground utilities to bring utilities from the Southbound A-1-A right-of-way to the St. Regis Hotel Property.

3. That Paragraph 6.2 of the Lease is modified to read as follows:

6.2 Use of Leased Premises. The Leased Premises are to be used by LESSEE for the construction, use,

operation, maintenance and repair of an Access Way, including the construction, maintenance, operation, use and repair of underground utilities and further including landscaping and irrigation thereof, from Southbound A-1-A into the St. Regis Hotel Property.

4. That Paragraph 6.4 of the Lease is modified to read as follows:

6.4 Use of Leased Premises Pending Construction of Improvements. Subject to the issuance of the proper permits and approvals by any regulatory agency having jurisdiction over the Leased Premises, LESSEE may use the Leased Premises during construction of the St. Regis Hotel for ingress to and egress from the St. Regis Hotel Property, as well as for the purpose of constructing, maintaining, operating, using and repairing underground utilities to be provided to the St. Regis Hotel Property, provided a hard dustless surface is provided.

5. This First Amendment to Lease Agreement shall be recorded at LESSEE's sole cost and expense, in the Public Records of Broward County, Florida and a copy thereof shall be filed with the City Clerk's Office of the City of Fort Lauderdale.

6. In the event and to the extent of conflict between the terms and conditions of this First Amendment and the terms and conditions of the Lease Agreement, the terms and conditions of this First Amendment shall supercede and prevail over any and to the extent any conflict with the terms and conditions of the Lease Agreement.

IN WITNESS WHEREOF the parties have set their hands and seals the day and year first above written.

WITNESSES:

CITY OF FORT LAUDERDALE

Safeya B. Ali
Safeya B. Ali

By [Signature]
Mayor

[Handwritten initials]

[Witness type or print name]

Suzanne Cogswell
SUZANNE COGSWELL
[Witness type or print name]

By [Signature]
City Manager

ATTEST:

[Signature]
City Clerk

(CORPORATE SEAL)

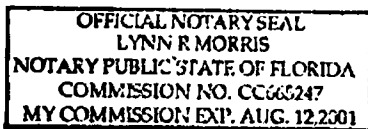
Approved as to form:

[Signature]
ASS. City Attorney

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this May 9, 2001, by JIM NAUGLE, Mayor of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)



[Signature]
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)

LYNN R MORRIS
Name of Notary Typed,
Printed or Stamped

First Amendment to Lease / Castillo Grand, LLC
April 5, 2001

[Handwritten initials]

My Commission Expires: 8-12-2001

CC 665747
Commission Number

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me
this May 9th, 2001, by F.T. JOHNSON, City Manager
of the CITY OF FORT LAUDERDALE, a municipal corporation of
Florida. He is personally known to me and did not take an oath.

(SEAL)

Yvonne Brackett Buck
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

Yvonne BRACKETT BUCK
Name of Notary Typed,
Printed or Stamped

OFFICIAL NOTARY SEAL
YVONNE BRACKETT BUCK
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC773355
MY COMMISSION EXP. SEPT 7, 2002

My Commission Expires: 9-7-2002

CC 773355
Commission Number

AB

WITNESSES:

CASTILLO GRAND L.L.C., a
Florida Limited Liability
Company

[Signature]
Jane Strudwick
[Witness print/type name]

By [Signature]
John McDonald
[Print/type name & title]
John McDonald, Authorized Member

[Signature]
Daniel Sieluff
[Witness print/type name]

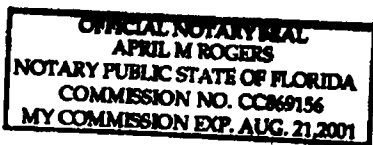
ATTEST:

[CORPORATE SEAL]

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me
this May 1st, 2001, by John McDonald
as Authorized Member of CASTILLO GRAND L.L.C., a
Florida Limited Liability Company. He/She is personally known to
me or has produced _____ as identification and
did not (did) take an oath.

(SEAL)



[Signature]
Notary Public, State of
Florida (Signature of Notary taking
Acknowledgment)

April M Rogers
Name of Notary Typed,
Printed or Stamped

My Commission Expires:

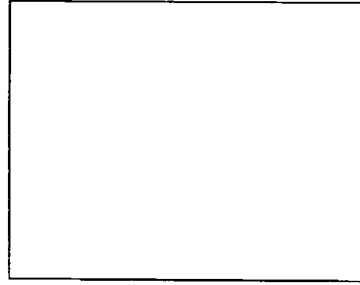
Commission Number

L:\REALPROP\LEASES\BEACH\2CASTILL.WPD

First Amendment to Lease / Castillo Grand, L.L.C.
April 5, 2001

[Handwritten initials]

THIS INSTRUMENT PREPARED BY
AND RETURN TO:
Robert B. Dunckel, Assistant City Attorney
City of Fort Lauderdale
P.O. Drawer 14250
Fort Lauderdale, FL 33302-4250



Space Reserved for Recording Information

**SECOND AMENDMENT
TO
LEASE AGREEMENT**

THIS SECOND AMENDMENT TO LEASE AGREEMENT is entered into this 10th day of June, 2003, by and between:

CITY OF FORT LAUDERDALE, a municipal corporation, its successors and assigns, P.O. Drawer 14250, Fort Lauderdale, Florida 33302-4250, hereinafter, "CITY"

and

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company, its successors and assigns, 2455 E. Sunrise Boulevard, Suite 916, Fort Lauderdale, Florida 33304, hereinafter "DEVELOPER"

WHEREAS, on January 19, 2000 the City Commission of the City adopted Resolution No. 00-9 granting Developer a Beach Development Permit for construction of a Hotel and ancillary improvements ("Hotel Project"); said Beach Development Permit being amended by administrative approval May 20, 2003

WHEREAS, ancillary to the Hotel Project, the City and Developer entered a Lease Agreement, dated March 20, 2001, which was recorded March 22, 2001 at Official Records Book 31401, Page 1823 of the Public Records of Broward County, Florida (hereinafter, "Lease Agreement") pursuant to which CITY leased to DEVELOPER certain ingress/egress rights from southbound A-1-A to the St. Regis Hotel Property, which such Lease Agreement was thereafter

Overpass Agreement / Second Amendment
Castillo Grand, LLC / City

6

amended by a First Amendment to Lease Agreement, dated April 5, 2001 by and between the parties, recorded May 18, 2001, at Official Records Book 31614, Page 0821 of the Public Records of Broward County, Florida, pursuant to which the Lease Agreement was amended to provide for access of utilities through the Leased Premises; and

WHEREAS, Developer is now about to close on financing for the construction of the Hotel Project and is in need of amending the Lease Agreement in order to comply with requirements of the construction lenders;

NOW, THEREFORE, in consideration of the mutual covenants exchanged herein and other good and valuable considerations, the receipt and sufficiency of which the party hereto do hereby stipulate, City and Developer agree as follows:

- 1. The foregoing recitals are true and correct.
- 2. That Paragraph 3.3(b) of the Lease Agreement is amended to read as follows:

3.3. Conditions.

...

(b) In the event LESSEE fails to secure a Certificate of Occupancy for the Grand Castillo Hotel development ~~within thirty (30) months from the Effective Date hereof on or before February 1, 2005~~, this Lease shall automatically become null and void and of no further force and effect and the parties, by the terms hereof, shall be released from any further rights, claims or obligations each to the other under this Lease. That Paragraph 7.3 of the Lease Agreement is amended to read as follows:

- 3. That Paragraph 7.3 of the Lease Agreement is amended to read as follows:

7.3. Unity of Title; Assignment.

(a) LESSEE agrees, for itself and its successors and assigns, that fee simple ownership of the St. Regis Hotel Property and LESSEE's right, title, interest, obligations and responsibilities under this Lease shall be irrevocably bound together during the term of this Lease, it being the intent of the parties that this Lease and LESSEE's right, title, interest, obligations and responsibilities under this Lease shall be deemed covenants running with the St. Regis Hotel Property during the term of this Lease.

(b) LESSEE may not sell, transfer or assign its leasehold interest under this Lease or any interest herein, without the prior written consent of LESSOR, which such consent shall be given to the assignee or transferee of LESSEE's fee simple interest in the St. Regis Hotel Property and shall be given in a recordable form and shall be recorded by LESSEE or LESSEE's assignee or transferee. Such consent shall be conditioned upon LESSEE's assignee or transferee assumption of all obligations arising under this Lease, past, present and future, and LESSEE shall be fully released and relieved from all liability and obligation hereunder. ~~LESSEE shall not assign or attempt to assign its leasehold interest in this Lease or any portion thereof prior to completion of construction.~~ Assignment of this Lease shall only be made to the fee simple owner of the St. Regis Hotel Property.

4. The Effective Date of this Second Amendment shall be June 10, 2003, the date execution hereof is authorized by the City Commission.

5. This Second Amendment to Lease Agreement shall be recorded at Developer's sole cost and expense in the Public Records of Broward County, Florida and a copy thereof shall be filed with the City Clerk's Office and the City Attorney's Office of the City.

6. In the event and to the extent of conflict between the terms and conditions of this Second Amendment and the terms and conditions of the Lease Agreement, the terms and conditions of this Second Amendment shall supersede and prevail over and to the extent of any conflict with the terms and conditions of the Lease Agreement.

7. Subject to the terms hereof, City and Developer ratify and confirm the Lease Agreement, as amended through the Second Amendment.

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

WITNESSES:

CITY OF FORT LAUDERDALE

Safceea B. Ali
Safceea B. Ali
[Witness-print or type name]

By [Signature]
Mayor

Overpass Agreement / Second Amendment
Castillo Grand, LLC / City

Gail Ingram
Gail Ingram
[Witness-print or type name]

(CORPORATE SEAL)

By [Signature]
City Manager

ATTEST:
[Signature]
City Clerk

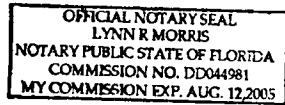
Approved as to form:

[Signature]
City Attorney

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 6-13, 2003, by JIM NAUGLE, Mayor of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida. He is personally known to me and did not take an oath.
(SEAL)

[Signature]
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)



LYNN R. MORRIS
Name of Notary Typed,
Printed or Stamped

My Commission Expires: 8/12/05

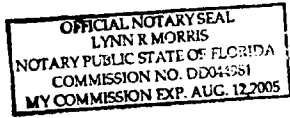
DD044981
Commission Number

Overpass Agreement / Second Amendment
Castillo Grand, LLC / City

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 6-13, 2003, by F.T. JOHNSON, City Manager of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)



Lynn R Morris
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)

LYNN R MORRIS
Name of Notary Typed,
Printed or Stamped

My Commission Expires: 8/12/05

DD044981
Commission Number

Overpass Agreement / Second Amendment
Castillo Grand, LLC / City

WITNESSES:

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company,

[Signature]
F. RONALD MASTRIANA
[Witness print/type name]

By [Signature]
John McDonald
[Print/type name & title] MEMBER

[Signature]
Robert B. DiVella
[Witness print/type name]

ATTEST:

[CORPORATE SEAL]

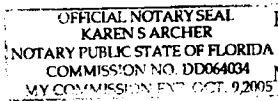
STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 10th day of June, 2003, by John McDonald as Member of CASTILLO GRAND, L.L.C., a Florida Limited Liability Company. He/She is personally known to me or has produced Drivers License as identification and did not (did) take an oath.

(SEAL)

[Signature]
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)

KAREN S ARCHER
Name of Notary Typed,
Printed or Stamped



My Commission Expires:

Commission Number

LAAGMTS\BEACH\AMEND(2).WPD

Overpass Agreement / Second Amendment
Castillo Grand, LLC / City

A-20 3-7-06

This instrument prepared by:
Robert B. Dunckel, Esq.
Assistant City Attorney
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL 33301

**SECOND AMENDMENT
TO
LEASE AGREEMENT**

THIS SECOND AMENDMENT TO LEASE AGREEMENT is entered into this 7th day of March, 2006 by and between:

CITY OF FORT LAUDERDALE, a municipal corporation, its successors and assigns, 100 North Andrews Avenue, Fort Lauderdale, FL. 33301 (hereinafter, "LESSOR")

and

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company, its successors and assigns, 2455 E. Sunrise Boulevard, Suite 916, Fort Lauderdale, FL 33304 (hereinafter, "LESSEE")

WHEREAS, execution of this Second Amendment to Lease Agreement was authorized by adoption of a motion by the City of Fort Lauderdale City Commission at their Regular Meeting held March 7, 2006; and

WHEREAS, LESSOR and LESSEE entered into a Lease Agreement, dated March 20, 2001, recorded March 22, 2001 at Official Records Book 31401, Page 1823 of the Public Records of Broward County, Florida ("Lease Agreement") with an Effective Date of December 19, 2000; and

WHEREAS, LESSOR and LESSEE entered into a First Amendment to Lease Agreement, dated April 5, 2001, recorded May 18, 2001 at Official Records Book 31614, Page 0821 of the Public Records of Broward County, Florida; and

WHEREAS, according to Article 3, Section 3.3 (b) of the Lease Agreement LESSEE was to have secured a Certificate of Occupancy for the Grand Castillo Hotel (n/k/a St. Regis Hotel) within thirty (30) months from the Effective Date of the Lease Agreement, failure to timely secure the Certificate of Occupancy automatically caused the lease to be null and void; and

WHEREAS, the Certificate of Occupancy was not timely secured; and

Second Amendment to Lease Agreement
Lessor: City of Fort Lauderdale
Lessee: Castillo Grand, LLC
Rev. March 7, 2006
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Page 1 of 5

5

WHEREAS, after the expiration of thirty (30) months after the Effective Date of the Lease Agreement, LESSOR continued to bill LESSEE for annual rent payments and LESSEE continued to pay annual rent payments and LESSEE continued to perform all other obligations under the Lease Agreement, notwithstanding the technical default in not timely securing the Certificate of Occupancy; and

WHEREAS, LESSEE has represented that it anticipates securing a Certificate of Occupancy for the St. Regis Hotel (f/k/a Castillo Grand Hotel) by June, 2006; and

WHEREAS, certain differences have arisen between LESSOR and LESSEE as to the legal impact of LESSEE's failure to secure a Certificate of Occupancy within the time period specified in Article 3, Section 3.3 (b) of the Lease Agreement and in order to resolve all differences the parties have stipulated to a settlement, accord and satisfaction of those differences with this Second Amendment to Lease Agreement, with LESSOR waiving the technical default in LESSEE's failure to timely secure the Certificate of Occupancy, reinstating the Lease and amending its terms to eliminate Article 3, Section 3.3 (b) of the Lease Agreement;

NOW, THEREFORE, that in consideration of the foregoing, in resolving the differences between the parties, arriving at an accord and satisfaction of those differences and the mutual covenants exchanged herein and other good and valuable considerations, to which the receipt and sufficiency are stipulated between the parties, LESSOR and LESSEE agree as follows:

1. The foregoing recitals are true and correct.
2. The Effective Date of this Second Amendment to Lease Agreement is March 7, 2006.
3. LESSOR waives any technical defaults surrounding LESSEE's failure to secure a Certificate of Occupancy within the time specified in Article 3, Section 3.3 (b) of the Lease Agreement and the Lease Agreement is reinstated and is in full force and effect as of the Effective Date hereof.
4. Article 3, Section 3.3 (b) is hereby repealed.
5. This Second Amendment to Lease Agreement shall be recorded at LESSEE's sole cost and expense, in the Public Records of Broward County, Florida and a copy thereof shall be filed with the City Clerk's Office of the City of Fort Lauderdale.
6. In the event and to the extent of conflict between the terms and conditions of this Second Amendment and the terms and conditions of the First Amendment or Lease Agreement, then, to the extent of conflict, the terms and conditions of this Second Amendment shall supercede and prevail over any conflicting terms and conditions set forth in the First Amendment or the underlying Lease Agreement.

Second Amendment to Lease Agreement
 Lessor: City of Fort Lauderdale
 Lessee: Castillo Grand, LLC
 Rev. March 7, 2006
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IN WITNESS WHEREOF, the parties have set their hands and seals the day and year first above written.

WITNESSES:

CITY OF FORT LAUDERDALE

Safesa B. Ali
Safesa B. Ali
[Witness type or print name]

By [Signature]
Mayor

[Signature]
SANDRA A. DOUGHLIN
[Witness type or print name]

By [Signature]
City Manager

ATTEST:

(CORPORATE SEAL)

[Signature]
City Clerk



Approved as to form:

[Signature]
City Attorney

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this April 11, 2006, by JIM NAUGLE, Mayor of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida. He is personally known to me and did not take an oath.



[Signature]
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)

Second Amendment to Lease Agreement
Lessor: City of Fort Lauderdale
Lessee: Castillo Grand, LLC
Rev. March 7, 2006
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BD

Ludie Brutus
Name of Notary Typed,
Printed or Stamped

My Commission Expires: January 12, 2010

DD 506377
Commission Number

STATE OF FLORIDA:
COUNTY OF BROWARD:

Stephen Scott, ACM, for:

The foregoing instrument was acknowledged before me this 6th April,
2006, by GEORGE GRETSAS, City Manager of the CITY OF
FORT LAUDERDALE, a municipal corporation of Florida. He is personally known to me and
did not take an oath.

(SEAL)



Donna M. Samuda
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

Donna M. Samuda
Name of Notary Typed,
Printed or Stamped

My Commission Expires: 01-30-2009

DD 385151
Commission Number

Second Amendment to Lease Agreement
Lessor: City of Fort Lauderdale
Lessee: Castillo Grand, LLC
Rev. March 7, 2006
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Page 4 of 5

DBD

WITNESSES:

CASTILLO GRAND, L.L.C., a Florida
Limited Liability Company

By: CG MANAGING MEMBER, INC.,
a Florida corporation, Managing
Member of Castillo Grand, L.L.C.

Linda K. Hovatter

Linda K. HOVATTER
[Witness type / print name]

(SEAL)

By: Fred B. Bullard, Jr.
Fred B. Bullard, Jr., President

ATTEST:

L. Bullard

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this
March 15th, 2006, by Fred B. Bullard, Jr., as President of CG Managing
Member, Inc., a Florida corporation, Managing Member of Castillo Grand, L.L.C. He is
personally known to me or has produced _____ as
identification and did not take an oath.

(SEAL)

Gregory D. Morris
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

GREGORY D. MORRIS
Name of Notary Typed,
Printed or Stamped


My Commission Expires:

Commission Number

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Second Amendment to Lease Agreement
Lessor: City of Fort Lauderdale
Lessee: Castillo Grand, LLC
Rev. March 7, 2006
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NOTARY PUBLIC STATE OF FLORIDA
 Gregory D. Morris
Commission # DD503292
Expires: FEB. 17, 2010
Bonded Thru Atlantic Bonding Co., Inc.

G.D.M.

This Instrument Was Prepared By and
After Recording, Return to:
Robert B. Dunckel, Esq.
Assistant City Attorney
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL 33301

**FOURTH AMENDMENT
TO
LEASE AGREEMENT**

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Fourth Amendment") is entered into this ____ day of _____, 2013 by and between:

CITY OF FORT LAUDERDALE, a municipal corporation, its successors and assigns, 100 North Andrews Avenue, Fort Lauderdale, FL. 33301 (hereinafter, "LESSOR")

and

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company, its successors and assigns, 2455 E. Sunrise Boulevard, Suite 916, Fort Lauderdale, FL 33304 (hereinafter, "LESSEE")

WHEREAS, execution of this Fourth Amendment to Lease Agreement was authorized by adoption of a motion by the City of Fort Lauderdale City Commission at their Regular Meeting held _____, 2013; and

WHEREAS, LESSOR and LESSEE entered into a Lease Agreement, dated March 20, 2001, recorded March 22, 2001 at Official Records Book 31401, Page 1823 of the Public Records of Broward County, Florida, pursuant to which LESSEE leased from LESSOR certain ingress/egress rights from southbound roadway A-I-A to LESSEE's hotel property as described therein (the "Initial Lease Agreement");

WHEREAS, the Initial Lease Agreement was amended by that certain First Amendment to Lease Agreement, dated April 5, 2001, recorded May 18, 2001 at Official Records Book 31614, Page 0821 of the Public Records of Broward County, Florida; that certain Second Amendment to Lease Agreement, dated June 10, 2003, recorded June 17, 2003 at Official Records Book 35393, Page 1341 of the Public Records of Broward County, Florida; and that certain Second (sic) Amendment to Lease Agreement dated March 7, 2006, recorded at Official Records Book 41842, Page 1256 of the Public Records of Broward County, Florida (the Initial Lease Agreement, as so amended, the "Lease Agreement"); and

WHEREAS, LESSOR and LESSEE desire to further amend the Lease Agreement as set forth herein.

NOW, THEREFORE, that in consideration of the foregoing, and the mutual covenants exchanged herein and other good and valuable considerations, to which the receipt and sufficiency are stipulated between the parties, LESSOR and LESSEE agree as follows:

1. The foregoing recitals are true and correct.
2. Paragraph 7.3 of the Lease Agreement is hereby amended to add the following as Paragraph 7.3(i):

“7.3(i) Notwithstanding the foregoing, LESSEE may collaterally assign this Lease to any institutional lender that holds a first mortgage lien on the St. Regis Hotel Property (“Mortgage Lender”) and may transfer or assign LESSEE’s interest in this Lease to such Mortgage Lender upon foreclosure or acceptance of a deed in lieu of foreclosure of such first mortgage lien. Upon such transfer or assignment upon foreclosure or deed in lieu of foreclosure, LESSOR shall recognize the Mortgage Lender as the lessee under this Lease and such Mortgage Lender shall be entitled to all of the rights and privileges of LESSEE under this Lease.”

3. Paragraph 9.1 of the Lease Agreement is hereby deleted and replaced in its entirety with the following:

“9.1 **Workers’ Compensation.** At all times during this Lease, LESSEE shall, at LESSEE’s sole cost and expense, cause to be carried, maintained and paid for, all necessary Workers’ Compensation insurance with coverage for any employees, agents, contractors and subcontractors and their respective employees performing any work on the Leased Premises, Landscape Parcels or Castillo Street Improvements.”

4. Paragraph 9.5 of the Lease Agreement is hereby deleted and replaced in its entirety with the following:

“9.5 **Policies.** Subject to the last sentence of this Paragraph 9.5, LESSEE shall deliver to LESSOR’s Risk Manager certificates of insurance for of all insurance policies required under this Article and proof of full payment therefor within ten (10) days prior to the Commencement Date of this Lease. From time to time, LESSEE shall procure and pay for renewals of this insurance before it expires. LESSEE shall deliver to LESSOR the certificates of insurance at least twenty (20) days before the existing policy expires. All of the policies of insurance provided for in this Lease:

(i) shall be in the form and substance approved by the Insurance Department of the State of Florida (“D.O.I.”),

(ii) shall be issued only by companies licensed by the D.O.I.,

(iii) shall be with a carrier having an A Best’s Rating of not less than A-, class VII,

(iv) shall bear endorsements showing the receipt by the respective companies of the premiums thereon or shall be accompanied

by other evidence of payment of such premiums to the insurance companies, including evidence of current annual payment, if on any installment payment basis,

(v) shall provide (i) that they may not be canceled by the insurer for thirty (30) days after service of notice of the proposed cancellation upon LESSOR and shall not be invalidated as to the interest of LESSOR by any act, omission or neglect of LESSEE and (ii) waiver of subrogation as to LESSEE's claims against LESSOR, and

(vi) with the exception of Worker's Compensation and General Commercial Liability Insurance coverage, all such insurance to be provided by LESSEE under this Lease shall name the LESSEE and LESSOR as insured or additional insured, as their respective interests may appear. The All Risk Policy shall include LESSOR's interest as a loss payee. All such policies of insurance shall also provide for the adjustment of claims under such policies by LESSEE.

In any case where the original policy of any such insurance shall be delivered to LESSEE, a duplicate original or certificate of such policy shall thereupon be delivered to LESSOR. All insurance policies shall be renewed by LESSEE, and certificates evidencing such renewals, bearing endorsements or accompanied by other evidence of the receipt by the respective insurance companies of the premiums thereon, shall be delivered to LESSOR, at least twenty (20) days prior to their respective expiration dates.

Notwithstanding the foregoing, LESSEE shall not be required to deliver copies of any insurance policies to LESSOR provided that (a) reasonably satisfactory certificates evidencing such insurance policies are delivered to LESSOR; and (b) copies of such insurance policies are made available to LESSOR for review upon reasonable advance notice.

5. This Fourth Amendment shall be recorded at LESSEE's sole cost and expense, in the Public Records of Broward County, Florida and a copy thereof shall be filed with the City Clerk's Office of the City of Fort Lauderdale.

6. In the event and to the extent of conflict between the terms and conditions of this Fourth Amendment and the terms and conditions of the Lease Agreement, then, to the extent of conflict, the terms and conditions of this Fourth Amendment shall supercede and prevail over any conflicting terms and conditions set forth in the Lease Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

WITNESSES:

CITY OF FORT LAUDERDALE

[Witness type or print name]

By: _____
Mayor

[Witness type or print name]

By: _____
City Manager

ATTEST:

[CORPORATE SEAL]

City Clerk

Approved as to form:

City Attorney

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, Mayor of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida, who is personally known to me or has produced _____ (state) driver's license or _____ as identification.

My Commission Expires:

Notary Public (Signature)

(AFFIX NOTARY SEAL)

(Printed Name)

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, City Manager of the CITY OF FORT LAUDERDALE, a municipal corporation of Florida, who is personally known to me or has produced _____ (state) driver's license or _____ as identification.

My Commission Expires: _____

(AFFIX NOTARY SEAL)

Notary Public (Signature)

(Printed Name)

EXECUTED IN THE PRESENCE OF:

CASTILLO GRAND, L.L.C., a Florida Limited Liability Company

(Signature)

(Printed Name)

(Signature)

(Printed Name)

By: _____

Name: _____

Title: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____ as _____ of CASTILLO GRAND, L.L.C., a Florida Limited Liability Company, on behalf of the limited liability company, who is personally known to me or has produced _____ (state) driver's license or _____ as identification.

My Commission Expires: _____

(AFFIX NOTARY SEAL)

Notary Public (Signature)

(Printed Name)