

2082
LEASE AGREEMENT

THIS IS A LEASE AGREEMENT entered into on September 20, 1988, between:

CITY OF FORT LAUDERDALE, a municipal corporation existing under the laws of the State of Florida, hereinafter "LESSOR",

88489708

and

ADAMS BUILDING ASSOCIATES, a Florida General Partnership, hereinafter referred to as "LESSEE";

WHEREAS, LESSOR owns certain airspace, more particularly described below; and

WHEREAS, the City Commission of LESSOR, by Resolution No. 88-180, adopted July 19, 1988, declared such airspace to be surplus and determined that it would be in the best interests of the City that the airspace be advertised for lease under the provisions of Section 8.09 of the Charter of the City of Fort Lauderdale; and

WHEREAS, by virtue of Resolution No. 88-186, adopted on September 7, 1988, the City Commission of LESSOR accepted the bid proposal of LESSEE and authorized the preparation of a lease; and

WHEREAS, at its meeting of September 20, 1988, pursuant to Resolution No. 88-216, adopted at that meeting, the City Commission of LESSOR authorized the proper City officials to execute this Lease Agreement, subject to certain terms and conditions; and

WHEREAS, as a result of the above, the LESSOR is desirous of leasing the Premises to LESSEE as such Premises are described in Exhibit "A" attached to this Lease Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained in this Lease Agreement, LESSOR and LESSEE agree as follows:

1. DEMISED PREMISES

LESSOR does hereby demise and let unto LESSEE and LESSEE does hereby lease and take from LESSOR, the demised Premises set forth in Exhibit "A", said Premises located in the City of Fort Lauderdale, Broward County, Florida. The demised Premises also includes the airspace located above the alley to the rear of 2611 East Oakland Park Boulevard, as described on Exhibit "A".

2. USE

The demised Premises shall be used as a portion of a commercial office building, including the exterior walls thereof.

3. TERM

The term of this Lease Agreement shall commence October 1, 1988 and shall terminate forty (40) years thereafter on September 30, 2028.

4. RENT

A. Minimum Rent. LESSEE agrees to pay to LESSOR for each year of the Lease Term, or any portion thereof, annually in advance, on the first day of October of each year, minimum rent in the amount of TWO HUNDRED EIGHTY-FIVE DOLLARS (\$285.00).

B. Rent Adjustments. The minimum rent shall be subject to annual adjustments for increases in the Consumer Price Index (CPI), as hereinafter defined, as follows:

At the end of the first lease year and thereafter annually during the term of this lease, and effective simultaneously with the anniversary date of each such adjustment, the minimum rent shall be adjusted to the CPI by multiplying the minimum rent in effect immediately prior to each such adjustment by a fraction, the numerator of which shall be the CPI as of the most recent date prior to the date of adjustment, and the denominator of which shall be the CPI as of the most recent date prior to the beginning of such adjustment (but in no event shall the minimum rent be reduced as a result of any such adjustment); and the annual minimum rent thereby established by each such adjustment shall continue in effect as the annual minimum rent required to be paid hereunder until again adjusted as herein provided.

C. Consumer Price Index. For all purposes of this Lease Agreement, the "Consumer Price Index" ("CPI") is hereby defined to be the Index now known as "United States Bureau of Labor Statistics, Consumer Price Index, United States and Selected Areas, (1967=100) All Items"; and if such Index shall be discontinued, then any successor consumer price index of the United States Bureau of Labor Statistics shall be used.

5. NET LEASE

It is intended that the annual rent shall be an absolute net return to LESSOR throughout the term of this Lease Agreement, free of any expense, charge or other deduction whatsoever.

6. REPRESENTATIONS

The parties hereto mutually represent and disclose, each to the other, the following:

A. The LESSOR is a valid municipal corporation organized and existing under the laws of the State of Florida.

B. The LESSEE acknowledges that it has made, or has had full opportunity to make, a thorough and complete inspection of the Premises. LESSEE fully accepts the Premises in their present condition.

C. All steps, acts and conditions required of the LESSOR to be done as conditions precedent to the proper and lawful execution of this Lease Agreement have been accomplished and LESSOR represents and warrants that LESSOR has full and complete authority to enter into this Lease Agreement and to be bound by it and that LESSEE has complied with all conditions precedent to the lawful execution of this Lease Agreement imposed upon LESSEE by LESSOR's rules, regulations and ordinances.

D. LESSEE represents and warrants to LESSOR that it is an entity authorized to do business in the State of Florida. The LESSEE further represents that it has obtained, or will use its best efforts to obtain, adequate financial resources to construct the improvements specified below and that in it has, or will obtain, adequate financial resources to perform all other obligations imposed by this Lease Agreement. Additionally, LESSEE represents and warrants that it has the requisite business skill and ability to perform the obligations imposed upon it by this Lease Agreement, including but not limited to, the application to construct and operate the Premises for the purposes herein intended. LESSEE furthermore acknowledges that it shall, as a condition precedent to any of its rights hereunder, execute and deliver unto LESSOR a quit claim deed as to the realty lying and situated below the demised Premises described in Exhibit "A".

7. REPAIRS AND MAINTENANCE

LESSEE shall not commit or suffer waste or injury to the Premises or any appurtenant realty. LESSEE further covenants, at its own cost and expense, 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 structures inside and outside, including but not limited to, repairs to and replacement of foundation, walls, roofs, floors, ceilings, water and sewer connection, if any, wires or conduits for electricity, and fixtures and landscaping.

8. TAXES, ASSESSMENTS AND UTILITY CHARGES

A. Subject to the provisions of Subparagraph (D), below, LESSEE shall pay or cause to be paid all real estate taxes, assessments and other similar payments, usual or unusual, extraordinary as well as ordinary, which shall during the Lease term be imposed upon, become due and payable, or become a lien upon the Premises or any part of them, but specifically limited to such taxes or assessments which accrue after the commencement of the term, by virtue of any present or any future law of the United States of America or of the State of Florida or of any county or municipal authority. LESSEE will, upon request, exhibit receipt for such payments to the LESSOR annually. Further, subject to Subparagraph (D), below, commencing from the date LESSEE receives possession of the Premises, LESSEE shall pay or cause to be paid all operating expenses, such as those for heat, light, electricity, and charges for water and sewer attributable to maintenance and operation of all improvements to be erected in the Premises. In addition, LESSEE shall also pay the tax on rents, paid hereunder, as now or hereafter imposed by Florida Law.

B. The LESSEE shall have the right to review, by legal proceedings, any taxes, assessments or other charges imposed upon it. If any such taxes, assessments or other charges shall be reduced, cancelled, set aside or to any extent discharged, the LESSEE shall pay the amount that shall be finally assessed or imposed against the property or adjudicated to be due and payable on any disputed or contested items.

C. If, as a result of any legal proceedings pursuant to the provisions of Subparagraph (B), hereof, there is any reduction, cancellation, setting aside or discharge of any tax or assessment, the refund shall be payable to LESSEE, and if such refund be made to the LESSOR, then and in that event, the LESSOR shall regard such refund as a Trust Fund and shall immediately pay over the same to the LESSEE. The term "legal proceedings" as used in this paragraph shall be construed to include appropriate appeals from any judgments, decrees or orders, and certiorari proceedings.

D. Nothing herein contained shall be construed to impose upon LESSEE the obligation to pay any inheritance, franchise, corporation, income or excess profits tax, surtax, license fee or tax measured by the rent received by LESSOR hereunder, capital levy or other duty, tax, assessment or other charge assessed against LESSOR, except of the nature mentioned in Subparagraph A, above. The obligation of the LESSEE to pay assessments shall apply only to the assessments or portions of them which become due and payable during the term of this Lease Agreement and which accrue after the commencement of the Lease Term. The LESSEE shall have the right to exercise the benefit of any provisions of any statute or ordinance permitting any such assessments to be paid in installments over a period of time, so long as the same shall not be objectionable to the Leasehold Mortgagee. The obligation of the LESSEE to pay public improvement assessments shall apply only to assessments levied on and after the commencement of the term of this Lease Agreement. LESSOR represents that there are no existing assessments levied against the Premises, and that LESSOR has not received any notices of any such assessments.

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E. At the request of LESSEE, LESSOR shall cooperate with LESSEE to have the Premises treated as a separate parcel for the purpose of taxation.

9. USE OF PREMISES AND CONSTRUCTION OF IMPROVEMENTS

A. The Premises shall be used by LESSEE for construction and operation of a portion of a commercial office building (the "Structure") and shall be used for no other purpose whatsoever. LESSEE shall construct the Structure in accordance with the permitted plans on file with the City's Building Department.

B. LESSEE grants to LESSOR, utility easements for the purpose of servicing the use by the LESSOR of airspace above LESSOR'S Structure. However, the easements may not interfere with the use of the Structure by LESSEE.

C. Until the expiration or sooner termination of this Lease Agreement, title to any structures or improvements situated or erected on the Premises by LESSEE and the Structure, equipment and other items installed by LESSEE thereon and any alterations, changes or additions thereto, shall remain with LESSEE. LESSOR agrees that LESSEE shall be entitled to the tax deduction for depreciation for any structure or structures, equipment and/or items, improvements, additions, changes or alterations which LESSEE constructs and installs. Upon expiration of the Lease Term, LESSEE, at its own expense, shall restore the Premises to that condition existing prior to obtaining a building permit.

D. LESSEE may, at its own sole cost and expense, at any time and from time to time make such changes, alterations, replacements, improvements and/or additions in and to the Premises, and the structures and improvements thereon, including the demolition of any structure and improvements and/or structures that hereinafter may be situated or erected on the Premises, provided, however, that the plans and specifications for any such change, alteration, replacement, improvement or addition, shall be approved in the same manner as the initial plans for construction were approved and as required by this Lease Agreement.

10. INSURANCE

At all times during the term of this Lease Agreement, the LESSEE, at its expense, shall keep or cause to be kept in effect the following:

A. Fire and extended coverage on the Structure, improvements, fixtures and machinery contained therein, constructed or under construction on the leased Premises by LESSEE in an amount equal to eighty percent (80%) of the full insurable value.

B. Workers' Compensation Insurance in its own name.

C. A comprehensive general liability insurance policy, in standard form, insuring LESSEE and LESSOR, as an additional insured, against any and all liability in the amount of not less than ONE MILLION DOLLARS (\$1,000,000.00) in respect to any one person, and in the amount of not less than THREE MILLION DOLLARS (\$3,000,000.00) in respect to injuries or deaths attributable to any one occurrence, and in the amount of not less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) in respect to destruction or damage to the property of others. All such policies shall cover the entire Premises and all structures and improvements thereon. This policy shall not be affected by any other insurance carried by LESSOR.

D. With the exception of workers' compensation and general liability coverage, all such insurance to be provided by LESSEE under this Article shall name the LESSEE and LESSOR as insured as their respective interests appear.

E. The net insurance proceeds received by or on account of LESSEE under the fire and extended coverage policies of insurance

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record and return to: Josias and Goren, P. A. 3099 East Commercial Blvd. Su. 200 Fort Lauderdale, FL 33306

shall be held in trust by the recipient thereof, and shall be administered pursuant to the provisions of Section 11, hereof.

F. All of the policies of insurance provided for in this Lease Agreement (i) shall be in the form and substance approved by the Insurance Department of the State of Florida, (ii) shall be issued by companies licensed by the Insurance Department of the State of Florida, (iii) certificates of insurance pertaining to same shall be delivered to LESSOR prior to the commencement of the term of this Lease Agreement, (iv) shall bear endorsement showing the receipt by the respective companies of the premiums thereof 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, if obtainable, that they may not be cancelled by the insurer for non-payment of premiums or otherwise until at least thirty (30) days after service of the notice of the proposed cancellation upon LESSOR, and shall not be invalidated as to the interest of the LESSOR by any act, omission or neglect of LESSEE. In any event, the original policy, duplicate original or certificates of all such policies shall be provided to the LESSOR, as well as evidence of all renewals or endorsements, etc., upon commencement of such insurance term or upon endorsement or renewal thereof.

G. In the event LESSEE fails to maintain, or obtain, insurance policies as set forth above, LESSOR may, at its option, obtain insurance coverage, paying the premiums thereof, which payment by LESSOR shall bear interest at an annual rate of twelve percent (12%) from the date of such payment. Any such payments made hereunder by LESSOR shall be deemed additional rent, due and payable not later than the first day of the month immediately following the month in which notice of payment by LESSOR has been given to LESSEE.

H. The obligation of collection upon the insurance policies furnished and provided for by LESSEE, or obtained by LESSOR by reasons of the failure of LESSEE to obtain them, shall be upon LESSEE, but LESSOR shall cooperate in such collection (but without expense to LESSOR) in such reasonable degree as may be requested by LESSEE.

11. DAMAGE AND DESTRUCTION

A. If, during the term hereof, the Structure erected by LESSEE upon the demised Premises shall become destroyed or damaged by any means whatsoever (except condemnation or intentionally by the LESSEE), then the LESSEE shall merely notify the LESSOR of such fact and either

(1) repair, replace, rebuild and reconstruct the Structure as nearly as possible; or

(2) in the event such destruction or damage shall occur within the last ten (10) years of the Lease Term, LESSEE has the option to elect not to repair or replace the damaged Structure. If LESSEE elects the latter alternative, this Lease Agreement shall terminate at LESSOR'S option, and LESSEE shall restore the Premises, at its sole cost, to the condition of the Premises prior to obtaining a building permit.

B. However, in no event shall the cost or expenses of such restoration, expended by LESSEE, exceed any insurance proceeds paid or made available to LESSEE in connection with such damage or destruction.

12. CONDEMNATION

A. Total. If all the Premises and the structures and improvements thereon are taken in fee in condemnation by any competent authority or by right of eminent domain, or by deed in lieu thereof, then on the date of such taking LESSEE'S obligation to pay rent shall terminate but LESSEE'S interest in the leasehold shall con-

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tinue until possession is required to be delivered by the order of taking or on date of the delivery of deed in lieu of condemnation.

(1) On taking, all sums, including damages and interest awarded for the fee or the leasehold, or both, shall be distributed as follows: First, all real and personal property taxes constituting a lien on the Premises and improvements; second, the balance due under any note and leasehold mortgage to which the fee is not subordinated; third, to LESSEE an amount equal to the value of LESSEE'S leasehold, as determined by the court, less the amount paid leasehold mortgagee as provided for above; and fourth, LESSOR shall then receive and be paid the remaining balance of the reward.

B. Substantial Taking. If only a portion of the Premises or improvements are taken in fee in condemnation by any competent authority, or by right of eminent domain, and the portion not taken is such that a reasonable amount of reconstruction of the improvements in the Premises not so taken will not constitute a suitable and practicable improvement for the remaining Premises, or if the cost of such reconstruction shall exceed the sum of the award to be received by the LESSEE, then LESSEE, may at its option, elect to terminate this Lease Agreement by written notice to LESSOR. All sums, including damage and interest, awarded for the fee of leasehold, or both, shall be distributed in accordance with the provisions of Subparagraph A(1), above.

C. Partial Taking. If only a portion of the Premises are so taken, and if a reasonable amount of reconstruction of the remainder of the Premises and the improvements therein will constitute a suitable and practical improvement for the remaining Premises from a utilization and income-producing standpoint and the cost of the reconstruction shall not exceed the award hereinafter described, the Lease Agreement shall not cease or terminate and all sums, including damages and interest, awarded for the fee of the leasehold, or both, shall be used to pay for the cost of reconstruction. The balance of the award shall be deposited and disbursed in accordance with Subparagraph (A)(1), above.

The cost of such reconstruction shall be paid mainly out of the aforesaid award and, in no event, shall LESSEE be required to expend any amount in excess of the amount of such award in such reconstruction.

(1) Commencing on the first of the month immediately following the date on which title to the portion of the land so taken vested in the condemning authority, the annual rent payable hereunder during the Term shall be prorated and reduced by an amount equal to the amount of Annual Rent payable in respect of the lease year in which title shall so vest multiplied by a fraction, the numerator of which is the number of square feet of structures taken by the condemning authority and the denominator of which is the total number of square feet of structures in the Premises immediately prior to such taking. If the cost of reconstruction is less than the award received, then such excess shall be paid to LESSOR, but the sum so paid shall not exceed the present value of the lost rents determined aforesaid for the balance of the term of the Lease Agreement from the date of taking. The balance of the award, if any, shall be paid to the leasehold mortgagee or LESSEE as the case may be.

(2) Provided, however, if a partial taking shall occur within the last ten (10) years of the lease term, LESSEE has the option (except for any agreements with any leasehold mortgagee to the contrary) to elect not to repair or reconstruct the remainder of the Premises as provided above; and, if such election is made, then the condemnation award shall be distributed in accordance with Subparagraph A(1), above.

D. If LESSOR and LESSEE should disagree whether the condemnation was a substantial taking as defined in Subparagraph (B), above, or a partial taking as described in Subparagraph (C), above, then the controversy shall be submitted to arbitration under Section 16, below.

13. ASSIGNMENT, SUBLETTING AND MORTGAGES

LESSEE may not sell, transfer or assign this Lease Agreement, nor sublease any interest or portion thereof, without the prior written consent and approval of LESSOR, which shall not unreasonably be withheld. Any assignment permitted herein shall provide that the assignee or transferee shall expressly assume all the LESSEE'S obligations thereunder in a writing in recordable form. Such assignment shall be subject to the adjustments as set forth in Section 4, above. Upon delivery of said assumption of LESSEE'S obligations, LESSOR may, at its sole option, fully release LESSEE from further responsibilities, liabilities and obligations hereunder. LESSEE shall not assign or attempt to assign any portion of this Lease Agreement prior to completion of the construction, itself for security purposes. LESSOR further consents to the assignment by LESSEE to the leasehold mortgagee of all the LESSEE'S right herein and pursuant to any sublease. All the subrents and other sums of money that may or shall become due and payable now held by and hereafter paid to LESSEE, which shall or may hereafter be deposited for payment of subrent and performance of any of the terms of the sublease.

14. DEFAULTS

In the event any one or more of the following events shall occur:

A. LESSEE shall default in making payment to LESSOR of any Annual Rent, as and when the same shall become due and payable, and such default in payment shall continue for a period of thirty (30) days after notice by LESSOR; or

B. LESSEE shall fail to pay any tax, assessment, water rent, rate or charge, sewer rent or other governmental imposition or any other charge or lien against the Premises which LESSEE is required to pay, at least ten (10) days prior to the expiration of any grace period allowed by law or by the governmental authority imposing the same and such default shall continue for a period of thirty (30) days after notice by LESSOR; or

C. LESSEE shall file a petition to be declared bankrupt, or insolvent, or be adjudicated or declared bankrupt or insolvent by any court, or LESSEE files for reorganization under the Federal Bankruptcy Act, or for the appointment of a receiver or trustee for all of LESSEE'S property; or LESSEE enters into an arrangement with creditors; or if LESSEE'S creditors institute bankruptcy proceedings or receivership proceedings which are not dismissed within one hundred and eighty (180) days after same are instituted. However, this provision shall have no effect so long as all of the other provisions of the Lease Agreement are being performed or LESSEE if the leasehold mortgagee or other entity cures any default; or

D. LESSEE shall default in complying with any other agreement, term, covenant or condition of this Lease Agreement and such default in compliance shall continue for a period of sixty (60) days after notice by LESSOR specifying the claimed default, and LESSEE shall not, in good faith, have commenced within said sixty (60) day period, to remedy such default and diligently and continuously proceed therewith.

Then, in any event, LESSOR may serve a written fifteen (15) day notice of cancellation and termination of this Lease Agreement and, upon the expiration of fifteen (15) days, this Lease Agreement and the term hereunder shall end, and LESSEE shall then quit and surrender to LESSOR the Premises and each and every part thereof,

and LESSOR may enter into or repossess the Premises, such structures and improvements and each and every part thereof, in accordance with Florida law.

15. REMEDIES IN EVENT OF DEFAULT

A. In the event of any termination of this Lease Agreement, whether by expiration, forfeiture, cancellation, surrender, operation of law, issuance of a final court order or otherwise, LESSOR may reenter the Premises and enter the structures and improvements on, under or above the Premises, to remove therefrom LESSEE, its agents, employees, and licensees.

B. Anything contained in this Lease Agreement to the contrary notwithstanding, except for the payment of rent or other monies provided in Paragraph 14(A) and 14(B), above, if LESSEE in good faith disputes that it is in default, breach or violation of this Lease Agreement after receiving written notice from LESSOR, and LESSEE elects to litigate such issue, then and in such event LESSEE shall not be deemed to be in default with respect thereto during the pendency of such litigation, including appeals, if any. If, upon a final determination in such litigation, LESSOR prevails therein, LESSEE shall have such time to cure its default as hereinabove provided in Paragraph 14. The party that prevails in any litigation shall be entitled to attorneys' fees and reasonable cost of litigation.

16. ARBITRATION

In each case specified in this Lease Agreement in which it shall become necessary to resort to arbitration, the party desiring arbitration shall give written notice to that effect to the other party, specifying in such notice the name and address of the person designated to act as arbitrator on its behalf. Within ten (10) days after service of such notice, the other party shall give written notice to the first party specifying the name and address of the person designed to act as arbitrator on its behalf. If the second party fails to notify the first party of the appointment of its arbitrator, as aforesaid, within the time above specified, then the appointment of the second arbitrator shall be made in the same manner as hereinabove provided for the appointment of the third arbitrator in a case where the two arbitrators appointed and within ten (10) days after the second arbitrator is appointed, such two arbitrators shall not agree upon the question in dispute, they shall themselves appoint a third arbitrator who shall be a competent and impartial person. In the event such two arbitrators are unable to agree upon such appointment within ten (10) days after the time aforesaid, then either party, on behalf of both, may request such appointment by the American Arbitration Association in accordance with its rules then prevailing or, in the event of the failure, refusal or inability of the American Arbitration Association to appoint said third arbitrator, then either party may apply to the presiding judge of the highest Florida court of original jurisdiction sitting in Broward County, Florida, for the appointment of such third arbitrator. The decision of the arbitrators so chosen shall be given within a period of thirty (30) days after the appointment of such third arbitrator. The arbitrators chosen hereunder shall have special expertise and knowledge in the field of the question which is submitted to arbitration.

The decision in which any two arbitrators so appointed and acting hereunder concur shall, in all cases, be binding and conclusive upon the parties. Each party shall pay the fees and expenses of one of the two original arbitrators appointed by such party or, in whose stead as above provided such arbitrator was appointed, and the fees and expenses of the third arbitrator, if any, shall be borne equally by both parties.

17. NOTICES

Whenever provided for herein, notices shall be sent by registered certified mail, postage prepaid, to the following:

LESSOR:

City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, Florida 33301

LESSEE:

Adams Building Associates
Mark Van Dyke OR Jane Brand
c/o Stiles Corporation
6400 North Andrews Avenue
Fort Lauderdale, Florida 33309

18. OPTION TO EXTEND TERM

LESSEE acknowledges that this lease is in strict compliance with Section 8.09 of the Charter of the City of Fort Lauderdale whereby the City may lease public property to private persons for non-public purposes for a period of not more than fifty (50) years. However, if at any time during the term of this Lease, LESSOR shall have the power or authority to lease the premises beyond the initial term of this Lease, then LESSEE shall have the option to extend the term of this Lease for an additional term of years not to exceed forty-nine (49) years. In order to exercise such option, LESSEE shall give written notice to LESSOR at least one (1) year prior to the expiration of the initial term hereof. LESSEE may also elect to extend the term hereof if said election is exercised in writing to the LESSOR, within thirty (30) days from LESSOR'S written notification to LESSEE during the following year, if LESSOR intends to terminate the Lease before the expiration of the original term, and provide further that LESSEE shall not be in default of the Lease at the time LESSEE exercises its option to extend. In the event LESSEE exercises this renewal option then LESSOR and LESSEE shall acknowledge such extension in recordable form by execution of an extension of lease which shall contain all the same terms, covenants and conditions herein set forth and provide appropriate changes in dates and the elimination of language pertaining to any option to extend the term then being, or previously having been exercised.

19. ESTOPPEL CERTIFICATION

Either party shall, without charge, at any time and from time to time, within ten (10) days after request by other party, or leasehold mortgagee, deliver a written instrument to the other party or any other persons firm or corporation specified by the other party or leasehold mortgagee, duly executed and acknowledged, certifying:

A. That this Lease is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification;

B. Whether or not there are then existing any setoffs or defenses against the enforcement of any of the terms, covenants and conditions of this Lease, and if so, specifying the same, and also whether or not the other party has observed and performed all of the terms, covenants and conditions on the part of such party to be observed and performed, and if not, specifying same.

20. INDEMNITY

A. LESSEE shall indemnify LESSOR against any expense, loss, costs or damages suffered or incurred by LESSOR, occasioned by or arising out of any breach or default by LESSEE of any covenant or provision of this Lease, or as the result of LESSEE'S use or occupancy of the Premises, due to carelessness or negligence. LESSEE shall indemnify and hold LESSOR harmless from and against all liabilities, suits, claims, demands and actions and costs and expenses due or arising out of any injury to person or property occurring in or about the Premises or the structures and improvements and ap-

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purtenances thereto, except when such liabilities, suits, claims, demands, and actions, costs and expenses result from any acts or omissions to act or negligence on the part of LESSOR there shall be no indemnification by LESSEE in favor of LESSOR. Either LESSEE or LESSOR as the unsuccessful party shall also pay all costs, expenses and reasonable attorneys' fees in litigation between them that may be incurred or paid by the successful party in enforcing the terms, covenants and provisions of this Lease and recoverable costs and expenses, including attorneys' fees, hereunder shall include those incurred on appeal.

B. LESSEE, however, shall be relieved and discharged of and from the liability hereby assumed to the extent that LESSEE shall furnish, for the benefit of LESSOR, enforceable insurance covering the particular liability provided in accordance with Paragraph 11, and the insurance carriers thereunder actually undertake the defense of and pay any liability which may have been imposed on LESSOR upon the Premises or upon the structures and improvements thereon.

21. LIENS

If any mechanic's or other liens or orders for the payment of money shall be filed against the Premises or any structure or improvements thereon by reason of or arising out of any labor or material furnished, or alleged to have been furnished, or to be furnished, to or for the LESSEE at the Premises, the LESSEE shall, within thirty (30) days after written notice from the LESSOR, either pay or bond the same or procure the discharge thereof in such manner as may be provided by law. The LESSEE shall also defend on behalf of the LESSOR, at the LESSEE'S sole cost and expense, any action, suit or proceedings, which may be brought thereon or for the enforcement of such lien, liens, or orders, and the LESSEE shall pay any damage and discharge any judgment entered therein and save harmless LESSOR from any claim or damage resulting therefrom.

22. QUIET ENJOYMENT

LESSOR covenants, warrants and agrees that LESSEE shall be entitled peacefully to enjoy, to occupy and to possess the Leased Premises throughout the lease term without interference or hindrance.

23. SURRENDER OF PREMISES

At the termination of this Lease term, LESSEE shall surrender to LESSOR the demised Premises, restoring them, at LESSEE'S expense, to that unimproved condition in which the demised Premises existed prior to the issuance of a building permit.

24. SUCCESSORS

This Lease shall be binding on and inure to the benefit of the parties, their successors and assigns.

25. INTEGRATED AGREEMENT - FINAL REPOSITORY

The parties hereto mutually represent and warrant unto each other that this Lease Agreement consisting of Paragraphs 1 through 26, inclusive, constitute the final repository of the Agreement between the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the parties hereto.

26. MISCELLANEOUS

A. As a condition precedent to the commencement of the Lease term herein, LESSEE shall execute, in favor of LESSOR, a Quit Claim Deed to the real property underlying the demised Premises. Such Quit Claim Deed shall be recorded at LESSEE'S expense in the Public Records of Broward County, Florida.

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B. LESSEE, at its own expense, shall cause this Lease Agreement to be recorded in the Public Records of Broward County, Florida simultaneous with the recording of the above referenced Quit Claim Deed.

C. The documents recorded herein shall, immediately after recording, be filed with the City Clerk of the City of Fort Lauderdale.

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

WITNESSES:

Marcella J. Dejeu

C. Jane Cochran

(CORPORATE SEAL)



CITY OF FORT LAUDERDALE

By [Signature]
Mayor

By [Signature]
City Manager

ATTEST:

[Signature]
City Clerk

Approved as to form:

[Signature]
City Attorney

STATE OF FLORIDA:
COUNTY OF BROWARD:

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared ROBERT O. COX, SANDRA CONSTANCE W. HOFFMANN and ERIS L. ANDERSON, Mayor, City Manager and City Clerk, respectively, of the City of Fort Lauderdale, Florida, a municipal corporation of Florida, and acknowledged they executed the foregoing Lease Agreement as the proper officials of the City of Fort Lauderdale, and the same is the act and deed of the City of Fort Lauderdale.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at Fort Lauderdale, in the State and County aforesaid on October 25, 1988.



WITNESSES:

Dale A. Hassel
[Signature]

C. J. Cochran
Notary Public
My Commission Expires:

ADAMS BUILDING ASSOCIATES, a
Florida General Partnership
By [Signature]
General Partner

BM 16009760666

STATE OF FLORIDA:
COUNTY OF BROWARD:

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Terry W. Styles as General Partner of ADAMS BUILDING ASSOCIATES, a Florida General Partnership, and acknowledged he executed the foregoing Lease Agreement as the proper official of ADAMS BUILDING ASSOCIATES, for the use and purposes mentioned in it, and that the instrument is the act and deed of that partnership.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at Fort Lauderdale, in the State and County aforesaid on Sept 29th, 1988.

(SEAL)

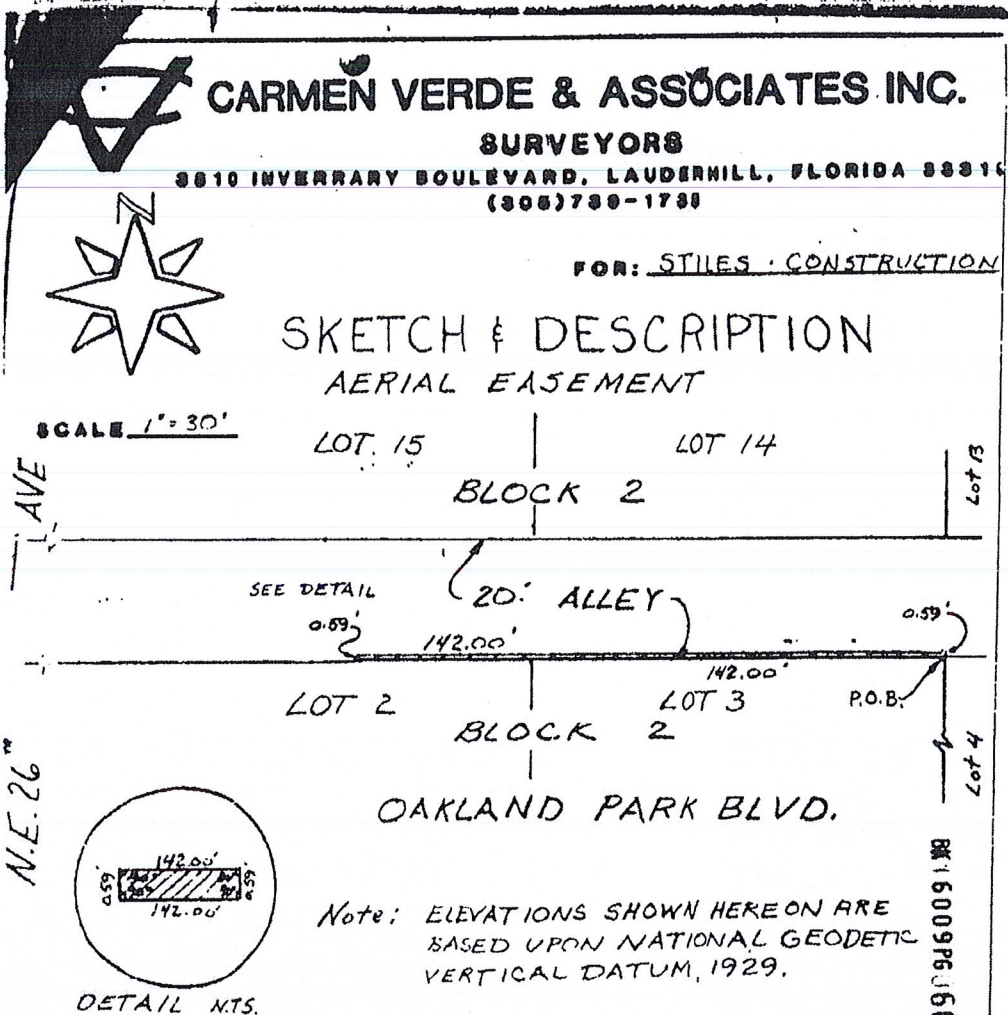
D. Ellen Smith
Notary Public
My Commission Expires:

RBD:4559E

Notary Public, State of Florida
My Commission Expires Nov. 18, 1990
Bonded thru Harkness & Associates

BK16009PG0667

Record and return to: Josias and Goren, P. A. 3099 East Commercial Blvd. Su. 200 Fort Lauderdale, FL 33308



Note: ELEVATIONS SHOWN HEREON ARE BASED UPON NATIONAL GEODETIC VERTICAL DATUM, 1929.

DESCRIPTION:
A PORTION OF THE 20 FOOT ALLEY AS SHOWN ON THE PLAT "CORAL RIDGE GALT ADDITION NO. 2" AS RECORDED IN PLAT BOOK 32, PAGE 50 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, LYING ABOVE ELEVATION 30.40 AND BELOW ELEVATION 50.40, SAID AIR SPACE BEING 20.88 FEET ABOVE THE HIGHEST POINT OF THE EXISTING ADJACENT 20 FOOT ALLEY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGINNING AT THE NORTHEAST CORNER OF LOT 3, BLOCK 2 OF SAID PLAT "CORAL RIDGE GALT ADDITION NO. 2" SAID POINT BEING ON THE SOUTHERLY LINE OF SAID 20 FOOT ALLEY; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID 20 FOOT ALLEY A DISTANCE OF 142.00 FEET; THENCE NORTHERLY ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED LINE A DISTANCE OF 0.59 FEET; THENCE EASTERLY ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED LINE A DISTANCE OF 142.00 FEET; THENCE SOUTHERLY ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED LINE A DISTANCE OF 0.59 FEET TO THE POINT OF BEGINNING. SAID LANDS SITUATE LYING AND BEING IN PORT LAUDERDALE, BROWARD COUNTY, FLORIDA, CONTAINING 83.78 FEET.

CERTIFICATION:
WE HEREBY CERTIFY THAT THIS SKETCH AND DESCRIPTION WAS PREPARED IN CONFORMANCE WITH THE MINIMUM TECHNICAL STANDARDS FOR LAND SURVEYING RULE 21HH-6 AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL REGULATION IN SEPTEMBER 1981 AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS PREPARED UNDER MY DIRECTION ON MAY 24, 1988.

Carmen F. Verde

RECORDED IN THE OFFICIAL RECORDS BOOK OF BROWARD COUNTY 11-10-88

L. A. HESTER
COUNTY ADMINISTRATOR

DRAWN BY:
C.F.V.
CHECKED BY:

CARMEN F. VERDE
Professional Land Surveyor #28402
STATE OF FLORIDA

JOB

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EXHIBIT "A"