NINETY - NINE YEAR LEASE

THIS LEASE, made and executed in duplicate this 10th day of June, 1961, by and between J. BATT, a/k/a JOSEPH BATTAGLIA, whose mailing address is 3205 S. E. 7th Street, Pompano Beach, Florida, hereinafter called the LESSOR, which term shall include his heirs, personal representatives, successors and assigns, unless the contrary appears from the context as first party; and FAIRBANKS TERRACE, INC., a Florida corporation, with its principal place of business at 1105 South Riverside Drive, Pompano Beach, Florida, hereinafter called the LESSEE, which term shall include its successors and assigns, unless the contrary appears from the context, as second party:

WITNESSETH:

That the said Lessor in consideration of the rent hereinafter required to be paid, does lease unto the said Lessee, its successors and assigns, all the grounds and premises situate, lying and being in Broward County, State of Florida, and described as follows:

> Lots 12 and 13, Block 7, LAKE-SIDE, a subdivision as recorded in the Public Records of Broward County, Florida, in Plat Book 23, Page 38.

1. Terms and Rent: To Have and To Hold the same unto the use of the said Lessee for the term beginning October 1, 1961 and expiring on the 31st day of March, 2060, unless this lease is sooner terminated by the Lessor in accordance with the terms hereof by reason of default on the part of the Lessee.

The Lessee shall pay as rent to the Lessor for the entire period the sum of SIXTY FIVE HUNDRED DOLLARS - ($6500.00) per year; said rent to be paid in quarter-annual installments in advance on the 1st days of January, April, July and October, the first payment becoming due and payable on the 1st day of January , 1962.

The parties agree that the total annual rental of SIXTY FIVE HUNDRED DOLLARS - ($6500.00) payable under this Lease, commencing with the third year of this Lease, may be increased or decreased at ten-year intervals, if the Consumers' Price Index (revised January, 1953) - United States City Average All Items and Commodity Groups, issued by the Bureau of Labor Statistics of the United States Department of Labor, hereinafter referred to as "The Index", is higher or lower at such intervals than the agreed basic standard index hereinafter adopted. The average of the aforesaid index for the months of October, November and December of 1960, is hereby adopted as the basic standard index, as that term is used in this Lease. The average of such Index for the three months of October, November and December of the year preceding the year in which the adjustment becomes operative shall be the new index figure, as that term is used in this Lease. The first adjustment shall be made to cover the ten year period beginning April 1, 1971, and adjustments shall thereafter be made at ten-year intervals, each adjustment to be effective for the following ten-year period, except that the last period shall be for a nine-year period. The adjustment shall be made and the rent for the ensuing period shall be arrived at by multiplying the basic rental of SIXTY FIVE HUNDRED DOLLARS - ($6500.00) by a fraction, the numerator of which shall be the new index figure and the denominator of which shall be the basic standard index figure.

as of 8/11/95

the same become delinquent, all taxes, assessments, levies, licenses, excises, franchises, imports, penalties and charges, general and special, ordinary and extraordinary of whatever name, nature and kind, which are now, or may hereafter be levied, assessed, charged or imposed, which are or may become a lien; (whether by Federal, State, City, County or other Public Authority) upon this Lease, the above described premises, the use or occupation thereof, the buildings and improvements now or hereafter situated thereon, or upon the owners or occupants in respect thereof.

As to the taxes and assessments, the Lessee shall, fifteen (15) days before any penalty is added thereto or imposed thereon, furnish to the Lessor, for inspection and such use as may be proper in protecting the estate and interest of the Lessor in said premises, receipts showing that said taxes have been paid.

All property taxes levied and assessed against the leased premises prior to the term of this Lease shall be paid by the Lessor, and any and all certified liens or assessments on said lands at the time of execution hereof shall be paid by the Lessor.

7. Utilities: The Lessee agrees and covenants to pay all utility charges, including but not limited thereto, water, gas and electricity used on or about the said premises, and to pay the same monthly or as they shall become due.

8. Compliance with Public Regulations: The Lessee covenants and agrees that it will, at its own cost, make such improvements on the premises and perform such acts and do such things as shall be lawfully required by any public body having jurisdiction over said property, in order to comply with sanitary requirements, fire hazard requirements, zoning requirements, setback requirements, and other similar requirements designed to protect the public.

9. Use of Premises: Lessee further covenants and agrees that said premises and all buildings and improvements thereon, during the term of this Lease, shall be used only and exclusively for lawful purposes, and that said Lessee will not use or suffer anyone to use said premises or buildings for any purpose in violation of the Laws of the United States, the State of Florida, Broward County, Florida, or the ordinances and regulations of this City of Pompano Beach, Florida. Said Lessee covenants and agrees to save said Lessor harmless from every such violation.

10. Inspection of Premises: The Lessee agrees and covenants that the Lessor, or his agents, at all reasonable times and during all reasonable hours shall have free access to said demised premises, and to any buildings or structures that at any time may be thereon, or any part thereof, for the purpose of examining or inspecting the condition of the same or of exercising any right or power reserved to the Lessor under the terms and provisions of this Indenture, providing, however, that Lessor shall not abuse this privilege and shall not harass the Lessee.

11. Removal of Liens: The Lessee covenants and agrees that it has no power 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 any land covered by this Lease, and that no person shall ever be entitled to any lien directly or indirectly derived through or under it, or its agents or servants, or on account of any act or omission of said Lessee, which lien shall be superior to the lien in this Lease reserved to the Lessor upon the leased premises. All persons contracting with said Lessee, or furnishing materials or labor to said Lessee, or to its agents or servants, as well as all persons whosoever, shall be bound by this provision of this Lease. Should any such lien be filed, Lessee shall, within Fifteen (15) days, discharge the same by paying the same or shall cause the same to be released from the property by filing of a bond or otherwise, as permitted by law.

12. Indemnification Against Claims: Lessee shall indemnify and save harmless the said Lessor from and against any and all claims, suits,

It is understood that the above index is now being published by the Bureau of Labor Statistics of the United States Department of Labor monthly. Should it be published at other intervals, the next index, hereinabove provided for, shall be arrived at from the index or indexes published by said Bureau most closely approximating the period of October, November and December prior to the year in which the adjustment is made. Should said Bureau of Labor Statistics change the manner of computing such index, the Bureau shall be requested to furnish a conversion factor designed to adjust the new index to the one previously in use, and adjustment to the new index shall be made on the basis of such conversion factor. Should the publications of said Index be discontinued by said Bureau of Labor Statistics, then such other index as may be published by such Bureau most nearly approaching said discontinued index shall be used in making the adjustments herein provided for. Should said Bureau discontinue the publication of an Index approximating the index herein contemplated, then the index to be used is the index of the General Price Level issued by the Federal Reserve Bank of Atlanta, Georgia. If the last mentioned index also becomes unavailable, the index to be used is the index of the General Price Level issued by the Federal Reserve Bank of New York. Should all of the aforesaid indexes be discontinued, then such index as may be published by another Governmental Agency of the United States as most nearly approximates the index herein first above referred to shall govern and be substituted as the index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor or a new index, and in the event agreement cannot be reached as to such conversion factor, or such new index, then the parties hereto agree to submit to arbitrators chosen in the usual manner, the selection of a new index approximating as nearly as can be the index hereinabove first contemplated, which new index may be one published by a Governmental Agency or one published by a private agency and generally accepted and approved as an Index reflecting the contemplated fluctuation in the purchasing power of the Dollar. Should there be no such publication by a Governmental Agency, then an index prepared by a private agency generally accepted and approved as an index reflecting the contemplated fluctuation in the purchasing power of the Dollar shall be agreed upon by the parties hereto, or failing such agreement, a generally accepted and approved index shall be selected by three arbitrators chosen in the usual manner. The selection of an index by such arbitrators in either of the above events shall be binding upon the parties hereto. In the event of any controversy arising as to the proper adjustment for rental payments, as herein provided, Lessee shall continue paying the rental under the last preceding rental adjustment, as herein provided, until such time as said controversy has been settled, at which time an adjustment will be made retroactive to the beginning of the adjustment period in which the controversy arose.

2. <u>Possession:</u> Possession of the demised premises shall be given Lessee on the first day of October, 1961.

3. <u>Warranty to Title:</u> The Lessor covenants that he has lawful right to lease said premises, that they are free and clear of all liens and encumbrances, and that he has full authority to make this Lease on the terms herein set forth. Lessor has furnished to the Lessee an abstract of title covering the leased premises continued to the date of this Lease. Lessee has made such examination of said abstract as he desires and will accept the title to the premises in its present condition. The Lessor further covenants that the proceeds of all purchasers of apartments in FAIRBANKS TERRACE APARTMENTS will be used to satisfy any mortgages which may encumber the within described property, it being the intention of and representation by the Lessor that any mortgage lien shall be paid in full.

4. <u>Insurance Coverage:</u> Lessee agrees to maintain at its cost, at all times during the term of this Lease, with insurance companies qualified to do business in Florida, fire and extended coverage insurance upon the leased premises, in an amount equal to the full insurable value.

Such policies shall be so drawn and shall contain such provisions as will protect both Lessor and Lessee, as their respective interests appear. All policies of insurance or certificates thereof as provided for in this paragraph, shall be delivered to Lessor herein and will be renewed from time to time by Lessee so that at all times the insurance protection herein provided shall continuously exist; and evidence of each renewal shall be submitted to Lessor at least Twenty (20) days prior to the expiration of each policy.

In the event of loss, the proceeds collected from such insurance and available to Lessor and/or Lessee shall be paid over to a trustee as Lessor and Lessee may from time to time designate in writing; it being understood, however, that all such amounts shall be available to Lessee, (providing there shall be no default by it in any of the terms, covenants or provisions of this lease) for the reconstruction or repair, as the case may be, of any such buildings or building or improvements, damaged or destroyed by fire or other casualty, and shall be paid out by said Trustee from time to time as the work of reconstruction or repairs shall progress, on bona fide architect's or contractor's certificates, showing application of the amount paid for such repair or reconstruction; provided however, that it first be made to appear to the satisfaction of the Trustee that any amount necessary for the reconstruction or repair of any of the buildings or improvements, so damaged or destroyed, which may be in excess of the amount received upon such policies, has been provided by Lessee for such purposes and its application to such purpose assured. In the event there shall be at any time any excess remaining with the Trustee from the proceeds of such insurance policies, after the repair or reconstruction of any such buildings, or improvements, to a condition equal to the former condition thereof, then, if there be at that time no default on the part of the Lessee in the performance of the covenants and conditions hereof, any such amount so held by the Trustee shall be paid by it to the Lessee.

Lessee will also maintain in the same manner, at its cost, during the term of this Lease, Owners', Landlords' and Tenants' Public Liability Insurance in an amount of not less than THREE HUNDRED THOUSAND DOLLARS - ($300,000) coverage for one person, and not less than FIVE HUNDRED THOUSAND DOLLARS - ($500,000) coverage for more than one person, respectively, for each accident.

5. Maintenance of Property: The Lessee agrees that it will, at its own expense, keep and maintain the buildings and improvements which may at any time be situated on said demised premises during the term of this Lease and all appurtenances thereunto belonging to or appertaining, including, but not limited to all fire escapes, stairs, sidewalks, steps, including both the interior and exterior of the buildings, in good and substantial condition and repair and in clean and sanitary condition, and will use, keep and maintain such premises and improvements thereon as well as the sidewalks and parking areas around such buildings, in conformity and in compliance with all existing and future statutes, laws, orders, ordinances, rulings and regulations applicable thereto, of the City of Pompano Beach, County of Broward, State of Florida, and of any other lawful authority having jurisdiction thereof, and will protect and indemnify the Lessor from and against any loss, costs, damages and expenses occasioned by or arising out of any breach or default in the performance and observance of any provisions, conditions, covenants and stipulations in this Lease contained, or occasioned or arising by or out of any accident or injury, or damage to any person whomsoever or whatsoever happening, or done in or about or upon the said premises or due directly or indirectly to the construction, tenancy, use or occupation of said premises, or upon the sidewalks or parking areas adjoining the same by the Lessee or any person or persons occupying, holding, or claiming by, through or under it.

6. Taxes and Assessments: As part consideration for this Lease and in addition to the rent hereinbefore provided, the Lessee shall, after date hereof, and during the entire term of this Lease, pay or cause to be paid before

actions, damages, and/or causes of actions arising during the term of this lease, for any personal injury, loss of life and/or damage to property sustained in, or about, the demised premises, or the buildings and improvements thereof, or the appurtenances thereto, or upon the adjacent sidewalks, or streets and from and against all costs, counsel fees, expenses and liabilities incurred in and about any such claim, the investigation thereof, or the defense of any action or proceedings, brought thereon, and from and against any orders, judgments and/or decrees, which may be entered therein.

13. Attorney Fees and Court Costs: In the event the Lessor is compelled to incur any expense in collecting any sum of money due under this Lease for rent, or otherwise, or in the event suit shall be brought by the Lessor for the purpose of evicting or ejecting the Lessee from the leased premises, or if suit be brought by the Lessor for the purpose of compelling the payment of any other sum which should be paid by the Lessee under the terms hereof, or for the purpose of enforcing performance by the Lessee of any of the several agreements, conditions and covenants contained herein, the Lessee covenants and agrees to pay to the Lessor all expenses and costs of litigation, including a reasonable attorney's fee for the Lessor's attorney, provided such suit terminates in favor of the Lessor. Any sum due under the terms and provisions of this paragraph shall constitute a lien against the interest of the Lessee in the premises and its property thereon to the same extent and on the same conditions as delinquent rent would constitute a lien upon said premises and property.

14. Transfer of Lessor's Interest: Lessor shall have the right to sell, transfer, or otherwise dispose of, its interest in this property, subject to the terms and conditions of this Lease and shall have the right to transfer or assign to others his right to receive money and other things of value accruing to him by reason of this lease.

15. Bankruptcy Provisions: Should the Lessee, at any time during the term of this Lease, suffer or permit an involuntary, or voluntary, petition in bankruptcy to be filed against it, or to make any assignment for the Lessee's property and said appointment not vacated within thirty (30) days thereafter, or should the Lessee's leasehold interest be levied on and the lien thereof not discharged within thirty (30) days after said levy has been made, then in such event, and upon the happening of either or any of said events, the Lessor shall have the right, at his election to consider the same a default on the part of the Lessee of the terms and provisions hereof, and the Lessor may then declare a forfeiture of this lease. This paragraph is in furtherance, and not a limitation, of the powers herein conferred upon the Lessor.

16. Lessee's Default: 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 giving to Lessee, written notice, as hereinafter provided, of the existence of such breach, the Lessor shall have the right to treat such default as intentional and inexcusable, and thereupon, at the expiration of the thirty (30) day period after notice to Lessee as above provided, the Lessor, by notice in writing transmitted to the Lessee as herein provided for, may at his option declare this Lease ended, and without further force and effect. Thereupon, the Lessor is authorised to re-enter and re-possess the leased premises and the buildings and improvements 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. In the event of such forfeiture, the Lessee shall have no claim whatsoever against the Lessor.

17. Lessee Not Agent of Lessor: Nothing herein contained shall authorise the Lessee to do any act or make any contract which in any manner shall affect the estate or interest of the Lessor in said premises, or in the buildings or improvements now or hereafter situated thereon.

18. Non-Waiver Clause: The waiver of any breach of any covenant, condition, or stipulation herein contained, shall not be taken to be a waiver of any subsequent breach of the same, or any other covenant, condition or stipulation, and the acceptance of rent during any period in which the Lessee may be in default shall not be deemed to be a waiver of such default.

19. Statutes:

(a) The Lessee recognizes the validity and applicability of the summary remedies provided by the Statutes of the State of Florida for the protection of landlords' rights, and nothing herein contained shall be construed as limiting in any way such rights accruing by virtue of such statutes.

(b) The remedies herein provided for the Lessor are cumulative and shall be in addition to all other remedies now or hereafter existing, whether at law, in equity or statute.

20. Notices: Notices, demands and communications hereunder served or given to the Lessee or to the Lessor shall be served, or given by United States Registered Mail, return receipt requested, and if intended for the Lessee, the same shall be addressed to the Lessee, at the leased premises, and if intended for the Lessor the same shall be addressed to Lessor at 3205 S. E. 7th Street, Pompano Beach, Florida, in writing, or to such other address as is hereafter designated by the Lessor or his successors in interest, sent by United States Registered Mail, as aforesaid, to such designated address.

21. Time of Essence: Time of performance by the Lessee of each and every provision and covenant herein contained is and shall be forever construed as of the very essence of this Lease.

22. Eminent Domain Award: In event of taking by eminent domain proceedings of any portion or all of the demised lands, the Lessor shall receive all sums awarded for the taking of the fee title to the lands and the Lessee shall receive all sums paid for damage to all improvements and to the Leasehold interest of the Lessee in said property and improvements thereon, if the award is so proportioned. Otherwise, the Lessee shall have the right to have its share of said award determined by the Circuit Court of Broward County, Florida.

23. Transfer of Lessee's Interest: It is understood and agreed that Lessee will operate and maintain a multiple unit cooperative apartment building on the demised premises, and Lessor agrees that Lessee may sub-let apartments units to persons, firms or corporations occupying said apartment units but Lessee may not sub-let or assign Lessee's entire leasehold interest without written approval of Lessor. Lessor agrees he will not unreasonably withhold approval of such sub-leasee or assignee.

24. Prevention of Erosion: It is understood and agreed that the demised premises are located on the Intracoastal Waterway in Pompano Beach, Broward, and it is further understood and agreed between the parties that if any governmental agency should ever require or recommend erosion prevention measures affecting the demised premises, then and in that event the Lessee shall bear the expense of same and shall have the affirmative duty of complying with any such requirement or recommendation.

25. Final Repository: This instrument constitutes the final repository of the agreement between the parties relating thereto. Reference herein to Lessor shall include and bind his heirs, personal representatives, successors and assigns, and likewise, reference herein to Lessee shall include and bind its successors in interest and assigns.

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

Signed, sealed and delivered in the presence of:

Robert P. Harrington

Nancy M. Tingel

Joseph Battaglia (SEAL)
J. BATT, a/k/a JOSEPH BATTAGLIA

LESSOR

FAIRBANKS TERRACE, INC.

By: Joseph Battaglia (SEAL)
President

Attest: Robert P. Harrington (SEAL)
Secretary

LESSEE

STATE OF FLORIDA)
s.s.
COUNTY OF BROWARD)

I HEREBY CERTIFY that on this 10th day of June, 1961, before me personally appeared J. BATT, a/k/a JOSEPH BATTAGLIA, to me known to be the person described in and who executed the foregoing Ninety-Nine Year Lease and acknowledged the execution thereof to be his free act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal at Pompano Beach, in the County of Broward and State of Florida, the day and year last aforesaid.

Nancy M. Tingel
Notary Public, State of Florida at Large

My Commission Expires:

STATE OF FLORIDA)
s.s.
COUNTY OF BROWARD)

I HEREBY CERTIFY, that on this 10th day of June, 1961, before me personally appeared JOSEPH BATTAGLIA and ROBERT P. HARRINGTON, President and Secretary respectively of FAIRBANKS TERRACE, INC., a corporation under the laws of the State of Florida, to me known to be the persons described in and who executed the foregoing Ninety-Nine Year Lease and acknowledged the execution thereof to be their free act and deed as such officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said corporation, and the said Ninety-Nine Year Lease is the act and deed of said corporation.

WITNESS my hand and official at Pompano Beach, in the County of Broward and State of Florida, the day and year last aforesaid.

Nancy M. Tingel
Notary Public, State of Florida at Large

My Commission Expires: