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SUBLEASE

769078

THIS SUBLEASE, made and entered into as of the 2nd day of July A. D. 1956, by and between R. GREEN ANNAN DEVELOPMENT CORP., a Florida Corporation, hereinafter referred to as LESSOR; and HILLSBORO MILE OCEAN APARTMENTS, SECTION 2, INC., a Florida Corporation, with its principal place of business in Hillsboro Beach, Florida, hereinafter referred to as LESSEE:

W I T N E S S E T H:

That in consideration of the covenants and agreements hereinafter mentioned and to be performed by the respective parties hereto, and the payment of the rental hereinafter designated to be paid by the LESSEE, in accordance with the provisions of the Sublease, the LESSOR has leased, rented, let and demised, and by these presents do lease, rent, let and demise, unto the said LESSEE, its successors and assigns, the following described property situate, lying and being in Broward County, Florida, to-wit:

All that part of Government Lot 4, Section 17, Township 48 South, Range 43 East, lying between a line parallel to, and 4450 feet South of (measured at right angles to) the North line of said Section 17, and a line parallel to, and 4750 feet South of (measured at right angles to) the North line of said Section 17, and lying East of the Easterly right-of-way line of State Road A-1-A as same is now located and used; Together with the following described parcel: Beginning at the center line of State Road A-1-A, as same is now located and used, and the North boundary line of the above described property; thence Easterly along said North boundary line, a distance of 118.60 feet to a point; said point being the point of beginning; thence Northeasterly on an angle of 116 degrees, 16 minutes from the said North boundary line, a distance of 24.53 feet; thence Easterly on a line parallel to, 22 feet North of, measured at right angles to the said North boundary line, to the waters of the Atlantic Ocean; thence Southerly, meander the waters of the Atlantic Ocean to the said North boundary line of the aforementioned property; thence Westerly along the said North boundary line, to the point of beginning; LESS the following described parcel: Beginning at the centerline of State Road A-1-A, as same is now located and used, and the South boundary line of the above described property; thence Easterly along said South boundary line, a distance

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of 131.5 feet to a point; said point being the point of beginning; thence Northeasterly on an angle of 126 degrees, 30 minutes from the said South boundary line a distance of 27.54 feet; thence Easterly on a line parallel to, 22 feet North of, measured at right angles to the said South boundary line, to the waters of the Atlantic Ocean; thence Southerly meander the waters of the Atlantic Ocean to the South boundary line of the aforementioned property; thence Westerly along said South boundary line to the point of beginning; together with such littoral and riparian rights as appertain thereto,

and in addition thereto the following described lands which are leased for the purpose of providing parking for the occupants and guests thereof, of dwellings situated on the above described lands, which parking areas are referred to as Parking Parcel C and Parking Parcel D:

Parking Parcel C

A parcel of land lying in Government Lot 4 of Section 17, Township 48 South, Range 43 East, Broward County, Florida, more particularly described as follows: Beginning at the intersection of the East line of the Intracoastal Waterway, as same is shown in Plat Book 17, Page 4 of the Public Records of Broward County, Florida, and a line parallel to and 4450 feet South of, measured at right angles to, the North line of Section 17, Township 48 South, Range 43 East, Broward County, Florida; said line having an assumed bearing of East; thence easterly on an assumed bearing of East, a distance of 130.21 feet to the center line of State Road A-1-A, as same is now located, constructed and used; Said point being the Point of Beginning of this description; thence Southwesterly on a bearing of South 11 degrees, 12 minutes West, a distance of 112.18 feet to a point; thence Westerly on an assumed bearing of West, a distance of 40.78 feet; thence Northeasterly on a bearing of North 11 degrees, 12 minutes East, a distance of 112.18 feet to a point; thence Easterly on a bearing of East, a distance of 40.78 feet to the Point of Beginning of this description; LESS that part of State Road A-1-A as same is now located, constructed, and used.

Parking Parcel D

A parcel of land lying in Government Lot 4 of Section 17, Township 48 South, Range 43 East, Broward County, Florida more particularly described as follows: Beginning at the intersection of the East line of the Intracoastal Waterway, as same is shown in Plat Book 17, Page 4 of the Public Records of Broward County, Florida, and a line parallel to and 4750 feet South of, measured at right angles to, the North line of Section 17, Township 48 South, Range 43 East, Broward County, Florida; said line having an assumed bearing of East; thence easterly on an assumed bearing of East, a distance of 93.42 feet to the center line of State Road A-1-A, as same is now located, constructed and used; Said point being the Point of Beginning of this

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description; thence Northeasterly on a bearing of North 11 degrees, 12 minutes East, a distance of 101.98 feet; thence westerly on an assumed bearing of West, a distance of 40.78 feet to a point; thence Southwesterly on a bearing of South 11 degrees and 12 minutes West, a distance of 101.98 feet; thence Easterly on a bearing of East, a distance of 40.78 feet to the Point of Beginning of this description; LESS that part of State Road A-1-A as same is now located, constructed and used;

reserving, however, unto the occupants of any dwellings on the following described lands:

All that part of Government Lot Four (4), Section Seventeen (17), Township Forty-eight (48) South, Range Forty-three (43) East lying between a line parallel to and 4450 feet South of (measured at right angles) the North line of said Section and a line parallel to and 4750 feet South of (measured at right angles) the North line of said section and lying West of the westernmost right-of-way line of A-1-A Highway, together with such riparian rights as appertain thereto; LESS the lands hereinabove referred to as Parking Parcel C and Parking Parcel D,

the right of use for recreational purposes of the beach on the eastern boundary of the lands first above described from the Atlantic Ocean to the vegetation line thereon.

TO HAVE AND TO HOLD the above described premises, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise incident or appertaining, together with the rents, issues and profits thereof (save and except the rents and other amounts due the LESSOR by the LESSEE herein), unto said LESSEE, for a term as herein below set forth.

The terms, conditions and covenants of this sublease are as follows:

1. TERM

This sublease shall begin at 12:00 o'clock noon, on the date first above written and continue until noon, May 14, 2055, unless sooner terminated, as herein provided.

2. POSSESSION

Possession of the leased premises will be delivered to LESSEE upon the execution of this sublease.

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3. RENTAL

(A) The rental as hereinafter provided for shall commence on the date of satisfaction of that certain mortgage from R. Green Annan Development Corp. to First National Bank recorded in Official Record Book 663, page 73, Broward County Records.

(B) The rental for the period from the date of satisfaction of the mortgage referred to in Paragraph 3 (A) to May 14, 1961 shall be at the rate of Twenty-four Thousand One Hundred Eighty (\$24,180.00) Dollars per year, payable as hereinafter provided.

(C) The annual rental for the remainder of the term shall in no event be less than Twenty-four Thousand One Hundred Eighty (\$24,180.00) Dollars per year, payable as aforesaid. However the parties hereto agree that such rental shall be increased at five (5) 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 at such intervals than the agreed Basic Standard Index hereinafter adopted. The average of the aforesaid Index for the months of January and February, 1956, was 114.6 and that figure is hereby adopted as the Basic Standard Index, as that term is herein used. The average of such Index for the same months of each year in which an adjustment is to be made shall be the new Index Figure. The first adjustment shall be made to cover the five year period beginning May 14, 1961, and adjustments shall thereafter be made at five year intervals, each adjustment to be effective for the ensuing period, the last period being a four year period. The adjustment shall be made and the rent for the ensuing period shall be arrived at by multiplying the basic rental of \$24,180.00 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. For example, assume that the average of the Index for the months of January and February, 1961, should be 117.5. The new rental for the period from May 14, 1961, to and

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including May 14, 1966, would be arrived at by multiplying \$24,180.00 by a fraction, the numerator of which would be 117.5 (the new Index Figure) and the denominator of which would be 114.6 (the Agreed Basic Standard Index Figure). Should the new rental sum thus arrived at be less than \$24,180.00, the rental for the new period shall nevertheless be \$24,180.00, it being expressly agreed that the annual rental shall not at any time during the period of the lease be less than \$24,180.00.

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 new Index, hereinabove provided for, shall be arrived at from the Index or Indexes published by said Bureau most closely approximating the period of January and February of 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 publication 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 such Index as may be published by another United States Governmental Agency 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

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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.

(D) The rent for each year, as determined in the manner hereinabove provided, shall be paid quarterly, in advance, on the first day of the months of February, May, August and November; except that the first rental payment under this Lease shall be made on the date of the Satisfaction of the Mortgage referred to in Article 3 (A) herein and shall be prorated for the first quarter should said Satisfaction occur other than on one of the aforesaid quarterly payment dates; all rent to be paid without demand, at such place as the LESSOR or its agents may designate in writing from time to time, and a place once specified shall continue as the place at which rent shall be paid until such place of payment is changed by notice given in the manner hereinafter prescribed for the giving of notice. Said rent shall be payable without notice or demand. All rent shall be payable in current legal tender of the United States, as the same is then by law constituted. Extension, indulgence or change by the LESSOR of the mode or time of payment of rent upon any occasion shall not be construed as a waiver of the provisions of

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this paragraph or as requiring a similar extension, indulgence, or change by the LESSOR on any subsequent occasion.

4. TITLE AND SURVEY

(A) LESSOR covenants that subject to taxes for 1956, to the underlying ground lease and modification thereof from Clint B. King a/k/a C. B. King and Marian E. King, his wife, said lease and modification being recorded in Official Record Book 641, page 145 and Official Record Book 653, page 150, respectively, Broward County Records, and to the construction loan mortgage from it to the First National Bank in Fort Lauderdale recorded in Official Record Book 663, page 73, Broward County Records, it has lawful leasehold title to said premises, free and clear of all liens, mortgages and encumbrances and has full authority to make this sublease on the terms herein set forth. LESSOR has furnished to LESSEE an abstract or abstracts of title covering the leased premises and same have been approved by LESSEE. By execution of this sublease, LESSEE shall be deemed to have accepted such title, subject to applicable municipal ordinances and setback requirements. LESSEE has made such investigation of applicable ordinances as it desires.

(B) LESSEE will at its own expense procure a survey of the leased premises, if it desires such survey.

5. ACCEPTANCE OF PREMISES

It is further covenanted and agreed that the LESSEE in acquiring this sublease has done so as a result of a personal inspection of the premises and that no oral representations of any kind or nature whatsoever have been made by LESSOR and that only the terms of this sublease are to be binding upon the LESSOR and the LESSEE.

6. TAXES

During the term of this sublease all taxes on real property and improvements thereon, special improvement liens and special assessment liens levied against the property, taxes on

all tangible personal property of LESSEE situated on the leased premises, and documentary revenue stamps, if any are required to be affixed to this instrument, shall be paid by LESSEE. Taxes for the year 1956 have been paid by LESSOR. Taxes for the year 1957 shall be pro-rated as of the date of commencement of rent under the provisions of Article 3 (A) herein, that is to say, the LESSEE shall be responsible for all taxes from said date rent commences through the remainder of the term of this lease.

All taxes required to be paid by the LESSEE hereunder shall be paid at least before the same become delinquent and LESSEE shall immediately thereupon deliver to LESSOR official receipt showing payment of said taxes. In the event LESSEE shall in good faith desire to contest the validity of any such taxes, assessments or other charges, it shall have the right to do so, provided it shall, if taxes become delinquent thereby, give to the LESSOR a bond, executed by a surety company authorized to do business in Florida, in twice the amount involved, conditioned upon the payment of such taxes, assessments or charges in case the LESSEE is defeated in such contest, or it shall deposit with LESSOR a sum of money equal to one hundred twenty (120%) per centum of the amount of such taxes, assessments or charges. In the event, however, of such contest, no sale of the property for such taxes, assessments, or charges shall ever be permitted to take place.

7. LAWFUL USE OF PREMISES

LESSEE further covenants and agrees that said premises and all buildings and improvements thereon, during the term of this sublease, shall be used only and exclusively for lawful purposes, and that said LESSEE will not use or suffer anyone to use said premises or building for any purposes in violation of the laws of the United States, the State of Florida, or the ordinances and regulations of the Town of Hialeah Beach, Florida, said LESSEE covenants and agrees to save said LESSOR harmless from every such violation.

8. COMPLIANCE WITH REGULATIONS OF PUBLIC BODIES

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. INSPECTION OF PREMISES

The LESSEE agrees and covenants that the LESSOR or its agents, at all reasonable times and during all reasonable hours, shall have free access to said demised premises and to any building or structure that may at any time 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.

10. LIENS CREATED BY LESSEE

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 the LESSOR in and to the land covered by this sublease, 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 remission of said LESSEE, which lien shall be superior to the interest in this sublease 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 sublease. Should any such lien be filed, LESSEE shall discharge the same by paying the same or by filing of a bond or otherwise, as permitted by law.

The LESSEE shall have the right to mortgage or otherwise encumber its leasehold interest in the premises. Any

mortgage executed by the LESSEE covering the leased premises shall in no way affect the LESSOR'S interest in and to said property, and the same shall be junior and inferior to the interest of the LESSOR therein, unless LESSOR shall execute an instrument subordinating its interest in and to said property to such mortgage executed by the LESSEE, as provided for in Paragraph 15 hereof, and shall cause such subordination instrument to be filed of record. LESSOR will not join as maker of such mortgage, or the note or notes secured by the same.

11. UTILITY CHARGES

The LESSEE agrees and covenants to pay or cause to be paid all charges for water, gas, electricity and/or other public utilities used on or about the said premises, and to pay or cause to be paid the same monthly or as they shall become due.

12. TRANSFER OF LESSOR'S INTEREST

LESSOR shall have the right to sell, mortgage, or otherwise dispose of, the underlying fee in this property, subject, of course, to the terms and conditions of this sublease, and shall have the right to mortgage or assign to others its right to receive money and other things of value accruing to it by reason of this sublease.

13. ASSIGNMENT OF LESSEE'S INTEREST

LESSEE'S interest in this sublease is freely transferable and assignable, provided at the time of any such transfer and assignment, and as often as the same may be made, this sublease is in good standing and provided further that said assignment is evidenced by an instrument in writing, which, among other things, shall provide that the assignee shall expressly accept and agree to be bound by all the terms and covenants in this sublease agreement contained to be kept and performed by LESSEE. Said instrument shall be duly executed and acknowledged by both assignor and assignee and duly recorded in the office of the Clerk of the Circuit Court of Broward County, Florida, and a duplicate executed

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original of said instrument of assignment shall immediately be forwarded to LESSOR by Registered or Certified Mail. Successive assignments or transfers may thereafter likewise be made without recourse by any assignee or transferee of this sublease, provided this sublease is in good standing and the then LESSEE is in no way in default. No assignment shall be made of this sublease as to less than all of the property, but this provision shall not prevent subletting in whole or in part, nor shall it prevent the assignment by LESSEE of fractional or undivided interests therein.

In the event that this sublease is terminated by reason of default, it is distinctly understood and agreed that the interests of all persons, individual or corporate, claiming or to claim by, through, or under LESSEE herein, however such interest may have been acquired, shall simultaneously terminate with such termination of the sublease and all such persons, if any, in possession of the leased property, or any portion thereof, shall upon demand of LESSOR immediately surrender possession to LESSOR.

14. CAPITAL IMPROVEMENTS

LESSEE during the term of the sublease shall have the right to demolish existing improvements on the property in order that new improvements may be constructed thereon, said new improvements to have equal or greater cubic content than the old building or buildings, and be of like or better construction than such old building or buildings. Before such demolition or removal is begun, plans and specifications for such new improvement as LESSEE shall desire to make shall be submitted by LESSEE to LESSOR for LESSOR'S inspection for the purposes set forth in paragraph 14 of the underlying lease, the lease of May 14, 1956 from CLINT B. KING and MARIAN E. KING to R. GREEN ANNAN DEVELOPMENT CORP. recorded in Book 641, page 145, of the Official Records of Broward County, Florida, in connection with the original construction program therein described and shall likewise be approved

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by LESSOR as therein set forth in case of such original construction program, and a contract shall have been let for a stipulated sum, a completion and performance bond of the character described therein, approved by LESSOR, shall have been given and funds deposited with a bank in Fort Lauderdale, Florida, approved by LESSOR, sufficient to pay all costs of the demolition of the old building or buildings, and the construction of the new building or buildings. Such funds shall be released during the period of new construction upon architect's certificates, as therein provided in connection with the original construction program and shall be used to pay costs of demolition of the old building or buildings, and the construction of the new building or buildings.

If during the existence of this sublease, by reason of wear and tear, obsolescence, or damage to the building or buildings on the premises, extensive repairs, alterations or rebuilding become necessary, LESSEE shall proceed with such work in substantially the same manner as provided in the aforesaid underlying lease of May 14, 1956 for new construction so far as plans and specifications, contract, deposit, and completion bond are concerned. By extensive repairs, alterations or rebuilding is meant those costing in excess of Twenty Five Thousand (\$25,000.00) Dollars.

LESSEE prior to the employment of any architect at any time to prepare plans and specifications for improvements upon the subleased premises, shall procure from such architect a waiver of any right he has or may have to a lien upon the subleased premises by reason of his employment and shall deliver such waiver to LESSOR. The procurement of such waiver is a material provision of this sublease.

15. MORTGAGE SUBORDINATION

None.

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16. MAINTENANCE AND REPAIRS

The LESSEE agrees and covenants that it will at its own expense keep and maintain the buildings, fixtures and improvements which may at any time be situated on said demised premises during the term of this sublease, and all appurtenances thereunto belonging or appertaining, including all fire escapes, sidewalks, steps, including both the interior and exterior of the building, in good and substantial repair and in a clean and sanitary condition, and will use, keep and maintain such premises and improvements thereon, as well as the sidewalks in front of and around such building, in conformity to and in compliance with all orders, ordinances, rulings and regulations of all Federal, State and City governments having jurisdiction thereof, and the statutes and the laws of the State of Florida, and of the United States and of any lawful authority applicable to and affecting the same, and will protect and indemnify forever, save and keep harmless, 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 sublease contained, or occasioned by or arising 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 adjoining the same by the LESSEE or any person or persons occupying, holding or claiming by, through or under it.

17. DAMAGE OR DESTRUCTION OF BUILDING

The parties agree and covenant that damage to or destruction of the building, or any portion thereof, on said demised premises at any time, by fire, or such other causes as may be included in the insurance coverage, shall not work a termination of this sublease or authorize the LESSEE, or those

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claiming by, through or under it, to quit or surrender possession of said premises, or any part thereof, and shall not release the LESSEE in any way from its liability to pay the LESSOR the rent hereinabove provided for, or from any of the agreements, covenants and conditions of this indenture. In the event of such loss, destruction or damage to the building or buildings hereafter erected upon said demised premises the LESSEE agrees and covenants to rebuild with a building or buildings of at least equal cubic content and of at least equal value to the one destroyed, injured or damaged, based upon the value thereof at the time of said destruction, as often as such destruction, loss or damage may occur. The LESSEE shall commence such building or restoration within ninety (90) days after the insurance carrier has paid the claim for such loss, unless prevented by governmental restrictions, and LESSEE shall complete the said restoration as rapidly as it can reasonably be done, considering all governmental restrictions and the availability of labor and materials, and will pay therefor as herein provided, so that the premises and the building thereon shall always be free and clear from mechanics liens and other liens as provided herein. In the event that the insurance carrier does not pay the loss within ninety (90) days from the time of the loss or destruction, then the LESSEE covenants and agrees that within thirty (30) days thereafter, it will bring suit against the insurance carrier for said loss, and will diligently prosecute the same, and will commence said construction within ninety (90) days after recovery from said insurance carrier, provided that there shall be no abatement of rent during said period, and provided further that the LESSEE must commence said construction in any event within two (2) years from the date of said loss, damage or destruction, and shall, within the two year period, provide the plans and specifications, contract and funds for reconstruction in the same manner as hereinbefore provided for in case of the demolition of existing buildings and

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the construction of new buildings; and upon failure of the LESSEE to perform under the provisions of this paragraph, the LESSOR shall have the right to cancel and terminate this sublease.

18. INSURANCE

LESSEE agrees to maintain at its cost at all times during the term of this sublease, fire and extended coverage insurance, eighty(80%) per centum co-insurance being permitted. Such policies shall be so drawn and shall contain such provisions as will protect LESSOR, LESSEE, and the owners of the underlying fee-simple title, as their respective interests appear. Such policies, or certificates thereof, 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 for shall continuously exist. In the event of loss, the proceeds collected from such insurance shall be paid over to a bank in Ft. Lauderdale, Florida, selected by LESSOR, as Trustee, or to such other Trustee as LESSOR and LESSEE may from time to time designate in writing, it being understood, however, that all amounts collected on any such policies shall be available to LESSOR, LESSEE, and the owners of the underlying fee-simple title for the reconstruction or repair, as the case may be, of any such building or improvements, damaged or destroyed by an insured 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 certificates, showing application of the amount paid to such repair or reconstruction; provided, however, that it be first 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

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with the Trustee from the proceeds of such insurance policies, after the repair or reconstruction of any such building or improvements, to a condition equal in cubic feet content and of equal or better value to the former condition thereof, then, if there at that time be 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. Should the LESSEE fail to enter upon the reconstruction or repair of such building or improvements within the time periods set forth in paragraph 17 hereof, after such damage or destruction, there being no governmental restrictions to prevent such reconstruction or repair, or should LESSEE not diligently and continuously prosecute the same to completion within a reasonable time after the damage or loss occurs, giving due consideration to all governmental restrictions and the availability of labor and materials, then the amount of insurance so collected, or any portion thereof remaining in the hands of the Trustee, as aforesaid, shall be retained by the Trustee as security to the LESSOR for the continued performance and observance by the LESSEE of the covenants and conditions herein contained; and it shall be at the option of the LESSOR in such case to terminate this sublease and to demand and receive from the Trustee all moneys collected by the Trustee as aforesaid and retain the same as liquidated damages resulting to LESSOR from the failure of the LESSEE properly and within a reasonable time to complete such work of reconstruction or repair. LESSEE will also maintain in the same manner, at its cost, during the term of this sublease, OWNERS', LANDLORDS' and TENANTS' Public Liability and Elevator and Escalator Insurance, if any elevator or escalator is in use, with coverage for one person of not less than Two Hundred Thousand and no/100 (\$200,000.00) Dollars and with coverage of not less than Five Hundred Thousand and no/100 (\$500,000.00) Dollars for more than one person. All insurance premiums required to be paid by LESSEE shall be pro-rated as of the date of commencement of rent under the provisions of Article 3 (A) herein, that is to say, the LESSEE shall be responsible for payment of all insurance premiums earned after said date.

19. FORFEITURE

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, the LESSOR shall have the right to treat such default as intentional, inexcusable, and material, and thereupon the LESSOR, by a second notice in writing, transmitted to the LESSEE, as herein provided, may at its option thirty (30) days after mailing of such second notice, declare this lease ended and without further force and effect, unless such default within such period has been removed. Thereupon, the LESSOR is authorized to re-enter and re-possess the leased premises and the buildings, improvements, and personal property of LESSEE 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 immediately said premises and property with all improvements peaceably to said LESSOR. In the event of such forfeiture, the LESSEE shall have no claim whatsoever against the LESSOR by reason of improvements made upon the premises, rents paid, or from any other cause whatsoever. In the event of such forfeiture, the title and right of possession to all personal property of the LESSEE usually situated on the leased premises shall automatically vest in the LESSOR, free and clear of any right or interest therein by the LESSEE. The provision of this paragraph shall not be construed so as to divest the LESSOR, in the event of such default, of any legal right and remedy which they may have by statutory or common law, enforceable at law, or in equity, it being intended that the provisions of this paragraph shall afford to the LESSOR a cumulative remedy, in addition to such other remedy or remedies as the law affords a LESSOR when the terms of a lease have been broken by the LESSEE; provided, however, that irrespective of the remedy sought by LESSOR the notice periods herein provided shall be observed.

In the event of the LESSEE'S breach of any of the provisions of this sublease, the LESSOR shall thereupon have a lien upon all revenues, income, rents, earnings and profits from the leased premises as additional security to the LESSOR for the LESSEE'S faithful performance of each of the terms and provisions hereof. Such liens shall be superior in dignity to the rights of the LESSEE and any of

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its creditors or assignees or any trustee or receiver appointed for the LESSEE'S property, or of any other person claiming under the LESSEE. Upon the LESSOR'S termination of this sublease by reason of the LESSEE'S default, all such revenues, rents, income, earnings and profits derived or accruing from the leased premises from date of termination by the LESSOR shall constitute the property of the LESSOR, and the same is hereby declared to be a trust fund for the exclusive benefit of the LESSOR, and shall not constitute any asset of the LESSEE or any trustee or receiver appointed for the LESSEE'S property. The provisions of this paragraph shall be effective without the LESSOR'S re-entry upon the leased premises or re-possession thereof, and without any judicial determination that LESSEE'S interest under said sublease has been terminated.

20. BANKRUPTCY OF LESSEE OR ASSIGNEE

Should the LESSEE, or any assignee, at any time during the term of this sublease, suffer or permit an involuntary, or voluntary, petition in bankruptcy to be filed against it, or institute an arrangement proceeding under Chapter XI of the Chandler Act, or subsequent similar Act of Congress, or make any assignment for the benefit of its creditors, or should a receiver or trustee be appointed for the LESSEE'S property because of LESSEE'S insolvency, then, in such event, and upon the happening of either or any of said events, the LESSOR shall have the right, at its election, to consider the same a material default on the part of the LESSEE of the terms and provisions hereof, and, in the event of such default not being cured by the LESSEE within a period of sixty (60) days from the date of the giving of written notice by the LESSOR to the LESSEE of the existence of such default, the LESSOR shall have the option of declaring this sublease terminated and the interest of the LESSEE forfeited, or the LESSOR may exercise any other options herein conferred upon it. The pendency of bankruptcy proceedings, or arrangement proceedings, to which the LESSEE shall be a party shall not preclude the LESSOR from exercising the option herein conferred upon it. In the event the LESSEE, or the trustee or receiver of the LESSEE'S property, shall seek an injunction

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against the LESSOR'S exercise of the option herein conferred, such action of the part of the LESSEE, its trustee or receiver, shall automatically terminate this sublease as of the date of the making of such application. In the event the court shall enjoin the LESSOR from exercising the option herein conferred, such injunction shall automatically terminate the sublease. Upon the termination of the sublease at the LESSOR'S option and/or as herein otherwise provided, it shall become the mandatory duty of the court, as a matter of law, to require and direct the re-delivery to the LESSOR of the entire subleased premises and all of LESSEE'S property thereon situated in a summary proceeding, upon mere motion or petition of the LESSOR.

It is distinctly and expressly agreed, however, that LESSOR shall have no right to terminate this lease under the foregoing provisions of this paragraph so long as the rental due it is promptly paid and all other provisions of this sublease are fulfilled by LESSEE.

21. INDEMNIFICATION AGAINST CLAIMS

LESSEE shall indemnify and save harmless the said LESSOR from and against any and all claims, suits, actions, damages, and/or causes of action arising during the term of this sublease, 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 cost, counsel fees, expenses and liabilities incurred in and about any such claim, the investigation thereof, or the defense of any action, or proceeding, brought thereon, and from and against any orders, judgments and/or decrees, which may be entered therein.

22. INDEMNIFICATION AGAINST COSTS AND CHARGES

In the event the LESSOR is compelled to incur any expense in collecting any sum of money due under this sublease

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 subleased 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 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.

23. WAIVER OF BREACH

It is hereby covenanted and agreed that no waiver of a breach of any of the covenants of this sublease shall be construed to be a waiver of any succeeding breach of the same, or of any other covenant, nor shall such waiver be construed as modifying in any way the terms and provisions of this sublease. The prompt and punctual performance by LESSEE of the terms and conditions of this sublease is of the very essence thereof.

24. EMINENT DOMAIN

Should Route A-1-A be widened, any consideration for the lands taken, whether by agreement or by condemnation, shall be apportioned equally between LESSOR and LESSEE, provided LESSEE is then no wise in default.

25. TIME IS OF THE ESSENCE

The time of performance by LESSEE of each and every provision and covenant herein contained is and shall be construed as of the very essence of this sublease.

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26. NOTICES

All notices required by law and by this sublease to be given by one party to the other shall be in writing, and the same shall be served as follows:

The parties have at the foot hereof affixed their specific addresses. Said notices shall be mailed by either Registered Mail, Return Receipt Requested or Certified Mail, Return Receipt Requested, to the party at its said address, or at such other address as a party may by notice in writing designate to the other.

If at any time during a period of seven (7) years from date hereof LESSOR shall notify LESSEE of any breach of lease then and in that event LESSOR shall serve a true copy of such notification to R. GREEN ANNAN DEVELOPMENT CORP., c/o First National Bank in Fort Lauderdale, Fort Lauderdale, Florida at the same time and in the same manner that LESSEE is notified of such breach of lease.

27. INTEREST

All sums of money required to be paid by the LESSEE to the LESSOR shall, unless otherwise provided in this instrument, bear interest from due date, or maturity thereof, at the rate of six (6%) per centum per annum until paid, which interest shall be due and payable to the LESSOR upon its written demand.

28. TERMS TO INCLUDE SUCCESSOR IN INTEREST

Reference herein to LESSOR shall bind and include its successors in interest and assigns; and likewise, reference to LESSEE shall bind and include its successors in interest and assigns.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized officers, and their corporate seals to be hereto attached, the day and year first above written.

R. GREEN ANNAN DEVELOPMENT CORP.

By James P. Coleman

its President

Address: 3357 N. E. 32nd Street
Fort Lauderdale, Florida
LESSOR

HILLSBORO MILE OCEAN APARTMENTS,
SECTION 2, INC.

By James P. Coleman

its President

Address: 100 East Las Olas Boulevard
Fort Lauderdale, Florida
LESSEE

All Signatures Witnessed By:

its Secretary

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STATE OF FLORIDA)
COUNTY OF BROWARD)

I HEREBY CERTIFY that on this day before me, an officer duly authorized to take and certify acknowledgments in the State of Florida, personally appeared LEONARD R. CORCORAN and CURTIN R. COLEMAN, Vice-President and Secretary, respectively, of R. GREEN ANNAN DEVELOPMENT CORP., a corporation under the laws of the State of Florida, to me known to be the persons who signed the foregoing Sublease as such officers, and severally 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.



WITNESS my hand and official seal this 5th day of January, 1957.

W. S. Brown

Notary Public, State of Florida at large
My commission expires June 22, 1958.
Bonded by American Surety Co. of N. Y.

STATE OF FLORIDA)
COUNTY OF BROWARD)

I HEREBY CERTIFY that on this day before me, an officer duly authorized to take and certify acknowledgments in the State of Florida, personally appeared CURTIN R. COLEMAN and WILLIAM A. MORSE, President and Secretary, respectively, of HILLSBORO MILE OCEAN APARTMENTS, SECTION 2, INC., a corporation under the laws of the State of Florida, to me known to be the persons who signed the foregoing Sublease as such officers, and severally 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 the said corporation.



WITNESS my hand and official seal this 5th day of January, 1957.

W. S. Brown

Notary Public, State of Florida at large
My commission expires June 22, 1958.
Bonded by American Surety Co. of N. Y.

Notary Public, State of Florida at large
My commission expires June 22, 1958.
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