

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

Meeting Date: June 20, 2017

Agenda Item 7

REQUESTED CRA BOARD ACTION:

Resolution(s) Consideration Approval Other

SHORT TITLE OR MOTION: A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY (CRA) APPROVING AND AUTHORIZING THE PROPER OFFICIALS TO EXECUTE A SUBLEASE AGREEMENT BETWEEN THE CRA AND ATLANTIC HOSPITALITY GROUP III, LLC, RELATING TO PROPERTY LOCATED AT 11 NORTHEAST 1ST STREET, POMPANO BEACH, FLORIDA; PROVIDING AN EFFECTIVE DATE.

Summary of Purpose and Why:

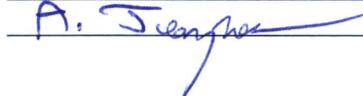
The CRA is in possession of a few key properties in Old Town, and it is important that these properties are appropriately tenanted to activate the emerging arts and entertainment district. It is imperative that there is pedestrian activity throughout the day which will promote a sense of safety in the area, and restaurants tend to provide this. One restaurant that would like to become the newest member of the Old Town tenant mix is Atlantic Hospitality Group III, LLC (AHG III). One of its members is Franco (Frank) Grieco of The Foundry and the upcoming restaurant, The Electric Owl. AGH III is excited about the space at 11 NE 1st St. and eager to bring a new modern restaurant concept to this location. AGH III can see the potential in the area and building, even though the space is currently a vacant shell. The approval of this agenda item will enable this restaurateur to bring another enticing restaurant concept to the emerging arts and entertainment district of Downtown Pompano Beach.

QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:

- (1) Origin of request for this action: Staff
- (2) Primary staff contact: Adriane Esteban, Project Manager Ext. 7841
- (3) Expiration of contract, if applicable: Initial term 6/30/2022
- (4) Fiscal impact and source of funding: No fiscal impact

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	AUTHORIZED SIGNATURE OR ATTACHED MEMO NUMBER

- CRA Executive Director
- CRA Attorney
- Finance Director


Claudia M. McKenna

A. J. Sanchez

ACTION PREVIOUSLY TAKEN BY CRA BOARD:

<u>Resolution</u>	<u>Consideration</u>	<u>Other:</u>
<u>Results:</u>	<u>Results:</u>	<u>Results:</u>



P. O. Drawer 1300
Pompano Beach, FL 33060

Phone: (954) 786-5535
Fax: (954) 786-7836

MEMORANDUM

Date: June 20, 2017

To: Pompano Beach CRA Board

From: Adriane Esteban, CRA Project Manager

Thru: Kim Briesemeister, CRA Co-Executive Director

Subject: 11 NE 1st Street Sublease Agreement

CRA staff has been promoting the availability of all properties in CRA possession to interested parties that will create the optimal merchandise mix in the emerging arts and entertainment district. This area needs to include more businesses that will activate the area throughout the day into evening hours. Having more pedestrian activity will increase the sense of safety in the area. Restaurants tend to do this as well as drive new customers in to the area. Atlantic Hospitality Group III, LLC (AHG III), whose members include the Mr. Franco (Frank) Grieco of The Foundry, and the upcoming restaurant in Old Town, The Electric Owl, is interested in the property located at 11 NE 1st St. AHG III would like to bring a new modern restaurant concept to this location and sees the potential of the area and building even though it's currently a vacant shell.

CRA staff recommends the CRA enter into a Sublease Agreement with AHG III for the property located at 11 NE 1st Street. The Sublease Agreement in this agenda item includes the following terms:

- The initial lease term will commence July 1, 2017, and be for a period of five years
 - There will be a fixturing period of twenty-four (24) months, where no rent shall be due. The rental commencement date will be July 1, 2019, with an annual rent of \$84,826 which will increase 3% annually.
 - The tenant will pay the insurance and taxes after the first year
 - There will be five (5) renewal options of five (5) years each. The rent rate will increase 10% during these renewal options.
-



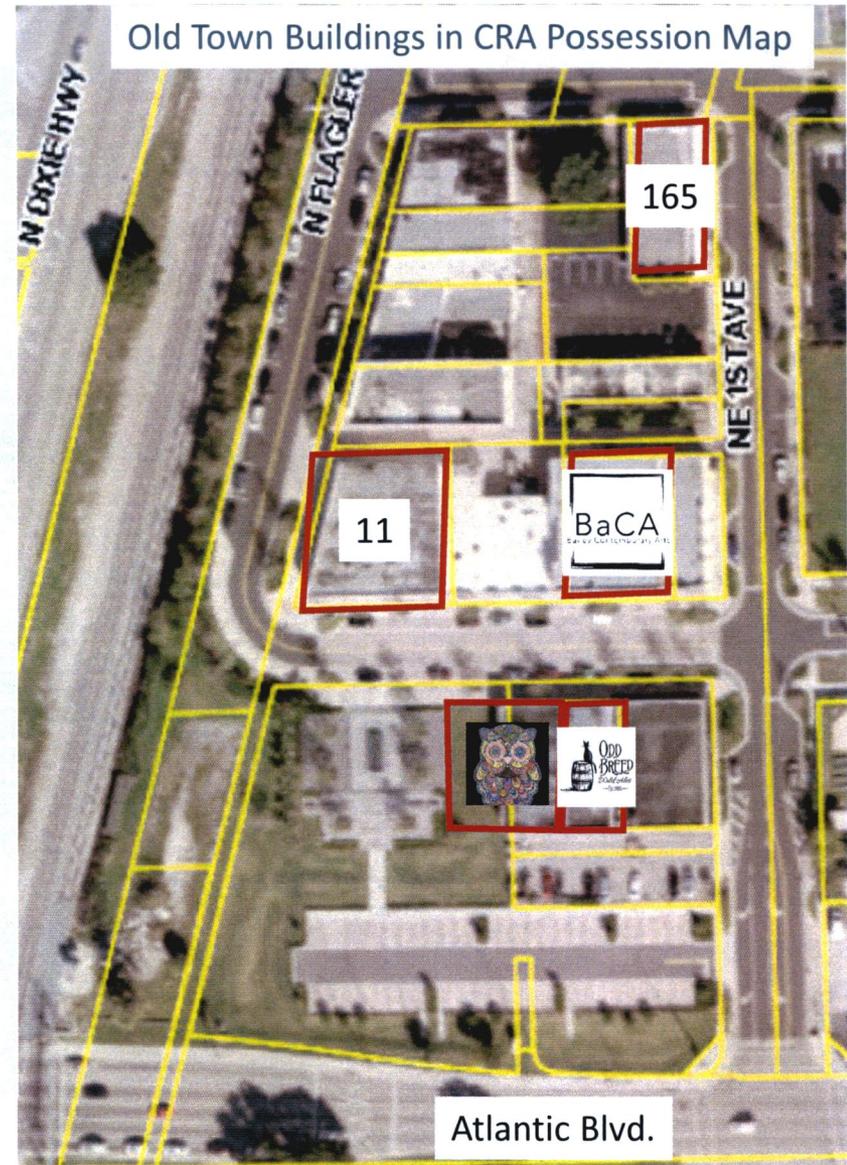
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The approval of this agenda item will not only bring income in to the CRA, but will also bring another new restaurant in to the up-and-coming arts & entertainment district of Downtown Pompano Beach. CRA staff made the Northwest CRA Advisory Committee aware of potential tenant in the April 2017 Key Project Updates handout.

Old Town CRA Tenant Information Chart

Project Name	Odd Breed Wild Ales	The Electric Owl	Altantic Hospitality Group III	TBD
Address	50 NE 1st St.	44 NE 1st St. & 10 NE 1st St.	11 NE 1st St.	165 NE 1st Ave.
Lease Area	2,500 SF	3,081 SF Bldg. + 2800 SF Land	6,098 SF	3,436 SF
Lease Type	Sublease	Sublease & Patio Lease	Sublease	Sublease
Rent Commencement	8/1/2017	7/1/2018	7/1/2019	TBD
Initial Rent Amt.	\$12.36/SF	\$12.36/SF + \$5,000 Annually	\$13.91/SF	TBD
Additional Rent	Porportional share of Taxes & Insurance, Maintenance (CAM)	Proportional share of Taxes & Insurance, Structural Maintenance	Taxes & Insurance (after 1 st year)	Increases to Taxes & Insurance + CAM
Current Status	Permit approved, Construction in Progress	In for Building Permit	Sublease Agreement approval pending	Discussions with Prospective Tenants
Anticipated Opening	July 2017	End of 2017	July 2019	TBD



POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY (CRA) APPROVING AND AUTHORIZING THE PROPER OFFICIALS TO EXECUTE A SUBLEASE AGREEMENT BETWEEN THE CRA AND ATLANTIC HOSPITALITY GROUP III, LLC, RELATING TO PROPERTY LOCATED AT 11 NORTHEAST 1ST STREET, POMPANO BEACH, FLORIDA; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY THAT:

SECTION 1. The Sublease Agreement between the Pompano Beach Community Redevelopment Agency and Atlantic Hospitality Group III, LLC, relating to the property located at 11 Northeast 1st Street, Pompano Beach, Florida (the Agreement), a copy of which Agreement is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

SECTION 2. The proper officials are hereby authorized to execute the Agreement, together with such other documents as may be required to effectuate the Agreement.

SECTION 3. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this _____ day of June, 2017.

LAMAR FISHER, CHAIRPERSON

ATTEST:

CATHY TRENKLE, SECRETARY

SUBLEASE AGREEMENT

This Sublease Agreement (“Sublease”) is made between the **POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY**, a public body corporate and politic created pursuant to Part III of Chapter 163, Florida Statutes, whose address for purposes of notice under this lease is 100 West Atlantic Blvd., Room 276, Pompano Beach, Florida 33060, (“CRA”) and **ATLANTIC HOSPITALITY GROUP III, LLC**, a Florida limited liability company, whose address is 2729 NE 31st Street, Lighthouse Point, Florida, 33064, (“Subtenant”).

Recitals

WHEREAS, the CRA has entered into a lease agreement with Pompano Property Investments, LLC, a Florida limited liability company (“Landlord”), relating to the lease by the CRA of that certain commercial property described as follows: 6,098 square feet of the structure located at 11 Northeast 1st Street, Pompano Beach, Florida 33060, (the “Premises”) as more particularly described in the lease agreement and amendments attached hereto as Exhibit “A” and incorporated herein by reference (the “Lease”), and

WHEREAS, the Lease, the effective date of which is October 1, 2014, provides for the use of the Premises for any use permitted by applicable federal, state, county or city statutes, laws, ordinances, resolutions, orders, rules or regulations (“Applicable Laws”); and

WHEREAS, the Lease provides for subleasing of the Premises and Subtenant wishes to sublease the Premises for the purpose of operating a restaurant and for related uses; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Sublease, the CRA and Subtenant agree as follows:

1. The above recitals are true and correct and are incorporated herein.
2. **Sublease of Property.** The CRA does hereby sublease to Subtenant, and Subtenant rents from the CRA, the following described commercial property: 6,098 square feet of the structure located at 11 NE 1st Street, Pompano Beach, Florida 33060 (collectively, the “Premises”). Subtenant acknowledges that it is subleasing the Premises in “as-is” condition. Subtenant further acknowledges that the CRA shall have no obligation to make additional improvements to the Premises, except to the extent otherwise explicitly stated herein.
3. **Sublease Term.** The initial term (“Initial Term”) of this sublease shall commence on July 1, 2017, at 12:01 a.m., and end at midnight on June 30, 2022.
4. **Renewal Term.** Provided that Subtenant shall have fully done, performed and observed all of the terms, covenants and conditions required hereunder to be done, performed or observed by it during the term of this Sublease, then the Subtenant shall have the right to renew this Sublease for five (5) successive terms of five (5) years each upon the same terms, covenants and conditions as the Initial Term of this Sublease. The base annual rent for the first year of the first option term shall increase by ten percent (10%) plus applicable sales tax and thereafter shall increase annually by three (3%) percent above the immediately preceding base annual rent. During any subsequent option terms exercised by Subtenant the base annual rent shall increase the first year by ten percent (10%) above the immediately preceding base annual rent.

Subtenant shall give written notice that it is exercising its option to renew by certified mail to CRA at least ninety (90) days prior to the termination of the Initial Term or any renewal term then in effect. The Renewal Term, with the Initial Term shall be referred to herein as the "Term."

5. **Rent.** The annual rental amounts for the Premises ("Rent") shall be as follows:
 - 5.1. There shall be no rental amount due for the Premises for the period of twenty-four (24) months from July 1, 2017, through June 30, 2019 (the "Improvements Period"). The first monthly rental payment shall be due on July 1, 2019, (the "Rental Commencement Date").
 - 5.2. Beginning on July 1, 2019, the annual Rent for the Premises will be \$84,826 payable in equal monthly installments of \$7,069 plus sales tax, if any, and not exempt.
 - 5.3. **Annual Rent Increase.** Beginning with the rental payment due on July 1, 2020, the Rent for the Premises will increase annually by three percent (3%) of the base rental amount for the prior year.
 - 5.4. **Rent Payments.** Subtenant shall pay Rent in equal monthly installments, plus sales tax, if any, and not exempt, which will be due on the first day of each calendar month.
 - 5.5. **Security Deposit.** The security deposit shall be \$6,468, together with first and last month's Rent of \$7,069 per month, for a total of \$20,606, plus sales tax, if any, and not exempt (the "Security Deposit"). The Security Deposit shall be paid on or before June 1, 2017.
 - 5.6. **Late Rent Payments.** If any monthly Rent payment is not received within ten (10) days of the due date, a late charge of Twenty-Five Dollars (\$25) shall be added for the first day late, plus an additional Five Dollars (\$5) per day for each day thereafter until payment is received. Any unpaid late charges due under this paragraph shall be added and become due with the next monthly Rent payment. Non-payment or ten (10) instances of late payment of Rent is a default under this Sublease.
6. **Subtenant's Right of First Refusal to Purchase Demised Premises.** Subtenant shall have the exclusive right to purchase the Premises for \$1.2 million until September 30, 2019, on the terms and conditions set forth in the Purchase and Sales Contract attached hereto and made a part hereof as Exhibit "A". Should Landlord receive a bona fide offer from any third party to purchase the Premises at a price and on terms acceptable to Landlord, CRA shall give Subtenant written notice of said price and terms and Subtenant shall have thirty (30) days after that in which to execute a written agreement with Landlord to purchase the Premises at that price and on those terms. If Tenant notified Subtenant and Subtenant failed to execute the aforesaid purchase agreement within the applicable 30 Subtenant's receipt of the notice, Landlord is free to sell the Premises to the third party making the offer on the same terms and conditions set forth in the offer; however, Landlord's sale of the Premises shall be subject to the Lease and shall not relieve any subsequent owner(s) of any obligation(s) under the Lease.
7. **Taxes and Assessments.** Subtenant shall be responsible to pay all municipal, county, and state ad valorem and non-ad valorem taxes and assessments which may be assessed against the Premises during the Term of this Sublease, after the first lease year. Subtenant shall also be responsible for payment of any taxes levied against the personal property and trade fixtures of Subtenant located in and about the Premises.

Notwithstanding that annual rent is not due during the Improvements Period, Subtenant agrees to pay the CRA for the ad valorem and non-ad valorem taxes levied by the government on the property during the second year of the Improvements Period.

8. **Insurance.** Subtenant shall carry commercial general liability insurance in an amount of not less than \$1 million dollars per person, per occurrence, naming both the CRA and Landlord as Additional Insureds under such Policy. Additionally, Subtenant must pay property insurance, after the first year of the lease. Subtenant is encouraged, but not required to carry plate glass insurance if keeping existing storefront. CRA will not pay for any broken storefront glass.

Notwithstanding that annual rent is not due during the Improvements Period, Subtenant agrees to pay the CRA for the insurance during the second year of the Improvements Period.

9. **Subtenant's Maintenance Obligation.** Subtenant shall be responsible for maintenance and repair of the interior and exterior of the Premises, including but not limited to, painting, conduits, HVAC system, window cleaning, lighting, roof, interior ceilings and walls and all subtenant improvements, at its sole cost and expense, except to the extent that this is inconsistent with subparagraph 8.4 below. Subtenant shall use commercially reasonable efforts to maintain the Premises in a good, neat, clean, safe and sanitary condition throughout the Term, reasonable wear and tear excepted. Subtenant shall keep all furnishings, fixtures and accessories, and any display facilities, in good repair. The Premises shall be maintained in accordance with all applicable code requirements of the Broward County Health Department and all Applicable Laws. Notwithstanding the preceding language in this paragraph, CRA shall be responsible to ensure that the HVAC system is in good condition prior to the Improvements Period. If the HVAC is not in good working order, then the CRA shall be responsible for all costs of providing Subtenant with an HVAC system in good working order. In the event the Subtenant expands the HVAC system, the Subtenant shall be responsible for any roof penetrations and repairs caused by any work relating to such HVAC expansion.
 - 9.1. **Windows.** Subtenant shall obtain and pay for the regular cleaning of the exterior windows.
 - 9.2. **Pest Control.** Subtenant shall obtain and pay for professional exterminators to control vermin and pests on a regular basis, no less than monthly and as needed. Such extermination services shall be supplied in all areas where food is prepared, dispensed, or stored and in all areas of the Premises where trash is collected and deliveries are made.
 - 9.3. **Janitorial.** Subtenant shall obtain and pay for all janitorial services required to keep the Premises in clean and sanitary condition, as well as to comply with Applicable Laws.
 - 9.4. **Structural Repairs.** In the event any repairs are necessary to the wiring and plumbing in the walls, floors, ceiling or hard structures of the Premises or any repair involves major penetration of walls, ceilings or floors, Tenant shall be responsible for the costs and shall notify the Landlord of the repair(s).
 - 9.5. **Trash Management.** CRA strongly encourages Subtenant to build a trash collection room inside the Premises facing the back alley where the dumpster can be stored in air-conditioned space so as not to cause back alley to smell.

- 9.6. **Grease Trap.** Tenant shall comply with Pompano Beach City Code regarding wastewater and grease. Tenant shall obtain all applicable permits at Tenant's cost. Tenant shall do whatever is necessary to properly maintain and clean the grease trap as often as necessary to prevent clogging or discharge, and in compliance with the City Code and, at a minimum, shall be pumped and cleaned not less than once every three (3) months.
10. **Utilities.** Subtenant shall be responsible for obtaining and paying the cost of all utilities (water, sewer, electric, gas, telephone, cable, internet, etc.) serving the Premises during the Term, together with any taxes, penalties, surcharges and any other charges pertaining to such utilities. If utilities are inadvertently billed to the CRA, Subtenant will reimburse the CRA within ten days after receipt of the invoice or utility bill from the CRA. Subtenant will promptly arrange for such utilities to be billed directly to Subtenant. Subtenant will pay all amounts due directly to the utility company prior to delinquency.
11. **Use of Premises.** Subtenant shall use the Premises for the operation of a restaurant, music venue, brewery, brewpub, as well as other similar ancillary and related uses. No other use of the Premises is permitted under this Sublease without the CRA's express written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Subtenant will not commit or permit any waste or damage to the Premises and will not carry on any activity that constitutes a nuisance as defined in the Florida Statutes or violates any Applicable Laws; however, it is agreed by CRA and Subtenant that the use of the Premises for operating a restaurant, music venue, brewery, brewpub and for related uses shall not constitute a nuisance and Subtenant shall have the right to terminate this Sublease without any further obligation upon thirty (30) days notice to CRA if any governmental entity shall determine that Subtenant's use constitutes a nuisance. Subtenant, at its expense, shall procure and maintain all governmental licenses or permits required for the proper and lawful conduct of Subtenant's use of the Premises.
12. **Parking.** Subtenant shall have access to the on-street public parking spaces and public parking lots within walking distance of the Property during the Term. Such access is on a first-come, first-served basis. Subtenants' employees are strongly encouraged to park in the public parking lots in the area. Valet parking may become available to Subtenant at a cost to be determined.
13. **Improvements.** Subtenant has the right to make changes, alterations and additions to the Premises ("Improvements") with the CRA's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Subtenant shall be responsible for obtaining all permits required for the Improvements. Subtenant shall be responsible for paying all impact fees, if any, and concurrency fees, if any. All Improvements must be undertaken in a good and workmanlike manner and comply with all Applicable Laws. All Improvements made by Subtenant which are permanently attached to the Premises including restroom fixtures and trench drains will become the property of the CRA and shall remain on the Premises at the end of the Sublease Term. Subtenant will have the right to remove any moveable furniture, fixtures and equipment at the end of the Term. In addition, Subtenant will have the right to remove from the Premises at the end of the Term any moveable kitchen equipment or appliances, such as ovens, ranges, and refrigerators installed by Subtenant, as long as Subtenant repairs any damage caused by the removal of such equipment.

- 13.1. **CRA's Cooperation in Applications.** Pursuant to Section 8.1 of the Lease between the CRA and the Landlord, the CRA agrees to obtain Landlord's joinder in and execution of any permit applications, consents, or other documents required in connection with the construction or installation of any Improvements by Subtenant. The CRA agrees to obtain Landlord's signature for the signing of any required documents within fifteen days after receipt of the request from Subtenant and the document to be signed.
- 13.2. **Signage.** Subtenant has the continuing right to install signs, awnings, marquees or other structures on the exterior of the Premises with the CRA's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any and all such signs or structures must comply with Applicable Laws.
- 13.3. **Incentives Application.** Subtenant may apply for incentives offered by the CRA for tenant interior and/or exterior buildout according to CRA regulations. CRA's contribution for an approved application would be up to a maximum of \$40,000 from the Façade and Business Site Improvement Program and up to a maximum of \$150,000 from the Strategic Investment Program (SIP). Subtenant must make a full application for incentives in order to receive consideration by the CRA Board for approval. Subtenant acknowledges that the CRA has no obligation to approve such incentives application.
14. **CRA's Right to Inspect Premises.** The CRA will have the right to enter upon and inspect the Premises at reasonable times and after notice to Subtenant. The CRA will have the right to place a sign in the Premises advertising that the Premises are available for rent not more than 30 days prior to the expiration of the Term.
15. **Ownership; Peaceful Enjoyment; Surrender of Premises.** The CRA represents and warrants that it has a leasehold interest in the Premises as provided for in the Lease. The CRA will warrant and defend Subtenant's right to the peaceful possession and enjoyment of the Premises during the Term of this Sublease. At the end of the Term, Subtenant will surrender the Premises in clean condition and good repair, normal wear and tear excepted. No surrender of the Premises by Subtenant prior to the end of the Term of this Lease will be valid unless accepted by the CRA in writing.
16. **Sublease Subordinate to Lease.** The parties agree that this Sublease shall be subject and subordinate at all times to all of the covenants, agreements, terms, provisions and conditions of the Lease. Neither the CRA nor Subtenant shall do or permit anything to be done in connection with this Sublease or Subtenant's occupancy and use of the Premises which will violate the Lease. All actions of Subtenant shall be consistent with the CRA's obligations under the Lease.
17. **Accidental Damage or Injury.** The CRA and the Landlord shall not be liable for any damage to property, or any injury to persons, sustained by Subtenant or others, caused by conditions or activities on the Premises. Subtenant shall carry insurance insuring the CRA, Subtenant, and Landlord against any claims of the types and in the amounts stated in Exhibit "B" attached hereto and made a part hereof.
18. **Force Majeure.** If the Premises shall be destroyed or damaged by any acts of Force Majeure, including earthquake or fire, to such an extent as to render the Premises untenable in whole or in substantial part, the CRA or Subtenant (provided that Subtenant is not at fault for the damage) shall have the right to terminate the Term of the Sublease by giving notice to the

other of its exercise of such right at any time within thirty (30) days after the occurrence of such damage or destruction. If this notice is given, the term of the Sublease shall terminate, and rent shall be payable, up to the date of destruction as if such date were the date set forth in the Sublease. If Subtenant exercises the option to terminate the Sublease, Subtenant must immediately vacate the Premises, but shall be provided a reasonable amount of time to recover and remove any of its equipment. If neither party has given notice of termination as herein provided, CRA has the option of rebuilding or repairing the Premises by giving notice to that effect to Subtenant within fifteen (15) days after the termination of the option of its intent to rebuild or repair the Premises or the part so damaged. If the CRA elects to rebuild or repair the Premises and does so without unnecessary delay, Subtenant shall be bound by this Sublease, except that during the period of repair, the Rent shall be abated in the same proportion that the part of the Premises rendered unfit for occupancy by Subtenant shall bear to the whole of the subleased premises. In the event that neither party terminates the Sublease pursuant to the above portion of this paragraph, CRA's repairs must be complete within six (6) months following the destruction, or Subtenant shall have the option to terminate this Sublease within twenty (20) days after the expiration of the six (6) month period.

19. **Liens.** Subtenant shall keep the Premises free and clear of all liens arising out of any work performed, material furnished or obligations incurred by Subtenant.
20. **Laws and Ordinances.** Subtenant agrees to comply with all applicable state statutes, Broward County and City ordinances, and any safety requirements of all federal, state and local governments. Subtenant shall maintain all required licenses from governmental agencies in full force and effect during the term of this Sublease.
21. **Indemnification.** Subtenant will indemnify and hold harmless the CRA, the City of Pompano Beach ("City"), the Landlord, and the Premises from all costs, losses, damages, liabilities, expenses, penalties, and fines whatsoever ("Claims") that may arise from or be claimed against the CRA, the City, the Landlord, or the Premises by any person for any injury to person or property or damage of whatever kind or character arising out of or in connection with any of the following: (a) the use or occupancy of the Premises by Subtenant or its employees, agents, guests, and invitees; or (b) any failure by Subtenant or its employees, agents, guests, and invitees to comply with all Applicable Laws.
 - 21.1. **Lawsuits.** If any lawsuit or proceeding is brought against the CRA, the City, the Landlord, or the Premises on account of any alleged violations of, or failure to comply with, Applicable Laws, or on account of any damage, omission, neglect, or use of the premises by Subtenant, its agents, employees, guests and invitees, Subtenant agrees that Subtenant or any other person on the premises with Subtenant's consent will defend the CRA, the City, and Landlord in such lawsuit or proceeding, and pay whatever judgments may be recovered against the CRA, the City, the Landlord, or the Premises, and pay for all attorneys' fees in connection with such lawsuit or proceeding, including attorneys' fees on appeal. The venue for any litigation shall be in Broward County, Florida.
 - 21.2. **Limitation.** Nothing in this Sublease shall be deemed as a waiver by the CRA or the City of the monetary limits set forth in Section. 768.28(5), of the Florida Statutes, which monetary limits shall be applicable regardless of whether said limitations would apply in the absence of this provision.
 - 21.3. **Glass Damage.** In case of damage to glass caused by Subtenant, or its agents, employees, guests or invitees in the Premises, Subtenant agrees to replace the glass

with glass of the same kind, size, and quality as quickly as possible at Subtenant's expense.

22. Defaults and Remedies.

- 22.1. **Events of Default.** The occurrence of any one or more of the following events shall constitute a Default under this Sublease:
- 22.1.1. **Failure by Subtenant to pay Rent.** If any Rent due under this Sublease is not paid within fifteen days after the due date, the CRA will have the right to resume possession of the Premises and re-lease or rent the Premises for the remainder of the Term for the account of Subtenant and recover from Subtenant at the end of the Term the difference between the Rent specified in this Sublease and the Rent received on the re-leasing or renting.
 - 22.1.2. Failure by either party to observe or perform in any material respect any covenant, obligation or agreement contained in this Sublease.
 - 22.1.3. The filing by Subtenant of a petition to have Subtenant adjudged bankrupt or a petition for reorganization under any law relating to bankruptcy; or the appointment of a trustee or receiver to take possession of all or substantially all of Subtenant's assets where such possession is not restored to Subtenant within ninety (90) days of such appointment.
 - 22.1.4. The material breach of any representation or warranty by either Party contained in this Sublease Agreement if such material breach is not cured after written notice from the non-defaulting party to the defaulting party and a reasonable opportunity to cure such material breach.
- 22.2. **Cure Period.** In the event of a Default, the non-defaulting party shall provide written notice to the defaulting party and the defaulting party shall have thirty (30) days to cure such Default, provided that the cure period shall be extended if the Default cannot reasonably be cured within thirty (30) days and the defaulting party is using commercially reasonable efforts to cure said Default.
- 22.3. **Remedies for Default.** Following the occurrence of a Default and the expiration of any applicable cure period, the non-defaulting party may terminate this agreement. Additionally, the non-defaulting party shall have the right to have provisions of this Agreement enforced by any court having equity jurisdiction it being acknowledged that any such Default will cause irreparable injury to the non-defaulting party and that money damages will not provide an adequate remedy.
23. **No Waiver.** The exercise by either party to this Sublease of any right or remedy under this Sublease will not be a waiver of or preclude the exercise of any other right or remedy afforded such party by this Sublease or by Applicable Laws. The failure of either party in one or more instances to insist on strict performance or observation of one or more of the covenants or conditions of this Sublease or to exercise any remedy, privilege, or option conferred by this Sublease on or reserved to such party shall not operate or be construed as a relinquishment or future waiver of the covenant or condition or the right to enforce it or to exercise that remedy, privilege, or option; that right shall continue in full force and effect. Regarding the CRA, its receipt of Rent or any other payment or partial payment required to be made by the Subtenant

shall not act to waive any additional Rent or other payment then due. Even with the CRA's knowledge of the breach of any covenant or condition of this Sublease, receipt of Rent will not operate as or be considered to be a waiver of this breach. No waiver by either party of any of the provisions of this Sublease, or of any of either party's rights, remedies, privileges, or options under this Sublease, will be considered to have been made unless made by such party in writing.

24. **Assignment and Subletting.** This Sublease may not be assigned, sublet, or subleased without the express written consent and approval of the CRA, which consent shall not be unreasonably withheld, conditioned or delayed.
25. **Termination and Surrender**
 - A. If Subtenant does not renew the Sublease as described herein or a new lease with the CRA is otherwise not secured:
 1. Subtenant shall surrender the Premises on or before the last day of the Term of this Sublease.
 2. The CRA shall have the right to place and maintain on the Premises "For Rent" signs during the last thirty (30) days of the term of this Sublease.
 3. Subtenant shall, at the expiration of this Sublease, surrender the keys to the Premises to the CRA.
 - B. If Subtenant shall surrender the Premises at the election of the Subtenant, the liability for all duties and obligations required of Subtenant shall continue until the surrender has been accepted by the CRA in writing.
26. **Address for Payments and Notices**
 - 26.1. **Notices to the CRA.** Rent payments and notices to the CRA shall be mailed or delivered to the address set forth on the first page of this Sublease, unless the CRA changes the address by written notice to Subtenant.
 - 26.2. **Notices to Subtenant.** Notices to Subtenant shall be mailed or delivered to the Premises and to Subtenant's address set forth on the first page of the Sublease.
 - 26.3. **Mailing of Notice.** All notices required under this Sublease shall be sent either by (a) certified or registered mail, return receipt requested; (b) hand-delivery with a receipt evidencing delivery, or (c) Federal Express or other nationally recognized overnight mail service.
27. **Radon Gas Notification.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the county health department.
28. **Miscellaneous Provisions.**
 - 28.1. **Inspection Period.** Subtenant shall have thirty (30) days following the execution of this Sublease and receipt of the complete due diligence package in the form of a CD to perform an inspection of the Premises and related documentation in order to ensure suitability of the Premises for Subtenant's intended investment, which shall include ensuring proper zoning to operate as a brewery with a taproom (CMB manufacturing

license with a retail license to sell beer (and wine, if Subtenant so desires) for on and off site consumption). During the Inspection Period, the CRA will assist the Subtenant in obtaining a determination from the City that the Premises currently comply with all necessary requirements for the use stated herein so as not to require a new HVAC system or handicap ramp for the rear exit. Subtenant agrees to limit its occupancy to less than 50 in order to achieve the above. If such assurance is not provided in writing by the City's building department and planning and zoning department during the Inspection Period, the Inspection Period may be extended by the Subtenant by giving notice to the CRA in writing that it wishes to extend the Inspection Period until such time as such assurance is provided by the City departments but not longer than 120 days.

- 28.2. **Captions.** The captions appearing in this Sublease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of the sections or articles of this Sublease or affect this Sublease in any way.
- 28.3. **Governing Law.** This Sublease will be governed by the laws of the state of Florida, as to both interpretations and performance.
- 28.4. **Entire Agreement.** This Sublease sets forth all of the promises, agreements, conditions, and understandings between the CRA and Subtenant relative to the Premises. There are no other promises, agreements, conditions, or understandings, either oral or written, between them. No amendment, change, or addition to this Sublease will be binding on the CRA or Subtenant unless in writing and signed by both of them.
- 28.5. **Successors and Assigns.** The terms of this Sublease will be binding on the respective successors, representatives, and assigns of the parties.

IN WITNESS WHEREOF, the CRA and Subtenant have duly executed this Sublease Agreement on _____, 2017.

“CRA”:

Signed, Sealed and Witnessed
In the Presence of:

**POMPANO BEACH COMMUNITY
REDEVELOPMENT AGENCY**

Print Name: _____

By: _____
Lamar Fisher, Chairman

Print Name: _____

ATTEST:

Cathy Trenkle, Secretary

Print Name: _____

EXECUTIVE DIRECTOR:
Redevelopment Management Associates, LLC
a Florida limited liability company

By: _____
Print Name: _____,
a managing member

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 2017 by LAMAR FISHER as Chairman of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY’S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 2017 by CATHY TRENKLE, Secretary of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by _____, as Managing Member of Redevelopment Management Associates, LLC, on behalf of the limited liability company. He/She is personally known to me or who has produced _____ (type of identification) as identification.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

"SUBTENANT":

ATLANTIC HOSPITALITY GROUP III, LLC

Signed, Sealed and Witnessed
In the Presence of:

[Signature]
Print Name Patricia Jewell

By: [Signature]
Print Name: FRANCO GRIECO
Title: Managing Partner

[Signature]
Print Name Richard Mock

[Signature]
Print Name Patricia Jewell

By: [Signature]
Print Name: STEPHANIE THOMPSON
Title: Managing Partner

[Signature]
Print Name Richard Mock

STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 14 day of June, 2017, by FRANCO GRIECO as Managing Partner (title) and STEPHANIE THOMPSON as Managing Partner (title) of ATLANTIC HOSPITALITY GROUP III, LLC, who are personally known to me or who has produced Drivers License (type of identification) as identification..

NOTARY'S SEAL:

[Signature]
NOTARY PUBLIC, STATE OF FLORIDA

Richard Mock

(Name of Acknowledger Typed, Printed or Stamped)



Richard Mock
Notary Public
State of Florida
My Commission Expires 3/24/2020
Commission No: FF 975240

FF 975240

Commission Number

EXHIBIT "A"

RESOLUTION NO. 2014-71

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

A RESOLUTION OF THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE PROPER OFFICIALS TO EXECUTE A COMMERCIAL LEASE BETWEEN THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY AND POMPANO PROPERTY INVESTMENTS, LLC; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. That a Lease between the Pompano Beach Community Redevelopment Agency and Pompano Property Investments, LLC, Inc., a copy of which Lease is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

SECTION 2. That the proper officials are hereby authorized to execute said Lease between the Pompano Beach Community Redevelopment Agency and Pompano Property Investments, LLC.

SECTION 3. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this 16th day of September, 2014.



LAMAR FISHER, CHAIRPERSON

ATTEST:



MARGARET GALLAGHER, SECRETARY

GBL/ds
8/29/14
l:reso/cra/2014-391

EXHIBIT "A"

EXHIBIT 2

COMMERCIAL LEASE

This Commercial Lease ("Lease") is made between **Pompano Property Investments, LLC** ("Landlord"), whose address for purposes of notice under this Lease is 6051 North Ocean Drive, #704, Hollywood, Florida, 33309, and the **Pompano Beach Community Redevelopment Agency**, a public body created pursuant to Part III of Chapter 163, Florida Statutes ("Tenant") whose address for purposes of notice under this Lease is 100 West Atlantic Blvd., Room 276, Pompano Beach, Florida 33060.

Recitals

Tenant desires to lease the real property located at 11 NE 1st Street in Pompano Beach, Florida for commercial use(s).

Landlord owns the foregoing real property and is willing to lease same to Tenant on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements set forth in this Lease, Landlord and Tenant agree as follows:

1. **Lease of Premises.** Landlord hereby leases to Tenant, and Tenant rents from Landlord, the following described developed real property consisting of approximately 6,098 square feet of leasable area (collectively the "Premises"):

Premises ID: 4842 35 08 0200

Address: 11 NE 1st Street, Pompano Beach, Florida

AKA: 1 NE 1 Street, Pompano Beach, Florida

Legal Description: Lot 10, less the East 173.25 feet of a Resubdivision of Lot 15, of a Subdivision of Section 35, Township 48 South, Range 42 East, according to the Plat thereof as recorded in Plat Book "B", Page 76 of the Public Records of Miami-Dade County, Florida, said lands lying and being in the City of Pompano Beach, Broward County, Florida.

2. **Parking.** No parking is provided on the Premises.

3. **Lease Term.** The initial term ("Initial Term") of this Lease shall be a period of twenty (20) years commencing on OCTOBER 1, 2014, at 12:01 a.m., and ending at midnight on SEPTEMBER 30, 2034.

4. **Rent.** The annual rent ("Rent") for the Premises is \$73,176.00 per year plus sales tax, if any and not exempt.

EXHIBIT "A"

4.1 **Annual Rent Increase.** The Rent for the Premises is subject to a three percent (3%) annual increase on each anniversary of the Lease Commencement Date during the Term.

4.2 **Rent Payments.** Tenant shall pay Rent in equal monthly installments of \$6,098.00 which shall be due on the first day of each calendar month plus sales tax, if any and not exempt.

4.3 **Security Deposit.** No security deposit shall be required under this Lease.

4.4 **Invoices.** Landlord agrees to provide Tenant a monthly invoice for Rent at least fifteen (15) days prior to the date Rent is due. If Landlord fails to timely send an invoice, the time for Tenant to pay Rent shall be extended until fifteen days after Tenant receives the invoice from Landlord.

4.5 **Option to Renew.** Provided Tenant is not in default, Tenant shall have the right and option to renew this Lease on the terms and conditions herein for up to three (3) additional terms of five (5) years each ("Renewal Terms") by delivering Landlord written notice of its intention to renew the Lease no later than 90 days prior to the end of the Term then in effect. The Initial Term and Renewal Terms are collectively referred to as the "Term." The Executive Director for the CRA shall have the authority to renew this Lease.

4.6 **Tenant's Right of First Refusal to Purchase Demised Premises.** Landlord agrees Tenant and any Subtenant under this Lease shall have the exclusive right to purchase the Premises for \$1.2 million during the first five (5) years of the Initial Lease Term on the terms and conditions set forth in the Purchase and Sales Contract attached hereto and made a part hereof as Exhibit A. Thereafter, should Landlord receive a bona fide offer from any third party to purchase the Premises at a price and on terms acceptable to Landlord, Landlord shall give Tenant written notice of said price and terms and Tenant or Subtenant shall have thirty (30) days after that in which to execute a written agreement with Landlord to purchase the Premises at that price and on those terms. However, if Landlord provides Tenant written notice of said bona fide third party offer after July 15th, Tenant shall have sixty (60) days after that in which to execute a written agreement with Landlord to purchase the Premises at that price and on those terms. If Landlord notified Tenant and Tenant or Subtenant failed to execute the aforesaid purchase agreement within the applicable 30 or 60-day period after Tenant's receipt of the notice, Landlord is free to sell the Premises to the third party making the offer on the same terms and conditions set forth in the offer; however, Landlord's sale of the Premises shall be subject to this Lease and shall not relieve any subsequent owner(s) of any obligation(s) under this Lease.

5. **Taxes and Assessments.** Tenant shall be responsible to pay all municipal, county and state taxes and assessments which may be assessed against the Premises during the Term of this Lease. Tenant shall also be responsible for any taxes levied against the personal property and trade fixtures of Tenant located in and about the Premises. Tenant's payment of real property taxes shall be prorated at commencement of this Lease.

EXHIBIT "A"

6. **Utilities.** Utilities shall be secured by, and billed directly to, Tenant who shall be responsible for timely paying the cost of all utilities (water, sewer, electric, gas, telephone, cable, garbage, etc.) serving the Premises during the Term.

7. **Use of Premises "As Is".** Tenant has inspected the Premises prior to entering into this Lease and agrees to accept it "as is." Further Landlord makes no promises, representations or warranties, including any warranty of marketability or fitness for a particular purpose, express or implied, as to the condition thereof. Tenant shall have the right to use the Premises for any use permitted by applicable federal, state, county or city statutes, laws, ordinances, resolutions, orders, rules or regulations ("Applicable Laws"). Tenant shall not commit or permit any waste or damage to the Premises or carry on any activity that constitutes a nuisance or violates any Applicable Laws.

8. **Improvements.** Tenant has the right to make changes, alterations and additions to the Premises ("Improvements") without Landlord's prior written consent as long as the Improvements are done in a good and workmanlike manner and comply with all Applicable Laws. At the end of the Term, Tenant shall have the right to remove all moveable furniture, fixtures, equipment and appliances not attached to the walls along with any improvements made by Tenant which are attached to the walls, including cabinets, equipment or appliances, as long as Tenant repairs any damage caused by the removal of such improvements, equipment or appliances.

8.1 **Landlord's Joinder in Applications.** Landlord agrees to join in and execute any permit applications, consents, or other document required in connection with the construction or installation of any Improvements by Tenant or the remediation activities contemplated in Paragraph 21.5 herein. Landlord agrees to sign any required documents within ten (10) days of receipt of the request from Tenant and the document to be signed.

8.2 **Signage.** Tenant has the continuing right to install signs, awnings, marquees or other structures on the exterior of the Premises without Landlord's prior written consent as long as the signs or structures comply with Applicable Laws.

9. **Tenant's Maintenance Obligation.** Tenant agrees to maintain the interior and exterior of the Premises, including the roof, painting, conduits, windows, doors, plate glass, paved surfaces, HVAC system, and interior/exterior walls.

10. **Landlord's Right to Inspect Premises.** Landlord shall have the right to place a sign in Premises advertising that it is available for rent not more than 30 days prior to the expiration of the Term.

11. **Ownership; Peaceful Enjoyment; Surrender of Premises.** Landlord represents and warrants that it owns the Premises free and clear of any claims, liens or judgments that could affect Tenant's use and enjoyment of the Premises for the commercial purposes contemplated by this Lease. Landlord shall warrant and defend Tenant's right to the peaceful possession and enjoyment of the Premises during the Term. At the end of the Term, Tenant will surrender the Premises in clean condition and good repair, normal wear and tear excepted. No surrender of the

EXHIBIT "A"

Premises by Tenant prior to the end of the Term of this Lease shall be valid unless accepted by Landlord in writing.

11.1 **Mortgages.** Landlord represents that any mortgages encumbering the Premises are in good standing and have been paid through a current date and that Landlord shall keep such mortgages in good standing throughout the Term.

11.2 **Subordination.** Tenant acknowledges that this Lease and all of Tenant's rights hereunder shall be subject to and subordinate to the right of any mortgage holder now or hereafter having a security interest in the Premises.

11.3 **Nondisturbance.** If any other party takes possession of the Premises or becomes the owner, so long as Tenant complies with and performs its obligations hereunder and no event of default has occurred under this Lease, then:

a. Neither Tenant nor its Subtenant's possession shall be terminated, impaired, or disturbed.

b. This Lease will continue in full force and effect as a direct Lease between any new owners and Tenant or its Subtenant subject to all of the terms, covenants and conditions of the Lease for the balance of the Term.

11.4 **Attornment.** If Lender or any other party becomes the owner of the Premises by foreclosure, conveyance in lieu of foreclosure or otherwise ("Successor Landlord"), then Tenant agrees as follows:

a. Tenant will perform and observe its obligations under the Lease.

b. Tenant will attorn to and recognize Successor Landlord as the Landlord under the Lease for the remainder of the term of the Lease, such attornment to be automatic and self-operative.

c. Tenant will execute and deliver upon request of Successor Landlord an appropriate agreement of attornment to Successor Landlord.

12. Notices.

a. All notices, demands and other communications ("Notices") under or concerning this Agreement must be in writing. Each Notice shall be addressed to the intended recipient at its address set forth in this Agreement, and will be deemed given on the earliest to occur of (1) the date when the Notice is received by the addressee; (2) the first Business Day after the Notice is delivered to a recognized overnight courier service, with arrangements made for payment of charges for next Business Day delivery; or (3) the third Business Day after the Notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested. The term "Business Day" means any day other than a Saturday, a Sunday or any other day on which Lender is not open for business.

EXHIBIT "A"

b. Any party to this Agreement may change the address to which Notices intended for it are to be directed by means of Notice given to the other party in accordance with this Paragraph. Each party agrees that it will not refuse or reject delivery of any Notice given in accordance with this Section, that it will acknowledge, in writing, the receipt of any Notice upon request by the other party and that any Notice rejected or refused by it will be deemed for purposes of this Paragraph to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.

Any Notice, if given to Landlord, shall be addressed as follows:

Forest Virgil, Managing Member
Pompano Property Investments, LLC
6051 North Ocean Drive, #704
Hollywood, Florida,

Any Notice, if given to Tenant, shall be addressed as follows:

Executive Director
Pompano Beach Community Redevelopment Agency
100 West Atlantic Blvd., Room 276
Pompano Beach, Florida 33060

13. Insurance.

13.1 **Tenant's Rights and Obligations.** Tenant shall carry Commercial General Liability insurance in an amount not less than \$200,000.00 per person and \$300,000.00 per occurrence.

In addition, on a pro rata basis at the commencement of this Lease and each subsequent annual term thereafter, Tenant agrees to reimburse Landlord for the cost of the insurance required pursuant to Section 13.2 herein. In the event of a total loss prior to expiration of an annual insurance policy term, Tenant shall be entitled to pro rata reimbursement for the cost of said coverage.

Further, Tenant reserves the right to obtain a bona fide price quote for the insurance required of Landlord pursuant to Section 13.2 herein and, subject to Landlord's approval, may elect to purchase said insurance on Landlord's behalf if the coverage is equal or better in cost and rating to that currently held or being proposed by Landlord.

13.2 **Landlord's Rights and Obligations.** Throughout the term of this Lease and based on the commercial use of the Premises, Landlord shall maintain General Commercial Liability Insurance in an amount not less than \$1 million per person, per occurrence and property and windstorm coverage in an amount not less than the highest insurable value of the Improvements on the Property. Tenant agrees to reimburse Landlord for the cost of the foregoing insurance coverage in accordance with Section 13.1 above.

EXHIBIT "A"

13.3 Any Subtenant under this Lease shall be required to provide Commercial General Liability Insurance in an amount not less than \$1 million per person, per occurrence and name both Landlord and Tenant as additional insureds on said policies.

14. **Indemnification.** Without waiving its sovereign immunity and to the extent permitted by Applicable Laws, Tenant shall indemnify and hold harmless Landlord and the Premises from all costs, losses, damages, liabilities, expenses, penalties, and fines whatsoever ("Claims") that may arise from or be claimed against Landlord or the Premises by any person for any injury to person or Premises or damage of whatever kind or character arising out of or in connection with any of the following: (a) the use or occupancy of the Premises by Tenant or its employees, agents, guests and invitees and (b) any failure by Tenant or its employees, agents, guests and invitees to comply with all Applicable Laws.

14.1 **Lawsuits.** If any lawsuit or proceeding is brought against Landlord or the Premises on account of any alleged violations of, or failure to comply with, Applicable Laws, or on account of any damage, omission, neglect, or use of the premises by Tenant, its agents, employees, guests and invitees, Tenant agrees that Tenant or any other person on the premises with Tenant's consent shall defend Landlord in such lawsuit or proceeding, and pay whatever judgments may be recovered against Landlord or the Premises, and pay for all attorneys' fees in connection with such lawsuit or proceeding, including attorneys' fees on appeal.

14.2 **Limitation.** Any indemnification by Tenant set forth in this Lease shall be limited to the specific monetary limits of Section. 768.28 (5), Florida Statutes, which monetary limits shall be applicable regardless of whether said limitations would apply in the absence of this provision.

14.3 **Glass Damage.** In case of damage to glass caused by Tenant, or its agents, employees, guests or invitees in the Premises, Tenant agrees to replace the glass with glass of the same kind, size, and quality as quickly as possible at Tenant's expense.

14.4 **Landlord's Indemnification of Tenant.** Landlord shall indemnify and hold harmless Tenant from all Claims that may arise or be claimed against Tenant arising out of or in connection with any actions of Landlord.

15. **Casualty Damage to Premises.** If the Premises is destroyed or so damaged by fire, casualty, or other disaster that it becomes uninhabitable, Landlord shall have the right to render the Premises habitable by making the necessary repairs within 90 days from the date of the casualty, with reasonable additional time, if necessary, for Landlord to adjust the loss with any insurance companies insuring the Premises, or for any other delay caused by conditions beyond Landlord's control. If the Premises is not rendered habitable within the 90-day period, either party shall have the right to terminate this Lease by written notice to the other. In the event of such termination, the Rent shall be paid only to the date of the casualty. If the Lease is not terminated, the Rent shall be abated during the period of time from the date of the casualty to the date Tenant is able to resume occupancy or the date of complete restoration of the Premises, whichever occurs first.

16. Defaults.

EXHIBIT "A"

16.1 **Tenant's Failure to Pay Rent.** If any Rent due under this Lease is not paid within thirty (30) days after Tenant's receipt of the invoice for the payment due date, Landlord shall have the right to resume possession of the Premises and re-lease or rent the Premises for the remainder of the Term and recover from Tenant at the end of the Term the difference between the Rent specified in this Lease and the Rent received on the re-leasing or renting. Tenant shall pay Landlord a late charge of five percent (5%) of the unpaid Rent for any Rent payments not made within fifteen (15) days of the due date.

16.2 **Other Defaults.** If either Landlord or Tenant fails to perform or breaches any covenant in this Lease other than the Tenant's covenant to pay rent, and the failure or breach continues for a period of 10 days after the defaulting party receives written notice specifying the breach or failure to perform, (a) the party giving notice may institute an action in a court of competent jurisdiction to either terminate this Lease or to seek specific performance of the Lease; or (b) Landlord or Tenant (as applicable) may, after 30 days written notice to the non-performing party, correct any such breach, and any costs incurred in correcting the breach shall be due and payable by the non-performing party on demand.

16.3 **Opportunity to Cure.** If the defaulting party commences to cure the default within the ten-day period after the notice of default, but cannot complete the cure within the ten-day period, the defaulting party will be permitted a reasonable time to complete the cure of the default, as long as the defaulting party diligently pursues the cure to completion.

16.4 **Bankruptcy.** If Tenant is declared insolvent or adjudicated bankrupt; if Tenant makes an assignment for the benefit of creditors; if Tenant's leasehold interest in the Premises is sold under execution or by a trustee in bankruptcy; or if a receiver is appointed for Tenant, Landlord, without prejudice to its rights hereunder and at its option, may terminate this Lease and retake possession of the Premises immediately and without notice to Tenant or any assignee, transferee, trustee, or any other person or persons.

17. **No Waiver of Landlord's Rights.** The exercise by Landlord of any right or remedy to collect Rent or enforce its rights under this Lease shall not be a waiver of or preclude the exercise of any other right or remedy afforded Landlord by this Lease or by Applicable Laws. The failure of Landlord in one or more instances to (a) insist on strict performance or observation of one or more of the covenants or conditions of this Lease or (b) exercise any remedy, privilege, or option conferred by this Lease or reserved to Landlord shall not operate or be construed as a relinquishment or future waiver of the covenant or condition or the right to enforce it or to exercise that remedy, privilege, or option; rather, that right shall continue in full force and effect. The receipt by Landlord of Rent or any other payment or partial payment required to be made by the Tenant shall not act to waive any additional Rent or other payment then due. Even with Landlord's knowledge of the breach of any covenant or condition of this Lease, receipt of Rent shall not operate as or be considered to be a waiver of this breach, and no waiver by Landlord of any of the provisions of this Lease, or of any of Landlord's rights, remedies, privileges, or options hereunder shall be considered to have been made unless made by Landlord in writing.

18. **Assignment and Subletting.** Tenant may assign this Lease or sublet all or a portion of the Premises without Landlord's prior written consent. No assignment or sublease will

EXHIBIT "A"

relieve any Tenant of any obligation under this Lease. Each assignee or Subtenant, by assuming such status, shall be obligated to perform every covenant of this Lease to be performed by Tenant, except that a Subtenant shall be obligated to perform such covenants only as they relate to the portion of the Premises and the Rent covered by the sublease.

19. **Addresses for Payments and Notices.**

19.1 **Notices to Landlord.** Rent payments and notices to Landlord shall be mailed or delivered to the address set forth above in Paragraph 12.b. unless Landlord changes the address by written notice to Tenant.

19.2 **Notices to Tenant.** Notices to Tenant shall be mailed or delivered to the Premises and to Tenant's address set forth above in Paragraph 12.b. unless Tenant changes the address by written notice to Landlord.

19.3 **Mailing of Notice.** All notices required under this Lease shall be sent either by (a) certified or registered mail, return receipt requested; (b) hand-delivery with a receipt evidencing delivery, or (c) Federal Express or other nationally recognized overnight mail service.

20. **Radon Gas Notification.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed Federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Broward County Health Department.

21. **Miscellaneous Provisions.**

21.1 **Captions.** The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of the sections or articles of this Lease or affect this Lease in any way.

21.2 **Governing Law.** This Lease will be governed by the laws of the state of Florida both as to interpretation and performance.

21.3 **Entire Agreement.** This Lease sets forth all of the promises, agreements, conditions, and understandings between Landlord and Tenant relative to the Premises. There are no other promises, agreements, conditions or understandings, either oral or written, between them. No amendment, change or addition to this Lease shall be binding on Landlord or Tenant unless in writing and signed by both of them.

21.4 **Successors and Assigns.** The terms of this Lease shall be binding on the respective successors, representatives and assigns of the parties.

21.5 **Environmental Contamination.** Prior to commencement of the Initial Term of this Lease, CRA, at its own cost, shall conduct an environmental audit of the Property to include Phase 1 and also potentially Phase 2 sampling activities. Any and all assessment and remediation activities under this Paragraph shall be performed under the direct supervision of the

EXHIBIT "A"

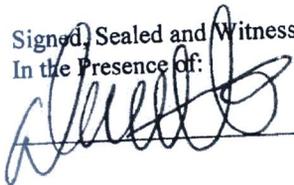
CRA and by reputable, appropriately licensed persons in a manner consistent with all Applicable Laws, rules, regulations and ordinances.

If the foregoing assessment activities reveal environmental hazards on the Property that require removal, treatment or other remedial action per Applicable Laws, CRA agrees to promptly obtain a cost estimate from a reputable licensed environmental consultant as to the cost of said remedial activities and notify Landlord of the cost estimate in writing, in which event, Landlord agrees to pay the cost thereof up to \$25,000.00 ("the Remediation Limit" to include the cost of any asbestos mitigation). The CRA agrees to pay any required remediation costs in excess of the Remediation Limit.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the dates set forth below their respective signatures.

LANDLORD:

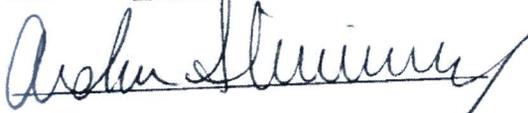
Signed, Sealed and Witnessed
In the Presence of:



By:


FOREST VIRGIL SIMPSON, Managing Member
Pompano Property Investments, LLC

Print Name: Dan Oates



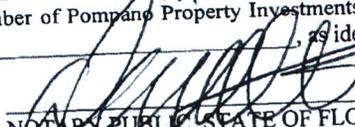
Print Name: Andrea Stranisky

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16 day of SEPTEMBER, 2014, by FOREST VIRGIL SIMPSON, as Managing Member of Pompano Property Investments, Inc., who is personally known to me or who has produced _____, as identification.

NOTARY SEAL:

NOTARY PUBLIC-STATE OF FLORIDA
Daniel E. Oates
Commission # EE028430
Expires: SEP. 25, 2014
BONDED THROUGH ATLANTIC BONDING CO., INC.


NOTARY PUBLIC, STATE OF FLORIDA

(Commission Number)

EXHIBIT "A"

Signed, Sealed and Witnessed
In the Presence of:

Courtney Easley
Print Name: Courtney Easley

Nguyen Tran
Print Name: Nguyen Tran

TENANT:

**POMPANO BEACH COMMUNITY
REDEVELOPMENT AGENCY**

By: [Signature]
Lamar Fisher, Chairman

ATTEST:
[Signature]
Margaret Gallagher, Secretary

Adriane Esteban
Print Name: Adriane Esteban

Adriane Esteban
Print Name: Adriane Esteban

EXECUTIVE DIRECTOR:
Redevelopment Management Associates, LLC
a Florida limited liability company

By: MetroStrategies, Inc., a Florida corporation
a managing member
By: [Signature]
Kim Briesemeister, President

and
By: [Signature]
Christopher J. Brown
a managing member

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014 by LAMAR FISHER as Chairman of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA
Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)
FF 100 (01)
Commission Number

EXHIBIT "A"

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014 by MARGARET GALLAGHER, Secretary of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF 100 611
Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014, by Kim Briesemeister, President of MetroStrategies, Inc., as Managing Member of Redevelopment Management Associates, LLC on behalf of the limited liability company. She is personally known to me or who has produced _____ (type of identification) as identification.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF 100 611
Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014, by Christopher J. Brown, as Managing Member of Redevelopment Management Associates, LLC, on behalf of the limited liability company. He is personally known to me or who has produced _____ (type of identification) as identification.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF 100 611
Commission Number

9/12/14

EXHIBIT "A"

l:agr/cra/2014-1262f

EXHIBIT "A"

EXHIBIT "A"

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE ("Contract") is made as of this _____ day of _____, 2014, by and between

POMPANO PROPERTY INVESTMENTS, LLC, a Florida limited liability company, of 6051 N. Ocean Drive., No. 704, Hollywood, Florida 33019-4622, hereinafter referred to as "SELLER,"

and

POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY, of 100 West Atlantic Boulevard, Pompano Beach, Florida 33060, hereinafter referred to as the "CRA,"

collectively referred to as the Parties.

SELLER and CRA hereby agree that SELLER shall sell and CRA shall purchase the following described property, situate, lying and being in Broward County, Florida, and more particularly described as follows:

LEGAL DESCRIPTION

Real property as described in Exhibit "A" attached hereto and made a part of this Contract (the "Real Property"), together with all tenements, hereditaments, privileges, rights of reverter, servitudes, and other rights appurtenant to Real Property, all buildings, fixtures, and other improvements existing thereon, all fill and top soil thereon, all oil, gas, and mineral rights possessed by SELLER, all right, title and interest of SELLER in and to any and all streets, roads, highways, easements, drainage rights, or rights of way, appurtenant to the Real Property and all right, title and interest of SELLER in and to any and all covenants, restrictions, agreements and riparian rights benefiting the Real Property (all of the foregoing being referred to as the "Property").

ARTICLE 1

TERMS, DEFINITIONS AND IDENTIFICATIONS

For the purposes of this Contract and the various covenants, conditions, terms and provisions which follow, the definitions and identifications set forth below are assumed to be true and correct and are, therefore, agreed upon by the Parties.

EXHIBIT "A"

- 1.1 DIRECTOR: Whenever the term Director is used herein, it is intended to mean the CRA Director or his appointee. In the administration of this Contract, as contrasted with matters of policy, all Parties may rely upon instructions or determinations made by the Director or the Director's deputy or designee.
- 1.2 COMMISSIONERS: The Pompano Beach City Commissioners, which are also the governing body of the City of Pompano Beach, as the governing body of the Pompano Beach Community Redevelopment Agency.
- 1.3 CONVEYANCE: Whenever the term Conveyance is used herein, it shall mean a warranty deed in statutory form properly executed, witnessed and acknowledged.
- 1.4 POMPANO BEACH CRA: A body corporate and politic created pursuant to Chapter 163 of the Florida Statutes.
- 1.5 EFFECTIVE DATE: The date upon which this Contract is last executed by the Parties hereto.
- 1.6 PUBLIC RECORDS: Whenever the term Public Records is used herein, it shall mean the Public Records of Broward County, Florida.
- 1.7 SELLER: Whenever the term Seller is used herein, it shall mean the person or entity owning fee simple title to the Real Property and any agent or designee to whom SELLER has delegated authority to negotiate or administer the terms and conditions of this Agreement.
- 1.8 SPECIAL ASSESSMENT LIENS: Whenever the term Special Assessment Liens is used herein, it shall mean all liens on the property which is the subject matter of this Contract arising out of a special improvement or service by any city, town, municipal corporation, CRA or other governmental entity pursuant to any general or special act of the legislature providing a special benefit to land abutting, adjoining or contiguous to the special improvement. Said special improvement shall include, but is not limited to, paving, repaving, hard surfacing, rehard surfacing, widening, guttering, and draining of streets, boulevards, alleys and sidewalks; construction or reconstruction of sanitary sewers, storm sewers, drains, water mains, water laterals, water distribution facilities and all appurtenances thereto.

For the purpose of closing or settlement of this purchase, such special assessment liens shall be designated as either "certified" or "pending."

A "certified" lien is hereby defined as a lien which has been certified, confirmed or ratified pursuant to the statute, special act, ordinance, or resolution creating same and for which the exact amount of same has been determined.

A "pending" lien is a lien which has been created or authorized by an enabling resolution adopted by the appropriate governmental entity, causing said lien to attach to

EXHIBIT "A"

and become an encumbrance upon the subject Real Property but for which there has been no determination of the final amount of same.

- 1.9 SURVEY: Whenever the term Survey is used herein, it shall mean a survey certified to "Pompano Beach Community Redevelopment Agency" by a professional land surveyor registered in and licensed by the State of Florida.
- 1.10 TITLE: Whenever the term Title is used herein, it shall mean fee simple title, free and clear of all liens, charges and encumbrances, other than matters specified in Section 4.1 of this Contract, if any.
- 1.11 TITLE BASE: Either an existing prior Owner's or First Mortgagee Title Insurance Policy, qualified for use as a title base for reissue of coverage on the Real Property at the Purchase Price, from a reputable title company acceptable to CRA. If a prior policy is unavailable as a title base, then any alternate title base that is acceptable to CRA's title insurance underwriter.
- 1.12 TITLE COMMITMENT: A commitment or binder for an owner's policy of title insurance written on a company acceptable to CRA, in the amount of the purchase price, covering the Real Property and having an effective date subsequent to the full execution of this Contract, listing and attaching copies of all instruments of record affecting title to the Real Property and listing the requirements, as of the date of the commitment, for conveyance of marketable fee simple title to the Real Property.
- 1.13 TITLE INSURANCE: An owner's policy of title insurance issued on the Title Commitment, having an effective date as of the recording of the conveyance insuring title in accordance with standards set forth in Section 4.1.

ARTICLE 2

TERMS AND CONDITIONS OF PURCHASE AND SALE

2.1 PURCHASE PRICE:

CRA, as purchaser, agrees to pay as and for the total purchase price for the Property in the manner and at the times hereinafter specified the total sum of One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000.00), subject to the prorations, credits, and adjustments hereinafter specified.

2.2 PROCEEDS OF SALE; SATISFACTION OF ENCUMBRANCES;"AS IS" CONDITION:

2.2.1 The proceeds of sale, adjusted for prorations, credits or other closing related charges, if any, shall be disbursed by the closing agent at closing in the form of a trust or escrow account check drawn locally from a bank in Broward County and payable to SELLER.

EXHIBIT "A"

- 2.2.2 Any and all mortgages, liens and encumbrances or claims or any other debts, affecting the title to the Property ("Encumbrances"), which are outstanding on the date of closing shall be discharged and satisfied from the proceeds of the sale at closing and such additional amounts paid by SELLER as may be necessary. CRA or CRA's designated closing agent or attorney shall cause to be issued separate checks payable to the respective mortgagors, lienees, lienors or encumbrancers, the aggregate of which shall not exceed the purchase price less proration or other credits. The closing agent or attorney shall arrange to exchange such checks for the instruments necessary to satisfy such Encumbrances.
- 2.2.3 **CRA has been in sole possession of the Property pursuant to a Lease Agreement between the parties and, as such, agrees to purchase the Property "as is" with no warranty of marketability or fitness for a particular purposes, express or implied, as to the condition thereof.**
- 2.3 REPRESENTATIONS AND WARRANTIES OF SELLER: In addition to the representations and warranties contained elsewhere in this Contract, SELLER hereby represents and warrants to CRA, as of the date SELLER executes this Contract and as of the closing date, as follows:
- 2.3.1 SELLER warrants and represents to CRA that SELLER is the owner of fee simple title to the Property, and that no consents of any third party are required in order for SELLER to convey title to the Property to CRA as provided herein.
- 2.3.2 SELLER warrants and represents to CRA that there are no contracts or agreements, whether written or oral, regarding the use, development, maintenance, or operation of the Property which will survive the closing, other than the contracts or agreements listed in Exhibit "B" hereto, and further that SELLER has provided CRA with true and correct copies of each such written contract or agreement, and any modifications and amendments thereof, or with written summaries of any such oral agreements. If CRA, in its sole and absolute discretion, determines that said contracts or agreements are unsatisfactory, CRA may at its option: (1) terminate this Contract by written notice to the SELLER within thirty (30) days of the delivery of such contracts or agreements to CRA; (2) request that the SELLER modify the terms and conditions of the existing contracts or agreements to a form and content acceptable to CRA; or, (3) proceed to close accepting the contracts or agreements as they are.
- 2.3.3 SELLER covenants and warrants that there is ingress and egress to the Property over public roads, and title to the Property is insurable in accordance with Section 3.2 without exception for lack of legal right of access.
- 2.3.4 SELLER warrants that there are no facts known to SELLER materially affecting the value of the Property that are not readily observable by CRA or that have not been disclosed to CRA.

EXHIBIT "A"

ARTICLE 3 EVIDENCE OF TITLE AND TITLE INSURANCE

3.1 EVIDENCE OF TITLE:

3.1.1 SELLER shall, at SELLER's expense, on or before fifteen (15) days from the Effective Date, deliver an existing prior Owner's or First Mortgagee Title Insurance Policy qualified for use as a title base for reissue of coverage on the Real Property at the Purchase Price of the Real Property ("Prior Policy") together with copies of all exceptions thereto, if requested. SELLER shall, at SELLER's option, pay for either: (1) an abstract continuation or; (2) a computer title search, from the effective date of the prior Owner's Policy or in the case of a First Mortgagee Title Insurance Policy from the date of recording the deed into the mortgagor. The abstract continuation or title search shall be ordered or performed by CRA's closing agent; or

3.1.2 If a prior policy described in Paragraph 3.1.1 above is not available, then SELLER shall, at SELLER's option, provide and pay for either: (1) an alternative title evidence which is acceptable to CRA's title insurance underwriter; or (2) a title insurance commitment issued by a Florida licensed title insurer agreeing to issue to CRA, upon recording of the deed to CRA, an Owner's Policy of Title Insurance in the amount of the Purchase Price, insuring CRA's title to the Real Property, subject only to liens, encumbrances, exceptions or qualifications provided in this Contract and those to be discharged by SELLER at or before Closing.

3.2 INSURANCE OF TITLE: CRA may obtain, at CRA's expense and in reliance on the Evidence of Title referred to in Paragraph 3.1.1 of Section 3.1, a Title Commitment from a title agent selected by CRA, pursuant to which the title insurer agrees to issue to CRA, upon the recordation of the deed hereafter mentioned, an owner's policy of title insurance in the amount of the purchase price, insuring CRA's marketable title to the Property, subject only to matters contained in Section 4.1 and those to be discharged by SELLER at or before closing.

3.3 CRA shall have thirty (30) days from the date of receiving the Evidence of Title to examine the Title Base, the computer title search update, or the Title Commitment. If title is found to be defective, CRA shall within said period notify the SELLER in writing, specifying the defects. If the said defects render the title unmarketable, SELLER shall have a period of thirty (30) days from the receipt of such notice to cure or remove such defects, and SELLER agrees to use diligent efforts to cure or remove same. If, at the end of said period, SELLER has been unable to cure or remove the defects, CRA shall deliver written notice to SELLER either:

(1) accepting the title as it then is; or

EXHIBIT "A"

- (2) extending the time for a reasonable period not to exceed 120 days within which SELLER shall use diligent effort to cure or remove the defects; or
 - (3) terminating this Contract, whereupon the CRA and SELLER shall be released of all further obligations under this Contract.
- 3.3.1 If CRA elects to proceed pursuant to Section 3.3(2), then SELLER shall, use diligent effort to correct defect(s) within the extended time provided. If SELLER is unable to timely correct the defect(s), CRA shall, within 5 days after expiration of the extended time provided, deliver written notice to seller either:
- (1) accepting the title as it then is; or
 - (2) terminating this Contract, whereupon the CRA and SELLER shall be released of all further obligations under this Contract.
- 3.4 SELLER shall convey marketable title subject only to liens, encumbrances, exceptions, or qualifications as contained in Section 4.1. Marketable title shall be determined according to applicable Title Standards adopted by authority of the Florida Bar and in accordance with law.

ARTICLE 4 CONVEYANCES

- 4.1 SELLER shall convey marketable title to the Property by statutory warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of SELLER, subject only to the following matters ("Acceptable Exceptions") and those otherwise accepted by CRA:
- (1) Comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority;
 - (2) Restrictions and matters appearing on the plat or otherwise common to the subdivision;
 - (3) Outstanding oil, gas and mineral rights of record without right of entry;
 - (4) Unplatted public utility easements of record;
 - (5) Real property taxes for the year of Closing and subsequent years; ~~and~~;
 - (6) Provided, that there exists at Closing no violation of the foregoing and none prevent use of the Property; and
 - (7) Rights of any parties in possession by or through the CRA.

EXHIBIT "A"

4.2 At closing SELLER shall also deliver to CRA the following documents:

- (1) Mechanic's Lien Affidavit and Foreign Investment in Real Property Tax Act ("FIRPTA") Affidavit;
- (2) Such other documents as shall be reasonably requested by CRA (including, but not limited to, bill of sale, certificate of title, construction lien affidavit, owner's possession affidavit, assignment of leases, tenant and mortgagee estoppel letters, and corrective instruments) in order for SELLER to convey marketable title to CRA and properly transfer all of the rights being sold in accordance with this Contract;
- (3) Evidence of authority to Convey the Property satisfactory to CRA; and,
- (4) The public disclosure certificate required by Section 13.1 hereof.

ARTICLE 5 PRORATION AND ADJUSTMENT

Any rents, revenues, and liens, or other charges to be prorated, shall be prorated as of the date of closing, provided that in the event of an extension of the date of closing, at the request of or through the fault of either party, such date of proration shall be the date upon which the other party indicated its readiness to close.

ARTICLE 6 EXISTING MORTGAGES, LEASES AND CONTRACTS

6.1 MORTGAGES: SELLER shall obtain and furnish at SELLER's expense, not less than fifteen (15) days prior to closing, a statement or letter of estoppel from the holder of any mortgage, lien, or encumbrance affecting the title to the Property. Any estoppel letter or statement shall set forth the amount of principal, interest, and/or penalties necessary to be paid to fully discharge such mortgage, lien, or encumbrance, or to release the Property from the lien of such mortgage.

6.2 LEASES, OPTIONS, CONTRACTS AND OTHER INTERESTS:

6.2.1 SELLER represents and warrants to CRA that there are no party(ies) in possession other than SELLER, leases (written or oral), options to purchase or contracts for sale covering all or any part of the Property, no party(ies) having ownership of any improvements located on the Property and no party(ies) having any interest in the Property or any part hereof except as set forth on Exhibit "B." If there are none, then Exhibit "B" shall state "NONE." SELLER represents and warrants that SELLER has previously furnished to CRA copies of all written leases, options and contracts for sale, estoppel letters from each tenant specifying the nature and duration of said tenant's occupancy, rental rate, advance rents, or security deposits paid by tenant and estoppel letters from each optionee, contract

EXHIBIT "A"

vendors and all others listed on Exhibit "B" (if any) describing in such detail as requested by CRA the nature of their respective interests. In the event SELLER is unable to obtain said estoppel letters, SELLER represents and warrants that SELLER has furnished the same information, true and correct, to CRA in the form of a SELLER's affidavit.

- 6.2.2 From the date of SELLER's execution hereof, SELLER represents and warrants to CRA that SELLER shall not enter into any lease (oral or written), option to purchase, contract for sale or grant to any person(s) (natural or artificial) any interest in the Property or any part thereof or any improvement thereon or encumber or suffer the Property or any part thereof to be encumbered by any mortgage or other lien, without the prior written consent of CRA which consent may be granted or withheld by CRA in its sole discretion.
- 6.2.3 SELLER and CRA agree to take all necessary action, including the expenditure of all reasonable sums of money, to terminate any and all leases, rights of occupancy, options to purchase, contracts for sale and interest(s) of any other person(s) (natural or artificial) in and to the Property, so that at closing the SELLER will convey the Property to the CRA free and clear of any such items and furnish to the CRA written evidence of such termination, and provide to CRA at closing an affidavit in the form attached hereto as Exhibit "C." Further, SELLER and CRA's obligations hereunder shall be a condition precedent to the closing of this transaction.

ARTICLE 7 **TIME AND PLACE OF CLOSING**

- 7.1 It is agreed that this transaction shall be closed and the CRA shall pay the purchase price, as adjusted as provided herein, and execute all papers or documents necessary to be executed by CRA, and SELLER shall execute all papers or documents necessary to be executed by SELLER under the terms of this Contract, on or before the 90th day after the Effective Date, at the Pompano Beach City Attorney's Office, located at 100 West Atlantic Blvd., Pompano Beach, Florida, or at such earlier time or other place as CRA may designate. However, nothing contained in this Article shall act or be construed as a limitation of any sort upon CRA's rights under this Contract, including without limitation its rights under paragraph 7.2 hereof, its right to examine the Title Base and computer title search update, Title Commitment, and Survey, or as a limitation of other time established herein for CRA's benefit.
- 7.2 CRA shall have no obligation to close this transaction unless the following conditions hereinafter have been satisfied or have been waived in writing by CRA:
- (1) All representations, warranties and covenants of the SELLER herein shall be true and correct as of the closing date.

EXHIBIT "A"

- (2) Between the date of this Contract and the closing date, there shall have been no notice of intention to condemn the Property or any portion thereof.
 - (3) The status of title to the Property shall not have changed in a manner which adversely affects the use of the Property for CRA's intended use or renders the title unmarketable from date of approval of same by title agent and/or CRA's counsel in accordance with this Contract.
 - (4) An affidavit of SELLER regarding environmental matters in the form attached as Exhibit "D" hereto is delivered at closing.
 - (5) All security codes and keys, if any, are turned over to CRA at closing.
- 7.3 In the event that at the time of closing any of SELLER's representations and warranties hereunder shall not be true or any condition exists which would allow CRA to terminate this Contract, CRA may deliver to SELLER written notice thereof, and SELLER, using reasonable diligence, shall have thirty (30) days from receipt of such notice to cure such defects. The closing shall, if necessary, be adjourned for a period of thirty (30) days to provide SELLER time within which to render such warranties and representations true and/or cure and remove such other matters so affecting the Premises, as the case may be. If such warranties and representations shall not be rendered true and/or such other matters shall not be cured and removed, CRA may, by notice to SELLER, elect to (a) cancel and terminate this Contract, or (b) accept title to the Property as is.

ARTICLE 8

DOCUMENTARY STAMPS, TANGIBLE TAXES AND OTHER COSTS

- 8.1 SELLER shall cause to be placed upon the warranty deed conveying the Property state surtax and documentary stamps as required by law. SELLER shall further pay the cost of recording any corrective instruments which CRA deems necessary to assure good and marketable title. CRA shall pay for the cost of recording the warranty deed.
- 8.2 Except as specifically provided in Section 8.1 hereof, all state, county and municipal transfer taxes, documentary stamps taxes, recording charges, taxes, and all other impositions on the conveyance, shall be paid in full by the SELLER. CRA is in no manner responsible for any state, federal or other income, excise, or sales tax liabilities of SELLER.
- 8.3 Unless otherwise provided by law or rider to this Contract, charges for the following related title services, namely title examination, and closing fee (including preparation of closing statement), shall be paid by the party responsible for furnishing Insurance of Title in accordance with Section 3.2.

ARTICLE 9

SPECIAL ASSESSMENT LIENS

EXHIBIT "A"

- 9.1 Liens for Special Assessment shall be paid by SELLER prior to closing or credited to CRA, as hereinafter provided.

The amount of certified, confirmed, and ratified special assessment liens imposed by public bodies as of Closing shall be discharged by SELLER prior to closing, and SELLER shall exhibit appropriate receipts, satisfactions, or releases proving such payment, or in the alternative SELLER shall cause said lien(s) to be satisfied out of the proceeds of sale received by SELLER at closing.

Pending liens as of Closing shall be assumed by CRA with an appropriate credit given to CRA against the purchase price. At such time as the final amount of said lien is determined or certified and said amount is less than the amount of the pending lien, the difference in amounts shall be refunded to SELLER; if the final amount is greater than the amount of the pending lien, SELLER shall upon demand pay to CRA the difference in amounts.

ARTICLE 10 **SURVEY**

- 10.1 CRA, at CRA's expense, within the time allowed to deliver Title Base and review same, may have the Property surveyed and certified by a registered Florida surveyor. If the survey discloses encroachments on the Property or that improvements located thereon encroach on setback lines, easements, or lands of others, or violate any restrictions, Contract covenants, or applicable governmental regulations, the same shall constitute a title defect.

ARTICLE 11 **MECHANICS' LIENS**

- 11.1 SELLER hereby represents and warrants to CRA that as of the date hereof and as of closing, there are no claims or potential claims for mechanics' liens, either statutory or at common law, and that neither SELLER nor SELLER's agent has caused to be made on the Property within ninety (90) days immediately preceding the date of this Contract any improvement which could give rise to any Mechanics' Lien. In addition, SELLER represents and warrants to CRA that neither SELLER nor SELLER's agent shall cause any improvement to be made on the Property between the date of full execution of this Contract and closing which could give rise to any Mechanic's Lien for which any bills shall remain unpaid at closing. SELLER shall furnish to CRA at time of closing an affidavit, in the form attached as Exhibit "C," attesting to the absence, unless otherwise provided for herein, of any financing statement, claim of lien, or potential lienors known to seller, and further attesting that there have been no improvements or repairs to the Property for 90 days immediately preceding date of Closing.
- 11.2 If any improvements have been made within said ninety (90) day period, SELLER shall deliver releases or waiver of all mechanics' liens executed by all general contractors, subcontractors, suppliers and material persons in addition to SELLER's mechanic lien

EXHIBIT "A"

affidavit setting forth the names of all such general contractors, subcontractors, suppliers and material persons, further affirming that all charges for improvements or repairs, which could serve as a basis for a construction lien or a claim for damages, have been paid or will be paid at the Closing on this Contract.

ARTICLE 12 **TIME OF THE ESSENCE**

- 12.1 Time is of the essence throughout this Contract. In computing time periods of less than six (6) days, Saturdays, Sundays, and state or national legal holidays shall be excluded. Any time periods provided for herein that end on a Saturday, Sunday, or a legal holiday shall extend to 5 p.m. of the next business day.

ARTICLE 13 **PUBLIC DISCLOSURE**

- 13.1 SELLER hereby represents and warrants the names and addresses of every person or firm having a beneficial interest in the Property is as follows:

Pompano Property Investments, LLC
6051 N. Ocean Drive, No. 704
Hollywood, Florida 33019-4622

SELLER further agrees that at least ten (10) days prior to closing, in accordance with Section 286.23, Florida Statutes, SELLER shall make a public disclosure in writing, under oath and subject to the penalties prescribed for perjury, which shall state the name and address of SELLER and the name and address of every person having any beneficial interest in the Property.

ARTICLE 14 **BROKER'S COMMISSION**

- 14.1 SELLER and CRA hereby represent and warrant that neither has dealt with any broker and SELLER agrees to hold CRA harmless from any claim or demand for commissions made by or on behalf of any broker or agent of SELLER in connection with this sale and purchase. SELLER agrees to pay all real estate commissions in connection with this transaction.

ARTICLE 15 **ASSIGNMENT**

- 15.1 This Contract, or any interest herein, shall not be assigned, transferred or otherwise encumbered under any circumstances by SELLER or CRA without the prior written consent of the other and only by a document of equal dignity herewith.

EXHIBIT "A"

ARTICLE 16 **DEFAULT**

- 16.1 If SELLER refuses to carry out the terms and conditions of this Contract, then this Contract may be terminated at CRA's election, upon written notice, or the CRA shall have the right to seek specific performance against SELLER. In the event the CRA refuses to carry out the terms and conditions of this Contract, SELLER shall have the right to terminate this Contract or to seek specific performance against CRA.

ARTICLE 17 **PERSONS BOUND**

- 17.1 The benefits and obligations of the covenants herein shall inure to and bind the respective heirs, personal representatives, successors and assigns (where assignment is permitted) of the Parties hereto. Whenever used, the singular number shall include the plural, the plural, the singular, and the use of any gender shall include all genders.

ARTICLE 18 **SURVIVAL OF COVENANTS AND SPECIAL COVENANTS**

- 18.1 The covenants and representations in this Contract shall survive delivery of deed and possession.

ARTICLE 19 **WAIVER, GOVERNING LAW AND VENUE AND ATTORNEY'S FEES**

- 19.1 Failure of either party to insist upon strict performance of any covenant or condition of this Contract, or to exercise any right herein contained, shall not be construed as a waiver or relinquishment for the future of any such covenant, condition or right; but the same shall remain in full force and effect. None of the conditions, covenants or provisions of this Contract shall be waived or modified except by the Parties hereto in writing.
- 19.2 This Contract shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Contract shall be in Broward County, Florida. SELLER and CRA hereby waive their right to a trial by jury.
- 19.3 In any litigation, including breach, enforcement, or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes of this Section, shall include SELLER, CRA, and any brokers acting in agency or non-agency relationships authorized by Chapter 475, Florida Statutes, as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs, and expenses. This section shall survive delivery of deed and possession.

ARTICLE 20 **MODIFICATION**

EXHIBIT "A"

- 20.1 This Contract incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Contract that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements whether oral or written.
- 20.2 It is further agreed that no modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith.

ARTICLE 21 **CONTRACT EFFECTIVE**

- 21.1 This Contract or any modification, amendment or alteration thereto, shall not be effective or binding upon any of the Parties hereto until it is approved by the CRA Commissioners and executed by the Chairman or Secretary of said Board.

ARTICLE 22 **ENVIRONMENTAL CONTAMINATION**

- 22.1 SELLER represents and warrants to CRA that as of the Effective Date and as of closing that neither SELLER, nor to the best of SELLER's knowledge any third party, has used, produced, manufactured, stored, disposed of, or discharged any hazardous wastes or toxic substances in, under, or about the Property.

ARTICLE 23 **RADON GAS**

- 23.1 Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risk to persons who are exposed to it over time. Levels of radon that exceed Federal and State Guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County public health unit.

ARTICLE 24 **FURTHER UNDERTAKING**

- 24.1 The Parties agree that each shall cooperate with the other in good faith and shall correct any mathematical errors, execute such further documents and perform such further acts as may be reasonably necessary or appropriate to carry out the purpose and intent of this Contract.

EXHIBIT "A"

ARTICLE 25 NOTICES

- 25.1 Whenever either party desires to give notice unto the other, it must be given by written notice, sent by certified United States mail, with return receipt requested, addressed to the party for whom it is intended, at the place last specified, as the place for giving of notice in compliance with the provisions of this paragraph. The party(ies) may change the addresses at which notice is to be given by notice given as provided in this Article. Notices shall be deemed given when mailed properly addressed with postage prepaid.

For CRA Before and After Closing:

Pompano Beach CRA
100 West Atlantic Boulevard
Pompano Beach, Florida 33061

For SELLER Before and After Closing:

Forest V. Simpson, Managing Member
Pompano Property Investments, LLC
6051 N. Ocean Drive, No. 704
Hollywood, Florida 33019-4622

ARTICLE 26 EXECUTION

- 26.1 This document, consisting of eighteen (18) pages plus Exhibits "A," "B," "C," and "D" shall be executed in at least three (3) counterparts, each of which shall be deemed an original.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT "A"

IN WITNESS WHEREOF, the parties have made and executed this Agreement on the respective dates under each signature: POMPANO PROPERTY INVESTMENTS, LLC, signing by and through its managing member, duly authorized to execute same, and CRA, through its Board members, signing by and through its Chairman or Secretary, authorized to execute same by Board action on the _____ day of _____, 20____.

SELLER

POMPANO PROPERTY INVESTMENTS, LLC
a Florida limited liability company

ATTEST:

(SEAL)

By _____
FOREST V. SIMPSON, as managing member

_____ day of _____, 20____.

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 20____
by FOREST V. SIMPSON, as Managing Member of Pompano Property Investments, LLC, who is personally known to me or
who has produced _____ as identification.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

"CRA"

Signed, sealed and delivered
in the presence of:

POMPANO BEACH COMMUNITY
REDEVELOPMENT AGENCY

BY: _____
LAMAR FISHER, CHAIRMAN

ATTEST: _____
MARGARET GALLAGHER, SECRETARY

DATED: _____

EXHIBIT "A"

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by LAMAR FISHER, as Chairman of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by MARGARET GALLAGHER as Secretary of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

9/11/14
L:real-est/cra/2014-1215

EXHIBIT "A"

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Lot 10, less the East 173.25 feet of a Re-subdivision of Lot 15, of a Subdivision of Section 35, Township 48 South, Range 42 East, according to the Plat thereof as recorded in Plat Book "B", Page 76 of the Public Records of Miami-Dade County, Florida, said lands lying and being in the City of Pompano Beach, Broward County, Florida.

Premises ID: 4842 35 08 0200

Address: 11 NE 1st Street, Pompano Beach, Florida

AKA: 1 NE 1 Street, Pompano Beach, Florida

EXHIBIT "A"

EXHIBIT "B"

LEASES, OPTIONS, CONTRACTS AND OTHER INTERESTS

Commercial Lease between Seller and CRA dated ??/14 and any subleases thereunder

EXHIBIT "A"

(Continued)

NO LIEN AFFIDAVIT AND INDEMNITY

7. That to the best of Affiant's knowledge, no violations of municipal ordinances or other laws, statutes, rules, or regulations pertaining to the Property exist, and no orders or notices concerning any violations have been given to the Affiant or made against the Property.
8. That Affiant alone and no other person(s), firm(s), corporation(s) or individual(s) are in control and possession of the Property.
9. Affiant represents and warrants that between the date of the title commitment dated _____, 20____, at _____, prepared by Attorneys' Title Insurance Fund, Inc., and the date on which the deed to the Property is placed of record, Affiant has not and will not execute any instruments or take any actions that could adversely affect the title or interest to be acquired by CRA and insured by the Title Company. Affiant further represents and warrants that Affiant is not aware of any matter that could adversely affect the title or interest to be acquired by CRA and insured by the Title Company.
10. Affiant represents and warrants the truth and accuracy of all matters hereinabove set forth and agree to and shall defend, indemnify and hold harmless CRA and its heirs, successors and assigns from all causes, claims, demands, actions, losses, liabilities, settlements, judgments, damages, costs, expenses and fees (including without limitation reasonable attorney's and appellate attorney's fees) that arise as a result of or in connection with the falsity or inaccuracy of any statement made in the above Affidavit or the breach of any representation or warranty herein made.

FURTHER AFFIANT SAYETH NAUGHT.

Signed, sealed and delivered
in the presence of:

WITNESS

By _____

WITNESS

_____ day of _____, 20____.

EXHIBIT "A"

EXHIBIT "C" (Continued)

NO LIEN AFFIDAVIT AND INDEMNITY

STATE OF FLORIDA)
) SS.
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ who is personally known to me or who has produced _____ as identification and who did/did not take an oath.

WITNESS my hand and official seal, this ___ day of _____, 20____.

(SEAL)

(Signature of person taking acknowledgment)

(Name of officer taking acknowledgment)
typed, printed or stamped

(Title or rank)

My Commission Expires:

EXHIBIT "A"

Exhibit D Environmental Affidavit Continued

FURTHER AFFIANT SAYETH NAUGHT.

SELLER

Signed, sealed and delivered
in the presence of:

Signature Witness 1

Seller One Name Here

Print/Type Name Witness 1

Signature Witness 2

Print/Type Name Witness 2

Signature Witness 1

Seller Two Name Here

Print/Type Name Witness 1

Signature Witness 2

Print/Type Name Witness 2

_____ day of _____, 20____.

EXHIBIT "A"

EXHIBIT 3

TERMINATION OF LEASE AGREEMENT

This Termination of Lease Agreement (the "Termination") is made this 30th day of September, 2014 by and between **Cingra Investments, Inc., Pompano Property Investments, LLC** (both of which are hereinafter collectively referred to as "Lessor") and **FDL Holdings, Inc.** ("Lessee").

WHEREAS, Lessee leases the premises located at 1 & 11 NE First Street, Pompano Beach, Florida (collectively the "Property") under that certain Business Lease by and between Forest Virgil Simpson and First Coin Laundry dated November 20, 1996 (the "Original Lease") as amended and assigned to Laundromax, Inc., a Florida corporation pursuant to that certain Assignment and Amendment of Lease dated June 21, 1999 ("First Amendment") as modified by that Second Amendment to Lease dated October 13, 1999 ("Second Amendment") and as further assigned by that certain Assignment and Assumption of Lease dated February 16, 2001 ("Assumption of Lease") and as further amended by that Letter Agreement dated October 11, 2006 ("Letter Agreement"), all of which are collectively referred to as the "Lease."

WHEREAS, whenever the context herein so admits or requires, the terms "party" and "parties" shall include agents, attorneys, shareholders, partners, officers, directors, employees, successors and assigns of both Lessor and Lessee.

NOW THEREFORE: For good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree as follows:

1. **Recitals**. The above "WHEREAS" clauses are true and correct and incorporated by reference herein.

2. **Termination**. The Lease is hereby terminated this 30th day of September, 2014.

3. **Release**. Both Lessor and Lessee hereby remise, release, acquit, satisfy, and forever discharge each other of and from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims, demands and liabilities whatsoever, in law and/or in equity, in tort and/or in contract, whether known or unknown, which either party ever had, now has, or hereafter can, shall or may have against the other party for, upon or by reason of any matter, cause or thing whatsoever, all matters, claims, rights, counterclaims, or causes of action relating to, arising from, or otherwise in connection with the Lease or Lessee's use of the Property.

Specifically, Lessor acknowledges and agrees there are no existing or claimed conditions which constitute, or with the passage of time would constitute, a default under the Lease on Lessee's part. Without limiting the generality of the foregoing, Lessor hereby acknowledges that all rent and any additional charges which may be payable to Lessor or any other party under the Lease, for a period up to and including the Lease Termination Date, has been paid in full and thereby waives any claim for same.

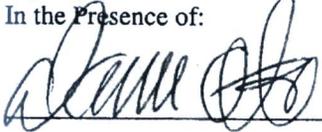
EXHIBIT "A"

4. **Attorney Fees.** In the event legal action is necessary to enforce the provisions of this Termination, the non-prevailing party shall pay all reasonable attorneys' fees and costs of the prevailing party, including the costs of any appeal.

5. **Counterparts.** This Termination may be executed in any number of counterparts, each of which will constitute an executed original. Signatures to this Termination transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed and effective as of the date above first written.

Signed, Sealed and Witnessed
In the Presence of:



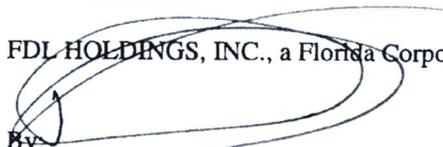
Print Name: Daniel Oates



Print Name: Fawn Powers

LESSEE:

FDL HOLDINGS, INC., a Florida Corporation


By: FRANK D'ANNUNZIO, PRESIDENT

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 30th day of September, 2014, by Frank D'Annunzio, as President of FDL Holdings, Inc., a Florida corporation, who is personally known to me, or who has produced Fl. Drivers Lic. as identification.

NOTARY'S SEAL:




NOTARY PUBLIC, STATE OF FLORIDA

Jill R. Mesojedec
(Name of Acknowledger Typed, Printed or Stamped)

Commission Number _____

EXHIBIT "A"

Signed, Sealed and Witnessed
In the Presence of:

LESSOR:

Adriane Eskobar
Print Name: Adriane Eskobar

[Signature]
FOREST VIRGIL SIMPSON

[Signature]
Print Name: [Signature]

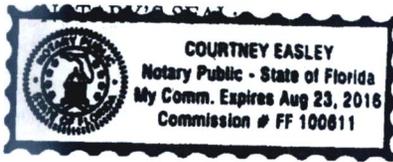
[Signature]
FOREST VIRGIL SIMPSON, President
Cingra Investments, Inc.

[Signature]
Print Name: [Signature]

[Signature]
FOREST VIRGIL SIMPSON, Managing Member
Pompano Property Investments, LLC

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014, by Forest Virgil Simpson, who is personally known to me, or who has produced _____ as identification.



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

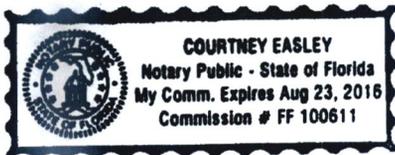
Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF 100611
Commission Number

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014, by Forest Virgil Simpson, as President of Cingra Investments, Inc., who is personally known to me, or who has produced _____ as identification.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF100611
Commission Number

EXHIBIT "A"

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of September, 2014, by Forest Virgil Simpson, as Managing Member of Pompano Property Investments, LLC, who is personally known to me, or who has produced _____ as identification.

NOTARY'S SEAL:



Courtney Easley
NOTARY PUBLIC, STATE OF FLORIDA

Courtney Easley
(Name of Acknowledger Typed, Printed or Stamped)

FF100611
Commission Number

~~Real-est/cra/termination of lease agreement~~
7/1/14

EXHIBIT "A"

EXHIBIT 4

SCOPE OF REMOVAL WORK

Water heaters are Landlord's tangible property and shall remain on the Premises. Lessee shall not be responsible for any electrical, gas, plumbing and/or venting connections as it relates to the water heaters.

The following scope of work shall be done in accordance with all Applicable Laws.

1. Remove all washers and cap all washer drain lines to avoid sewer gas entering the Premises
2. Remove gas meter before removing all dryers and cap all gas connections when gas lines are removed
 - Have TECO run test to flush out any lingering residue once gas meter is removed
3. Remove electrical connections for the hardwired dryers
4. Remove all dryer venting up to the last section of vent piping connected to the roof jacks leaving approx. 2-3' of vent piping remaining inside for all roof vents
 - Place mesh on exterior roof vent if not already in place
5. Remove/dispose of exterior canopy consisting of awning, pipe frame and signage and cap electric and patch holes in façade (NO PAINTING)
6. Remove the two (2) FPL meters after all equipment is removed from the Premises

EXHIBIT B

INSURANCE REQUIREMENTS

SUBTENANT shall not commence services under the terms of this Agreement until certification or proof of insurance detailing terms and provisions has been received and approved in writing by the CITY's Risk Manager who can be reached by phone (954 786-5555) or email (eddie.beecher@copbfl.com) should you have any questions regarding the terms and conditions set forth in this Article. Proof of the insurance coverage required hereunder shall be mailed to Risk Management, PO Box 1300, Pompano Beach, FL 33061.

SUBTENANT is responsible to deliver to the CITY's Risk Manager for his timely review and written approval/disapproval Certificates of Insurance which evidence that all insurance required hereunder is in full force and effect and which name on a primary basis, the CRA as an additional insured on all such coverage.

Throughout the term of this Agreement, CRA, by and through the CITY'S Risk Manager, reserve the right to review, modify, reject or accept any insurance policies required by this Agreement, including limits, coverages or endorsements. CRA reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or failure to operate legally.

Failure to maintain the required insurance shall be considered an event of default. The requirements herein, as well as CRA's review or acceptance of insurance maintained by SUBTENANT, are not intended to and shall not in any way limit or qualify the liabilities and obligations assumed by SUBTENANT under this Agreement.

Throughout the term of this Agreement, SUBTENANT and all other agents hereunder, shall, at their sole expense, maintain in full force and effect, the following insurance coverages and minimum limits described herein, including endorsements.

A. Worker's Compensation Insurance covering all employees and providing benefits as required by Florida Statute, Chapter 440, regardless of the size of the company (number of employees) or the state in which the work is to be performed or of the state in which SUBTENANT is obligated to pay compensation to employees engaged in the performance of the work. SUBTENANT further agrees to be responsible for employment, control and conduct of its employees and for any injury sustained by such employees in the course of their employment.

B. Liability Insurance.

(1) Naming the CRA and the Landlord as an additional insureds as their interests may appear, on General Liability Insurance only, relative to claims which arise from SUBTENANT's negligent acts or omissions in connection with SUBTENANT's performance under this Agreement.

(2) Such Liability insurance shall include the following checked types of insurance and indicated minimum policy limits.

Type of Insurance**Limits of Liability**

GENERAL LIABILITY: Minimum \$1,000,000 Per Occurrence and \$1,000,000 Per Aggregate

* Policy to be written on a claims incurred basis

XX	comprehensive form	bodily injury and property damage
XX	premises - operations	bodily injury and property damage
XX	explosion & collapse hazard	
__	underground hazard	
XX	products/completed operations hazard	bodily injury and property damage combined
XX	contractual insurance	bodily injury and property damage combined
XX	broad form property damage	bodily injury and property damage combined
XX	independent contractors	personal injury
XX	personal injury	
XX	alcohol sales	

AUTOMOBILE LIABILITY: Minimum \$200,000 Per Occurrence and \$300,000 Per Aggregate. Bodily injury (each person) bodily injury (each accident), property damage, bodily injury and property damage combined.

XX comprehensive form
 XX owned
 XX hired
 XX non-owned

REAL & PERSONAL PROPERTY

XX comprehensive form Agent must show proof they have this coverage.

EXCESS LIABILITY Minimum per Occurrence and Aggregate

__	other than umbrella	bodily injury and property damage combined	\$1,000,000	\$1,000,000
----	---------------------	--	-------------	-------------

PROFESSIONAL LIABILITY

__	* Policy to be written on a claims made basis	Per Occurrence	Aggregate
		\$1,000,000	\$1,000,000

C. Employer's Liability. SUBTENANT or other agents shall, for the benefit of their employees, provide, carry, maintain and pay for Employer's Liability Insurance in the minimum amount of One Hundred Thousand Dollars (\$100,000.00) per employee, Five Hundred Thousand Dollars (\$500,000) per aggregate.

D. Policies: Whenever, under the provisions of this Agreement, insurance is required of the SUBTENANT, the SUBTENANT shall promptly provide the following:

- (1) Certificates of Insurance evidencing the required coverage;
- (2) Names and addresses of companies providing coverage;
- (3) Effective and expiration dates of policies; and

(4) A provision in all policies affording CRA thirty (30) days written notice by a carrier of any cancellation or material change in any policy.

E. Insurance Cancellation or Modification. Should any of the required insurance policies be canceled before the expiration date, or modified or substantially modified, the issuing company shall provide thirty (30) days written notice to the CRA.

F. Waiver of Subrogation. SUBTENANT hereby waives any and all right of subrogation against the CRA, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then SUBTENANT shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy which includes a condition to the policy not specifically prohibiting such an endorsement, or voids coverage should SUBTENANT enter into such an agreement on a pre-loss basis.