

## LEASE AGREEMENT

This Lease Agreement ("Lease") is made between **T E P M, Inc.**, a Florida corporation ("Landlord"), whose address for purposes of notice under this lease is 31 NE First Street, Pompano Beach, Florida, 33060, and **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 certain property in the City of Pompano Beach, Florida, for use as a commercial kitchen, restaurant, facility for cooking classes and sales of food products, parking lot, community garden, and other related uses.

Landlord is the owner of certain parcels of real property in the City of Pompano Beach, and is willing to rent its property to Tenant on the terms and conditions set forth in this Lease.

### Agreement

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

1. **Lease of Property.** Landlord hereby leases to Tenant, and Tenant rents from Landlord, the following described properties (collectively, the "Premises"):
  - 1.1. **Parcel 1.** Property ID # 4842 35 08 0120 ("Parcel 1"), located at 165 NE 1st Avenue, Pompano Beach, Florida 33060, and legally described as:

**The East 53.2 Feet of Lot 8, of the Resubdivision of Lot 15, in the subdivision of Section 35, Township 48 South, Range 42 East, as recorded in Plat Book "B", Page 76, of the Public Records of Dade County, Florida.**

Parcel 1 is improved with a building containing approximately 3,936 square feet.
  - 1.2. **Parcel 2.** Property ID # 4842 35 00 1460 (Parcel "2"), located at 201 NE 1st Avenue, Pompano Beach, Florida 33060, and legally described as:

**35-48-42 E1/2 OF BEG 81.85 W OF NW COR OF SE1/4 OF SW1/4 OF SE1/4, N ALG RY 210, E 197, SW 210 TO POB.**

Parcel 2 consists of approximately 19,228 square feet of vacant land.
2. **Parking.** No parking is provided on the Premises. Landlord hereby gives Tenant and its agents, employees, guests and invitees the right to park in the parking lot owned by Landlord and located adjacent to the Premises at 121 NE 1st Avenue, Pompano Beach, Florida, 33060, Property ID # 4842 35 08 0170. ("Landlord's Parking Lot"). Parking in Landlord's Parking Lot will be available to Tenant on a "first-come, first-serve" basis. In addition, Landlord grants to Tenant the right to utilize Landlord's Parking Lot for the installation of a grease trap and plumbing to serve the commercial kitchen to be located on Parcel 1. Landlord agrees that it will join in any applications or consents required for the installation of the grease trap and related plumbing in Landlord's Parking Lot, and that it will execute and deliver an easement over, across and under Landlord's Parking Lot for this

purpose if one is required. Tenant will be responsible for the repair or replacement of any asphalt removed or damaged during the installation of the grease trap and plumbing. No above-ground rights will be provided to Tenant.

3. **Lease Term.** The initial term ("Initial Term") of this Lease shall be a period of five (5) years commencing on October 1, 2012, at 12:01 a.m., and ending at midnight on September 30, 2017.
4. **Rent.** The annual rent ("Rent") for the Premises is as follows:
  - 4.1. **Parcel 1.** The Rent for Parcel 1 is \$27,552.00 per year.
  - 4.2. **Parcel 2.** The Rent for Parcel 2 is \$2,300.00 per year.
  - 4.3. **Annual Rent Increase.**
    - 4.3.1. **Parcel 1.** The Rent for Parcel 1 will increase by Three Percent (3%) annually on each anniversary of the Lease Commencement Date during the Term.
    - 4.3.2. **Parcel 2.** After the first year of the Term, the annual Rent for Parcel 2 will be the greater of (a) the Rent for the immediately preceding year increased by Three Percent (3%), or (b) the ad valorem taxes on Parcel 2. The Rent will be increased annually on each anniversary of the Lease Commencement Date during the Term. If the amount of ad valorem taxes for the then-current year is not available on the anniversary of the Lease Commencement Date, Tenant will pay the Rent calculated with the 3% increase. If the ad valorem tax amount is higher than the 3% increase, Tenant will remit to Landlord the difference between the increased Rent already paid and the ad valorem tax amount for the months that have elapsed since the anniversary of the Lease Commencement Date, and will pay the ad valorem tax amount going forward.
  - 4.4. **Rent Payments.** Tenant shall pay Rent in equal monthly installments which will be due on the first day of each calendar month.
  - 4.5. **Security Deposit.** No security deposit shall be required under this Lease.
  - 4.6. **Invoices.** Landlord agrees to provide an invoice for Rent to Tenant at least ten (10) days prior to the date Rent is due. If Landlord fails to send an invoice timely, the time for Tenant to pay Rent will be extended until ten days after Tenant receives the invoice from Landlord.
5. **Option to Renew.** Tenant shall have the right to renew this Lease for up to three (3) additional terms ("Renewal Terms") of five (5) years each, on the terms and conditions of this Lease, by delivering to Landlord a written notice of its intention to renew the Lease to Landlord 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."
  - 5.1. **Renewal Term Rent for Parcel 1.** The Rent for Parcel 1 in the Renewal Terms shall be as follows:
    - 5.1.1. **First Renewal Term.** The annual Rent for the first Renewal Term will be

\$37,212.02, and will increase by 3% each year on the anniversary of the Renewal Term.

5.1.2. **Second Renewal Term.** The annual Rent for the second Renewal Term will be \$50,258.95, and will increase by 3% each year on the anniversary of the Renewal Term.

5.1.3. **Third Renewal Term.** The annual Rent for the third Renewal Term will be \$67,880.27, and will increase by 3% each year on the anniversary of the Renewal Term.

5.2. **Renewal Term Rent for Parcel 2.** The Rent for Parcel 2 in the first year of each Renewal Term will be the amount of Rent due for the preceding year plus 20%. The annual increase for each following year of the Renewal Term will be calculated in accordance with Section 4.3.2 above.

5.3. **Exercise of Renewal Option.** The CRA Executive Director shall have the authority to exercise the option to renew this lease.

6. **Taxes and Assessments.** Landlord shall be responsible for all municipal, county, and state taxes and assessments which may be assessed against the Premises during the Term of this Lease. Tenant will be responsible for any taxes levied against the personal property and trade fixtures of Tenant located in and about the Premises.

7. **Utilities.** Tenant will be responsible for paying the cost of all utilities (water, sewer, electric, gas, telephone, cable, etc.) serving the Premises during the Term. If utilities are billed to the Landlord, Tenant will reimburse Landlord within ten days after receipt of the invoice or utility bill from Landlord. If utilities are billed directly to Tenant, Tenant will pay the amounts due directly to the utility company prior to delinquency. If any utilities billed to Landlord include service to properties other than the Premises, Landlord will provide Tenant with a calculation of the amount owed by Tenant.

8. **Use of Premises.** Although Tenant intends to use Parcel 1 for the operation of a commercial kitchen and related uses, and Parcel 2 for a parking lot, community garden, or retail farming establishment, 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 will not commit or permit any waste or damage to the Premises, and will not carry on any activity that constitutes a nuisance or violates any Applicable Laws.

9. **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. All Improvements made by Tenant which are permanently attached to the Premises including fixed cabinets will become the property of Landlord and shall remain on the Premises at the end of the Lease Term. Tenant will have the right to remove any moveable furniture, fixtures and equipment not attached to the walls of the Premises at the end of the Term. In addition, Tenant will have the right to remove from the Premises at the end of the Term any kitchen equipment or appliances, such as ovens, ranges, and refrigerators installed

by Tenant and not attached to the walls of the Premises, as long as Tenant repairs any damage caused by the removal of such equipment.

- 9.1. **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. Landlord agrees to sign any required documents within ten days after receipt of the request from Tenant and the document to be signed.
- 9.2. **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 Law.
10. **Landlord's Maintenance Obligation.** Landlord agrees to maintain the structural portion of the Premises, as well as the exterior portions of the Premises, including the foundation, outer walls, conduits, roof, windows, doors, plate glass, paved surfaces, lawn, and landscaping.
11. **Landlord's Right to Inspect Premises.** Landlord will have the right to enter upon and inspect the Premises, and to make necessary repairs to the Premises, at reasonable times and after notice to Tenant. Landlord will have the right to place a sign in Premises advertising that the Premises are available for rent not more than 30 days prior to the expiration of the Term.
12. **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 purposes contemplated by this Lease. Landlord will 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 Premises by Tenant prior to the end of the Term of this Lease will be valid unless accepted by Landlord in writing.
  - 12.1. **Mortgages.** Landlord represents that any mortgages encumbering the Premises are in good standing and have been paid through a current date, and that Landlord will keep such mortgages in good standing throughout the Term.
  - 12.2. **Subordination.** Tenant acknowledges that this Lease and all rights of Tenant under this Lease shall be subject to and subordinate to the rights of any mortgage holder now or hereafter having a security interest in the Premises.
13. **Insurance.** Landlord shall carry General Commercial Liability Insurance and casualty insurance for the Premises; Tenant shall carry Commercial General Liability Insurance.
14. **Indemnification.** To the extent permitted by Applicable Laws, Tenant will 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 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 Tenant or its employees, agents,

guests, and invitees; or (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 will 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), of the 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 will 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 are destroyed or so damaged by fire, casualty, or other disaster that they become untenable, Landlord will have the right to render the Premises tenantable 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 are not rendered tenantable within the 90 day period, either party will 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.**
- 16.1. **Tenant's Failure to Pay Rent.** If any Rent due under this Lease is not paid within fifteen days after Tenant's receipt of the invoice for the payment due date, Landlord 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 Tenant 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.
  - 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 a 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, using force if necessary.
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 will not be a waiver of or preclude the exercise of any other right or remedy afforded Landlord by this Lease or by Applicable Law. The failure of Landlord in one or more instances to insist on strict performance or observation of one or more of the covenants or conditions of this Lease or to exercise any remedy, privilege, or option conferred by this lease on 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; 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 will 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 under this Lease, will 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 relieve the Tenant of any obligation under this Lease. Each assignee or subtenant, by assuming such status, will become 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. The subtenant will be obligated to pay Rent directly to Landlord only after Tenant's default in payment and written demand from Landlord to subtenant to pay Rent directly to Landlord.
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 on the first page of this Lease, 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 on the first page of the Lease.
  - 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 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, as to both interpretations 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 will 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 will be binding on the respective successors, representatives, and assigns of the parties.

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

**Signatures on Following Pages**

Witnesses:

[Signature]  
Print Name: SHANNA BENSON

Adriane Esteban  
Print Name: Adriane Esteban

Landlord:

**TEPM, Inc.** a Florida corporation

By: [Signature]

Print Name: Thomas R. McMahon

Title: Pres.

Date: 7-20-12

**Acknowledgment**

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of JULY, 2012, by THOMAS R. McMAHON, as PRESIDENT of TEPM, Inc. He is personally known to me or has produced (type of identification) as identification.

[Signature]

Print Name: MARGARET GALLAGHER

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA





Signed, Sealed and Witnessed  
In the Presence of:

**Tenant:**  
**POMPANO BEACH COMMUNITY**  
**REDEVELOPMENT AGENCY**

Christine Wodka

By:   
Lamar Fisher, Chairman

Print Name: Christine Wodka

Shelley R. Bartholomeo

ATTEST:  
  
Margaret Gallagher, Secretary


Print Name: Shelley R. Bartholomeo

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

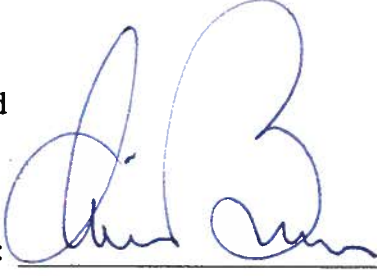
Courtney Gaskins

By: MetroStrategies, Inc., a Florida corporation  
a managing member

Print Name: COURTNEY GASKINS

By:   
Kim Briesemeister, President

Courtney Gaskins

and  
By:   
Christopher J. Brown  
a managing member

Print Name: Courtney Gaskins

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 25<sup>th</sup> day of July, 2012 by LAMAR FISHER as Chairman of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

Christine Wodka

NOTARY PUBLIC, STATE OF FLORIDA

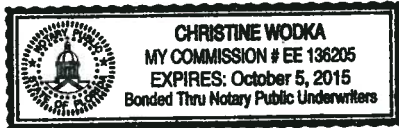
Christine Wodka

(Name of Acknowledger Typed, Printed or Stamped)

EE 136205

Commission Number

NOTARY'S SEAL:



STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of July, 2012 by Margaret Gallagher, Secretary of the Pompano Beach Community Redevelopment Agency, who is personally known to me.

Kerwin Alfred

NOTARY PUBLIC, STATE OF FLORIDA

Kerwin Alfred

(Name of Acknowledger Typed, Printed or Stamped)

DD 824350

Commission Number

NOTARY'S SEAL:



STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of July, 2012, 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  
MA (type of identification) as identification.

NOTARY'S SEAL:

MA

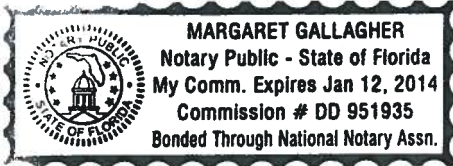
NOTARY PUBLIC, STATE OF FLORIDA

MARGARET GALLAGHER

(Name of Acknowledger Typed, Printed or Stamped)

DD951935

Commission Number



STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of JULY, 2012, 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 MA (type of identification) as identification.

NOTARY'S SEAL:

MA

NOTARY PUBLIC, STATE OF FLORIDA

MARGARET GALLAGHER

(Name of Acknowledger Typed, Printed or Stamped)

DD951935

Commission Number

