

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: May 1, 2012

[x] Consent [ ] Regular  
[ ] Workshop [ ] Public Hearing

Department:

Submitted By: Department of Airports

Submitted For:

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to receive and file:

- A) Lease Assignment from Annie Holdings, LLC (Annie Holdings), assigning all of Annie Holdings' right, title and interest in and to the lease agreement with AA Economy Transmission Specialists, LLC, as lessee (AA Transmission) (AA Transmission Lease), for lease of property at 325 N. Military Trail, in West Palm Beach, effective March 14, 2012; and
- B) Lease Assignment from Annie Holdings, assigning all of Annie Holdings' right, title and interest in and to the lease agreement with PJ Properties, Inc., as lessee (PJ Properties) (PJ Properties Lease), for lease of property at 327 N. Military Trail, in West Palm Beach, effective March 14, 2012.

**Summary:** On March 14, 2012, closing was completed on the County's purchase of property at 325-327 N. Military Trail, west of the Palm Beach International Airport (PBIA) (Parcel W-314), from Annie Holdings, pursuant to the Agreement for Purchase & Sale (R-2011-1441) (Agreement). Parcel W-314 is improved with an 8,512 square foot commercial building and is occupied by two existing tenants that operate automotive service businesses: AA Transmission and PJ Properties. The Lease Assignments were executed as part of the Agreement. The current term of the AA Transmission Lease expires October 31, 2012, and current monthly rental is \$2,866. The current term of the PJ Properties Lease expires January 31, 2017, and current monthly rental is \$4,127.18. If all renewal terms are exercised, the AA Transmission Lease will expire on October 31, 2018; and the PJ Properties Lease will expire on January 31, 2022. Countywide (HJF)

**Background and Justification:** Parcel W-314 was acquired because the property is in the PBIA Runway Protection Zone. The property is improved with an 8,512 square foot commercial building and is occupied by two existing tenants that operate automotive service businesses: AA Transmission and PJ Properties.

**Attachments:** AA Transmission Lease Assignment (1)  
PJ Properties Lease Assignment (1)

Recommended By:  3/29/12  
Department Director Date

Approved By:  4/12/12  
County Administrator Date

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	~0~ <sup>* see below</sup>	_____	_____	_____	_____
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes \_\_\_\_\_ No X  
 Budget Account No: Fund 4100 Department 120 Unit 8452 RSource 4413  
 Reporting Category \_\_\_\_\_

### C) Recommended Sources of Funds/Summary of Fiscal Impact:

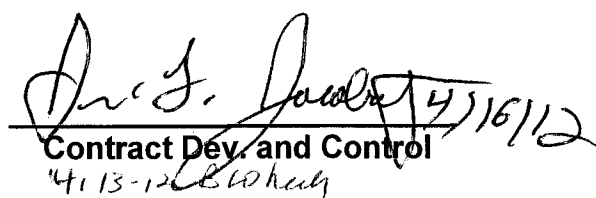
\* There is no fiscal impact as a result of the two Lease Assignments. Fiscal impact (rental revenue) was outlined in September 13, 2011 Agenda Item Summary 6.B.1.

C. Departmental Fiscal Review: \_\_\_\_\_

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Development and Control Comments:

  
 OFMB  
 VA 4/8/12 4/13/12

  
 Contract Dev. and Control  
 4/13-12 4/16/12

### B. Legal Sufficiency:

  
 4/16/12  
 Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
 Department Director

## LEASE ASSIGNMENT

THIS ASSIGNMENT is made effective as of March 14, 2012, by and between Annie Holdings, LLC, a Florida limited liability company ("Assignor") and Palm Beach County, a political subdivision of the State of Florida ("County").

### RECITALS

A. Assignor is the Lessee pursuant to that certain Lease dated October 1, 2009, by and between Annie Holdings, as lessor, and AA Economy Transmission Specialists, LLC, as Lessee, ("AA Transmission"). A true and correct copy of the lease is attached hereto as Exhibit "B" (the "AA Transmission Lease"); and

B. Under the terms of the AA Transmission Lease, Assignor may assign, transfer and convey its rights under the AA Transmission Lease, incident to any sale of the building, in which the demised premises are located; and

C. Assignor, as "Seller", and County, as "Purchaser" have entered into that certain Agreement for Purchase and Sale dated September 13, 2011(R2011-1441) for the purchase and sale of the Property, on which the building and demised premises are located; and

D. Assignor desires to assign to County, and County desires to accept and assume all of Assignor's duties, obligations, interest and benefits in and to the AA Transmission Lease, in connection with the terms and conditions set forth in the AA Transmission Lease.

NOW, THEREFORE, for valid consideration, the sufficiency of which is hereby acknowledged, the parties hereto intending to be legally bound agree as follows:

1. Assignor hereby irrevocably conveys, transfers and assigns to County (the "Assignment"), all of Assignor's right, title and interest in and to the AA Transmission Lease and all benefits arising thereunder or therefrom, such Assignment to take effect on the Assignment Date (as herein defined). County hereby expressly assumes all of Assignor's duties and present and future liabilities and obligations in and to the AA Transmission Lease arising subsequent to the Assignment Date

2. Each party hereto agrees that it shall execute or cause to be executed promptly after request by the other such documents or instruments as may be reasonably required in connection with the assignment of the AA Transmission Lease by Assignor.

3. The "Assignment Date" shall be the date on which title to Property is transferred by deed from Assignor to County.

4. Assignor represents and warrants to County that it has all necessary organizational power and authority to execute and perform its obligations under this Assignment; the signing and performance by Assignor of this Assignment have been duly authorized by all necessary action on its part; and this Assignment has been duly and validly signed by Assignor and constitutes legal, valid and binding obligation, enforceable in accordance with its terms.

5. This Assignment may be amended or modified only by an instrument in writing signed by all pertinent parties.

6. This Assignment may be executed in counterparts.

7. This Assignment contains the complete agreement between the parties with respect to the matters contained herein and supersedes all other agreements, whether written or oral, with respect to the matters contained herein.

8. Assignor hereby warrants and represents to County that the AA Transmission Lease, which is incorporated herein by reference, is in full force and effect and enforceable according to the terms of the AA Transmission Lease, including all representations and warranties made by Assignor with respect to the matters contained therein.

9. This Assignment may be executed in counterparts, all of which shall be deemed the complete Assignment, and may be transmitted by facsimile wherein such facsimile transmission shall be deemed an original.

*Signature Page Follows*

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed in their respective names on the dates set forth below.

Signed, sealed, and delivered  
in the presence of:

As to Seller:

Judith Luskin  
Witness Signature

Judith Luskin  
Print Witness Name

Robert Wachtenheim  
Witness Signature

Robert Wachtenheim  
Print Witness Name

Date of Execution by Assignor:  
12/14, 2011

"Assignor"  
Annie Holdings, LLC

By: Florence R. Wachtenheim  
Signature

Florence R. Wachtenheim  
Print Signatory's Name

Its: Manager

Date of Execution by County:

March 14, 2012

ATTEST:

SHARON R. BOCK

CLERK & COMPTROLLER

By: 

Deputy Clerk



APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By: 

County Attorney

PALM BEACH COUNTY, a  
political subdivision of the State of Florida

By: 

~~Karen Maroney~~, Chair **Shelley Vana**  
**Priscilla A. Taylor**

APPROVED AS TO TERMS AND  
CONDITIONS

By: 

Department Director

EXHIBIT "A"

THE PROPERTY

**LEGAL DESCRIPTION**

Lots, 13, 14, 15 and 16, LESS and EXCEPT the East 10 feet of Lots 14 and 15, HARTLEY PARK, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 24, Page 59.



EXHIBIT "B"

THE AA TRANSMISSION LEASE

THIS LEASE made and entered into as of the 15<sup>th</sup> day of October, 2009 by and between Annie Holdings, LLC ("Lessor"), whose address is 5 Butler Road, Scarsdale, NY 10583 and AA Economy Transmission Specialists, LLC ("Lessee") whose address is 325 N. Military Trail, West Palm Beach, FL 33415.

WITNESSETH:

In consideration of the mutual promises, covenants and conditions herein contained and the rent reserved by Lessor to be paid by Lessee to Lessor, Lessor hereby leases to Lessee and Lessee hereby rents from Lessor, that certain real property situated in Palm Beach County, Florida, hereinafter described, for the term and at the rentals and upon the terms and conditions hereinafter set forth.

1. **PREMISES.** The real property hereby leased by Lessor to Lessee is Bay 8 (the "Premises"), shown on the sketch attached hereto as Exhibit A-1 of the building (the "Building"), shown on the photo attached hereto as Exhibit A-2, at 325 N. Military Trail, West Palm Beach, FL 33415 (the "Property") Lessor warrants that the area of the Premises is no less than 4,489 square feet.

2. **TERM.** The term of this Lease shall commence on October 15, 2009 (the "Commencement Date") and shall extend to midnight of October 31, 2012. (the "Expiration Date") for a period of three years, sixteen days.

3. **USE.** Lessee, its successors and assigns, shall use the Premises exclusively as an automobile transmission installation and repair and general auto repair shop, and for no other purposes whatsoever. Lessee shall comply with all laws, ordinances, rules and regulations of applicable governmental authorities respecting the use of the Premises and Lessee shall not permit any unlawful, improper or offensive use of the Premises. Lessee shall not make use of the Premises which would make void or voidable any policy of fire, extended coverage, liability, flood or windstorm insurance covering the Premises or Building.

4. **RENT.**

4.1 **Base Rent:**

Annual Base Rent ("Base Rent") for the Premises during the lease term shall be payable by Lessee to Lessor without demand, set-off or deduction whatsoever on the first day of each calendar month during the term in monthly installments as follows:

Lease year	Annual Base Rent	Monthly Installment
10/15/2009-10/31/2010	\$32,400.00	\$2,700.00
11/1/2010-10/31/2011	\$33,390.00	\$2,783.00
11/1/2011-10/31/2012	\$34,392.00	\$2,866.00

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Lessee's Initials AC

Except that Lessee shall not be obligated to pay Base Rent for the period October 15, 2009 through December 31, 2009. Lessee shall pay the installment of base rent (plus estimated Common Operating Expense plus sales tax) due for the period January 1, 2010 through January 31, 2010 upon execution of this lease. Lessee's next payment of Base Rent shall, therefore be due February 1, 2010.

*4.2 Tenant's Share of Common Operating Expenses:*

Lessee shall pay as additional rent 52% of the Common Operating Expenses, as defined below, of the Lessor's property at 325 N. Military Trail.

For each lease year during the Lease Term, Lessor shall, in advance, reasonably estimate for each such year the total amount of the Common Operating Expenses for such lease year. One-twelfth (1/12) of 52% the total estimated amount of Common Operating Expenses shall be paid by Lessee each month in addition to the Base Rent.

On or before the first day of the third month following the end of each lease year for which the Lessor has estimated Common Operating Expenses, Lessor shall provide Lessee with the amount of the actual Common Operating Expenses for the lease year just past, and a reasonable breakdown of the items included in it, together with an invoice for any underpayment of Increased Operating Expense Amount (to be paid within 30 days following receipt of the invoice) or a credit to Lessee against Base Rent to reimburse Lessee for any overpayment of Common Operating Expense.

The term "Common Operating Expense" for the purposes of this Lease shall mean the following:

1. Ad valorem real estate taxes for the entire property on which the building is located.
2. Electricity costs for exterior lighting not metered to an individual unit.
3. Septic system maintenance
4. Well pump maintenance
5. Water and sewer charges to the Property in the event municipal water and sewer is provided to the premises.
6. Maintenance and painting (striping) of the parking area.
7. Landscape maintenance.
8. Insurance against damage to the building containing the premises, including insurance for fire, windstorm, flood and other casualty.
9. Liability insurance covering the premises.

Capital Improvements to the Building or Property shall not be Common Operating Expenses.

*4.3 Sales Tax and Late Payment fee.*

In addition to the rents provided for herein, Lessee shall also pay the amount of any use or sales tax on rent imposed by the State of Florida, which shall be paid at the same time and in the same manner as each payment of rent. There shall be due with any payment of rent received after the tenth (10<sup>th</sup>) day of the month a late payment charge equal to five percent (5%) of the payment due or Fifty Dollars (\$50.00), whichever is greater. There shall be a fee of Thirty Dollars (\$30.00) on any checks returned for non-sufficient funds or any other reason.

4.4 *Time and Place of Payment*

Each monthly installment of rent and other sums due hereunder shall be payable in advance on the first (1<sup>st</sup>) day of each calendar month of the term made payable to Annie Holdings, LLC, at 5 Butler Road, Scarsdale, NY 10583 or at such other place Lessor may from time to time designate in writing.

5. QUIET ENJOYMENT. Lessor covenants that as long as Lessee pays the rent reserved in this Lease and performs its agreements hereunder Lessee shall have the right quietly to enjoy and use the Premises for the term hereof, subject only to the provisions of this Lease.

6. SIGNS. Lessee shall have the exclusive use of the southerly sign stanchion located on the Property. Cost of acquisition, installation, repair and maintenance of any sign placed upon such stanchion shall be at the expense of Lessee and the cost of illumination of such sign shall be borne by Lessee. No sign shall be placed upon such stanchion and no sign that is visible from outside of the Premises shall be installed by Lessee without Lessor's prior written approval, said approval not to be unreasonably withheld.

7. UTILITIES. During the term of this lease, Lessee shall pay all costs for electricity services directly serving the premises and the sign referenced in paragraph 6. Water and sewer are currently furnished through well and septic tank and the costs thereof are Common Operating Expenses. Should municipal water and/or sewer service be provided to the premises during the term of this lease, Lessee shall pay the costs of water and sewer service directly metered to the premises. Lessee shall pay for the costs of trash collection services furnished to the Premises.

8. ASSIGNMENT. Lessee shall not assign, sell, transfer or otherwise dispose of this Lease nor any rights hereunder, nor sublet all or any part of the Premises nor permit any other person or corporation to use any part of the Premises without first obtaining the express written consent of Lessor.

9. REPAIRS AND MAINTENANCE. Lessee has inspected the Premises and accepts them in their "as is" condition except as set forth herein. Lessor shall not be called upon and shall have no obligation to make any repairs, improvements or alterations whatsoever to the Premises except as herein specified. During the term of this Lease, Lessor shall maintain the exterior walls in good repair, and shall keep the roof of the building watertight. Lessor shall maintain the HVAC unit serving the premises in good order and repair. Lessor shall maintain the parking area as a Common Operating Expense, however, Lessor shall, not later than November 15, 2009, repair the potholes existing in the parking area at the commencement of this Lease at Lessor's sole expense. Lessee shall be liable for Lessor's costs of repairs or maintenance that arise out of negligence or fault of Lessee, its employees, agents, invitees, licensees or customers.

Lessee shall service, keep and maintain the interior of the Premises, including all plumbing, wiring, piping, and fixtures and equipment on the interior of the Premises in

good repair during the entire term of this Lease. Lessee agrees to make repairs promptly as they may be needed at its own expense, and at the end of the term or upon termination of this Lease, Lessee shall deliver the Premises in as good condition and repair as on the Commencement Date, reasonable wear and tear excepted, and in a broom-clean condition with all glass and all windows and doors intact.

It is Lessee's responsibility to purchase insurance for Lessee's property placed within the premises. Lessor shall not be liable for any loss or damage to Lessee's personal property in the Premises even though caused by the negligence of Lessor, or its agents, employees or persons under Lessor's control or direction.

Lessee shall maintain the interior and exterior windows in a neat and clean condition, and Lessee shall not permit rubbish or hazardous waste to accumulate or any fire or health hazard to exist. Failure to comply with any or all of the above shall cause this Lease to be voidable at the Lessor's sole discretion.

Water service to the Premises and the adjacent leased bay in the Building is provided by well. The well pump is located within the Premises. Lessee shall allow access to the Premises for any necessary maintenance, repair or replacement of the pump system servicing the well.

10. ALTERATION TO THE PREMISES AND REMOVAL OF EQUIPMENT. Lessee shall not make any alteration or addition to the Premises without the express prior written consent of Lessor. Upon expiration and termination of this Lease, all installations, fixtures, improvements and alterations made or installed by Lessee including electric lighting fixtures installed by Lessee, unless removed without damage to the Premises prior to the Expiration Date, shall remain a part of the Premises as the property of Lessor.

11. CASUALTY. In the event the Premises are rendered untenable by fire or other casualty, Lessor shall have the option of terminating this Lease or rebuilding the Premises and in such event written notice of the election by Lessor shall be given to Lessee within thirty (30) days after the occurrence of such casualty. In the event Lessor elects to rebuild the Premises, the Premises shall be restored to its condition prior to such casualty loss within a reasonable time not to exceed 90 days after Lessor's notice of election. In the event the premises are not restored within that period, Lessee shall have the option to terminate this lease, provided notice of termination is given within 15 days after the expiration of the restoration period. Lessee shall have the right to continue occupancy in the Premises with abatement of rent only to the extent and for the period that all or portion of the Premises are actually untenable. In the event Lessor elects to terminate this Lease, the rent shall be paid to and adjusted as of the date of such casualty, and the term of this Lease shall then expire, and this Lease shall be of no further force or effect, and Lessor shall be entitled to sole possession of the Premises.

12. PARKING AREAS. In addition to the Premises, Lessee shall have the right to non-exclusive use, in common with Lessor, other Lessees, and the guests, employees and invitees of same of any parking facilities, walkways, loading areas, trash disposal areas, as are appurtenant to the Building.

a) *Lessor's Interest Not Subject to Liens.* The Lessee shall have no authority, express or implied to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind the interests of Lessor in the Premises, the Building or the Property including those who may furnish materials or perform labor for any construction or repairs. No one furnishing labor or materials to or for Lessee's account shall be entitled to claim any lien against the interest of Lessor and such entities shall look solely to Lessee and Lessee's tenfold interest under this lease for the satisfaction of any such claims.

b) Lessee agrees that it will make full and prompt payment of all sums necessary to pay for the cost of repairs, alterations, improvements, changes or other work done by Lessee to the Premises and further agrees to indemnify and hold Lessor harmless from and against any and all such costs and liabilities incurred by Lessee, and against any and all construction liens arising out of or from such work. In the event any notice or claim of lien shall be asserted of record against the interest of Lessor in the Premises or Building on account of any improvement work done by or for Lessee, or any person claiming by, through or under Lessee, or for improvements or work the cost of which is the responsibility of Lessee, Lessee agrees to have such lien canceled and discharged of record (either by payment or bond as permitted by law) within thirty (30) days after notice to Lessee by Lessor, and in the event Lessee shall fail to do so, Lessee shall be considered in default under the terms of this Lease.

14. INSPECTION AND REPAIR. Lessor or its representatives shall have the right at any reasonable time, upon twenty-four (24) hours notice (except in the case of emergency when no prior notice shall be required) to enter the Premises for the purpose of inspection or for the purpose of making or causing to be made any repairs or otherwise to protect its interest. The right of Lessor to enter, repair or do anything else to protect its obligations or enlarge Lessor's obligations under this Lease, or affect any right of Lessor, or create any duty or liability of Lessor to Lessee or any third party.

15. WAIVER OR ESTOPPEL. The failure of Lessor or Lessee to insist, in any one or more instances, upon strict performance of any covenants or agreements of this Lease or exercise any option of Lessor herein contained, shall not be construed as a waiver or relinquishment for the future enforcement of such covenant, agreement or option but the same shall continue and remain in full force and effect. Receipt of rent by Lessor, with knowledge of the breach of any covenant or agreement hereof shall not be deemed a waiver of such breach and no waiver by Lessor of any provisions hereof shall be deemed to have been made unless expressed in writing and signed by Lessor.

16. CONDEMNATION. Lessor reserves unto itself, and Lessee assigns to Lessor, all right to damages accruing on account of any taking or condemnation of any part of the Premises, or by reason of any act of any public or quasi-public authority for which damages are payable. Lessee agrees to execute such instruments of assignment as

may be required by Lessor, to join with Lessor in any petition for the recovery of damages, if requested by Lessor, and to turn over to Lessor any such damages that may be recovered in any such proceeding. Lessor does not reserve to itself, and Lessee does not assign to Lessor, any damages payable for trade fixtures installed by Lessee at its cost and expense and which are not part of the realty. Upon condemnation of a portion of the Premises, this Lease and Lessee's obligations hereunder shall terminate as to such space.

17. NOTICES. All notices required or contemplated by this Lease shall be in writing and shall be delivered by hand or by United States Certified Mail, Return Receipt Requested, addressed to the party to whom such notice is directed at the addresses set forth in the first paragraph of this Lease. By giving at least five (5) days' prior written notice to the other party, either party may change its address for notices hereunder.

18. INSURANCE. Lessee shall, at its expense, provide and maintain in force during the entire term of this Lease, and any extension or renewal hereof, public liability insurance with limits of coverage not less than Five Hundred Thousand Dollars (\$500,000.00) for any property damage or loss from any one accident, and not less than One Million Dollars (\$1,000,000.00) for injury to any one person from any one accident. Each policy of insurance shall name as the insured thereunder Lessor and Lessee. The original of each such policy of insurance or certified duplicates thereof issued by the insuring organization shall be delivered by Lessee to Lessor on or before ten (10) days prior to occupancy of the Premises by Lessee and shall provide thirty (30) days' prior notice of cancellation to Lessor.

Upon Lessee's failure to procure such insurance and deliver the policy or certificate to Lessor within ten (10) days from the date of commencement of the term hereunder or ten (10) days before the expiration of any policy delivered to Lessor, Lessor may obtain such insurance and the premiums therefore shall be deemed to be, and shall be paid as, Additional Rent at the next rent payment day.

19. DEPOSITS AND ADVANCE RENT. Upon execution of this lease, Lessee will pay Lessor the Base Rent installment of \$2,700.00, plus estimated Common Operating Expense of \$1,335.00 plus sales tax of \$262.28 as an advance toward the Base Rent, Common Operating Expense and Sales Tax for the period January 1, 2010 through January 31, 2010 and the Base Rent installment of \$2,866.00 plus estimated Common Operating Expense of \$1,335.00 plus estimated sales tax of \$273.00 as an advance toward the Base Rent, Common Operating Expense and Sales Tax for October, 2012. In addition, Lessee will deposit with Lessor the sum of \$3,000.00 as security for the faithful performance of Lessee's obligations hereunder. Accordingly, the total sum of advance rents and security deposit to be paid by Lessor upon execution of this lease equals \$11,771.28. Any funds paid by Lessee to Lessor as a deposit or advance pursuant to the terms of this Lease may be commingled with other funds of Lessor and need not be placed in escrow or otherwise held in a segregated account. If any sum or sums of money shall become payable by Lessee to Lessor pursuant to the terms of this Lease, after written notice and opportunity to cure as set forth elsewhere herein, Lessor shall have the right to apply any deposits or advances made by Lessee against such sums due by Lessee to

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Lessee's Initials AC

Lessor, whereupon Lessor shall be entitled to immediate reimbursement for such advance or replenishment of such deposit by Lessee.

20. REAL ESTATE TAXES. Lessor will pay, in the first instance and before November 30 of each year, all general real estate taxes and assessments for betterments or improvements which may be levied or assessed by any lawful authority against the demised premises.

21. DEFAULT. In the event Lessee shall fail (a) to make any rental or other payment due hereunder or (b) breach or failure to perform any of the agreements herein other than the agreement to pay rent, and shall fail to cure such default within ten (10) days after written notice of default from Lessor, Lessor shall, in addition to any other rights provided by law, have the option to:

Sue for rents as they come due; or

Accelerate and declare all rents for the remainder of the lease term immediately due and payable and retake possession of the Premises for the account of Lessee, crediting Lessee with any rent received on re-leasing the Premises, less; all costs and expenses of Lessor in connection with such re-leasing of rent and the cost of all repairs or renovations reasonably necessary in connection with the re-leasing, and if this option is exercised, Lessor shall, in addition, be entitled to recover from Lessee immediately any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent; or

Terminate this lease, retake possession of the Premises for its own account and recover immediately from Lessee the difference between the rent for which provisions is made in this Lease and the fair rental value of the Premises for the remainder of the lease term, together with any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent; or

Retake possession of the Premises for the account of Lessee and recover from Lessee, at the end of the lease term or at the time each payment of rent becomes due under this Lease, as Lessor may elect, the difference between the rent for which provisions are made in this Lease and the rent received on any re-leasing, together with all costs and expenses of Lessor in connection with such re-



leasing or rent and the cost of all repairs or renovations reasonably necessary in connection with the re-leasing, and if this option is exercised, Lessor shall, in addition, be entitled to recover from Lessee immediately any other damage occasioned by or resulting from the abandonment or a breach or default other than a default in the payment of rent.

In the event the Lessee holds over after the expiration of the Lease Term or after Lessor has become entitled to possession of the premises as a result of the default of the Lessee, the Lessee shall pay to the Lessor, each month, double the amount of total Rents which were payable by the Lessee the month prior to the Landlord becoming entitled to possession.

The remedies for which provision is made in this Lease shall not be exclusive; in addition thereto Lessor may pursue such other remedies as are provided by law in the event of any default by Lessee.

22. BROKERAGE. Lessee and Lessor acknowledge that they have not dealt, consulted or negotiated with any real estate broker, sales person or agent except Corcoran Group, who is entitled, by separate agreement, to receive a commission from the Lessor. Lessor agrees to pay that commission and indemnifies Lessee against any claim arising out of that separate agreement. Each party hereby indemnifies and agrees to hold harmless the other from and against any and all loss and liability resulting from or arising out of any claim that the indemnifying party has dealt or negotiated with any other real estate broker, sales person or agent in connection with this Lease.

23. ATTORNEYS' FEES. In the event of litigation under this Lease, the prevailing party shall be entitled to recover its court costs and attorneys' fees from the other party. Attorneys' fees and court costs shall be deemed to include such fees and costs at all levels from pretrial through appeal. If Lessor deems it necessary to employ the services of an attorney to obtain Lessee's compliance with the terms and obligations of this Lease, Lessee shall pay Lessor's reasonable attorneys' fees, whether or not litigation is commenced.

24. SUBORDINATION AND ESTOPPEL. This lease is and shall be subject and subordinate to any and all mortgages that may now or hereafter affect the real property of which the Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof, conditioned upon non-disturbance of the Lessee's possession under this lease. In confirmation of such subordination, Lessee shall execute promptly any certificate that Lessor may reasonably request.

From time to time, Lessee, on at least five (5) days prior written request by Lessor, will deliver to Lessor a written statement certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications, that the same is in full force and effect as modified and stating the modifications) and the dates to which the

rent and other charges have been paid and stating whether or not the Lessor is in default in performance of any covenant, agreement, or condition contained in this Lease and, if so, specifying each such default of which Lessee may have knowledge.

25. HAZARDOUS SUBSTANCES. Lessee's use of the Premises shall at all times be in full compliance with all federal, state and local environmental laws and regulations. Lessee hereby warrants to Lessor that, except to the extent already disclosed in writing to Lessor, Lessee's use of the Premises and Building shall not entail the use, storage, handling or disposal of any hazardous materials, substances, wastes or other environmentally regulated substances. As to any such uses disclosed to Lessor in writing, Lessee warrants and represents that Lessee is legally authorized and empowered to maintain all such environmentally regulated substances at the Premises or used in connection therewith, and Lessee has obtained and will maintain all licenses, permits and approvals required with respect thereto, and is in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals. Lessee further warrants and represents that it will promptly notify Lessor of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Premises or used in connection therewith, and will promptly transmit to Lessor copies of any permits, licenses, approvals, citations, order, notices, correspondence and other material governmental and other communication received relating to hazardous materials, substances, wastes or other environmentally regulated substances affecting the Premises. Lessee hereby indemnifies and holds Lessor harmless from and against any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against Lessor as a direct or indirect result of noncompliance with any requirement under any law, regulation or ordinance, local or state or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances. Lessee's obligations hereunder shall not be limited to any extent by the term of the Lease.

Lessor shall hold Lessee harmless from any violation of Lessor's obligations resulting from Palm Beach County DERM Report dated September 13, 1991 and Palm Beach County Health Department Report under file number 50QF 917508, provided such violations are not caused by Lessee.

27. OPTIONS TO RENEW. Provided that Lessee is not in default of any obligation under this lease at the time of exercise, Lessee shall have the option to renew this lease upon the following terms and conditions:

a) Lessee shall have the option to renew this lease for the period October 1, 2012 through September 30, 2015. Such option must be exercised by written notice to Lessor before May 1, 2012 or such option and all other options shall terminate. If such option is exercised, the Base Rent during this renewal period shall be as follows:

10/2012-9/2013	\$36,112.00/year	\$3,009.00/month
10/2013-9/2014	\$37,918.00/year	\$3,160.00/month
10/2014-9/2014	\$39,814.00/year	\$3,318.00/month

Other than the Base Rent set forth above, all other terms and conditions of this Lease shall apply during this renewal period.

b) Provided Lessee has exercised the option described in subparagraph a) above and is not in default of any obligation under this Lease, Lessee shall have the option to renew this lease for the period October 1, 2015 through September 30, 2018. The Base Rent for the year October 1, 2015 through September 30, 2016 shall be at the fair market rent on October 1, 2015 for property similar to the Property. Should the parties be unable to agree on a market rent, each party shall designate an acceptable market rent. Should the acceptable market rents differ by 5% or less, then the Base Rent for that year shall be the average of the two acceptable market rents. Should the acceptable market rents differ by more than 5%, then each party shall designate a Florida licensed real estate broker or attorney. These designees shall together designate a single licensed real estate appraiser who shall determine the market rent. However, in no event shall the Base Rent for the October 1, 2015 through September 30, 2016 be less than \$3,477.00 per month.

The Base Rent for each succeeding lease year of this renewal term shall be 5% greater than the Base Rent for the year preceding it.

Other than the provisions for Base Rent, all other terms and conditions of this Lease shall apply during this renewal period.

28. ENTIRE AGREEMENT. Lessee agrees that Lessor has not made any statement, promise or agreement, or taken upon itself any engagement whatsoever, verbally or in writing, in conflict with the terms of this Lease, or in which any way modifies, varies, alters, enlarges or invalidates any of its provisions. This Lease sets forth the entire understanding between Lessor and Lessee, and shall not be changed, modified or amended except by an instrument in writing signed by the party against whom the enforcement of any such change, modification or amendment is sought. The covenants and agreements herein contained shall bind, and the benefit and advantages herein shall inure to the respective heirs, legal representatives, successors and assigns of Lessor and Lessee. Should any clause or provision of this Lease be determined to be illegal, invalid or unenforceable under any present or future law by final judgment of a court of competent jurisdiction, the remainder of this Lease will not be affected thereby. Whenever used, the singular number shall include the plural and the plural shall include the singular and the use of any gender shall include all genders. The headings set forth in this Lease are for ease of reference only and shall not be interpreted to modify or limit the provisions hereof. This Lease shall be construed in accordance with the laws of the State of Florida. Time is of the essence in the performance of all obligations under this Lease.

29. LESSOR'S WARRANTIES. Lessor warrants that:

a) The Premises are properly zoned to accommodate Lessee's usage as an automobile transmission installation and repair and general auto repair facility, including outdoor vehicle storage.

b) There are no present municipal code violations or open permits relative to the premises or to the property owner.

v) Lessor shall, provided such insurance is available in the market where the Premises are located, maintain wind and general casualty insurance covering the Building of which the Premises are a part in the amount of the full insurable value thereof and shall provide evidence thereof to Lessee. The cost of such insurance shall be a Common Operating Expense.

30 RADON GAS. 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 testing may be obtained from one's county public health unit.

31. This lease may be signed by the parties in counterparts which when taken together shall constitute a single document. For the purpose of this Lease, fax or email signatures shall be valid for all purposes.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Agreement to be executed the day and year first above written.

Signed, sealed and delivered  
in the presence of:

Witness

Witness

Date:

10/22/09

LESSOR: ANNIE HOLDINGS, L.L.C.

By:

Florie R. Wachtenheim

Florie R. Wachtenheim

Printed Name

Its:

Title

Co-Manager, Annie Holdings, LLC

LESSEE: AA ECONOMY TRANSMISSION  
SPECIALISTS, LLC

By:

Andrea Chumney, its Agent

Andrea Chumney

Printed Name

Its:

Title

Managing Member

## LEASE ASSIGNMENT

THIS ASSIGNMENT is made effective as of March 14, 2012, by and between Annie Holdings, LLC, a Florida limited liability company ("Assignor") and Palm Beach County, a political subdivision of the State of Florida ("County").

### RECITALS

- A. By Warranty Deed dated December 27, 2006 and recorded in Official Record Book 21377, Page 1056 of the public records of Palm Beach County, Florida, Assignor is the successor in title to the real property legally described in Exhibit "A" attached hereto (the "Property"); and
- B. On February 15, 2002, Ludwig Hammelburger and Ann Hammelburger, his wife ("Hammelburger"), entered into that certain Lease Agreement between Hammelburger, as lessor, and PJ Properties, Inc., as Lessee, ("PJ Properties"). A true and correct copy of the lease is attached hereto as Exhibit "B" (the "PJ Properties Lease"); and
- C. As successor in title to Hammelburger, Assignor accepted title to the Property subject to the PJ Properties Lease and since December 27, 2006, Assignor has, at all times, solely, and without challenge from any party, including, but not limited to, PJ Properties, assumed all rights and obligations under the PJ Properties Lease. No written assignment of the PJ Properties Lease was made; and
- D. Under the terms of the PJ Properties Lease, Assignor may assign, transfer and convey its rights under the PJ Properties Lease, incident to any sale of the building, in which the demised premises are located; and

E. Assignor, as "Seller", and County, as "Purchaser" have entered into that certain Agreement for Purchase and Sale dated September 13, 2011 (R2011-1441) for the purchase and sale of the Property, on which the building and demised premises are located; and

F. Assignor desires to assign to County, and County desires to accept and assume all of Assignor's duties, obligations, interest and benefits in and to the PJ Properties Lease, in connection with the terms and conditions set forth in the PJ Properties Lease.

NOW, THEREFORE, for valid consideration, the sufficiency of which is hereby acknowledged, the parties hereto intending to be legally bound agree as follows:

1. Assignor hereby irrevocably conveys, transfers and assigns to County (the "Assignment"), all of Assignor's right, title and interest in and to the PJ Properties Lease and all benefits arising thereunder or therefrom, such Assignment to take effect on the Assignment Date (as herein defined). County hereby expressly assumes all of Assignor's duties and present and future liabilities and obligations in and to the PJ Properties Lease arising subsequent to the Assignment Date.

2. Each party hereto agrees that it shall execute or cause to be executed promptly after request by the other such documents or instruments as may be reasonably required in connection with the assignment of the PJ Properties Lease by Assignor.

3. The "Assignment Date" shall be the date on which title to Property is transferred by deed from Assignor to County.

4. Assignor represents and warrants to County that it has all necessary organizational power and authority to execute and perform its obligations under this Assignment; the signing and performance by Assignor of this Assignment have been duly authorized by all necessary action on its part; and this Assignment has been duly and validly signed by Assignor and constitutes legal, valid and binding obligation, enforceable in accordance with its terms.

5. This Assignment may be amended or modified only by an instrument in writing signed by all pertinent parties.

6. This Assignment may be executed in counterparts.

7. This Assignment contains the complete agreement between the parties with respect to the matters contained herein and supersedes all other agreements, whether written or oral, with respect to the matters contained herein.

8. Assignor hereby warrants and represents to County that the PJ Properties Lease, which is incorporated herein by reference, is in full force and effect and enforceable according to the terms of the PJ Properties Lease, including all representations and warranties made by Assignor with respect to the matters contained therein.

9. This Assignment may be executed in counterparts, all of which shall be deemed the complete Assignment, and may be transmitted by facsimile wherein such facsimile transmission shall be deemed an original.

*Signature Page Follows*

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed in their respective names on the dates set forth below.

Signed, sealed, and delivered  
in the presence of:

As to Seller:

Judith Luskin  
Witness Signature

Judith Luskin  
Print Witness Name

Robert Wachtenheim  
Witness Signature

Robert Wachtenheim  
Print Witness Name

Date of Execution by Assignor:

12/14, 2011

"Assignor"

Annie Holdings, LLC

By: Florence R. Wachtenheim  
Signature

Florence R. Wachtenheim  
Print Signatory's Name

Its:Manager



Date of Execution by County:

March 14, 2012

ATTEST:

SHARON R. BOCK  
CLERK & COMPTROLLER

By:

[Signature]  
Deputy Clerk



PALM BEACH COUNTY, a  
political subdivision of the State of Florida

By:

[Signature]  
~~Karen Marcus~~, Chair **Shelley Vana**  
**Priscilla A. Taylor**

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By:

[Signature]  
County Attorney

APPROVED AS TO TERMS AND  
CONDITIONS

By:

[Signature]  
Department Director

EXHIBIT "A"

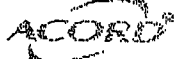
THE PROPERTY

LEGAL DESCRIPTION

Lots, 13, 14, 15 and 16, LESS and EXCEPT the East 10 feet of Lots 14 and 15, HARTLEY PARK, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 24, Page 59.

EXHIBIT "B"

THE PJ PROPERTIES LEASE



## CERTIFICATE OF GARAGE INSURANCE

DATE(MM/DD/YYYY)

3/15/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER <b>ALL IN ONE INSURANCE</b> 6795 Stirling Rd Davie, FL 33314	CONTACT NAME: PHONE (A/C, No, Ext): (954) 584-3000 FAX (A/C, No): (954) 584-9454 E-MAIL ADDRESS: bsabotka@bellsouth.net
INSURED <b>AA ECONOMY TRANSMISSION</b>  325 N MILITARY TRAIL WEST PALM BEACH, FL 33415 561-712-8995	INSURER(S) AFFORDING COVERAGE INSURER A: <b>GRANADA INSURANCE</b> INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES PROD / CUSTOMER ID:

CERTIFICATE #:

REVISION #:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GARAGE LIABILITY <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> USED IN GARAGE BUSINESS			0185FL00016209	11/02/11	11/02/12	AUTO ONLY (Ea accident) \$ 1,000,000 OTHER THAN AUTO ONLY EA ACCIDENT \$ 1,000,000 AGGREGATE \$ 1,000,000
A	GARAGE KEEPERS LIABILITY <input checked="" type="checkbox"/> LEGAL LIABILITY <input type="checkbox"/> DIRECT BASIS <input type="checkbox"/> PRIMARY <input type="checkbox"/> EXCESS			0185FL00016209	11/02/11	11/02/12	<input checked="" type="checkbox"/> COMP / OTO SPECIFIED PERILS LOC \$ 60,000 <input checked="" type="checkbox"/> COLLISION LOC \$ 60,000 LOC \$
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		Y	0185FL00016209	11/02/11	11/02/12	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ NONE MED EXP (Any one person) \$ NONE PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COM/OP AGG \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						EACH OCCURRENCE \$ AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under REMARKS below	Y/N	N/A				WC STATUTORY LIMITS: OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

REMARKS (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

PALM BEACH COUNTY HAS BEEN LISTED AS AN ADDITIONAL INSURED

CERTIFICATE HOLDER

CANCELLATION

PALM BEACH COUNTY  
846 PALM BEACH INTERNATIONAL AIRPORT  
WEST PALM BEACH, FL 33406

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

FAX 561-233-0210

AUTHORIZED REPRESENTATIVE

BSabotka

LEASE AGREEMENT

THIS AGREEMENT made and entered into this 15 day of February, 2002, by and between LUDWIG HAMMELBURGER and ANN HAMMELBURGER, his wife, (hereinafter referred to as LESSOR) AND PJ PROPERTIES, INC., a Florida corporation, (hereinafter referred to as LESSEE).

WITNESSETH:

WHEREAS, LESSOR is the owner of a commercial building, situated in Palm Beach County, Florida, and more particularly described as Lots 13, 14, 15, and 16 of Hartley Park; and

WHEREAS, LESSEE is desirous of leasing from LESSOR a portion of said building of approximately 4,032 square feet, said space being immediately adjoining another tenant which is now occupied by TECH MASTER OF MILITARY TRAIL, INC. of approximately 4,420 square feet immediately adjoining the subject leasehold premises.

NOW, THEREFORE, for and in consideration of the rents hereinafter reserved, and all the terms, conditions, covenants, and

agreements hereinafter contained, LESSOR hereby leases and demises to LESSEE, and LESSEE hereby hires, leases and takes from LESSOR, the premises described hereinabove (hereinafter called THE PREMISES) under all of the following terms, covenants and conditions:

1. THE IMPROVEMENTS.

The LESSEE will occupy the premises containing 4,032 square feet and the LESSEE acknowledges that, upon execution of this Lease, LESSEE accepts the premises in its present condition without the requirement of LESSOR for any improvements thereon. The LESSEE accepts the premises in its current condition.

2. TERM.

This Lease shall be for a term of ten (10) years, commencing on February 1, 2002, and terminating January 31, 2012.

3. RENTAL AMOUNT.

In consideration of the premises, LESSEE shall pay to the LESSOR as rent therefore, a total rental amount for the ten year term of Four Hundred Fifty Four Thousand Seven Hundred Twenty Eight and 12/100 Dollars (\$454,728.12), said rental amount shall be due and payable in advance, without demand, offset or notice, in monthly installments on the 1<sup>st</sup> of each month, payable as follows:

*L.H.S.P.  
A.H.*

- A. During the first three years, the LESSEE shall pay to the LESSOR thirty-six (36) equal monthly payments of \$3,650.00 plus applicable sales tax thereon, beginning February 15, 2002. R.H. - L.H.
- B. For the fourth and fifth years of this Lease, the LESSEE shall pay to the LESSOR twenty-four (24) monthly payments of \$3,741.25 plus applicable sales tax thereon.
- C. For the sixth and seventh years of this Lease, the LESSEE shall pay to the LESSOR twenty-four (24) equal monthly payments of \$3,834.78 plus applicable sales tax thereon.
- D. For the eight, ninth, and tenth years of this Lease, the LESSEE shall pay to the LESSOR thirty-six (36) equal monthly payments of \$3,930.65 plus applicable sales tax thereon.

4. OPTIONS TO RENEW.

Provided that the LESSEE is not in default hereunder, LESSEE shall have the option to extend the term of this Lease for two (2) additional five-year periods. The rental increases during each five (5) year option period and beginning on the eleventh year shall increase every two (2) years on a five (5%) percent increase basis.

5. SECURITY DEPOSIT and ADVANCED PAYMENTS OF RENT.

LESSEE shall pay to the LESSOR the sum of Three Thousand Six Hundred Fifty and 00/100 Dollars (\$3,650.00), as security for the faithful performance and observance by LESSEE of the terms, provisions, covenants and conditions of this Lease. LESSOR acknowledges receipt of \$3,150.00 from previous Lessee, NAPA AUTO of said security deposit and it is agreed and understood that LESSOR shall retain said security deposit until the term of this Lease, and may, at LESSOR's option, use, apply or retain the whole or any part of the security deposit to the extent required for the payment of any rent, or any of the sums to which LESSEE is in default, or for any sum which LESSOR may expend, or may be required to expend by reason of LESSEE'S default in respect of any of the terms, covenants and conditions of this Lease. In the event LESSEE fully and faithfully complies with all of the terms, provisions, covenants and conditions of this Lease, the security deposit shall be returned to the LESSEE within thirty (30) days. ~~All monies held by the Landlord will earn interest at a savings account rate through the term of the Lease. The banking institution will be at the Landlord's discretion and the Landlord will provide the LESSEE with a yearly statement.~~ A.H. L.H. jh



In addition, LESSEE shall pay to the LESSOR the sum of Four Thousand One Hundred Sixty Eight and 29/100 Dollars (\$4,168.29), representing the total last month's rental payment under this Lease.

6. OCCUPANCY AND USE.

LESSEE acknowledges and agrees that it will occupy and use the demised premises for automotive repairs, and for related automotive business in accordance with all local, State and Federal laws and regulations, and hereby agrees that it, its successors and assigns, if any, or anyone holding by, through, or under them, will adhere to this permitted use of the premises and for no other purpose.

7. AD VALOREM REAL ESTATE TAXES, SPECIAL ASSESSMENTS AND INSURANCE.

The LESSEE acknowledges the obligation to pay to the LESSOR monthly real estate tax payments in addition to the monthly rental payments, based on the approximate annual real estate tax of \$7,850.00. In addition, the LESSEE shall pay on a monthly basis its pro rata share of the fire insurance for the building which is approximately \$2,850.00 per year. In the event of any special tax assessment levied by a local, State or Federal municipality or agency, said LESSEE acknowledges its obligation to pay a pro rata share of said special assessment.

The LESSOR and LESSEE mutually agree and understand that the LESSEE'S share of the leasehold premises represents 48% of the total square footage of the building. As such, the LESSEE shall pay 48% of the total ad valorem real estate taxes and the annual fire insurance premium based on said percentage. LESSOR shall, as promptly as possible, provide LESSEE with notice of any increases in said taxes, assessments or insurance premiums, (with a copy for the LESSEE'S records,) and LESSEE shall be responsible for payment of same within thirty (30) days after notice has been provided to the LESSEE by LESSOR.

8. UTILITY SERVICE.

The cost for all utility services to the premises, utilized by LESSEE, shall be borne directly by LESSEE. It is agreed and understood that such utilities shall be individually metered to the LESSEE. All such bills shall be promptly paid upon receipt of same by LESSEE, starting February 1, 2002.

In the event municipal water service and/or sewer service shall become available to the premises, the LESSOR agrees to be responsible for all hook-up charges required by said municipalities to provide said utility services.

9. ALTERATIONS.

The premises shall not be altered or changed without written consent of the LESSOR, said consent not to be

unreasonably withheld. Unless otherwise provided by this agreement, all alterations, improvements, or changes shall be done by, or under the direction of LESSOR, but at no cost to the LESSOR. All alterations, additions or improvements made in or to the premises which were paid for by the LESSEE after LESSOR's consent may be removed by the LESSEE and remain the LESSEE's property, at its option, if LESSEE puts the premises in the same condition it received it, normal wear and tear excepted. All damages or injury done to the premises by LESSEE, or any person who may be in or on the premises by the consent of LESSEE, shall be paid for by the LESSEE or repaired by the LESSEE to the satisfaction of the LESSOR within ten (10) days of LESSEE receiving written notice of same unless, due to factors or conditions beyond the control of the LESSEE, it shall take longer. In that case, all work shall be completed as soon as reasonably possible.

10. INSURANCE.

The LESSEE agrees to obtain, at its expense, a policy or policies of liability insurance providing for liability insurance for injuries or death of person or persons, or damage to property sustained on the demised premises, with limits of \$500,000.00 for injury or death to any one person, and \$500,000.00 for injuries or death of more than one person in any one accident and \$500,000.00 for damages to property. Said policy or policies shall be standard owners/landlord and tenant policies and shall include the LESSOR as a named insured, and either the original or a duplicate original

shall be delivered to the LESSOR and all premiums thereon shall be promptly paid by the LESSEE.

11. BUILDING REPAIRS.

LESSEE shall maintain the interior of the leased premises, including interior ceilings, walls, floors, fixtures, air conditioning, pipes, doors (including garage doors), and windows (including plate glass windows), and the parking lot adjoining the leasehold premises in good and substantial repair. Interior fixtures and pipes are defined as those that project from ceilings, walls and floors into the interior portion of the building. LESSOR shall maintain the exterior of the premises, including the roof and exterior walls, fixtures and pipes including those concealed behind, over and under the interior ceiling, walls and floors.

12. LANDSCAPE MAINTENANCE.

The LESSOR and LESSEE mutually agree that, in order to properly maintain the landscaping of the leasehold premises, the LESSEE shall pay the sum of \$75.00 per month for said maintenance during the term of the Lease. LESSOR shall provide the LESSEE with a copy of the actual bill for the LESSEE'S records on an annual basis.

13. PARKING LOTS AND DRIVEWAY AREAS.

The LESSEE agrees that during the term of this Lease as well as during the term of the Lease to the adjoining leasehold premises, which is hereby referred to and included for purposes of this Lease as that property occupied by Tech Master of Military Trail, under the Lease dated the 12<sup>th</sup> day of July, 2001, the LESSEE shall maintain the parking lots and driveway areas in a safe, good and satisfactory fashion so as to adequately provide vehicular access to and from the leasehold premises. Any and all expense for repair (not replacement) of the parking lots and driveway areas shall be borne by LESSEE during the term of this Lease on a pro rata basis with the other tenant, Tech Master of Military Trail, Inc. The LESSEE shall not be responsible for more than 48% of the reasonable and necessary expenses for repair of said parking lots and driveway areas. In the event, the LESSOR shall receive notice from any governmental entity or agency that said parking lots and driveway areas are in an unsatisfactory condition, the LESSOR shall provide LESSEE with notice of said fact, and LESSEE agrees to cooperate with LESSOR in making the necessary repairs. If repair under this paragraph is necessary, it shall be done within thirty (30) days of receiving written notice of same unless, due to factors or conditions beyond the control of the LESSEE, it

takes longer; when, in that case, the work shall be completed as soon as reasonably possible.

However, in the event that said repairs are necessary because of environmental contamination or neglect by the tenant or tenants occupying the adjoining leasehold premises, then, in that event, the LESSEE shall not be responsible for any portion of said expense or cost incurred. The LESSOR shall be responsible for replacement costs of the parking lots and driveway areas.

14. DAMAGE BY FIRE OR OTHER CASUALTY.

If the premises is damaged by fire or other casualty to the extent of twenty percent (20%) or more, the LESSOR shall have the option to rebuild and repair the leased premises or to terminate this Lease. In the event damage is less than twenty (20%), the LESSOR shall rebuild and repair the premises. In the event of damage by fire or other casualty, the rent payable under this Lease shall abate, in proportion to the impairment of the use that can be reasonably made of the premises for the specific purposes permitted by this Lease, until the property is rebuilt and repaired (or until the Lease is terminated, if termination is in accordance with this paragraph).

If the premises are damaged by fire or other casualty to the extent that the leased premises are rendered unsuitable for LESSEE's purpose and, such damage cannot be repaired within 90 days of its occurrence, the LESSEE shall have the option of terminating

this lease upon written notice to the LESSOR within 120 days of the date of damage.

15. ACCESS BY LESSOR.

The LESSOR may enter, inspect and make such repairs to the leased premises as the LESSOR may reasonably desire, at all reasonable times.

16. ASSIGNMENT.

The LESSEE shall not assign the leased premises, or any part thereof, without the prior written consent of LESSOR, in each instance of which consent may not be unreasonably withheld. Any transfer or assignment of this Lease by operation of law, without the written consent of the LESSOR, shall make this Lease voidable at the option of the LESSOR. After assignment of the Lease, the original LESSEE shall be relieved of any further liability on the Lease and the LESSOR agrees to look solely to the new LESSEE pursuant to said Assignment. LESSOR may assign this Lease, incident to any sale of the building, in which the demised premises are located, whereupon LESSOR shall be relieved from all further duties under this Lease if the buyer assumes those duties.

17. DEFAULTS BY LESSEE.

A. Should LESSEE default in fulfilling any of the covenants of this Lease, other than the covenant for the payment of rent or additional rent, and should such default not be made good within twenty (20) days after written notice of same from LESSOR, LESSOR may give LESSEE ten (10) days notice of intention to end the

term of this lease and thereupon, at the expiration of the said ten days, the term of this Lease shall expire as fully and completely as if that day were the day herein definitely fixed for the expiration of the term, and LESSEE shall then quit and surrender the demised premises to LESSOR but LESSEE shall remain liable as hereinafter provided.

B. Should LESSEE fail to pay the rent, or any item of additional rent reserved herein, or any part thereof, within five (5) days of the due date, LESSOR shall be entitled to a late fee for said payment of five percent (5%) of said payment, not to exceed \$150.00. The LESSOR grants to the LESSEE an additional ten-day grace period for payment of the rent (including late fee). In the event the LESSOR is not in receipt of the rent (and/or late fee) by 5:00 p.m. on the 15<sup>th</sup> of the month, then, in that event, the LESSOR may, without further notice, terminate this Lease and re-enter the demised premises, and dispose LESSEE and/or the legal representatives of LESSEE, or other occupant of the demised premises by summary or judicial proceedings or otherwise, and remove their effects and hold the premises as if this Lease had not been made.

The LESSOR acknowledges and agrees that, so long as LESSEE has mailed the payment and it is postmarked by the fourth (4<sup>th</sup>) of the month, it shall be deemed paid in compliance with paragraph 17(B) above. The LESSEE acknowledges and agrees that the payment must be received by the LESSOR by the 15<sup>th</sup> of the month and there shall be no



presumptions of mailing prior to said date with regard to the additional ten-day grace period of payment of rent as provided above. The lease payment may be electronically transferred to LESSOR'S account.

C. The provisions of paragraphs A or B of this section are cumulative to, and in exclusion of, but are in addition to any other right or remedy which may be available to the LESSOR by law.

D. In the event of any repossession of the demised premises by the LESSOR because of any default of the LESSEE (tenant) either under the provisions of paragraphs A or B of this section, or by reason of any other rights or remedy available to the LESSOR, the LESSOR may demand payment of total rent due or, if it so elects, relet the demised premises or any part thereof either on its own account or as agent for the LESSEE and for the remainder of the term, or for a longer or shorter period, in the discretion of the LESSOR, and the LESSEE agrees to pay the LESSOR the rent herein reserved, on the days when the same became due, less the net proceeds of the reletting, if any.

18. ATTORNEYS' FEES.

In the event of any litigation resulting from either the conduct of the parties, or under this Lease Agreement, the prevailing party in said litigation shall be entitled to an award of reasonable attorney's fees together with court costs, including reasonable attorney's fees and costs for any appellate proceedings if applicable.

19. MORTGAGES.

LESSEE agrees and acknowledges that this Lease shall be subject to and subordinate to any mortgage which may now or hereafter affect the real property of which the demised premises form a part, and to all renewals, modifications, consolidations, replacements, and extensions thereof, and that in confirmation of such subordination, LESSEE shall execute promptly any certificate that the LESSOR may reasonably request.

20. HOLDING OVER.

Should LESSEE hold possession of the premises after the term of this Lease, LESSEE shall become a tenant for month to month at the rent, and upon the terms herein specified, or at the option of LESSOR at the then market rental for the premises.

LESSEE'S tenancy as a month-to-month tenant may be terminated by the LESSOR immediately at the LESSOR'S election. Should the LESSEE hold over for any portion of a month, the LESSEE shall pay the LESSOR rent for the whole month without offset or deduction. Nothing in this paragraph shall be construed as consent by the LESSOR to the occupancy of the premises by the LESSEE after the term hereof.

21. LESSEE'S INDEMNITY.

LESSEE agrees to protect and save harmless the LESSOR from any claims of injuries to property or persons resulting from

accidents or torts which occur in the demised premises or which are committed by the LESSEE, or its agents, employees or invitees. This provision is in addition to and supplemental to the previous provision concerning insurance. LESSEE also acknowledges that it shall carry all required Workmen's Compensation Insurance in an amount sufficient and adequate to protect LESSEE's employees. LESSEE agrees to provide evidence of said insurance to LESSOR.

22. VENUE.

The parties hereby stipulate that, in the event of any dispute concerning this Agreement leading to any action, proceeding or counterclaim by either of the parties hereto against the other, proper venue for such an action shall lie in Palm Beach County, Florida.

23. REQUIREMENTS OF LAW.

LESSEE and LESSOR shall comply with all laws, ordinances and regulations of Federal, State, City, County and Municipal authorities and fire insurance rating organizations which shall now or hereafter affect the premises.

24. NOTICES.

All notices to be given under this Agreement shall be in writing and shall either be served personally or sent by prepaid certified or registered mail to the address of the parties below specified, or at such other addresses as may be given by written notice in the manner prescribed in this paragraph. This shall also include the address at which LESSEE shall pay the rent to LESSOR.

Any notices to LESSOR shall be sent to:

10518 Boca Woods Lane  
Boca Raton, FL 33428

and

Robert A. D'Angio, Jr., Esquire  
685 Royal Palm Beach Boulevard, Suite 205  
Regional Professional Building  
Royal Palm Beach, FL 33411

Any notices to LESSEE shall be sent to:

PJ PROPERTIES, INC.

and

Jim Leeder

25. NO WAIVER.

No delay or omission of the exercise of any right by either party hereto shall impair any such right or shall be construed as a waiver of any default or as acquiesce therein. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. No requirements whatsoever of this Lease shall be deemed waived or varied because of either parties failure or delay in taking advantage of any default, and LESSOR's acceptance of any payment from LESSEE with knowledge of any default, shall not constitute a waiver of LESSOR'S rights in respect to such default nor of any

subsequent or continued breach of any such default or any other requirements of this Lease. All remedies provided for herein shall be construed as cumulative and shall be in addition to every other remedy otherwise available to LESSOR.

26. ABANDONMENT.

Should LESSEE abandon said premises during the term hereof, LESSOR may re-enter the same and store or sell any property owned by LESSEE found on the premises at the expense of the LESSEE, applying the net proceeds of any sale of said property to any sums due to the LESSOR from the tenant (LESSEE).

27. END OF TERM.

Upon the expiration or other termination of the term of this Lease, LESSEE shall quit and surrender to LESSOR the demised premises together with all buildings and improvements thereon; "broom clean", in good order and condition ordinary wear and tear excepted.

28. LIENS.

LESSEE agrees to pay when due all sums of money that may become due for any labor, services, materials, supplies or equipment furnished to or for the LESSEE in, upon or about the premises which may result in a lien upon or against the premises and will cause any such lien to be fully discharged and released within twenty (20) days.

29. CONDEMNATION.

In the event of the land or building, of which the demised premises are a part, being taken for public, quasi public purposes, LESSEE shall have no claim to, nor shall LESSEE be entitled to, any portion of any award for the land or building of which the demised premises is part. However, the LESSEE shall be entitled to pursue from said public or quasi public entity an award of damages or costs for any loss of business incurred as a result of any such condemnation or public taking. LESSOR shall have no responsibility for pursuing said award by the LESSEE. The LESSEE may terminate this Lease within ninety (90) days of total taking of the subject property by giving written notice to the LESSOR and, in the event there shall be a partial taking of the leased premises, LESSEE may terminate this Lease within ninety (90) days prior to said partial taking by giving written notice to the LESSOR if said partial taking shall render the premises unsuitable for LESSEE's purposes.

30. ENTIRE AGREEMENT.

This instrument of Lease contains the entire and only agreement between the parties concerning the demised premises, no prior oral or written statements or representations, if any, of any party hereto or any representative of any party hereto, not contained in this instrument, shall have any force or effect. This Lease shall not be modified in any way except by a writing executed by LESSOR and LESSEE, and no oral agreement or representations for rental shall be deemed to constitute a lease other than this agreement. This agreement shall not be binding until it shall have been executed by LESSOR and LESSEE.

31. GOVERNING LAW.

This Lease shall be governed exclusively by the provisions hereof and by the laws of the State of Florida, as the same may from time to time exist. LESSEE shall promptly comply with all applicable and valid laws, ordinances and regulations of Federal, State, County, Municipal or other lawful authority pertaining to the use and occupancy of the lease premises.

32. SALE OF PROPERTY.

In the event the LESSOR sells or renders control of the leased premises to a third party who is a competitor (competitor means any entity which offers any substantial goods or services offered by LESSEE) of the LESSEE, or who are substantial owner's of a competing business, then, the LESSEE shall have the right to cancel this Lease by providing six (6) months written notice to LESSOR.

33. PARAGRAPH HEADINGS.

Individual provisions. The Paragraph Headings throughout this instrument are for convenience and reference only and the words contained therein shall in no way be held to explain, modify, amplify or aide in the interpretation, construction or meaning of the provisions of this Lease. If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent be invalid or unenforceable, the remainder of this Lease, of the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such term or provision of this Lease shall be valid and be enforced to the full extent permitted by law.



IN WITNESS WHEREOF, the parties hereto have hereunto  
executed this instrument for the purpose herein expressed, the day  
and year first above written.

Signed, sealed and delivered  
in the presence of:

Chris A. Rap

~~Chris A. Rap~~  
Deborah J. Bates

LESSOR:

Ludwig Hammelburger  
LUDWIG HAMMELBURGER

Ann Hammelburger  
ANN HAMMELBURGER

LESSEE:

Chris A. Rap

Deborah J. Bates

PJ PROPERTIES, INC.

BY: Jim Leeder  
Jim Leeder, President

E:\DOCS\RAD\hammelburger lease to PJ Properties.wpd



# CERTIFICATE OF LIABILITY INSURANCE

OP ID: LH

DATE (MM/DD/YYYY)

03/13/12

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER HARBOR INSURANCE - Br7 500 Northpoint Pkwy, Ste 200 West Palm Beach, FL 33407 Harbor Insurance	561-623-6150 561-712-9394	CONTACT NAME: Linda J Holly PHONE (A/C, No, Ext): 561-623-6141 FAX (A/C, No): 561-623-6141 E-MAIL ADDRESS: linda.holly@harboria.com PRODUCER CUSTOMER ID #: AUTOC-1
INSURED PJ Properties Inc dba Auto Care of the Plam Beaches 327 N Military Trail West Palm Beach, FL 33415	INSURER(S) AFFORDING COVERAGE INSURER A: Southern Owners Ins Co. NAIC # 10190 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X	4835877900	04/01/11	04/01/12	EACH OCCURRENCE \$ 100,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 100,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS Garage Liability	X	4835877900	04/01/11	04/01/12	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Garage keepers	Y/N N/A	4835877900 DEDUCTIBLE \$500	04/01/11	04/01/12	WC STATU-TORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$ Comp 100,000 Collision 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is an additional insured as landlord/land owner

CERTIFICATE HOLDER Palm Beach County 846 PB Int'l Airport West Palm Beach, FL 33406	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Rebecca A. Palmer
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