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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: February 7, 2012

Agenda Item No. 8(F)(5)

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Lease Agreement with H-S Acquisitions LLC, a Florida Limited Liability Company, for the Miami-Dade Police Department
Property # 0131250190850-01

Resolution No. R-121-12

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the attached resolution authorizing execution of a Lease Agreement with H-S Acquisitions LLC, a Florida Limited Liability Company for office space. The attached Lease Agreement has been prepared by Internal Services Department at the request of Miami-Dade Police Department (MDPD).

PROPERTY:	Northeast Miami-Dade County
COMMISSION DISTRICT:	3
COMMISSION DISTRICTS IMPACTED:	Countywide
OWNER:	H-S Acquisitions LLC, a Florida Limited Liability Company
COMPANY PRINCIPALS:	Nelson Slosbergas, Manager Joseph Horn, Manager
OWNERS' TRACK RECORD:	The County has no record of negative performance issues with H-S Acquisitions LLC, a Florida Limited Liability Company.
USE:	12,150 square feet of air-conditioned and heated office space together with the entire adjacent parking lot.
JUSTIFICATION:	MDPD has a need to continue utilizing this air-conditioned office space, which has been occupied since October 1998. During negotiations to re-lease this space, the landlord requested $25.00 per square foot for a long-term lease, more than a 100 percent increase. In order to prevent a disruption in services, staff was able to negotiate a one-year lease with a three percent increase, from $12.06 per square foot to $12.42 per square foot. Prior to the expiration of this new agreement, staff will identify a more cost effective alternative, looking first at County-owned facilities.
LEASE TERM:	One year
EFFECTIVE DATES:	The Lease Agreement commences upon the passage of the resolution by the Board and terminates one year thereafter.

RENTAL RATE: The annual base rent for the one year lease term is $150,903.00, which is equal to $12.42 per square foot.

FISCAL IMPACT: The total fiscal impact for the one year lease is estimated to be $200,771.28, which is calculated below. This expense has been budgeted in MDPD's operating budget. Funding Source: General Fund, Index Code: PD560318, Sub-object Code: 25511.

One lease term of one year:

Annual Base Rent:	Total Dollars	PSF
Annual Base Rent	$150,903.00	$12.42
Direct Expense:		
Electric	$ 15,600.00	$ 1.28
Water & Waste Disposal	$ 1,782.00	$ 0.15
Janitorial & Custodial Supplies & Services	$ 25,802.16	$ 2.12
Internal Services Department Alarm Monitoring	$ 648.00	$ 0.05
	$194,735.16	$16.02
Indirect Expense:		
Lease Management Fee: (4%)	$ 6,036.12	
Total Cost to County, One Year:	**$200,771.28**	

LEASE CONDITIONS: The Landlord is responsible for the maintenance of the exterior of the building, electrical and plumbing lines, air-conditioning equipment, roof and roof leaks, parking lot and all common areas.

The County is responsible for electric, water, waste disposal services, janitorial and custodial services in the demised premises.

CANCELLATION PROVISION: The County may cancel this Lease Agreement, or any portion thereof, at any time and for any reason by giving Landlord at least 90 days' prior written notice.

CURRENT LEASE: The current Lease Agreement was approved by the Board in September of 1998. The Lease was for a five-year term with four additional two-year renewal option periods. The Lease expires on October 7, 2011. However, the current lease

contains a holdover provision which allows the Tenant to remain in the space on a month to month basis, under the same terms and conditions as the existing lease. The current annual rent is $146,502.60, which is equal to $12.06 per square foot.

OTHER PROPERTIES EVALUATED:

3415 N.E. 2 Avenue - $25.00 per square foot, Full Service, plus relocation costs.

3401 N. Miami Avenue - $28.00 per square foot, Full Service, plus relocation costs.

3450 N.E. 1 Avenue - $28.00 per square foot, Full Service, plus relocation costs.

MONITOR: Linda Weber, Real Estate Officer

DELEGATED AUTHORITY: Authorizes the County Mayor or the County Mayor's designee to execute the attached lease agreement and exercise any and all rights contained therein, including exercise of the cancellation provision.

Deputy Mayor

MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: February 7, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(F)(5)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

✓ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous_____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(F)(5)
2-7-12

RESOLUTION NO. R-121-12

RESOLUTION APPROVING TERMS OF AND AUTHORIZING EXECUTION BY COUNTY MAYOR OR MAYOR'S DESIGNEE OF A LEASE AGREEMENT BETWEEN THE COUNTY AND H-S ACQUISITIONS LLC, A FLORIDA LIMITED LIABILITY COMPANY, FOR PREMISES TO BE UTILIZED BY THE MIAMI-DADE POLICE DEPARTMENT, AS OFFICE SPACE, WITH A TOTAL FISCAL IMPACT TO MIAMI-DADE COUNTY NOT TO EXCEED $200,771.28 FOR THE ONE-YEAR TERM OF THE LEASE; AND AUTHORIZING THE MAYOR OR THE MAYOR'S DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the terms of the Lease Agreement between Miami-Dade County and H-S Acquisitions LLC, a Florida Limited Liability Company, for premises to be utilized as office space, with a total fiscal impact to Miami-Dade County not exceed $200,771.28 for the one-year term of the Lease, in substantially the form attached hereto and made a part hereof; authorizes the Mayor or the Mayor's designee to execute same for and on behalf of Miami-Dade County; and authorizes the Mayor or the Mayor's designee to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner **Sally A. Heyman**, who moved its adoption. The motion was seconded by Commissioner **Audrey Edmonson** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman			**aye**
Audrey M. Edmonson, Vice Chairwoman			**aye**
Bruno A. Barreiro	**aye**	Lynda Bell	**aye**
Esteban L. Bovo, Jr.	**aye**	Jose "Pepe" Diaz	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Jean Monestime	**aye**	Dennis C. Moss	**aye**
Rebeca Sosa	**aye**	Sen. Javier D. Souto	**absent**
Xavier L. Suarez	**aye**		

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of February, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. GBK

Geri Bonzon-Keenan

LEASE AGREEMENT

THIS AGREEMENT made on the day of , 2011, by and between H-S ACQUISITIONS LLC, a Florida Limited Liability Company, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "TENANT,"

WITNESSETH:

That LANDLORD, for and in consideration of the restrictions and covenants herein contained, hereby leases to TENANT and TENANT hereby agrees to lease from LANDLORD the Demised Premises described as follows:

> The entire building located at Miami, Florida consisting of approximately 12,150 square feet of air-conditioned and and heated office space, together with the entire adjacent parking lot. (See Exhibit "A" attached hereto and made a part hereof)

TO HAVE AND TO HOLD unto the said TENANT for a term of one (1) year commencing on the effective date of the resolution of the Board of County Commissioners approving this Lease Agreement, (the "Commencement Date"), and terminating one year thereafter for and at a total base rental of One Hundred Fifty Thousand Nine Hundred Three Dollars and 00/100 ($150,903.00) for the one lease year, payable in twelve (12) equal monthly installments of Twelve Thousand Five Hundred Seventy Five Dollars and 25/100 ($12,575.25), payable in advance on the first day of every month at 1110 Brickell Avenue, Suite 310, Miami, Florida, 33131 or at such other place and to such other person as LANDLORD may from time to time designate in writing.

Property # 0131250190850-01

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The October monthly installment rental payment will be processed by the County after the close of the County's fiscal year.

IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

ARTICLE I
USE OF DEMISED PREMISES

The area of the Demised Premises shall be used by TENANT for the performance of County business by County departments, agencies, and authorities and for the performance of work incidental thereto, which will necessarily entail services performed for the general public.

ARTICLE II
CONDITION OF DEMISED PREMISES

TENANT hereby accepts the Demised Premises to be in a state of good repair and suitable for usage by TENANT at the commencement of this Lease Agreement.

ARTICLE III
UTILITIES

TENANT, during the term hereof, shall pay all charges for water, waste disposal services, and electricity services used by TENANT.

ARTICLE IV
MAINTENANCE

LANDLORD agrees to provide, repair or replace, as necessary, and maintain and keep in good repair, condition, and appearance, during the term of this Lease Agreement or any extension or renewal thereof, the exterior of the building and the following:

Plumbing and electrical lines, fixtures (excluding light bulbs) and equipment; except for damage caused by TENANT's negligence;

Air-conditioning and heating equipment;
Roof and roof leaks;
Parking lot and necessary repairs to the parking lot;
Windows, doors, and frames, unless unreasonably damaged by TENANT;
Termite Control
Fire equipment, including inspection as required by applicable fire codes.

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the Demised Premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m. the aforementioned maintenance.

Upon the failure of LANDLORD to effect repairs or perform the above-stated services pursuant to this Lease Agreement after five (5) days' written notification to do so by TENANT, TENANT may cause the repairs to be made and deduct their cost from the rental payments due and to become due until in each instance TENANT has fully recovered such costs in accordance with audited costs of repair furnished by TENANT to LANDLORD. In the event of an emergency, TENANT after proper notification to the LANDLORD and failure of the LANDLORD to take immediate action, may perform repairs that are the LANDLORD's responsibility and receive a credit against rental payments or a cash reimbursement from LANDLORD for the actual costs thereof. During the term of this Lease Agreement or any renewal thereof, if in TENANT's reasonable judgment a condition exists with respect to any matter in which the LANDLORD is obligated to maintain, that which adversely affects TENANT's operations, and after proper notice, LANDLORD fails to repair same as required, TENANT may make such repairs and deduct the cost thereof from rental payments or any other amounts due to LANDLORD hereunder. All of the aforesaid repairs shall be made with reasonable diligence and in a good and workmanlike manner.

TENANT shall be responsible for the interior of the Demised Premises including janitorial and custodial services, trash and refuse disposal and pest control services (excluding termite control).

ARTICLE V
ALTERATIONS BY TENANT

TENANT may not make any alterations, additions, or improvements in or to the Demised Premises without the written consent of LANDLORD. All additions, fixtures, or improvements (except but not

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limited to store and office furniture and fixtures which are readily removable without injury to the Demised Premises) shall be and remain a part of the Demised Premises at the expiration of this Lease Agreement. Subject to the above, removable partitions installed by TENANT within the Demised Premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation thereof. Throughout the term of this Lease Agreement, LANDLORD agrees to provide any additions, fixtures, or other improvements that TENANT may request, and TENANT shall reimburse LANDLORD for any such additions, fixtures, or improvements separately invoiced to the TENANT at the rates agreed-upon with the LANDLORD for such services.

ARTICLE VI
DESTRUCTION OF DEMISED PREMISES

In the event the Demised Premises or any portion thereof should be destroyed or so damaged by fire, windstorm, or other casualty, either party may cancel this Lease Agreement for its convenience by the giving of written notice to the other at any time after the occurrence of the fire, windstorm, or other casualty. In the event of cancellation under this Article, neither party shall be responsible to the other party for any expense associated with the cancellation, and TENANT shall only be liable to LANDLORD for such rents as may be due as of the date of such fire, windstorm, or other casualty.

If neither party shall exercise the foregoing right of cancellation, LANDLORD shall cause the building and Demised Premises to be repaired and placed in good condition within one hundred twenty (120) days following the date of casualty, time being of the essence. If the Demised Premises sustained damages such that repairs cannot be completed within one hundred twenty (120) days, TENANT shall be entitled to cancel the Lease Agreement by the giving of written notice to LANDLORD at any time, notwithstanding the commencement of any repairs by LANDLORD. TENANT shall not be liable for rent during such period of time as the Demised Premises be untenantable by reason of fire, windstorm or other casualty.

In the event of partial destruction or damages to the Demised Premises which do not render the Demised Premises untenantable, the rents shall be proportionately abated in accordance with the extent to

which TENANT is deprived of use, occupancy or full enjoyment of the premises, unless TENANT exercises its right of cancellation as set forth above.

ARTICLE VII
DISABLED INDIVIDUALS

LANDLORD understands, recognizes, and warrants to the best of its knowledge that all common areas are, and shall at all times be maintained, in accordance with the requirements for disabled individuals contained in the Americans with Disabilities Act of 1990 (the "ADA") and Section 553.501 et seq. of the Florida Statutes, as presently written and as may be hereafter amended.

LANDLORD further warrants that the Demised Premises and access thereto, including but not limited to rest rooms, hallways, entryways to the street, and accessible parking, if parking is provided under the Lease Agreement, shall be in compliance with the accessibility standards for government programs contained in the ADA and all requirements of Section 553.501 et seq. of the Florida Statutes LANDLORD covenants and agrees that the Demised Premises and access thereto shall at all times be maintained in accordance with the requirements of Section 255.21 of the Florida Statutes at LANDLORD's cost and expense, except where changes are required as a result of TENANT's change in program or work force.

LANDLORD agrees to correct any and all violations of the obligations of LANDLORD under this Section within thirty (30) days of written notice by TENANT of the existence of the same, provided that, if such violations cannot feasibly be corrected within said thirty (30) day period, then LANDLORD agrees to commence such repairs within said thirty (30) day period and to diligently pursue the completion of same within a reasonable period thereafter.

LANDLORD recognizes and agrees that throughout the term of the Lease Agreement, TENANT may in its discretion change its employees or programs which operate from the Demised Premises. LANDLORD agrees that TENANT may, at TENANT's expense and subject to LANDLORD's prior reasonable approval, make such changes to the Demised Premises or the access thereto as may be required by TENANT to accommodate disabled individuals or to provide program accessibility in connection with any such change in TENANT's programs or work force.

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ARTICLE VIII
NO LIABILITY FOR PERSONAL PROPERTY

All personal property placed or moved in the Demised Premises above described shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to negligence or willful misconduct of LANDLORD, LANDLORD's agents or employees.

ARTICLE IX
SIGNS

Exterior signs will be of the design and form of letter to be first approved by LANDLORD, the cost of painting to be paid by TENANT. All signs shall be removed by TENANT at termination of this Lease Agreement and any damage or unsightly condition caused to building because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

ARTICLE X
LANDLORD'S RIGHT OF ENTRY

LANDLORD or any of its agents shall have the right to enter said Demised Premises during all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists, to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or preservation thereof of said building or to exhibit said Demised Premises and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within thirty (30) days before the expiration of this Lease Agreement.

ARTICLE XI
LIABILITY FOR DAMAGE OR INJURY

TENANT shall not be liable for any damage or injury which may be sustained by any party or person on the Demised Premises other than the damage or injury caused solely by the negligence of TENANT, subject to all limitations of Florida Statutes, Section 768.28. N)

ARTICLE XII
PEACEFUL POSSESSION

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the Demised Premises above described, without hindrance or molestation by LANDLORD.

ARTICLE XIII
SURRENDER OF DEMISED PREMISES

TENANT agrees to surrender to LANDLORD at the end of the term of this Lease Agreement, or any extension thereof, said Demised Premises in as good condition as said Demised Premises were at the beginning of the term of this Lease Agreement, ordinary wear and tear and damage by fire and windstorm or other acts of God excepted.

ARTICLE XIV
INDEMNIFICATION AND HOLD HARMLESS

LANDLORD shall indemnify and hold harmless the TENANT and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the TENANT or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to, or resulting from the performance of this agreement by the LANDLORD or its employees, agents, servants, partners, principals or subcontractors. LANDLORD shall pay all claims and losses in connections therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the TENANT, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. LANDLORD expressly understands and agrees that any insurance protection required by this agreement or otherwise provided by LANDLORD shall in no way limit the responsibility to indemnify, keep and save harmless and defend the TENANT, or its officers, employees, agents, and instrumentalities as herein provided. NJ

TENANT does hereby agree to indemnify and hold harmless the LANDLORD to the extent and within the limitations of Section 768.28, Florida Statutes, subject to the provisions of that Statute whereby the TENANT shall not be held liable to pay a personal injury or property damage claim or judgment by any one person which exceeds the sum of $100,000, or any claim or judgments or portions thereof, which, when totaled with all other occurrence, exceeds the sum of $200,000 from any and all personal injury or property damage claims, liabilities, losses or causes of action which may arise solely as a result of the negligence of the TENANT. However, nothing herein shall be deemed to indemnify the LANDLORD from any liability or claim arising out of the negligent performance or failure of performance of the LANDLORD or any unrelated third party.

ARTICLE XV
SUCCESSORS IN INTEREST

It is hereby covenanted and agreed between the parties that all covenants, conditions, agreements, and undertakings contained in this Lease Agreement shall extend to and be binding on the respective successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the Demised Premises above described without hindrance or molestation by LANDLORD.

ARTICLE XVI
ASSIGNMENT BY LANDLORD

If the interests of LANDLORD under this Lease Agreement shall be transferred voluntarily or by reason of foreclosure or other proceedings for enforcement of any mortgage on the Demised Premises, TENANT shall be bound to such transferee (herein sometimes called the "Purchaser") for the balance of the term hereof remaining, and any extension or renewals thereof which may be effected in accordance with the terms and provisions hereof, with the same force and effect as if the Purchaser were the LANDLORD under this Lease Agreement, and TENANT does hereby agree to attorn to the Purchaser, AJ

including the Mortgagee under any such mortgage if it be the Purchaser, as its LANDLORD, said attornment to be effective and self-operative without the execution of any further instruments upon the Purchaser succeeding to the interest of the LANDLORD under this Lease Agreement. The respective rights and obligations of TENANT and the Purchaser upon such attornment, to the extent of the then remaining balance of the term of this Lease Agreement and any such extensions and renewals, shall be and are the same as those set forth herein. In the event of such transfer of LANDLORD's interests, LANDLORD shall be released and relieved from all liabilities and responsibility to TENANT thereafter accruing under this Lease Agreement or otherwise and LANDLORD's successor by acceptance of rent from TENANT hereunder shall become liable and responsible to TENANT in respect to all obligations of the LANDLORD under this Lease Agreement. Notwithstanding any law to the contrary, LANDLORD and TENANT agree that the rights created by this Lease Agreement shall not be subordinate to any other instruments affecting the Demised Premises, such as mortgages, subsequent purchase agreements, or encumbrances, whether presently in existence or later created or filed.

ARTICLE XVII
NON-DISTURBANCE

The Lease Agreement shall be subordinate and subject to all ground or underlying leases and mortgages covering the fee of the property, or which at any time thereafter affect the property, and to all renewals, modifications, or replacements thereof; provided, however, that with respect to any ground lease agreement, underlying lease agreement, or mortgage subsequent to the date of this Lease Agreement, such subordination shall not be effective unless and until landlord shall obtain from any and all such ground lessors, underlying lessors, and/or lenders a written agreement with tenant wherein any and all such ground lessors, underlying lessors, and/or lenders shall agree that the Lease Agreement shall not be divested or in any way affected by foreclosure, other default proceedings, or other succession in interest by or under any ground lease agreement, lease agreement mortgage, or obligation secured thereby, so long as tenant complies with the terms, conditions, and covenants of this Lease Agreement and performs its obligations under this Lease Agreement (said agreement being referred to herein as a "Non-Disturbance Agreement").

If LANDLORD shall so fail to obtain a Non-Disturbance Agreement from any ground lessor, holder of any mortgage, or underlying lessor, then the parties recognize that this Lease Agreement shall be and remain superior to any such ground lease agreement, underlying lease agreement, and/or mortgage entered into or executed subsequent to the date of this Lease Agreement. Further, with respect to any and all existing ground lease agreement, underlying lease agreement, and/or mortgage, prior to the commencement of the construction of LANDLORD's Work, LANDLORD shall obtain from any and all ground lessors, underlying lessors, and/or lenders a Non-Disturbance Agreement. LANDLORD and TENANT agree that the terms, conditions, and covenants contained here in shall not be altered or affected by any subsequent change in ownership of the Property by reason of foreclosure, conveyance, or otherwise. Any document purporting to transfer ownership in the Property, whether presently in existence or not, shall be subordinate to this Agreement, and subject to the terms, obligations, and covenants herein. In the event that a change of ownership in the Property results in any additional costs to TENANT by material alteration of the terms of this Agreement, LANDLORD agrees to indemnify TENANT for such costs.

ARTICLE XVIII
CANCELLATION

TENANT, through its Mayor or Mayor's designee, shall have the right to cancel this Lease Agreement, or any portion thereof, at any time for any reason by giving LANDLORD at least ninety (90) days written notice prior to its effective date.

ARTICLE XIX
NOTICES

It is understood and agreed between the parties hereto that written notice addressed and sent by certified or registered mail, return receipt requested, first class, postage prepaid and addressed as follows: ND

TENANT:

Real Estate Section
Real Estate Development Division
General Services Administration
111 NW First Street, Suite 2460
Miami, Florida 33128

LANDLORD:

1110 Brickell Avenue
Suite 310
Miami, Florida 33131

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed or delivered to the address as stated above, shall constitute sufficient notice to LANDLORD to comply with the terms of this Lease Agreement. Notices provided herein in this paragraph shall include all notices required in this Lease Agreement or required by law.

ARTICLE XX
ENVIRONMENTAL QUALITY

Without prejudice to any other obligation of LANDLORD pursuant to this Lease Agreement, LANDLORD shall at all times comply with the following requirements:

A. INDOOR AIR QUALITY. LANDLORD shall at all times maintain the Heating, Ventilating, and Air Conditioning System (HVAC) and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment as specified in the attached Exhibit "HVAC System Preventive Maintenance For Leased Space" applicable to the TENANT premises.

B. WATER QUALITY. LANDLORD shall, prior to occupancy by TENANT and following any buildout, changes, or repairs by LANDLORD involving the plumbing system, have the drinking water sampled and tested for lead by a recognized Testing Laboratory. Results of such tests shall not exceed the EPA standard for lead in drinking water of 15 PPB. The drinking water test shall be paid for by the LANDLORD and the original test results shall be furnished to the TENANT.

C. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the Demised Premises as part of pest control services shall only be used in places of infestation as

demonstrated by sticky traps or other such devices observed by TENANT but never as a preventative measure. Such spot sprays or dusts shall be only after normal working hours to allow for ventilation before TENANT employees re-enter the TENANT premises. TENANT encourages LANDLORD to employ the use of traps, baits, or portable vacuums before resorting to pesticide sprays or dusts. LANDLORD shall give TENANT twenty-four (24) hours' notice prior to commencement of pest control services that include sprays or dusts with any kind of pesticide or other chemicals. LANDLORD shall provide reasonable assurance that any and all such chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

D. NOTICE OF RENOVATION OPERATIONS. LANDLORD shall act to prevent the degradation of indoor air quality during any building renovation, remodeling, and similar activities that could allow off-gassing from embodied chemicals in construction materials, furniture, or equipment into spaces occupied by and common areas used by TENANT. LANDLORD and its designated contractor will use only nontoxic paint or other surface coatings, and will cause the space to be continuously ventilated with outside air to prevent the build-up of chemical gases from construction materials, carpet, carpet glues, or other emissive materials during the buildout or renovation of the demised space.

ARTICLE XXI
WAIVER OF LANDLORD'S LIEN

LANDLORD, for itself and its successors and assigns, does hereby waive all rights to levy and/or distraint and all lien rights accrued and accruing as to all personal property, machinery, fixtures, and equipment, affixed or otherwise, now or hereafter belonging to or in the possession of TENANT. Further, TENANT may at its discretion remove from time to time all or part of its personal property, machinery, trade fixtures, and equipment.

ARTICLE XXII
FORCE MAJEURE

TENANT and LANDLORD shall be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the non-monetary terms, covenants, and conditions of

the Lease Agreement when prevented from so doing by cause or causes beyond TENANT's or LANDLORD's control, excluding filing of bankruptcy, but which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of TENANT or LANDLORD.

ARTICLE XXIII
LANDLORD'S DEFAULT

It shall constitute a default of this Lease Agreement by LANDLORD if, except as otherwise provided in this Lease Agreement, LANDLORD fails to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by LANDLORD, where such failure shall continue for a period of thirty (30) days after written notice thereof from TENANT to LANDLORD; provided, however, that if the nature of LANDLORD's non-compliance is such that more than thirty (30) days are reasonably required for its cure, then LANDLORD shall not be deemed to be in default if LANDLORD commenced such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. In the event of any such default by LANDLORD, TENANT may at any time terminate this Lease Agreement within seven (7) days written notice to LANDLORD or bring an action for damages, or injunctive relief (it being recognized that in such event TENANT is irreparably harmed for which there is no adequate remedy at law). No remedy of TENANT provided for in the Lease Agreement shall be considered to exclude or suspend any other remedy provided for herein, but the same shall be cumulative and in addition to TENANT's remedies at law or in equity.

ARTICLE XXIV
WAIVER

If, under the provisions hereof, LANDLORD or TENANT shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of LANDLORD's or TENANT's rights hereunder, unless expressly stated in

such settlement agreement. No waiver by LANDLORD or TENANT of any provision hereof shall be deemed to have been made unless expressed in writing and signed by both parties. No waiver by LANDLORD or TENANT of any breach of covenant, condition, or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment by TENANT or receipt by LANDLORD of lesser amount than the monthly installments of rent (or additional rent obligations stipulated) shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amounts owed to LANDLORD be deemed an accord and satisfaction and LANDLORD may accept such check or payment without prejudice to or waiver of LANDLORD's right to recover the balance of such rent or other amount owed or to pursue any other remedy provided in this Lease Agreement. No reentry by LANDLORD and no acceptance by LANDLORD of keys from TENANT shall be considered an acceptance of a surrender of this Lease Agreement.

ARTICLE XXV
DEFAULT OF TENANT

If TENANT shall fail to pay any monthly installment or item of rent on the date when the same becomes due or shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by TENANT, and if such violation or failure continues for a period of thirty (30) days after written notice thereof to TENANT by LANDLORD, except for failure to pay rent, which shall have a fifteen (15) day period for cure after written notice thereof to TENANT by LANDLORD, and further, if TENANT shall be diligently attempting to cure such failure to perform any other conditions, covenants, or agreements, the time to cure such failure shall be extended for so long as TENANT shall diligently prosecute such cure, then LANDLORD may proceed with any remedy available at law or in equity in that State of Florida or by such other proceedings, including reentry and possession, as may be applicable. All rights and remedies of LANDLORD under this Lease Agreement shall be cumulative and shall not be exclusive of any other rights and remedies provided to LANDLORD under applicable law. (N)

ARTICLE XXVI
GOVERNING LAW

This Lease Agreement, including any exhibits or amendments, if any, and all matters relating thereto (whether in contract, statute, tort or otherwise) shall be governed by and construed in accordance with the laws of the State of Florida.

ARTICLE XXVII
HOLDOVER

If TENANT, with LANDLORD's consent, remains in possession of the Demised Premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then such occupancy shall be a tenancy from month to month at a monthly rental for the first month, after expiration of the term, equivalent to one hundred percent (100%) of the monthly rental in effect immediately prior to expiration, such payments to be made as herein provided. In the event of such holding over, all of the terms of the Lease Agreement including the payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

ARTICLE XXVIII
IMPROVMENTS TO THE DEMISED PREMISES

LANDLORD, at his expense, shall complete the following improvements to the Demised Premises:

1. Paint the exterior of the building on the Westside of the property to cover the "graffiti" and the name of the previous owner "Garrett's Contractors."
2. Wash all windows.
3. Install thresholds over unraveling carpeting between the offices.
4. Glue down areas of the kitchen cabinets that are buckling.
5. Repair / replace two front step tiles that are broken, as this presents a "Safety Hazard."
6. Replace the bathroom door lock on the first men's restroom. N.J.

ARTICLE XXIX
ADDITIONAL PROVISIONS

LANDLORD shall be responsible for the HVAC unit cooling the entire building and shall maintain an HVAC maintenance contract which shall call for regular maintenance and service to such systems as detailed in the attached Exhibit "B," "HVAC System Preventive Maintenance for Leased Space."

ARTICLE XXX
WRITTEN AGREEMENT

This Lease Agreement contains the entire agreement between the parties hereto and all previous negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.

IN WITNESS WHEREOF, LANDLORD and TENANT have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

H-S ACQUISITIONS LLC, a Florida Limited Liability Company

WITNESS

WITNESS

By: _____
Nelson Slosbergas (LANDLORD)
Manager

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
Carlos A. Gimenez (TENANT)
Mayor

Approved by the County Attorney as to form and legal sufficiency.____

EXHIBIT "A"

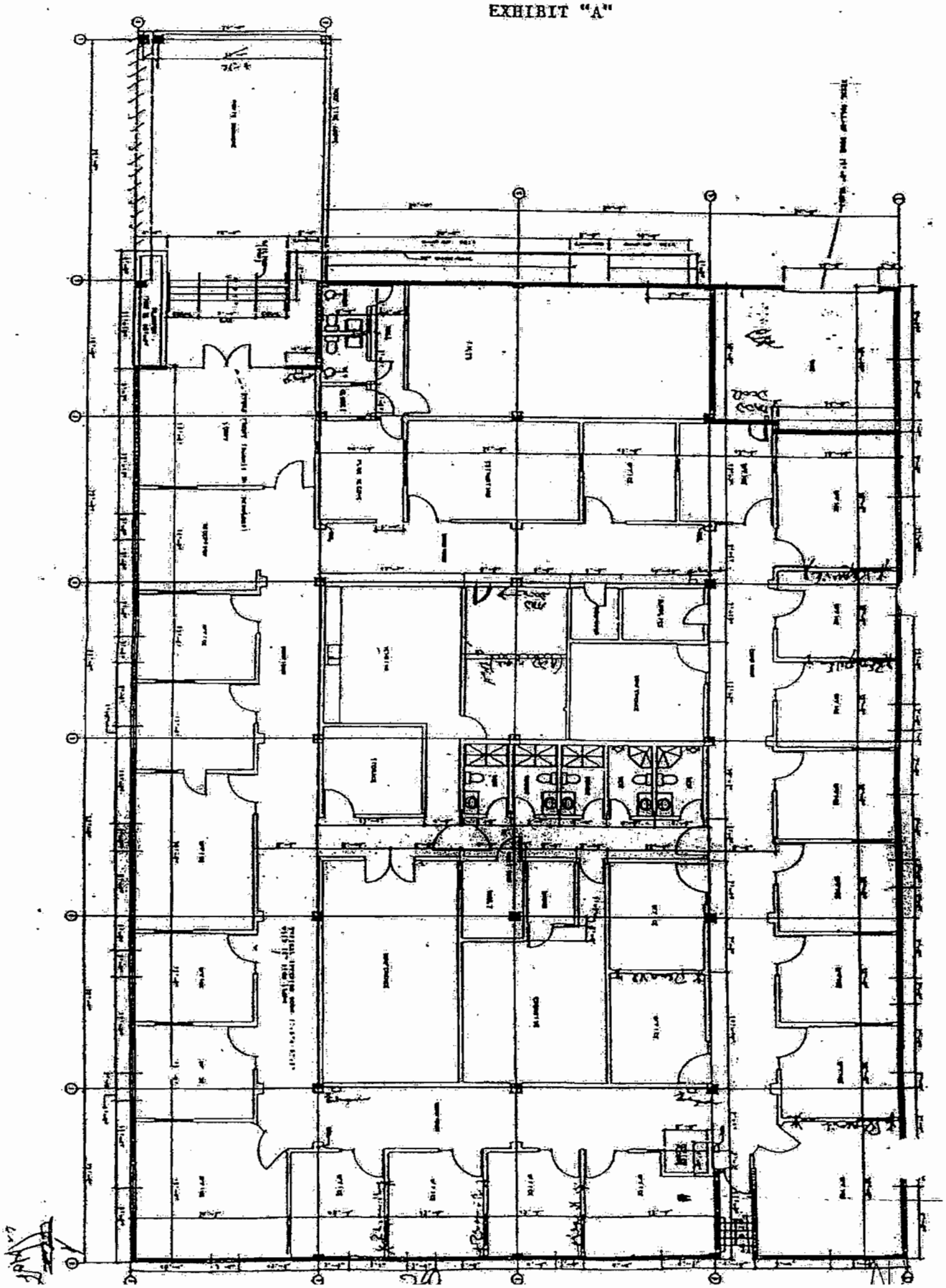

EXHIBIT "B"

HVAC SYSTEM PREVENTIVE MAINTENANCE FOR LEASED SPACE

The following components are typically found in the Heating, Ventilating, and Air Conditioning (HVAC) systems in Miami-Dade County buildings; each component has the typical maintenance activity and minimum frequency noted:

I. FILTERS - Applicable to all supply conditioned air to TENANT premises:
   - A. High-efficiency type (ASHRAE rated 85%) - preferred - changed every 2 years.
   - B. Electrostatic-antimicrobial - minimum acceptable - cleaned every 30 days.

II. OUTSIDE AIR INTAKE - applicable on all central systems:
   - A. Check for cleanness and operation if motorized louvers - filter preferred - quarterly.

III. TEMPERATURE AND HUMIDITY - Temperature 73-78 degrees - Humidity 50-60%:
   - A. ASHRAE generally accepted comfort zone for South Florida.
   - B. Check controls and verify temperature and humidity are at or near guidelines - monthly.

IV. AIR HANDLER - Separate type or self contained in AC package unit as applicable:
   - A. Clean coils and check for leaks and loose connections - check quarterly.
   - B. Lubricate fan motors and check belts - quarterly.
   - C. Check air intake and exhaust - quarterly.
   - D. Check fan motors for overheating and vibration - quarterly.
   - E. Check structural frame for sturdiness - quarterly.
   - F. Check and clean contact points in switches - quarterly.
   - G. Check condensate drip pan for standing water. Clean and spray with algicide quarterly.
   - H. Check, remove trash, and clean condensate drain and trap - quarterly.

V. COMPRESSOR - Separate or self-contained in AC package unit as applicable:
   - A. Check for indication of leakage - monthly.
   - B. Check pressure and temperature - quarterly.

VI. PUMPS as applicable:
   - A. Inspect belts for damage, tension, and alignment - quarterly.
   - B. Check bearings and seals (motor and pump) - quarterly or semi-annually.
   - C. Check phase voltage and impeller - yearly.

VII. COOLING TOWER as applicable:
   - A. Check water level - minimum monthly - prefer weekly.
   - B. Check oil level in gear reducers - monthly.
   - C. Check for leaks and excessive noise or vibration - monthly.
   - D. Check water quality/chemical treatment - monthly.

VIII. BUILDING EXTERIOR:
   - A. Check for water infiltration into walls or above ceilings to prevent mold and mildew - quarterly.

IX. CEILING TILES:
   - A. Check and replace any ceiling tile that shows water stains to prevent mold spores - quarterly.

X. SUPPLY AND RETURN AIR DUCTS:
   - A. Remove ceiling diffuser and clean, check for visible sign of dirt around the opening or dirt coming out of duct openings on supply air diffusers - yearly. If they are dirty, then clean the ducts.