

PROPRIETARY LEASE

This Indenture, made this _____ day of _____, 19__, by and between Foxglove, Inc., a Florida corporation, as "Lessor" and _____

_____ hereinafter called the "Lessee."

WITNESSETH:

WHEREAS, the Lessor is the owner or Lessee of the following described real property together with the apartment building known as the Foxglove, situate in the City of Hollywood, County of Broward, State of Florida, particularly described as follows, to-wit:

Lots 1, 2, 3, 4, 5, 6, 7, 28, 29 and 30, Block 7 ATLANTIC SHORES, NORTH BEACH SECTION, according to the Plat thereof, recorded in Plat Book 9, page 36 of the Public Records of Broward County, Florida; said lands situate, lying and being in Broward County, Florida.

and

WHEREAS, under the plan of operation of the Lessor, the shares of the capital stock are now owned in forty blocks having varying proportions to the total, each block containing a number of shares of stock of the Lessor, with the intent that the respective apartments thereof shall be leased to the stockholders of the Lessor, subject to the terms and conditions set forth in the bv-laws of the Lessor and in this lease; and

WHEREAS, the stock of the Lessor consists of forty shares without nominal or par value and the Lessee is the owner and holder of _____ shares being _____ per cent of all the shares of the capital stock of the Lessor, and by reason of such ownership, and pursuant to a resolution of the Board of Directors of the Lessor, is entitled to a lease of Apartment No. _____ thereof.

NOW, THEREFORE, in consideration of the premises, and the covenants, agreements, conditions and provisions hereinafter set forth on the part of the Lessee to be kept, performed and fulfilled, the Lessor has leased and demised, and by these presents does lease and demise to the Lessee, and the Lessee hereby hires and takes as Lessee all that certain space, hereinafter collectively referred to as an apartment, designated as Apartment No. _____ on the _____ floor of the building situated on the real property herein above described.

To have and to hold the said apartment as a private residential apartment, and not otherwise, during a term commencing on the date hereof and ending on the ____ day of _____, unless that term shall be sooner terminated as hereinafter provided.

FIRST: The Lessee agree to pay as rental of the demised premises an annual sum equal to ____ per cent of the cost of operation of the apartment building including but not limited to rent, insurance, taxes, maintenance and repair of the exterior, roof, garden, pool, management and service employees, office supplies, water, operation of general facilities and appurtenances, general expenses incident to the ownership of the apartment building and to the operation of the Lessor as a corporation, the cost of any and all replacement and the installation of new facilities, and the principal and interest on any obligations of the Lessor that may be hereafter incurred.

Said annual rental shall be determined by the Board of Directors of the Lessor which shall annually estimate the expense of the corporation for the ensuing year, plus any deficit for and the requirements of the preceding year, as well as a reserve for the payment of indebtedness or other corporate purposes, and shall levy an assessment on all outstanding leases to stockholders to meet such expenses.

All such annual rent and assessments shall be payable in equal monthly installments in advance on the first day of each month, together with any other charges accrued against the Lessee during the prior month.

In case of emergency requiring additional funds, the Board of Directors may make a supplemental estimate of such requirement, which shall become payable in such manner as determined by the Board of Directors.

All rent reserved hereunder shall be paid free from all claims, demands or set-offs against the Lessor of

any kind or character whatsoever.

Said payments shall be made to such agent as may be designated in writing by the Board of Directors.

SECOND: The Lessee agrees that he will not use or occupy the premises hereby demised, nor permit the same, or any part thereof, to be used or occupied for any purpose other than as a private residence and will not conduct or carry on therein, or permit to be carried on therein, any trade, business, profession, or manufacturing whatsoever, and will not permit in said apartment any noisy or disorderly conduct or any behavior of any kind likely to annoy or disturb the other occupants of the building, and will not knowingly allow to enter said apartment or to remain therein any person of bad or loose character or improper behavior. The Lessee will comply with all federal, state and municipal laws, ordinances and regulations, applicable to the demised premises. The Lessee will not do or suffer to be done, in or about the demised premises, anything that will increase the rate of fire insurance or other insurance on the said building or its contents.

The Lessor may, at any time, by resolution of the Board of Directors, establish house rules for the management and control of said building, not inconsistent with the by-laws of the Lessor, and change the same from time to time. This lease shall be in all respects and at all times subject to said rules and to the by-laws of the Lessor, to the same extent as if they were written herein; and the Lessee covenants to obey all such rules and to require them to be obeyed by members of the Lessee's family, his employees and guests; provided, however, all such by-laws, rules and regulations shall affect all leases to stockholders uniformly.

THIRD: Lessee agrees that he will not assign this lease or attempt to assign this lease or any part thereof, nor sublet or attempt to sublet the demised premises or any part thereof except on the following terms and conditions:

a. The Lessee may assign the leasehold estate hereby created only to an assignee who is qualified to hold the lease from Lessor under the by-laws of Lessor, and who shall have assumed in writing all the obligations of the Lessee hereunder, and then only with the consent of a majority of the entire Board of Directors or the approval of at least a majority in amount of the outstanding shares of stock of Lessor. If such assignment is approved, Lessee shall surrender his certificate of stock and lease to Lessor, and a new certificate of stock and a new lease similar in form and substance to the previous lease shall be issued to the assignee. On an assignment made in accordance with the provisions hereof, the Lessee so assigning shall be relieved from all liability thereafter accruing hereunder. If this lease is assigned, the provisions hereof respecting the approval of the directors or stockholders of Lessor shall apply to any further assignment.

b. The Lessee shall not sublet the whole or any part of the demised premises to any person without the written consent of Lessor obtained in the manner as provided for assignments. Such consent, however, shall not operate to relieve the Lessee of any obligation for the payment of assessments or otherwise, but shall only be an approval of the sub-tenant as an acceptable occupant of the apartment.

c. All sub-tenants of the Lessee shall be bound by this lease. Any violation of the terms hereof by a sub-tenant of the Lessee shall at the election of the Lessor be deemed a violation of the Lessee.

d. Any approval of an application for the subletting of the demised premises shall not be deemed to be an approval of any further requests for subletting or for the extension of any term approved to the same or to any other sub-tenant.

e. Any attempted assignment of this lease, or subletting of said premises otherwise than in accordance with the provisions hereof shall be null and void.

f. Whenever and wherever the consent of a majority of the Board of Directors is required as a pre-condition to the assignment of this lease or a sub-letting of the demised premises, such consent shall not be unreasonably withheld.

FOURTH: It is an essential condition of this lease, and this lease is made, executed and accepted by the Lessee on the express conditions that this lease, and the estate hereby created, shall cease, determine and become null and void, at the option of the Lessor, on the happening of anyone of the following events or contingencies:

a. If at any time during the term hereof the Lessor shall determine by the affirmative vote of a majority of its Board of Directors, ratified by the holders of at least three-quarters of its capital stock, either at a meeting duly called for that purpose or by their assent in writing, to sell the above-described property of the Lessor, then and in such event this lease and all right and estate of the Lessee hereof shall cease and terminate at the

time fixed by the Lessor for the consummation of the sale of the said real property or the lease thereon, to the end that the Lessor may deliver good and sufficient title to any purchaser thereof free, clear and discharged of any estate or interest of the Lessee therein; any and all proceeds of such sale shall be forthwith distributed ratably to the stockholders of the Lessor.

b. If at any time during the term of this lease, the Lessee shall cease to be the owner of and have standing in his name on the books of the Lessor the number of shares of the capital stock of the Lessor above specified; provided, however, that in the event of the death of the Lessee during the term of this lease, and the personal representative of Lessee shall duly perform the obligations of Lessee hereunder, said right of Lessor to terminate this lease by virtue of this clause shall be suspended for a period of 18 months from the date of death of the Lessee to enable the person acquiring the stock by the laws of succession or under the Will of Lessee to present evidence of his ownership which is satisfactory to Lessor.

c. If at any time during the term of this lease Lessee or his successors in interest shall be adjudged a bankrupt; or a receiver of all or substantially all of the property of the Lessee be appointed; or Lessee shall make a general assignment for the benefit of his creditors; or if any interest of the Lessee hereunder or in the stock of the Lessor shall be attached or levied on by any judicial process and such attachment or levy shall not have been released within twenty (20) days.

d. If any assignment or purported assignment, or any subletting or purported subletting is made by the Lessee hereunder, except as herein otherwise expressly provided or except as expressly provided in the by-laws of the corporation.

e. If Lessee shall make default in the payment of the rent or any installment or part thereof, or of any other sums payable by Lessee to Lessor hereunder and such defaults shall continue for a period of 60 days after notice in writing thereof to Lessee; or if Lessee shall make default of any of the covenants to be kept or performed by Lessee hereunder, and any such defaults shall continue or be repeated after written notice to Lessee, or if after the expiration of 60 days following such written notice, any such defaults shall continue or be repeated.

f. If the Lessee shall suffer any lien to be placed on or against the property of the Lessor on account of any material or labor used in the making of any decorations or repairs of the demised premises chargeable to said Lessee under the terms hereof, and in the further event that said lien is not released or bonded within 30 days after the filing of the same.

If Lessor shall elect to terminate this lease for any of the causes specified herein, the term hereby created shall cease and terminate as fully as if such expiration date were the date herein affixed for the expiration of the term of this lease, and Lessee agrees to surrender possession of the demised premises immediately without the receipt of any further notice or demand, and it shall be lawful for Lessor to re-enter said premises and remove all persons therefrom.

In the event of the termination of this lease as in this paragraph provided, Lessor shall have the option to sell the stock of Lessor allocated to Lessee at the time and in the manner herein set forth.

FIFTH: The Lessor, subject to the limitations of liability hereinafter stated, hereby covenants with the Lessee as follows:

a. That the Lessor, at its own expense, will operate and maintain the said building as a first class apartment building, and that it will endeavor to furnish an ample supply of water, a reasonable number of attendants for the proper care and service of the building, and make proper connections for furnishing to the Lessee, at his own expense, electricity, gas and telephone, when available, for use in the apartment, and that it will use reasonable diligence to maintain the sidewalks, public halls, lobbies, stairways and passageways, clean, unobstructed and properly lighted, and will provide means for removal and disposal of garbage.

b. The Lessor will keep in good repair and condition said building and its appurtenances during the term hereof, excepting the portions thereof required to be kept in repair by the Lessee, including, without limiting the generality of the foregoing, the sidewalks, concealed wiring and concealed plumbing, stairways, public halls, furniture and equipment intended for the general service of the building, gardens and pool.

c. The Lessor will keep full and correct books of account and the same shall be open to inspection by the Lessee or his duly authorized representative at all reasonable times. At a reasonable date at the end of each fiscal year, the Lessor will render to the Lessee a statement of income and disbursements of the Lessor for the

preceding year.

d. Lessee on performing his obligations and complying with the conditions provided herein, shall, during the term of this lease, be entitled to the use of such facilities in or about the apartment building as may be provided generally for the use of the other tenants in said building, and shall quietly have, hold and enjoy the said apartment without any suit, trouble or hindrance from the Lessor, its successors or assigns.

SIXTH The Lessee agrees:

a. That none of the owners, present or future, of the stock of Lessor, nor any officers or directors, present or future, of Lessor, shall be personally liable on any of the covenants or agreements of Lessor contained in this lease.

b. Lessee will, at his own cost and expense, keep and maintain the interior of the demised premises in good condition and repair and without limiting the generality of the foregoing will replace, if necessary, the following exposed items: the fixtures, including gas, electricity and plumbing, pipes, conduits, equipment, drains, glass, floors and floor coverings, that may be broken or wear out. Lessee further agrees to repair all concealed plumbing that may be damaged or obstructed because of the fault or negligence of the Lessee, his family, guests, employees or subtenants.

c. Any damage to any other apartment caused by leaky radiators or pipes or other causes within the demised premises (except concealed pipes or plumbing not susceptible of inspection by the Lessee) shall be paid for by Lessee. This covenant is for the protection not only of Lessor but also of the Lessee of other apartments and shall be enforceable by them directly against the Lessee.

d. The Lessor shall have the right to enter the demised premises at all reasonable times to inspect the premises and to make repairs, and Lessor agrees that as soon as said repairs are completed, it will place the demised premises in substantially the same condition as they were in prior to the performance of such work.

e. Lessor shall not be answerable or chargeable for any decorations or repairs therein or thereto, except as herein specifically provided, nor for any damage caused to said premises or its contents by leakage or overflow of water, gas, steam or vapor from any water, steam, drain or gas pipes or electric conduits or from any other source belonging or appurtenant to any other part of said building which is under lease, or caused by other tenants or Lessees of said building, unless the repairs were necessitated or the damage caused by the neglect or fault of the Lessor or its employees.

f. The Lessee shall be liable for any willful damage done to or committed on any other part of the property owned by Lessor, either by Lessee or by any other occupant of the apartment under lease to Lessee.

g. The Lessee shall make no alterations in or about the demised premises without prior written consent of the Lessor, which consent the Lessor may condition as it sees fit. All alterations, additions and improvements shall be paid for by the Lessee and shall become the property of the Lessor.

h. The Lessee shall permit no waste to be committed in or about the demised premises, and will quit and surrender the demised premises at the termination of this lease, whether by lapse of time or otherwise, in as good condition as they were in when received by him, reasonable wear and tear excepted.

i. The Lessee will indemnify and save harmless the Lessor from any and all loss or liability, from damage or injury to personal property in the demised premises, from all claims and liens resulting from any act of the Lessee, his family, guests, employees or sub-tenants.

j. The Lessee accepts the building and improvements on the demised premises in their present condition and state of repair, and without any representations, statements or warranties, express or implied, in respect thereto, in respect of their condition, or the use or occupation that may be made thereof, and Lessor shall, in no event be liable for any latent defect therein.

k. The Lessee shall not permit the demised premises to be occupied by any children under the age of 12 years,* except, however, that occasional and brief visiting periods by such children shall not be deemed a violation of this provision. The Lessee further agrees to keep no pets or animals in the demised premises it being understood, however, that pet birds shall not constitute a violation of this provision.

SEVENTH: The Lessor will keep the said apartment building insured against loss or damage by fire or other casualty in an amount deemed satisfactory to the Board of Directors of Lessor. In case the said building shall be partially damaged by fire or other casualty, the same shall be repaired as speedily as possible at the

expense of the Lessor so as to conform as closely as may be to the original plans and specifications of said building. In the event that the damage shall be such as to render the apartment hereby demised untenable, the rent herein specified shall cease until such time as the same shall be put in repair as aforesaid. In the event of the total or substantial destruction of the said building by fire or otherwise, rent shall be paid up to the time of such destruction, and then and thenceforth this lease shall cease and terminate, unless the insurers or the Lessor elect to rebuild said building, in which case this lease shall not cease or terminate but shall continue to apply in respect to the premises, in the building so rebuilt, which shall correspond with the premises hereby demised; but all rent hereby reserved shall cease from the time of such destruction until the time when such rebuilding shall be completed.

a. If any rent shall be due and unpaid, or if default shall be made by the Lessee in any covenant, agreement or undertaking herein contained, and said default shall continue for 60 days after written notice of the same to the Lessee, then it shall be lawful for said Lessor to re-enter said premises and remove all persons therefrom without further notice. Each and every covenant herein contained is expressly made a condition on breach whereof Lessor may terminate this lease and exercise all rights of entry and re-entry on the demised premises, and formal demand or notice as a condition precedent to the right of the Lessor to terminate this lease, other than is expressly provided for herein, is hereby expressly waived.

b. The Lessee hereby irrevocably appoints the Lessor as agent and attorney-in-fact of the Lessee, to enter on the demised premises, in the event of default of the Lessee in the performance of any covenant, agreement or undertaking herein contained to be performed by the Lessee, and to remove any and all persons and property whatsoever, situated upon the demised premises, and to place such property in storage for the account of and at the expense of, said Lessee. The Lessee hereby waives all claims or damages that may be caused by the Lessor re-entering and taking possession of the demised premises or removing persons or removing and storing property, as herein provided, and will save the Lessor harmless from any laws, liability, costs or damages occasioned to the Lessor thereby.

*This provision with reference to the poolside cottage shall be deemed to be "under the age of 9 years".

c. In case the Lessor shall bring suit to recover any rent and/or other charges due hereunder, or for breach of any provision of this lease, or to recover possession of the demised premises, and shall recover in such suit, the Lessee agrees to pay the Lessor a reasonable attorney's fee, to be taxed by the court as part of the costs of such action.

d. If the Lessee shall be in default hereunder and the demised premises shall be vacant for 60 consecutive days, the Lessor may, at its option, re-enter the same for the purpose of reletting the premises for such rent and on such terms as it may see fit, and the rents received therefrom shall be applied to the payment of all rents and other sums due or to become due from Lessee to Lessor hereunder; if a sufficient sum shall not be thus realized after the payment of the expenses of such subletting and collection to satisfy the rent hereby reserved and unpaid, the Lessee agrees to satisfy and pay any deficiency and to pay the expenses of such reletting and collection, and as each installment of rent herein reserved becomes due and is unpaid, the Lessor may bring suit to collect such deficiency forthwith.

e. If Lessee shall at any time sublet the demised premises with the consent of Lessor, and Lessee shall default in the payment of any rent herein reserved, Lessor is hereby authorized, and may at its option, as agent of Lessee, so long as such default shall continue, collect from any subtenant of Lessee the rent becoming due from such sub-tenant to Lessee, his heirs, representatives and assigns. Any such payment of rent to Lessor shall, to the extent of the amount so paid, be a sufficient payment and discharge of such sub-tenant as between them and Lessee, his heirs, representatives and assigns. No collection by Lessor of rent as agent for Lessee shall be deemed a waiver by Lessor of any covenants herein, or a release of Lessee from the further performance of the covenants on his part contained.

EIGHTH: The Lessee agrees that the shares of stock of Lessor held by Lessee in connection with the allotment of said apartment have been acquired or owned subject to the following conditions agreed upon with Lessor:

a. All of the certificates for such shares of stock shall be delivered to and held by Lessor, which shall have a first lien thereon to secure the performance by Lessee of all his obligations hereunder. For the purpose of enforcing such lien, Lessor may sell said shares in such manner as it may deem proper, but only after 30 days written notice of the intention to sell shall have been given in writing by Lessor to Lessee, or his executor or administrator. From the proceeds of such sale there shall be paid all expenses of sale, all the

obligations of Lessee hereunder and any balance shall be paid to Lessee, his executor or administrator. For the purpose of giving effect to said lien, all certificates representing the stock of Lessor shall be deposited by Lessee with Lessor, endorsed in blank forthwith on their issuance, and possession of such certificates shall thereafter be held by Lessor.

b. No sale or transfer of the shares of stock of Lessor shall be made without the written consent of Lessor, and no sale, transfer or assignment of any such stock shall be effectual unless there shall have been assigned to the same person, with the consent of Lessor as herein provided, the rights of Lessee under this lease.

c. In case of the death of the Lessee, the surviving spouse, if any, and if no surviving spouse, the other member or members of the Lessee's family residing with Lessee at the time of his death, may continue to occupy said apartment for a period of 18 months after the death of Lessee, on the terms, covenants, provisions and conditions specified in this lease, including those relating to occupancy and payment of rent and assessments; and if such surviving spouse or other member or members of decedent Lessee's family shall have succeeded to Lessee's right and interest in said shares of stock and shall within said 18 months produce a proper evidence thereof, said shares of stock shall be transferred to such successor and a new lease in substantially the same form of this lease executed accordingly. Should the distribution of said stock in this lease be to anyone else, excepting to a trustee for the family of said Lessee as herein provided, said distribution shall be deemed an assignment requiring compliance with the by-laws of Lessor and Lessor's written consent shall be required, as hereinbefore provided.

d. No person acquiring such shares, or any part thereof, by bequest or operation of law, except as may be otherwise provided in this lease, shall by reason thereof acquire any right, title or interest in or to this lease nor the right to an assignment thereof nor to a new stockholder's lease.

NINTH: Any waiver, expressed or implied, by the Lessor of any breach by the Lessee of any condition, covenant, agreement or undertaking of this lease, shall not be or construed to be, a waiver of any subsequent breach of a like or other condition, covenant, agreement or undertaking of this lease. The acceptance of rent hereunder shall not be, or construed to be, a waiver of any breach of any condition, covenant, agreement or undertaking of this lease, except as to the payment of the rent so accepted, and then only to the extent of the rent actually paid.

Each and every one of the rights, powers, options, immunities, privileges and remedies of of the Lessor hereunder shall be deemed to be cumulative. No one of them is exclusive of the other or exclusive of any right or remedy allowed by law.

TENTH: Any notice required hereunder or by law to be served on the Lessor or Lessee shall be deemed to have been duly given if delivered personally to an office of Lessor or to Lessee respectively, or by mailing said notice by United States Mail, postage prepaid, addressed to Lessor or Lessee, respectively, at said apartment building; provided, however, that either party may give the other party hereto, from time to time, in writing, a notice of change of address for this purpose, in which event such new address be used in mailing such notice.

ELEVENTH: All the terms and conditions of the Certificate of Incorporation of Lessor and the terms and conditions of the existing and effective by-laws of Lessor, as the same may affect this lease, are hereby incorporated herein by reference, and wherever and whenever the provisions of such Certificate of Incorporation and such by-laws conflict with any of the terms and conditions of this lease then the term and conditions of such Certificate of Incorporation and by-laws shall control and prevail.

TWELFTH: That the reference herein to the "Lessee," though expressed in singular number, shall apply to the persons appearing as the actual Lessees hereunder, whether one or more, and all references shall apply to the feminine gender; and Lessees, where more than one, shall be jointly and severally liable hereunder.

Time is of the essence of this lease, and each of its provisions, and this lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto; provided however, that nothing herein contained shall affect any of the provisions of this lease restricting the assignment thereof by the Lessee.

IN WITNESS WHEREOF, the Lessor has caused these presents to be executed by its President and Secretary thereunto duly authorized, and its Corporate Seal to be affixed, and the Lessee has hereunto set his hand the day and year first above written.

ATTEST:

Secretary

Witnesses:

[6933556](#)

FOXGLOVE, INC.

By _____
President

Lessee

Lessee