

PROPRIETARY LEASE

PARTIES

THIS INDENTURE OF LEASE, made this _____ day of _____, 195_ between THE PALM BEACH SHORES APARTMENTS, INC., a corporation organized under the law of the State of Delaware and authorized to do business in the State of Florida, hereinafter called the "Lessor", and _____ residing at _____ hereinafter called the "Lessee".

LEASED PREMISES

WHEREAS, the Lessor is the owner of Lots _____, PALM BEACH SHORES, according to the Plat thereof on file in the office of the Clerk of the Circuit Court, in and for Palm Beach County, Florida, on which There now stands a five-story apartment building, and has leased or proposes to lease the apartments in said building to the several members of the Lessor Corporation by instrument similar to this indenture.

NOW, in consideration of the mutual covenants and agreements herein Contained, the Lessor hereby leases to the Lessee and the Lessee hereby hires from the Lessor that certain space on the _____ floor of said building known as Apartment _____.

CAPITAL

TO HAVE AND TO HOLD said apartment with its appurtenances unto the Lessee, his legal representatives and authorized assigns on the terms and conditions herein set forth from _____ until January 31, 2056 , unless sooner terminated as hereinafter provided, at a rental for each year during said term equal to the Lessee's proportionate share, as hereinafter provided, of the aggregate cash requirements of the Lessor as hereinafter defined for such year, together with any other additional expenses as hereinafter provided.

CASH REQUIREMENTS DEFINED

The cash requirements of the Lessor for each year are hereby defined and shall be deemed to be such aggregate sum as the Board of Directors of the lessor by resolutions adopted from time to time shall determine in its judgement is to be paid by the Lessees under proprietary leases then in force, after deducting any estimated income other than rentals under proprietary leases to enable the Lessor to pay all estimated expenses and outlays of the Lessor to the close of such year in connection with the ownership, maintenance and operation of such land and building, including but necessarily limited to taxes, assessments, water rates, insurance premiums, operating expenses, and liabilities incurred by the Lessor, interest and amortization on indebtedness, payment of liens or other charges and of any deficit remaining from a previous period, the creation of a reasonable reserve or surplus fund, and other corporate purposes.

The Board of Directors of the Lessor may from time to time by resolutions duly adopted up to the close of the year for which such cash requirements have been determined, increase or diminish the amount previously determined for such year. The Board of Directors may include in the cash requirements for any year any liabilities which accrued or became payable in the previous year, and also any sums which such Board may deem it prudent to provide as a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

The rent payable by the Lessee in and for each year of said term shall Begin to accrue on the date of commencement of the term herein granted and Shall be a sum equal to _____ percent of the aggregate amount of the said cash requirements for such year determined as aforesaid, and such rent, together with any additional rent accruing hereunder shall be payable in monthly installments in advance on the first day of each month in such installments as shall be required by resolution of the Board of Directors of the Lessor.

The omission of the Board of Directors of the Lessor prior to the expiration of any year of the term hereof, to fix the rent for that or the next year shall not be deemed a waiver or modification of any of the provisions of this lease, or a release of the Lessee from the obligation to pay rent for that or any subsequent year, provided such rent shall ultimately be fixed.

The Board of Directors of the Lessor shall have discretionary power to prescribe the manner of maintaining and operating the building, and to determine the cash requirements of the Lessor to be paid by the Lessees as aforesaid. Every such determination by said Board of Directors shall be final and conclusive as to all lessees under proprietary leases, and any expenditures made under the direction or with the approval of the said Board of Directors shall, as against such lessees, to be deemed necessarily and properly made for such purposes.

The Lessor shall on or before March 1 in each year of the term, furnish to the Lessee a statement as to the amount of rental paid by the Lessee during the preceding calendar year, which has been used by the Lessor for payment of taxes on its real estate and interest on its mortgage thereon, if any, and shall within three months after the close of each fiscal year of the Lessor furnish to the Lessee a summarized statement of the receipts, disbursements and paid-in surplus of the Lessor during said fiscal year.

The power to determine the amount of and the required payment of the said rental shall be possessed only by the Board of Directors of the Lessor elected by its members, and shall not pass to or be exercised by any creditor, receiver or trustee of the Lessor or any representative of any of said persons or by any board of directors elected by any such creditor, receiver or trustee or representative thereof.

ARTICLE I.

THE LESSOR COVENANTS WITH THE LESSEE AS FOLLOWS:

REPAIRS

First: The Lessor shall keep in good repair the foundations, sidewalks, walls, supports, beams, roofs, terraces, gutters, fences, cellars, chimneys, entrances, and street and court doorways, main halls, main stairways, windows, laundries, elevators, pumps, and tanks, and all main and principal pipes for carrying water or gas through the building, and the main drain pipes and electrical conduits, together with all plumbing, heating and other apparatus intended for the general service of the building, except those portions which it is the duty of the Lessee to keep in good repair as provided in Article II hereof. The Lessee shall give the Lessor prompt notice of any accident or defect known to the Lessee and requiring repairs to be made; and all such repairs shall be at the expense of the Lessor, unless the same shall have been rendered necessary by the neglect or carelessness of the Lessee, or any of his family, guests, employees or subtenants, in which case the expense is to be borne by the Lessee.

MAINTENANCE

Second: The Lessor shall maintain and manage the building providing a resident superintendent throughout the year, and shall keep the elevator, public halls and stairways clean and properly lighted. Lessor shall also maintain the grounds and pool, provided however, that the determination as to the number of employees requisite to furnish proper care of the building and its appurtenances and proper service to the Lessees, shall rest in the sole and exclusive judgment of the Board of Directors of the Lessor.

DAMAGE
TO
BUILDING

Third: In case the building shall be partly damaged by fire or other cause it shall be repaired as speedily and as reasonably possible, at the expense of the Lessor, so as to conform substantially to the plans and specifications under which the building was completed. In case the damage shall be so extensive as to render the apartment untenable; and in case of the total destruction of the building by fire or otherwise, the rent shall be paid up to the time of such destruction, and thereupon this lease and all rights and obligations of the parties hereunder shall wholly cease and expire. In case of such total destruction of the building and that the Lessor should determine not to replace said building, then in that event the proceeds from any and all insurance that might be in effect shall be paid to the Lessees on the same percentage of the whole as the percentage of rent hereinbefore mentioned.

BOOKS
OF
ACCOUNT

Fourth: The Lessor shall keep full and correct books of account at such place as the board of Directors may from time to time determine, and the same shall be open during all reasonable hours to inspection by the Lessee or his representative.

Fifth: In every proprietary lease executed by the Lessor there will be specified the percentage of the cash requirements of the Lessor payable as rent in relation to the aggregate number of all the proprietary leases to be in force so as to constitute the sum of 100 per cent of the cash requirements and be the basis for fixing, as hereinbefore provided, the proportionate share of the aggregate amount of the cash requirements of the Lessor payable as rent by the Lessee.

Sixth: All proprietary leases of apartments in the building hereafter executed shall be in the form of this lease, except with respect to the percentage of the aggregate sum of the cash requirements of the Lessor to be paid by the Lessee as rent for use and occupancy by the Lessee. The lessor will not make or consent to any change or alteration in the terms or conditions of the proprietary lease which shall have been executed by the Lessor (as distinct from the house rules) unless such change or alteration shall be made pursuant to the affirmative vote taken at a meeting called for that purpose or written consent signed by Lessees composed of at least two-thirds of the members of the Lessor Corporation.

QUIET
ENJOY-
MENT

Seventh: The Lessee on paying the rent and performing all of the covenants and conditions hereof on the part of the Lessee to be performed shall quietly have, hold and enjoy the apartment without any let, suit, trouble or hindrance from the Lessor.

Article II.

THE LESSEE HEREBY COVENANTS WITH THE LESSOR AS FOLLOWS:

PAYMENT
OF
RENT

First: The Lessee will pay the rent herein reserved to the Lessor on the terms, at the times and in the manner herein provided, without deduction for any set-off of claim against the Lessor. If the Lessee shall fail to pay any installment of rent within 10 days from the time same becomes due, the Lessee shall on demand pay interest thereon at the rate of six per cent per annum from the date when such installment became due to the date of payment thereof, and such interest shall be deemed additional rent hereunder.

ELECTRIC
AND
TELEPHONE
SERVICE

Second: If the Lessor shall contract for the furnishing of electric current for the building by the public service corporation, the Lessee will purchase from the Lessor all electric current that the Lessee shall require, and will pay the Lessor for the amount consumed as indicated by the meter furnished therefor, at the same rates charged by said public service corporation for consumption similar to that of the Lessee, and the Lessee shall comply with rules and regulations similar to those prescribed by said public service corporation. Payment for such electric current and telephone service shall be made as and when bills therefor are rendered, and shall include all taxes or imports chargeable to or customarily collected from users or consumers of such utilities. If at any time such payments are in default, they shall be deemed to be additional rent hereunder.

RIGHTS ON
DEFAULT

Third: In the event the Lessor resumes possession of the apartment by summary proceedings, action of ejectment or otherwise, because of default by the Lessee in payment of rent, additional rent, or other default, or on expiration of the term pursuant to a notice given as provided in Article III hereof on the happening of any event specified in sub-sections (a), (b), (c), (d), (e) and (f) of paragraph First of Article III, the Lessor may, at its option, either relet the apartment for the Lessor's own account or from time to time relet the apartment as the agent of or for the account of the Lessee. If the Lessor relets the apartment as agent of or for the account of the Lessee, it shall after reimbursing itself for its reasonable expenses in connection therewith, including a reasonable amount for decorations, alterations and repairs in and to the apartment, apply the remaining avails of such reletting to the payment of any sums then due from the Lessee to the Lessor or which would thereafter have become due from the Lessee under the provisions of this lease if the Lessor had not so resumed possession, accounting to the Lessee at the expiration of each of the several terms of such reletting for the surplus, if any. If at any time or from time to time before expiration of the term originally leased hereunder, there shall be a deficiency between the avails of such reletting and such sums as would have become due hereunder, the Lessee agrees to pay such deficiency on demand. If the Lessee shall at any time sublet the apartment and shall default for a period of 10 days in the payment of any rent, the Lessor may, at its option, so long as such default shall continue, demand and receive from any subtenant of the Lessee occupying the apartment the rent due or becoming due from such subtenants to the Lessee, up to an amount sufficient to pay all sums due from the Lessee to the Lessor, and any such payment of such rent to the Lessor shall be sufficient payment and discharge of such subtenant as between such subtenant and the Lessee, to the extent of the amount so paid; and any such demand or acceptance of rent from any subtenant, or from any assignee hereof, shall not be deemed a consent or approval of any sublease or assignment by the Lessee.

COLLECTION
FROM
UNDER-
TENANTS

Fourth: The Lessor may from time to time establish such reasonable house rules as its Board of Directors may deem necessary for the management and control of the building, and may from time to time alter, amend and repeal such rules, and this lease shall be in all respects subject to such rules, which, when a copy thereof has been furnished to the Lessee, shall be taken to be part hereof, and the Lessee shall obey all such rules and see that they are faithfully observed by the family, guests, employees and sub-tenants of the Lessee, it being understood that such rules shall apply to and be binding on all tenants of the building, whether members of the Lessor or not, but that the Lessor shall not be responsible to the Lessee for violation of such rules by any lessee or other person. Without limiting the generality of the foregoing, such house rules may regulate and control the use of any roof or terrace appurtenant to the apartment. Such house rules may be amended from time to time by action of the members of the Lessor Corporation at any annual meeting or a special meeting called for that purpose.

HOUSE
RULES

Fifth: The Lessee shall not occupy or use the apartment, or permit the same or any part thereof to be occupied or used for any purpose other than as a private dwelling apartment for the Lessee, the immediate family, guests and servants of the Lessee, and shall not permit or suffer anything to be done or kept in the apartment which will increase the rate of fire insurance on the building or contents thereof, or interfere with the rights of other tenants or annoy such tenants by unreasonable noises or otherwise, or which will obstruct the public halls or stairways of the building. The Lessee will comply with all the requirements of the Board of Health and other governmental authorities and with all laws, ordinances, rules and regulations with respect to the apartment; and if, by reason of the occupancy or use of the apartment by the Lessee, the rate of fire insurance on the building or its contents shall be increased, the Lessee shall become personally liable for the additional insurance premiums upon all policies covering the building, and the Lessor shall have the right to demand and collect the same from the Lessee, as additional rent.

SUB-
LETTING

Sixth: A. The Lessees shall have the right to sub-let the whole or any part of the apartment only upon the terms and conditions stated in the By-Laws adopted by the Lessor Corporation.

RENEWAL

Sixth: B. This lease, on January 31, 2056, and at the end of each term of 99 years thereafter, shall automatically be renewed for an additional term of 99 years, upon the same terms and conditions herein stated, unless sooner terminated, as herein provided.

ASSIGN-
MENT

Seventh: Except as provided in Article IV hereof, the Lessee shall not assign this lease, or any interest therein, and no such assignment shall take effect as against the Lessor for any purpose, unless and until all of the following conditions precedent have been complied with:

1. An instrument of assignment containing a covenant by the assignee to perform all covenants and conditions of this lease to be performed by the Lessee after the effective date of said assignment, must be executed and acknowledged by the assignee and delivered to the Lessor.

2. The assignee must be approved by a majority by the Board of Directors and members of the Lessor Corporation and shall become a member of the Lessor Corporation in good standing.

3. All sums due from the Lessee, together with a sum to be fixed by the Board of Directors of the Lessor to cover reasonable legal and other expenses of the Lessor in connection with such assignment must be paid to the Lessor.

4. A written consent to such assignment, authorized by resolution of the Board of Directors or signed by a majority of the members of the Lessor Corporation who then hold proprietary leases in force, must be delivered to the Lessor.

5. A written rejection of such proposed assignment, or a written consent thereto, must be mailed or delivered to the Lessee requesting same within 30 days of the date of receipt by Lessor of a properly executed application for assignment, containing such information concerning proposed assignee as the Board of Directors requires of applicants applying initially for membership.

RELEASE
OF
LESSEE
ON
ASSIGN-
MENT

Eighth: Whenever the Lessee shall, under the provisions of this lease, be permitted to and shall assign the same, and the assignee shall deliver to the Lessor a writing assuming all of the unfulfilled obligations of the assignor hereunder, the assignor shall have no further liability on any covenants of this lease and, on the assignment of this lease as herein permitted, the lease shall, at the option of the Lessor, be surrendered, and a new lease for the remainder of the term of this lease, in the same form, be entered into between Lessor and Assignee.

No personal representative or successor of the Lessee, or trustee, or receiver of his property, or anyone to whom the interest of the Lessee hereunder shall pass by law, shall be entitled to assign this lease or sublet the apartment or any part thereof, except on compliance with the requirements of this Article II. The restrictions on the occupancy of the apartment and on assignment of this lease, are a special consideration and inducement for the granting of this lease by the Lessor to the Lessee; and in the event of a violation by the Lessee of the restrictions and covenants herein contained with respect to either subletting or assignment, this lease may at the option of the Lessor be terminated as hereinafter provided, and the Lessor may cease performance of its covenants contained in Article I of this lease, and may enjoin and prevent occupancy of the apartment by anyone other than the Lessee or his immediate family.

INTERIOR
REPAIRS

Ninth: The Lessor shall keep the interior of the apartment in good repair, The Lessor shall not be held answerable for any repairs in or to the same except as hereinbefore specifically provided. In case of refusal or neglect of the Lessee, during ten days after notice in writing from the Lessor, to make such repairs or to restore the apartment to good condition, such repairs or restoration may be made by the Lessor, which shall have the right, by its officers or agents, to enter the apartment for that purpose, and to collect the cost of such repairs or restoration on demand, as additional rent, and the Lessee agrees to pay same on demand.

ALTER-
ATIONS

Tenth: The Lessee shall not, without first obtaining the written consent of the Lessor, make any structural alteration in the apartment or any terrace or other appurtenance thereto, or any alteration of the water, gas, or other pipes, conduits or plumbing, or, except as herein authorized, remove any additions, improvements or fixtures from the apartment. If the Lessee shall hereafter place in the apartment at the Lessee's expense any additions, improvements or fixtures, such as mantels, lighting fixtures, refrigerators, cooking ranges, paneling, or decorations which can be removed without material injury to the premises, then the Lessee shall have the right prior to the termination of this lease, to remove same at the Lessee's own expense, provided: (a) that the Lessee at the time of such removal shall not be in default in payment of rent or performance of any provisions of this lease; (b) that on such removal, the Lessee shall give at least five days written notice thereof in advance to the Lessor; (c) that the Lessee shall pay the cost of such removal and repair any damage resulting therefrom; (d) that the Lessee shall replace and reinstall at his own expense any equipment that was in the apartment when the Lessee entered into possession or shall replace and re-install substitutes of a kind and quality customary in buildings of this type and satisfactory to the Lessor.

REMOVAL OF
FIXTURES
INSTALLED
BY LESSEE

If the Lessee shall at his own expense have placed in the apartment any such addition, improvements or fixtures, he shall have the right to remove same on complying with the provisions of this lease relating to such removal and replacement and the repair of damage resulting therefrom.

On the expiration of the term hereby granted, or the sooner termination of this lease, the Lessee shall surrender to the Lessor possession of the apartment with all additions, improvements and fixtures then included therein except as hereinabove provided.

MECHANICS'
LIENS

Eleventh: In case there shall be filed a notice of mechanic's lien against the building, purporting to be for labor or material furnished at the building or the apartment to or for the Lessee or anyone claiming under him, the Lessee shall forthwith cause such lien to be discharged by payment, bonding or otherwise; and if the Lessee shall fail to cause such lien to be discharged within ten days after the filing of such notice of lien, the Lessor may cause such lien to be discharged by bonding, payment, or otherwise without investigation as to the validity thereof or of any offsets or defense thereto, and shall have the right on demand to collect, as additional rent, all amounts so paid and all expenses incurred in connection therewith, including reasonable attorney's fees and disbursements, with interest thereon from the times of payment.

RIGHT OF
ENTRY

Twelfth: The Lessor and its agents shall be permitted to visit and examine the apartment at any reasonable hour, and workmen may enter at any time when authorized by the Lessor or its agents, to make or facilitate repairs in any part of the building and to remove such portions of the walls, floors and ceilings of the apartment as may be required for the purpose of making such repairs but the Lessor shall at its own expense restore the premises to their proper and usual condition. If the Lessee shall not be personally present to permit entry into the apartment at any time when an entry therein shall be permissible hereunder, the Lessor or its agents may forcibly enter the apartment without rendering the Lessor or such agents liable to any claim or cause of action for damages, and without in any manner affecting the obligations of this lease; and the right hereby reserved does not impose, nor does the Lessor assume by reason thereof, any liability whatsoever for care or supervision of the apartment, or of the pipes, fixtures, appliances or appurtenances therein contained or therewith in any manner connected, except as may be herein specifically provided.

WAIVERS

Thirteenth: The failure of the Lessor to insist, in any instance, on a strict performance of any of the terms, covenants or conditions of this lease, or to exercise any right or option herein contained, or to serve any notice or to institute any action or summary proceeding, or otherwise to act as though this lease had expired pursuant to the provisions of Article III hereof, shall not be construed as a waiver or relinquishment for the future of such covenant, or of such option or right thereafter to serve notice and to have this lease expire under the provisions of said Article III, but such covenant, option or right shall continue in full force and effect. The receipt by the Lessor of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Lessor of any provision hereof shall be deemed to have been made unless expressed in writing and signed by an officer of the Lessor pursuant to authority contained in a resolution of its Board of Directors. Though consent to an assignment hereof or to a subletting, to be given, no further assignment or subletting shall be made without express consent in writing as hereinbefore provided.

ATTOR-
NEYS'
FEES

Fourteenth: If the Lessee shall at any time be in default hereunder, or if the Lessor shall institute an action or summary proceeding against the Lessee based on such default, the Lessee will reimburse the Lessor for the reasonable expense of attorneys' fees and disbursements thereby incurred by the Lessor, and the Lessor shall have the right to collect same on demand, as additional rent.

LESSOR'S
IMMUNI-
TIES

Fifteenth: The Lessor shall not be liable for any failure of water supply, electric current, telephone, elevator service, heat, or other service, or for injury to person or property caused by the elements or by another person in the building, or resulting from gas, electricity, water, or rain, which may leak or flow from any part of the building, or from any of its pipes, drains, conduits, boilers, tanks, appliances or equipment, or from any other place, unless due to the gross negligence of the Lessor. The Lessor shall not be liable for interference with light or other incorporeal hereditaments. The Lessor shall not be responsible for any article left with any employee of the Lessor, or for the loss of any property by theft or otherwise. If the Lessor shall before, during or after the term of this lease, furnish to the Lessee any storage space, use of laundry or any other facility outside of the apartment, the same shall be furnished gratuitously by the Lessor, and if any person shall use the same, such use shall be entirely at the risk of such person, and the Lessor shall not be liable for any loss of property therein, or for any damage or injury whatever to person or property therein or in connection therewith. No diminution or abatement of rent or other compensation, shall be claimed for inconvenience arising from the making of repairs or improvements to the building or to its appliances, or from any space taken to comply with any law, ordinance or order of governmental authority.

NOTICES

Sixteenth: Any notice by the Lessor to the Lessee shall be deemed to be duly given , and any demand duly made, if sent by registered mail addressed to the Lessee at the address hereinbefore given for him. Any notice by the Lessee to the Lessor shall be deemed to be duly given if in writing and delivered to an officer of the Lessor, or sent by registered mail addresses to the Lessor at the address given in its last written communication to the Lessee.

CO-OPER-
ATION

Seventeenth: The Lessee shall in good faith endeavor at all times to observe and promote the co-operative purposes for the accomplishment of which the Lessor was incorporated, both in his relationship with the Lessor and in his relations with his fellow co-operative lessees.

ARTICLE III

IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

EXPIRA-
TION OF
LEASE

First: If on or after the happening of any event mentioned in this paragraph First, the Lessor shall give to the Lessee a notice stating that the term hereof will expire on a date at least thirty days thereafter, this lease shall expire on the date so fixed in such notice, and all right, title and interest of the Lessee hereunder shall wholly cease and expire, it being the intention of the parties to create hereby a conditional limitation, and thereupon the Lessor shall have the right to re-enter the apartment and to remove all persons and property therefrom, either by summary disposes proceedings or other action at law or in equity, or by force or otherwise, and to repossess the apartment as if this lease had not been made, and no liability whatsoever shall attach to the Lessor by reason of the exercise of any such rights of re-entry, repossession and removal.

ASSIGN-
MENT OR
SUBLET-
TING

(a) If at any time there be an assignment of this lease, or any subletting hereunder, without full compliance with the requirements of paragraph Fifth of Article II hereof.

(b) If at any time during the term of this lease the Lessee shall cease to be a member of the Lessor Corporation or if this lease shall pass or be assigned to anyone not then a member of the Lessor Corporation.

DEFAULT
IN RENT

(c) If the Lessee shall be in default for a period of two months in the payment of any rent or additional rent or any installment thereof.

LESSEE
BECOMING
INSOLVENT

(d) If the Lessee shall be adjudicated a bankrupt or insolvent or take the benefit of any insolvency act; or a receiver or trustee of the property of the Lessee shall be appointed by any Court; or the Lessee shall make a general assignment for the benefit of creditors; or this lease owned by such Lessee shall be pledged except with the consent of the Board of Directors of the Lessor.

OTHER
DEFAULTS

(e) If the Lessee shall default in performance of any covenant or provision hereof other than the covenant to pay rent, for thirty days after written notice of such default has been given by the Lessor.

OBJEC-
TIONABLE
CONDUCT

(f) If at any time the Lessor shall determine on the affirmative vote of two-thirds of the members of the Lessor Corporatiion who are then holding proprietary leases then in force, at a meeting of the members duly called to take action on the subject, that because of objectionable conduct on the part of the Lessee, or of a person dwelling in or visiting the apartment, of whatever kind or character including but not limited to the repeated violation of rules now or hereafter established in accordance with the provisions of this lease, or permitting a person of dissolute, lose or immoral character to enter or remain in the building or apartment, the tenancy of the Lessee is undesirable.

TERMINA-
TION OF
ALL PRO-
PRIETARY
LEASES

(g) If two-thirds or more of the Lessees who are members of the Lessor Corporation and who hold proprietary leases then in force shall, not less than four months before the intended date of termination, determine to terminate all proprietary leases. Such determination shall be evidenced by a written notice to the Lessor, executed by such Lessees, expressing such determination, or by their vote in favor of such termination taken at a meeting of members duly called for the purpose. On receipt of such notice or casting of such vote the Lessor will immediately give to the holders of all proprietary leases then in force the notice required by paragraph First of this Article to terminate all proprietary leases as of the date so determined.

CONDEMN-
ATION

(h) If at any time the building or a substantial portion thereof shall be taken by condemnation proceedings.

SALE OF
ENTIRE
PROPERTY

(i) If at any time the Lessor shall determine, on the affirmative vote of two-thirds or more of the members of the Lessor Corporation who own proprietary leases then in force, at a meeting duly called for that purpose, to sell the entire property of Lessor above described in which event this lease and all right, title, interest and estate of the Lessee shall terminate at the time fixed pursuant to such vote for consummation of the sale of said property, not less than thirty days after the date of such meeting; and the Lessee shall then surrender this lease and said premises so as to enable Lessor to deliver good title to any purchaser of said property, free and clear of any estate or interest of such Lessee.

WAIVER OF
REDEMPTION
RIGHTS

Second: The Lessee expressly waives any and all right of redemption in case the Lessee shall be dispossessed by judgment or warrant of any court; the words "enter", "re-enter" and "re-entry" as used in this lease are not restricted to their technical legal meaning; and in the event of a breach or threatened breach by the Lessee of any of the covenants or provisions hereof, the Lessor shall have the right of injunction, and the right to invoke any remedy allowed at law or in equity, as if re-entry, summary proceedings and other remedies were not herein provided for.

SURREN-
DER OF
POSSESSION

Third: On termination of this lease under any of subdivisions (a), (b), (c), (d), (e), or (f) of paragraph First of this Article, the Lessee shall remain liable as provided in paragraph Second of Article II. On the termination of this lease under the provisions of subdivisions (g), (h), and (i) of paragraph First of this Article, or on the expiration of this lease the Lessee shall be and remain liable to pay all rent, additional rent and other charges due or accrued and to perform all covenants and agreements of the Lessee up to the date of such termination, and on or before such termination the Lessee shall vacate the apartment and remove therefrom all property of the Lessee which on such termination does not become property of the Lessor under the provisions of paragraph Tenth of Article II, and surrender possession of the apartment to the Lessor or its assigns, and on demand of the Lessor or its assigns shall execute, acknowledge and deliver to the Lessor or its assigns any instrument which may reasonably be required for the surrender of all estate, rights and interest of the Lessee in the apartment, or in the premises of which it is a part.

Fourth: Upon the termination of this lease under the subdivisions (a), (b), (c), (d), (e), or (f) of paragraph First of this Article, the Lessee shall tender to the Lessor Corporation his resignation as a member of said corporation. Whether or not said resignation is tendered to said Lessor Corporation, the termination of this lease shall set and become a resignation on the part of the Lessee as a member of the Lessor Corporation, and the Lessor Corporation shall be authorized to issue a new membership in said Lessor Corporation to the Lessee taking the apartment designated under this lease, after termination of this lease, with the present Lessee.

The Lessor may apply any proceeds received for a new membership in said Lessor Corporation or for rent of said apartment from the new Lessee member taking over the apartment covered under this lease upon termination as hereinbefore set out toward the payment of the Lessee's indebtedness hereunder, including all interest, attorney's fees and other expenses incurred by the Lessor, and, if the proceeds are sufficient to pay the same, the Lessor shall pay over any surplus to the Lessee, but if insufficient, the Lessee shall remain liable for the balance of the indebtedness. On the issuance of any such new proprietary lease and membership in the Lessor Corporation to the new Lessee, the Lessee's continuing liability hereunder shall cease and the Lessee shall only be liable for obligations accrued to that time.

ARTICLE IV.

IT IS FURTHER MUTUALLY AGREED AS FOLLOWS:

LESSEE'S
OPTION TO
CANCEL

First: This lease may be cancelled by the Lessee as of September 1st, 1958 or as of any September 1st thereafter, on complying with all the provisions of this article, irrevocable written notice of intention to cancel must be served by the Lessee on the Lessor on or before January 1 in the calendar year in which such cancellation is to occur. At the time of service of such notice of intention to cancel there must be deposited with the Lessor by the Lessee:

DEPOSITS
REQUIRED

(a) A duly executed, acknowledged and proper assignment of all right, title and interest of the Lessee in and to this lease as the Lessor may direct, as of January 1st of the year of cancellation, free from all subleases, liens, encumbrances and charges whatsoever;

(b) A written statement setting forth in detail such of the additions and fixtures, such as mantels, lighting fixtures, refrigerators, cooking ranges, panelling, and decorations, placed in the apartment at the Lessee's expense as the Lessee may, under the terms of this lease, have the right to remove, and which he desires to remove.

ADDITIONAL
PAYMENTS
BY LESSEE

Second: In the event of giving such notice of intention to cancel, the Lessee shall (1) subject to the limitations and conditions embodied in paragraph Tenth of Article II hereof, replace all mantels, lighting fixtures, refrigerators, cooking ranges, woodwork other than paneling or other fixtures or appurtenances removed by the Lessee, with others of a kind and quality customary in buildings of this type and satisfactory to the Lessor, and pay the cost of such replacement; and (2) Pay the cost of repairing any damage resulting from the removal by the Lessee of any paneling or other additions, improvements or fixtures the cost of replacing which is not required to be paid by the Lessee.

REMOVAL
OF
FIXTURES

POSSESSION

Third: All additions, improvements and fixtures which are removable under the terms of this lease and which are enumerated in the statement made as provided in subdivision (c) of paragraph First of this Article, shall be removed and possession of the apartment delivered by the Lessee to the Lessor, at least thirty days prior to the date for cancellation of this lease, and the Lessee shall deliver possession of the apartment to the Lessor free from all subleases, liens, encumbrances or other charges and remove therefrom all property of the Lessee which on such cancellation does not become the property of the Lessor under the provisions of paragraph Tenth of Article II hereof, and pay to the Lessor all rent, additional rent and other charges payable under this lease up to and including the date as fixed for expiration of this lease, and the amounts due shall be waived if pursuant to the provisions of paragraph Sixth of Article II hereof the Lessor shall, at least thirty days prior to the effective date of expiration of this lease, have entered into an agreement with any sublessee whereby said sublessee is permitted by the Lessor to remain in possession of the apartment.

PERMISSION
TO SHOW
AND OCCUPY
PREMISES

Fourth: The Lessor and its agents may show the apartment to prospective tenants from time to time after the giving of notice of the Lessee's intention to cancel this lease as in this Article provided, and during the period of thirty days preceding the date fixed for expiration of this lease, the Lessor and its agents, employees and tenants may enter the apartment, occupy same, and make such alterations, additions and repairs therein as the Lessor may deem desirable without diminution or abatement of the rent due hereunder.

CANCEL-
LATION
OF LEASE

Fifth: If the Lessee shall have done the things and made the payments at the times, in the amounts and in the manner required by this Article, then on the first day of the month named in the notice of intention to cancel as the date for cancellation of this lease, this lease shall be cancelled and all rights, duties and obligations of the parties hereunder shall terminate and expire as of said first day of said month, and the membership of the Lessee in the Lessor Corporation shall also terminate as of the date of the termination of this lease, provided however, that the Lessee shall not be released or discharged from any indebtedness or obligation owing from the Lessee to the Lessor on said last mentioned date, and provided further, that if the Lessee shall fail to do any of the things or make any of the payments at the times, in the amounts and in the manner required by this Article, the Lessor shall have the option (1) of returning to the Lessee this lease and other documents deposited, and the sums paid by the Lessee under this Article other than any sum paid as rent under this lease or as the cost of repairing any damage resulting from removal by the Lessee of additions, improvements or fixtures, and thereupon the Lessee shall have determined to have withdrawn the notice of intention to cancel this lease; or (2) of treating this lease as cancelled as of the first day of the month named in the notice of intention to cancel as the date for cancellation of such lease and bringing such proceedings and action as it deems best to enforce the covenants of the Lessee in this Article contained, and to collect from the Lessee the payments which the Lessee is required to make under this Article, together with reasonable counsel fees and costs.

RIGHTS ON
LESSEE'S
DEFAULT

ARTICLE V.

IT IS FURTHER MUTUALLY AGREED AS FOLLOWS:

TERMINA-
TION OF
MEMBER-
SHIP

First: The membership of the Lessee held in the Lessor Corporation in conjunction with this lease is held subject to the following conditions agreed upon with the Lessor and with each of the other proprietary lessees for their mutual and several benefits:

(1) The Lessee shall be a member in the Lessor Corporation only so long as he shall hold a proprietary lease in good standing with the Lessor Corporation, and upon the Lessee's proprietary lease not being in good standing or terminated in accordance with the terms and conditions of this lease, the Lessee thereby relinquishes and terminates his membership with the Lessor Corporation.

TO WHOM
COVENANTS
APPLY

Second: The references herein to the Lessor shall be deemed to include its successors and assigns, and the references to the Lessee or to a member of the Lessor Corporation shall be deemed to include the personal representatives, legates, distributees and permitted assigns of the Lessee or of such member. The covenants herein contained shall apply to, bind and enure to the benefit of the Lessor and its successors and assigns, and the Lessee, his personal representatives, distributees, heirs and assigns, except as hereinbefore stated.

Third: If any clause or provision herein shall be adjudged invalid, the same shall not affect the validity of any other clause or provision of this lease.

MARGINAL
HEADINGS

Fourth: The marginal-headings have been inserted in the lease merely for convenience in locating subject matter, and shall not be deemed a part of this lease.

Fifth: The provisions of this lease cannot be modified, released or changed orally.

IN WITNESS WHEREOF, Lessor has caused this lease to be executed in its name by its President, and its corporate seal to be affixed, and the lessee (has) (have) hereunto affixed (his) (their) hand and seal.

THE PALM BEACH SHORES APARTMENTS, INC.

by _____
President

(Seal)

(Seal)