

EXHIBIT 1

EXTERNAL LEASE AGREEMENT

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of this 1 st day of July, 2002, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

(hereinafter referred to as "SBBC"),
a body corporate and political subdivision of the State of Florida,
whose principal place of business is
600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

Realty Masters

(hereinafter referred to as "**LESSOR**"),
whose principal place of business is

915 West Sunrise Boulevard
Fort Lauderdale, FL 33311.

WHEREAS, Dillard Community School is in need of additional classroom space for ABE, GED, and ESOL; and

WHEREAS, Realty Masters has appropriate classroom space available for said programs.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - RECITALS

1.01 **Recitals.** The Parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

ARTICLE 2 - CONDITIONS

2.01 **Leased Property.** The SBBC shall lease the following described property:
1019 & 1021 NW 9th Ave., Fort Lauderdale, FL 33311-Bays C9 & C10.

2.02 **Lease Term** The term of this lease is from 7/01/02 through 6/30/03.

2.03 **Hours of Operation.** The property herein leased may be used 24 hours a day 7 days per week.

2.04 **Rental.** The rental shall be \$2,626 per month payable the first of each month and includes all charges for Common Area Maintenance (CAM).

2.05 **ADA.** The Lessor hereby represents that the property herein meets all accessibility requirements of the Federal Americans with Disabilities Act (ADA), Florida Accessibility Code for Building Construction implemented under the Florida Americans with Disabilities Implementation Act, except as modified by State Requirements for Educational Facilities, for the use or occupancy intended by the SBBC.

2.06 **Asbestos.** The Lessor hereby represents that the property described herein is free from friable asbestos as defined in the Asbestos Hazard Emergency Response Act (AHERA), 40 CRF Part 763, Asbestos Materials in Schools, October 30, 1987, and Florida State Requirements for Educational Facilities (SREF) 1999, whichever is more stringent.

2.07 **Transfer.** The SBBC shall not assign or sublet the facilities delineated in this lease, or use said facilities or any part thereof, for any purpose other than set out in the Lease without consent of the Lessor.

2.08 **Condition of Premises.** SBBC shall accept the facilities as they are at the time of occupancy. Removal or change of location of any appliance or equipment, occasioned by the SBBC's use of said facilities, shall be made by the SBBC at the SBBC's expense, but no such removal or change shall be made without prior approval by the Lessor (which approval shall not unreasonably be withheld). Any appliance or equipment removed or relocated by SBBC shall be replaced as found.

2.09 **Heating and Air Conditioning.** The Lessor agrees to furnish to the SBBC heating and air conditioning for the leased property during the term of the lease at the expense of the Lessor. Heating and air conditioning services shall be provided for the days and times as indicated in paragraph 2.03 above.

2.10 **Light Fixtures.** The Lessee agrees to maintain in the demised premises light fixtures installed for the use of the SBBC. The Lessor shall be responsible for replacement of all bulbs, lamps, tubes, and starters used in such fixtures for the purpose of furnishing light.

2.11 **Maintenance Repairs.**

A. The Lessee shall provide for interior maintenance and repairs in accordance with generally accepted good practices.

B. The Lessor shall maintain and keep in good repair the exterior of the demised premises during the term of this lease, except such breakage or damage caused to the exterior of the demised premises by the SBBC, its officers, agents or employees.

2.12 **Utilities.** The Lessor will promptly pay for all gas, water, power and electric light rates or charges which may become payable during the term of this lease for the gas, water and electricity used by the SBBC on the premises.

2.13 **Indemnification.**

A. By SBBC: SBBC agrees to be fully responsible for its acts of negligence, or its agent's acts of negligence when acting within the scope of their employment and agrees to be liable for any damages resulting from said negligence.

B. By Lessor: Lessor agrees to be fully responsible for its acts of negligence, or its agent's acts of negligence when acting within the scope of their employment and agrees to be liable for any damages resulting from said negligence.

2.14 **Insurance.** SBBC at all times during the term of this Lease shall carry general liability coverage in excess of \$500,000.00. Said Insured's coverage shall be in force and effect during said hours and dates as described herein when the premises are used by SBBC. It is further understood and agreed by the parties to this Lease that this Agreement does not waive any of the Board's immunity as may be given by law.

ARTICLE 3 – GENERAL CONDITIONS

3.01 **No Waiver of Sovereign Immunity.** Nothing contained in this Agreement is intended to serve as a waiver of sovereign immunity by any agency to which sovereign immunity may be applicable.

3.02 **No Third Party Beneficiaries.** The parties expressly acknowledge that it is not their intent to create or confer any rights or obligations in or upon any third person or entity under this Agreement. None of the parties intend to directly or substantially benefit a third party by this Agreement. The parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against any of the parties based upon this Agreement. Nothing herein shall be construed as consent by an agency or political subdivision of the State of Florida to be sued by third parties in any manner arising out of any contract.

3.03 **Non-Discrimination.** The Parties shall not discriminate against any employee or participant in the performance of the duties, responsibilities and obligations under this Agreement because of race, age, religion, color, gender, national origin, marital status, disability or sexual orientation.

3.04 **Termination.** This Agreement may be canceled by The School Board of Broward County through its Superintendent during the term hereof upon thirty (30) days written notice to the Lessor of its desire to terminate this Agreement. This Agreement may be cancelled by the Lessor during the term hereof upon thirty (30) days written notice to the School Board of its desire to terminate this Agreement

3.05 **Records.** Each Party shall maintain its own respective records and documents associated with this Agreement.

3.06 **Entire Agreement.** This document incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, the Parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

3.07 **Amendments.** No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each party hereto.

3.08 **Preparation of Agreement.** The Parties acknowledge that they have sought and obtained whatever competent advise and counsel as was necessary for them to form a full and complete understanding of all rights and obligations herein and that the preparation of this Agreement has been their joint effort. The language agreed to herein expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

3.09 **Waiver.** The parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

3.10 **Compliance with Laws.** Each party shall comply with all applicable federal and state laws, codes, rules and regulations in performing its duties, responsibilities and obligations pursuant to this Agreement.

3.11 **Governing Law.** This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Seventeenth Judicial Circuit of Broward County, Florida.

3.12 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

3.13 **Assignment.** Neither this Agreement or any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other party.

3.14 **Force Majeure.** Neither party shall be obligated to perform any duty, requirement or obligation under this Agreement if such performance is prevented by fire, hurricane, earthquake, explosion, wars, sabotage, accident, flood, acts of God, strikes, or other labor disputes, riot or civil commotions, or by reason of any other matter or condition beyond the control of either party, and which cannot be overcome by reasonable diligence and without unusual expense ("Force Majeure"). In no event shall a lack of funds on the part of either party be deemed Force Majeure.

3.15 **Place of Performance.** All obligations of SBBC under the terms of this Agreement are reasonably susceptible of being performed in Broward County, Florida and shall be payable and performable in Broward County, Florida.

3.16 **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, unlawful, unenforceable or void in any respect, the invalidity, illegality, unenforceability or unlawful or void nature of that provision shall not effect any other provision and this Agreement shall be considered as if such invalid, illegal, unlawful, unenforceable or void provision had never been included herein.

3.17 **Notice.** When any of the parties desire to give notice to the other, such notice must be in writing, sent by U.S. Mail, postage prepaid, addressed to the party for whom it is intended at the place last specified; the place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective places for giving notice:

To SBBC: Superintendent of Schools
The School Board of Broward County, Florida
600 Southeast Third Avenue
Fort Lauderdale, Florida 33301

With a Copy to: Lee Stepanchak, Director, Property Management
Name of District Representative
600 SE 3rd Avenue
Address
Fort Lauderdale, FL 33301
Address

To Realty Masters: Realty Masters
Name of Other Party
915 West Sunrise Boulevard
Fort Lauderdale, FL 33311

With a Copy to:

Name to be Provide by School

Address

Address

3.18 **Captions.** The captions, section numbers, article numbers, title and headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections of this Agreement, nor in any way effect this Agreement and shall not be construed to create a conflict with the provisions of this Agreement.

3.19 **Authority.** Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the date first above written.

FOR SBBC

(Corporate Seal)

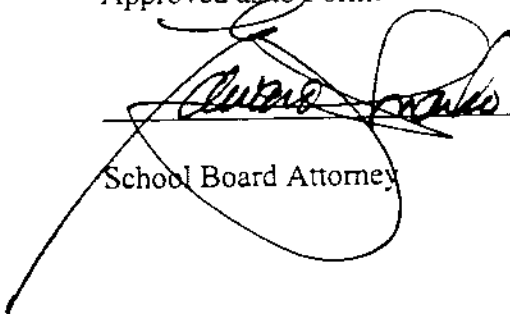
THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA

ATTEST:

By _____
Dr. Robert D. Parks, Chairperson

Franklin L. Till, Jr., Superintendent of
Schools

Approved as to Form:



School Board Attorney

FOR Realty Masters

(Corporate Seal)

Realty Masters

Name of Corporation or Agency

ATTEST:

By Ray Brooks, VP
Name and Title

_____, Secretary

-or-

[Signature]
Witness

[Signature]
Witness

The Following Notarization is Required for Every Agreement Without Regard to Whether the School Chose to Use a Secretary's Attestation or Two (2) Witnesses.

STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 2nd day of APRIL, 2002 by RAY BROOKS of REALTY MASTERS, on behalf of the corporation/agency.

Name of Corporation or Agency

He/She is personally known to me or produced _____ as identification and did/did not first take an oath. _____ Type of Identification

My Commission Expires: MAY 10, 2005



(SEAL)

[Signature]
Signature - Notary Public

ROBERT ALLAN SHEETER
Printed Name of Notary

DD 017164
Notary's Commission No.