

SUBLEASE EXTENSION AGREEMENT

THIS SUBLEASE EXTENSION AGREEMENT (hereinafter referred to as the "Sublease Extension") is made and entered into this 9th day of November, 2010, by and between Mortgage Systems International, LLC (hereinafter referred to as "Sublessor") and The School Board of Broward County, Florida (hereinafter referred to as "Sublessee"), whether one or more, and each agreeing to be bound by and held jointly and severally liable under the terms and conditions of this Sublease Extension).

In consideration of the covenants and obligations contained herein and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. PRIOR LEASE: The parties executed a Lease Agreement dated June 6, 2007 (hereinafter "Sublease Agreement") with a term of lease commencing on the 11th day of July, 2007, and which expires on the 15th day of November, 2010. All terms, conditions, and provisions of said Sublease Agreement are hereby incorporated by reference or by attachment.

2. EXTENSION OF PRIOR LEASE TERM: The parties hereby agree to extend and continue the aforementioned Lease Agreement for an additional fifteen (15) day term, commencing on the 16th day of November, 2010, and expiring on the 30th day of November, 2010.

3. RENT. Sublessee agrees to pay \$18,632.63 as rent to cover the period from the commencement of this Sublease Extension until the 30th day of the month. This rent shall be due seven (7) days following the execution of this Lease Extension. Payment of rent, non-payment of rent, and default for late payment of rent shall be governed in accordance with the terms and conditions of the previous Lease Agreement, as incorporated above by reference or attachment.

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Agreement as of the day and year first written above.

SUBLESSOR

**MORTGAGE SYSTEMS INTERNATIONAL,
LLC**



Name: _____


Hal Freeman

Title: _____

President

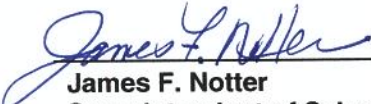
SUBLESSEE

**THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA**

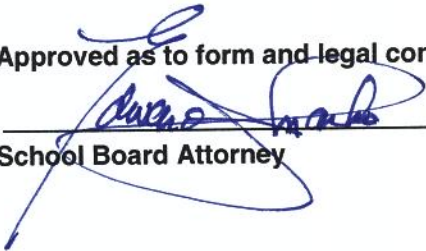


Jennifer Leonard Gottlieb, Chair

ATTEST:



James F. Notter
Superintendent of Schools

Approved as to form and legal content:


School Board Attorney

Exhibit "A"
Sublease Agreement

AGENDA REQUEST FORM
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ADDED ITEM

| |
|----------------|
| Meeting Date |
| 6/05/07 |

| |
|--------------------|
| Agenda Item Number |
| JJ-7 |

| | |
|--|---|
| Open Agenda <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Time Certain Request <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|--|---|

TITLE:
 Sublease Agreement between The School Board of Broward County, Florida, and Mortgage Systems International, LLC, a Foreign Limited Liability Company

REQUESTED ACTION:
 Approve the Sublease Agreement between The School Board of Broward County, Florida, and Mortgage Systems International, LLC and Amend the Adopted District Educational Facilities Plan, Fiscal Years 2006-2007 to 2010-2011 to include a planned appropriation for funding this Agreement.

SUMMARY EXPLANATION AND BACKGROUND:
 The Real Estate staff was directed to obtain a new site for the South Central Area Superintendent Office to allow for the expansion of parking at Ft. Lauderdale High School and relieve the overcrowded conditions that currently exist at the school. After surveying the market, the Real Estate staff found there was no suitable property available to acquire that would allow for an expedited move. The time frame could only be met by leasing property that would require minimal renovation. The subject Sublease of approximately 22,294 rentable square feet in the Sawgrass Technology Park, Building "11", located at 1643 N. Harrison Parkway, Sunrise, Florida, would allow for the time frame to be met.

The term of this Sublease shall be for the period commencing forty five days after execution of the sublease, and ending automatically on November 15, 2010, at a base rent of \$12 per square foot with a 3.0% annual increase, plus operating expenses, electricity and janitorial services. The School Board will be accepting the premises "as is", without any structural renovations needed.

The Landlord and Sublessor require that the School Board execute the Sublease Agreement first.

The School Board Attorney has approved this Sublease Agreement as to form.

SCHOOL BOARD GOALS:

- *Goal One: All students will achieve at their highest potential.
- *Goal Two: All schools will have equitable resources.
- *Goal Three: All operations of the school system will demonstrate best practices while supporting student achievement.
- *Goal Four: All stakeholders will work together to build a better school system.

FINANCIAL IMPACT:
 The financial impact to the District for Leasing and Utilities is \$1,947,627; Relocation Costs are \$395,660. The following is a breakdown of the \$395,660.00 relocation costs:

| | | | |
|---------------------------|------------|---------------------------|----------|
| Furniture Purchase: | \$ 30,000. | Technology - voice, data: | 172,160. |
| Add and upgrade cubicles: | 150,000. | Moving Cost: | 18,500. |
| Security Equip. Install: | 25,000. | | |

This item amends the Adopted District Educational Facilities Plan, Fiscal Years 2006-07 to 2010-2011 to include the financial impact of the agreement.

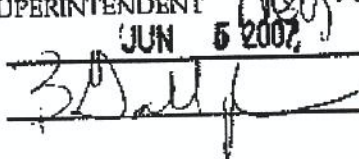
EXHIBITS: (List)

1. Executive Summary
2. Sublease Agreement (including Exhibit A-Prime Lease and Exhibit B-Floor Plan)
3. Consent to Sublease
4. Collaboration Form (Capital Budget)

| | |
|--|--|
| BOARD ACTION: <div align="center" style="font-size: 2em; font-weight: bold;">APPROVED</div> (For Official School Board Records' Office Only) | SOURCE OF ADDITIONAL INFORMATION: Thomas J. Coates, Executive Director 754-321-8351 |
| | Name _____ Phone _____ |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
 FACILITIES AND CONSTRUCTION MANAGEMENT DIVISION
 MICHAEL GARRETSON, DEPUTY SUPERINTENDENT

Approved in Open Board Meeting on:


 JUN 5 2007

School Board Chair

EXHIBIT 1

MSI SUBLEASE EXECUTIVE SUMMARY

JJ-2, Board Meeting June 5, 2007

EXECUTIVE SUMMARY: REQUEST FOR APPROVAL TO SUBLEASE FROM MORTGAGE SYSTEMS INTERNATIONAL, LLC, ("MSI"), 22,294 SQUARE FEET OF FINISHED, EXISTING OFFICE SPACE AT 1643 NW 136 AVENUE, SUNRISE FLORIDA, TO HOUSE SOUTH CENTRAL AREA SUPERINTENDENT'S OFFICE.

Need Statement: South Central Area Superintendent Office occupies a facility adjacent to Ft. Lauderdale High School slated for demolition and redevelopment for expanded athletic facilities for the High School. The District Office needs to be relocated to the South Central area to free up the property so that construction can commence as soon as possible. To meet this requirement, Staff was negotiating with the landlord of Sawgrass Technology Park for 19,584 square feet of vacant, raw, space in Building J of Sawgrass. During this period, in March, MSI contacted SBBC and offered to sublease their entire space on the second floor of Building H, adjacent to existing SBBC offices. This alternative offers a number of advantages.

Sublease Premises: The Sublease is for a somewhat larger space and offers a more attractive lease rate, (\$12.00 per square foot net) compared to that offered by the Landlord for the vacant space in Building J (\$13.00 per square foot net). More importantly, the MSI space is in "move-in" condition, requiring no structural work and no need for time consuming construction plans and permits. This will allow South Central to move by July 31, 2007. The raw space in Building J would take nine to twelve months to complete tenant improvements, which would set back occupancy to June or July 2008. If we signed a three year lease in Building J we also would anticipate construction costs of about \$35 per square foot, or \$685,440., not including furniture and technology costs. The relocation costs anticipated for the MSI space, \$395,660., only include furniture, technology, moving and security costs.

Term: The Sublease will commence when MSI vacates, which is scheduled for the end of June, 2007. The term will expire Nov. 15, 2010, close to the expiration of the term for the existing space in Sawgrass occupied by SBBC, Dec. 31, 2010.

Furniture: In addition to the "move-in" condition of the premises, MSI has offered to sell furniture and computer cabinets at a marked down price, \$30,000, which will assist SBBC in moving the District Office faster and drastically reduces the need for additional expenditures for cubicles and other furniture.

EXHIBIT 2

SUBLEASE AGREEMENT

SUBLEASE AGREEMENT

6th
2/8/07
THIS IS A SUBLEASE AGREEMENT (the "Sublease") made as of the 2/8 day of MAY, 2007, by and between Mortgage Systems International, LLC, a Foreign Limited Liability Company ("Sublessor"), and The School Board of Broward County, Florida ("Sublessee").

BACKGROUND

A. Sublessor entered into a Lease Agreement dated as of November 16, 2000 (the "Prime Lease"), covering approximately 22,294 rentable square feet of space in building known and identified as Buildings "H" (the "Building") located at 1643 N. Harrison Parkway, 2nd Floor, Sunrisc, Florida (the "Premises"). The original lessor, ACP Office I LLC, subsequently transferred ownership of the property to N/S Sawgrass Office Associates, LLC, which now holds the Landlord interest in the subject Lease Agreement ("Landlord"). A copy of the Prime Lease is attached hereto as Exhibit "A". Capitalized terms, when used in this Sublease without separate definition, will have the same respective meanings as in the Prime Lease.

B. Sublessor desires to sublease the entire Premises, as shown on the plan attached hereto as Exhibit "B" (the "Sublet Premises") to Sublessee, which desires to sublet the same from Sublessor, all on the terms and subject to the conditions set forth below.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Sublessor and Sublessee hereby agree:

1. **Sublease of the Premises.** Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, the Sublet Premises, all in accordance with and subject to the terms and conditions herein set forth.

2. **Term.** The term of this Sublease (the "Term") shall be for the period commencing no more than Thirty-Five (35) days after the execution of this Sublease by the parties, (the "Sublease Commencement Date") and ending automatically on November 15, 2010, (the "Sublease Termination Date"). Sublessor shall notify Sublessee in writing at least seven (7) days prior to vacating the Premises. The date the Premises are totally vacated, except for items the Parties agree shall remain, shall become the "Sublease Commencement Date." The Sublessee shall not have the right to exercise the Renewal Options set forth in Section 2.2 of the Lease, which are deemed null and void.

The parties hereby agree that this Agreement shall be deemed null and void in the event a representative of the Sublessee fails to sign it by June 08th 2007.

3. **Base Rent.** For the first sublease year, Sublessee shall pay directly to Sublessor, as base rent for the Sublet Premises ("Sublease Base Rent"), an annual amount equal to Two Hundred Sixty-Seven Thousand and Five Hundred Twenty Eight Dollars (\$267,528.00), which amount shall be due and payable on the first day of each month in advance installments of Twenty Two Thousand and Two Hundred Ninety Four Dollars (\$22,294.00) each. The base rent shall increase on the anniversary date of the Sublease at the rate of Three Percent (3.0 %) per annum. In addition to Base Rent, SubLessee shall pay throughout the Term all other monetary obligations attributable to the Premises for which the Sublessor is responsible under the Prime Lease, including all Additional Rent, and shall be required to pay and perform all other obligations required to be paid and performed by Sublessor pursuant to the Prime Lease. All Sublease Base Rent, all Sublease Additional Rent and all other sums payable by Sublessee hereunder shall be due and payable, without notice or demand, to Sublessor at Sublessor's address at 13790 NW 4th Street, #106/107, Sunrise, FL 33325, or to such other person or at such other address as Sublessor may designate, from time to time, by written notice to Sublessee. All Sublease Base Rent, all Sublease Additional Rent and all other sums payable by Sublessee hereunder shall be paid, when due, without offset, abatement, diminution or reduction. Annual base and monthly base rents are as follows:

| Lease Year | Annual Base Rent | Monthly Base Rent |
|------------|------------------|-------------------|
| 1 | \$267,528.00 | \$22,294.00 |
| 2 | 275,553.84 | 22,962.82 |
| 3 | 283,820.46 | 23,651.71 |
| 4 | 292,335.07 | 24,361.26 |

4. **Additional Rent.** Additional Rent shall have the meaning as defined in the Prime Lease, and shall include, but not be limited to, common area maintenance charges, and Tenant's Proportionate Share of Operating Expenses and Tenant's Proportionate Share of Taxes, as those terms are defined in the Prime Lease. The Additional Rent for the current calendar year is estimated at \$15,735.85 per month. Sublessee acknowledges and agrees that in the event there is an increase in the amount of Additional Rent owed during the Term, Sublessee is responsible for the full payment of the increased Additional Rent, together with each payment of the Sublease Base Rent.

5. **Regarding Condition of the Premises.**

5.1 **Condition of the Premises.** Sublessee has inspected the Sublet Premises and Sublessee hereby accepts, the Sublet Premises, including all of the existing tenant improvements in their current "AS IS" condition, without modification, improvement or alteration by Sublessor or Landlord, and without representation or warranty of any kind by Sublessor or Landlord.

5.2 **Personal Property.** Except for the equipment identified in Article 15, Sublessor shall remove from the Sublet Premises, at Sublessor's sole cost and expense, prior to the Sublease Commencement Date, all furniture, cabinets, movable shelving and systems, all

telephones, computers, and other communications and computer systems equipment. All of the foregoing removed prior to the Sublease Commencement Date shall remain the property of Sublessor; and any of the foregoing remaining in the Sublet Premises as of the Sublease Commencement Date shall become the property of Sublessee.

5.3 **Sublessee Improvements.** Sublessee shall not make any improvements or alterations to the Sublet Premises without the prior written consent of Sublessor and Landlord, which shall in each instance, be subject to Sublessor's and Landlord's reasonable discretion.

6. **Terms and Conditions of Prime Lease.** Except as modified by this Sublease, the terms and conditions of the Prime Lease, are hereby incorporated by reference into this Sublease as if all of the same were set out in full in this Sublease, and are fully enforceable and should be interpreted as though Sublessor were Lessor thereunder and Sublessee were Lessee thereunder, excepting and excluding only the following: (1) the obligation under the Prime Lease to pay Base Rent, which obligation is expressly superseded by the provisions of Paragraphs 3 hereof; (2) obligations, representations, warranties, covenants and indemnifications of Lessor thereunder; (3) Permitted Use as defined shall be revised to mean the use as set forth in Paragraph 8 of this Sublease; and, (4) the obligation for a Security Deposit.

7. **Use of the Premises; Compliance.** Sublessee shall use and occupy the Premises solely for the purpose of general office use ("Permitted Use"). In addition, Sublessee's activities on the Premises shall at all times be in strict conformance with all current and future federal, state and local laws and regulations, as may be amended from time to time, applicable thereto.

8. **Consent by Landlord; Sublessor Default.** Sublessor is required pursuant to the Prime Lease, to obtain the consent of Landlord to this Sublease. Accordingly, this Sublease is contingent upon receipt of Landlord's consent. Landlord, by its execution of the "Consent to Sublease" attached hereto, hereby consents to this Sublease, and to the terms and conditions hereof.

9. **Insurance.** Sublessee shall carry insurance policies of such kinds (including provisions with respect to waivers of subrogation) and in such amounts as are required to be carried by a tenant at the Premises under the terms and conditions of the Prime Lease. All such policies shall name Sublessor and Landlord as additional insureds, and all such policies shall contain a provision that they may not be canceled or modified without at least thirty (30) days' prior written notice to each of the insureds. In the event Sublessee fails to furnish current certificates of such policies in a timely manner prior to expiration of any policy of insurance, Sublessor may obtain such insurance, and the premiums on such insurance shall be deemed additional rent to be paid upon demand. Notwithstanding the foregoing, Sublessor acknowledges that Sublessee is a self-insured entity.

10. **No Violation of Prime Lease; Indemnification; Remedies.** Sublessee covenants and agrees that it will comply in all respects with the terms and conditions of the Prime Lease and that Sublessee shall not do anything which would constitute a default under the

Prime Lease or omit to do anything which it is obligated to do under the terms of the Prime Lease. Sublessee hereby indemnifies and holds harmless Sublessor from and against any and all actions, claims, demands, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees) asserted against, imposed upon or incurred by Sublessor by reason of any violation caused, suffered or permitted by Sublessee or its respective agents, servants, employees or invitees, of any of the terms, covenants or conditions of the Prime Lease or this Sublease. Sublessor and Sublessee shall have all of the rights and remedies of the Lessor and Lessee, respectively, set forth in the Prime Lease, as well as all other remedies available at law or in equity, for any default hereunder or for any breach of any of the terms or conditions of this Sublease. In the event of any breach by Sublessee, Sublessor may at any time thereafter, upon five (5) days prior written notice to Sublessee, cure such breach for the account and at the expense of Sublessee, but no such cure by Sublessor shall operate to waive or cure such breach by Sublessee. Sublessee specifically affirms all indemnification agreements and obligations of Lessee under the Prime Lease, and Sublessee hereby agrees to indemnify, defend and hold Sublessor harmless in accordance with the terms and conditions of the indemnifications set forth in the Prime Lease whereby Sublessor has so indemnified, defended and held Landlord harmless.

11. **Assignment and Subletting.** Sublessee shall not assign, mortgage, pledge or otherwise encumber this Sublease, nor further sublet the Premises or any part thereof, or cause or permit any change in control of the ownership of Sublessee, without obtaining the prior written consent of Sublessor and Landlord, which consent will not be unreasonably withheld.

12. **Notices.** All notices or other communications required or permitted hereunder shall be in writing, and shall be hand delivered or sent by guaranteed overnight delivery service or by registered or certified mail, return receipt requested, postage prepaid, addressed as set forth below, or at such other address as any party may provide by notice to the other parties in accordance herewith. All such communications shall be deemed to be given when received.

AS TO LANDLORD: N/S SAWGRASS OFFICE ASSOCIATES, LLC
c/o Stiles Property Management Company
300 SE Second Street
Ft. Lauderdale, FL 33301

AS TO SUBLESSOR: Mortgage Systems International, LLC
13790 NW 4th Street
Suites 106/107
Sunrise, FL 33325

AS TO SUBLESSEE: Superintendent of Schools (Interim)
The School Board of Broward County, Florida
600 SE Third Avenue, 14th Floor
Ft. Lauderdale, FL 33301

WITH COPY TO: Thomas Coates, Executive Director

Facility Management, Planning & Site Acquisition
1643 N. Harrison Parkway, Bldg. H
Sunrise, FL 33323

13. **Broker.** The parties agree that Morris Southeast Group, Inc. ("Broker") is the Broker that has brought the parties together, that Broker shall be compensated in accordance with the terms of separate agreement between Sublessor and Broker, and each party represents and warrants to the other that no one other than Broker has been engaged or requested to represent such party. Each party agrees to defend, indemnify and hold harmless the other from and against any and all claims by any person, other than Broker under the respective agreement referenced above, claiming to be entitled to any commission or other fee in connection with this Sublease.

14. **Security Deposit.** (Intentionally Deleted)

15. **Computer Room.** Sublessee allows Sublessor to keep and maintain approximately six designated, enclosed, locked computer cabinets in the Computer Room without charge for the remainder of the Term. Sublessor shall relocate any and all equipment to these designated cabinets. Sublessor shall insure that its AT&T/BellSouth T-1 connection is extended to these cabinets. Sublessee shall have no responsibility for the operation or maintenance of Sublessor's equipment, however Sublessee shall be responsible for maintaining all power, and existing environmental controls and warning systems, associated with the standard operation of the Computer Room. Sublessee shall have the right, upon six months written notice to Sublessor and at Sublessee's sole discretion, to require that Sublessor remove all equipment and terminate all activity in the Computer Room.

Sublessor relinquishes all use and control to the existing open rack systems. Sublessee shall have full use and control of the existing open rack systems and existing patch cables and shall make any changes or modifications to the wiring infrastructure in its sole discretion. Sublessee use or ownership of any other enclosed data cabinets shall be by separate letter agreement with Sublessor. Any remaining equipment or cabinets not used by either party shall be removed by Sublessor. Any equipment or cabinets not thereafter removed by the Sublease Commencement Date shall become the property of the Sublessee.

Except for acts of negligence by Sublessee, or its agent's acts of negligence when acting within the scope of their employment, Sublessor agrees to indemnify and hold harmless Sublessee, its agents, servants, and employees from any and all claims, judgments costs and expenses including reasonable attorney's fees, court costs and other related costs which Sublessee becomes obligated to pay arising out of damage or disruption to Sublessor's equipment located in the computer room.

Sublessee shall install a security card access system for entrance to the computer room. Sublessor shall be allowed access during normal Sublessee business hours with advance telephonic notice to Sublessee. Access during non-business hours shall be allowed only when arranged in advance between the parties.

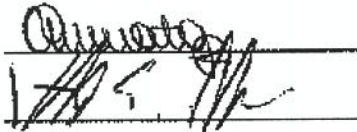
16. **Miscellaneous.** This Sublease, including the Exhibits hereto and Landlord Consent to Sublease, which are a part hereof: (1) supersedes any prior understandings between the parties hereto relating to the subject matter hereof, (2) together with the Prime Lease constitutes the entire agreement between the parties hereto relating to the subject matter hereof, (3) may be modified or amended only in writing signed by both parties hereto, (4) will bind and inure to the benefit of the respective successors and assigns of the parties hereto, and (5) will be governed by Florida law.

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease as of the day and year first written above.

SUBLESSOR:

**MORTGAGE SYSTEMS
INTERNATIONAL LLC**

Witnesses:



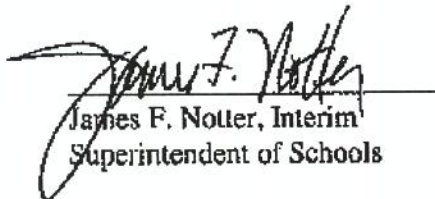
By: _____

Name: **ROBERTO AGUILAR**
Title: **VA HOTEL OPERATIONS**

SUBLESEE:

**THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA**

ATTEST:


James F. Notter, Interim
Superintendent of Schools

By: _____


Beverly A. Gallagher, Chair

Approved as to Form: _____


Edward J. Marko, School Board Attorney



Concept 2 Towers
2290 10 Ave North- Suite 408
Lake Worth, FL 33461

October 15, 2010

Broward School Board
Director of Growth Management

Dear Mr Akagbosu:

On November 16, 2000, Mortgage Systems International, LLC (MSI) entered into a lease agreement with ACP Office I, LLC to occupy 22,294 square feet within the office building designated as Building H.

On June 5, 2007, MSI entered into a sublease agreement with The School Board of Broward County, Florida commencing forty-five days after execution of the lease agreement and ending automatically on November 15, 2010. The sublease agreement, prepared by MSI, interpreted the expiration date as ten year after the commencement date or November 15, 2010 and Stiles actually signed off on that date in their consent to the sublease. But then Stiles informed us recently that the actual end date is November 30, 2010.

The intent behind the sublease agreement was to extend until the end of the lease agreement and not until Nov 15, 2010. Please excuse us for the misunderstanding as we believed that the lease ended on Nov 15, 2010.

We understand that the new lease agreement between Stiles and SBBC commencing on January 1, 2011 contains a section providing for collection of rents and operating expenses for the 22,294 square foot MSI space for the month of December 2010. As far as Stiles is concerned, their Lease Agreement was through November 30, 2010 and thus Stiles are invoicing us and we are paying to them a full month's rent for November, half of which (November 1 - 15th) is already paid in part by SBBC's scheduled \$18,632.63 lease payment to MSI.

I believe we both want to extend the sublease until Nov 30, 2010. We have sent already an invoice to Ms Marchetti for that 15 day extra period. This should resolve the issue for both parties. Again please excuse us for the misunderstanding.

Sincerely

A handwritten signature in black ink, appearing to read 'Harold Freiman', written over a horizontal line.

Harold Freiman, President MSI LLC
954-684-8538

COLLABORATION

EXHIBIT 3

SIGN-OFF FORM

Title of Agenda Request Item: Extension of Sublease Agreement between Mortgage Systems International, LLC and The School Board of Broward County, Florida for Building H, Sawgrass Technology Park, Sunrise

School Board Meeting Date: 11/9/10

- All projects have been appropriated in the Adopted District Educational Facilities Plan (September 7, 2010) and in the District's Capital Budget.
- The following project(s) have not been appropriated in the Adopted District Educational Facilities Plan (September 7, 2010) and in the District's Capital Budget.

Comments: An additional financial impact of \$ 18,633 will come from the Capital Projects Reserve.

| | | |
|------------------------|-----------------------------|---|
| <u>Department Name</u> | <u>Department Head Name</u> | <u>Department Head Signature</u> |
| Capital Budget | Omar Shim Director |  |

Note: By signing this collaboration the Capital Budget Department is acknowledging that the budget impact as stated is correct. Other aspects of the agenda item are the responsibility of the department submitting the item.

CONTACT: Delores Burrell 754 321-2168