

Estado Libre Asociado de Puerto Rico
Gobierno Municipal de Guaynabo
Asamblea Municipal

O R D E N A N Z A

Número 40

Presentada por: Administración

Serie 1994-95

PARA AUTORIZAR AL HONORABLE ALCALDE DEL MUNICIPIO DE GUAYNABO, O A LA PERSONA DESIGNADA POR ESTE, A COMPARECER EN ESCRITURA PUBLICA SOBRE ARRENDAMIENTO CON OPCION A COMPRA (ARRENDAMIENTO FINANCIERO) DE UNA FINCA DE 18.1040 CUERDAS LOCALIZADA EN EL BARRIO MAMEY DE GUAYNABO, EN LA CUAL SE ESTABLECERA UN CENTRO DE OPERACIONES MUNICIPALES, Y PARA OTROS FINES.

- Por Cuanto : La Administración Municipal del Municipio de Guaynabo está plenamente comprometida en brindar servicio de excelencia a toda su ciudadanía.
- Por Cuanto : Dado el vertiginoso y acelerado crecimiento poblacional de nuestra ciudad, las facilidades físicas con las que cuenta el Municipio de Guaynabo para la prestación de servicios de obras públicas, control ambiental, transportación, vivienda y servicios escolares, resultan ser poco adecuadas, pequeñas y por consiguiente, desproporcionadas con relación a la cantidad y calidad de servicios e nuestros habitantes exigen y se merecen.
- Por Cuanto : G.R.B. PROPERTIES SOCIEDAD EN COMANDITA, S. E., una sociedad especial organizada bajo las disposiciones de la Ley Número 8 de 19 de julio de 1985 es dueña de pleno dominio de una finca de 18.1040 cuerdas, localizada en el Barrio Mamey del Municipio de Guaynabo.
- Por Cuanto : Tanto la localización como la configuración geográfica de la antes descrita parcela de terreno resultan ser ideales para el establecimiento por parte del Municipio de Guaynabo de un Centro Operacional en el cual se centralicen los servicios de obras públicas, control ambiental, transportación, vivienda y servicios escolares.
- Por Cuanto : G. R. B. PROPERTIES SOCIEDAD EN COMANDITA, S. E., está dispuesta a construir todas las facilidades físicas necesarias para la creación, establecimiento y operación del proyectado centro operacional, a su propio costo, con el compromiso de cederle en arrendamiento con opción a compra al Municipio de Guaynabo las facilidades físicas construídas, así como la finca en que estarían enclavadas, bajo los términos y condiciones que más adelante se relacionan.
- Por Cuanto : La construcción del nuevo Centro Operacional del Municipio de Guaynabo resultará en grandes beneficios para nuestra ciudadanía y colocará a este Municipio en una posición dinámica de vanguardia en la prestación de servicios municipales en todo Puerto Rico.
- Por Cuanto : El Honorable Pedro Pierluisi, Secretario de Justicia del Estado Libre Asociado de Puerto Rico, mediante opinión escrita de fecha 17 de junio de 1994, determinó que el Municipio de Guaynabo tiene la facultad legal para otorgar el propuesto contrato, previa autorización de la Asamblea Municipal y del Banco Gubernamental de Fomento.

Por Cuanto : Con fecha 12 de diciembre de 1994, AFICA, autoridad encargada de generar los fondos mediante bonos para el financiamiento del proyecto, notificó la aprobación por parte de su Junta de Directores de su participación en dicho financiamiento.

POR TANTO : ORDENASE POR ESTA ASAMBLEA MUNICIPAL DE GUAYNABO, PUERTO RICO, REUNIDA EN SESION ORDINARIA, HOY DIA 16 DE DICIEMBRE DE 1994.

Sección 1ra. : Autorizar, como por la presente se autoriza, al Hon. Alcalde del Municipio de Guaynabo, o la persona designada por éste, a comparecer en escritura pública sobre arrendamiento con opción a compra sobre la propiedad que se describe a continuación:

-----RUSTICA: Parcela de terreno ubicada en Barrio Mamey de Guaynabo, Puerto Rico, marcadas con las letras "F", "C" y "D" en el plano de inscripción y lotificación de la finca principal que proceden éstas, autorizado por la Honorable Junta de Planificación de Puerto Rico, compuesta de dieciocho punto mil cuarenta milésimas de cuerda (18.1040); en lindes por el Norte, con terrenos de Epifanio Cabello; por el Sur, con un camino público según escritura de Servidumbre de Paso requerida por la Junta de Planificación; por el Este, con la Parcela "G" y "B" de la finca principa; por el Oeste, Parcela "E" de la Finca principal y con terrenos de Don Felix Baerga.-----

-----No enclavan estructuras en esta parcela de terreno. -----

-----Inscrita al Folio ciento setenta y cinco (175), del tomo doscientos setenta y uno (271), de Guaynabo, finca diecisiete mil cero sesenta y cuatro (17,064); Inscripción Primera (1ra.).-----

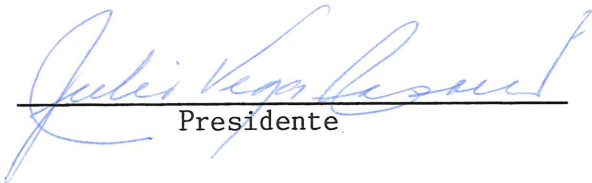
Sección 2da. : Tal arrendamiento con opción a compra incluirá todas las edificaciones que eventualmente construya G.R.B. PROPERTIES SOCIEDAD EN COMANDITA, S.E.; conforme a los planos y especificaciones preparados por el Arquitecto Lionel A Fernández.

Sección 3ra. : El itinerario de pago de renta por parte del Municipio de Guaynabo será el siguiente:

AÑO	ETAPA	PAGO MENSUAL
Construcción	Construcción	- 0 -
Mes 01 al 30	Operacional	\$149,100.00
Mes 31 al 60	Operacional	156,550.00
Mes 61 al 120	Operacional	168,985.00
Mes 121 al 180	Operacional	182,234.00
Mes 181 al 300	Operacional	197,140.00

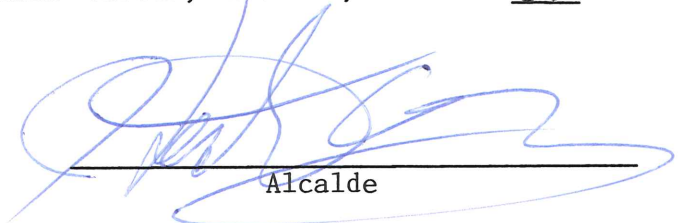
Tanto el itinerario de pago como las cantidades a satisfacerse podrían variar por motivo de cambio en las tasas de interés que de tiempo en tiempo sean fijadas, así como por cualquier otra razón o requisito que establezca la entidad bancaria que brinde el financiamiento de la obra a construirse, todo ello con la aprobación final del Banco Gubernamental de Fomento.

- Sección 4ta. : Al finalizar el arrendamiento descrito en la anterior Sección, el Municipio de Guaynabo, podrá, si así lo determina, adquirir a título de dueño todas las facilidades construídas, así como la finca en la cual enclavan éstas, por el convenido y ajustado precio de UN DOLAR (\$1.00).
- Sección 5ta. : G.R.B. PROPERTIES SOCIEDAD EN COMANDITA, S. E., tendrá a su cargo la construcción a su único y exclusivo costo, las facilidades físicas necesarias para el establecimiento y funcionamiento del Centro Operacional del Municipio de Guaynabo.
- Sección 6ta. : Se autoriza a la Administración Municipal de Guaynabo a establecer en la escritura pública que a estos fines se otorgue, todas aquellas cláusulas y condiciones que sean necesarias para garantizar la ejecución conforme a derecho del negocio jurídico que por la presente ordenanza se autoriza.


Presidente


Secretaria

Fue aprobada por el Hon. Héctor O'Neill García, Alcalde, el día 23 de diciembre de 1994.


Alcalde

Estado Libre Asociado de Puerto Rico
Gobierno Municipal de Guaynabo
Asamblea Municipal

C E R T I F I C A C I O N

YO, SRA. ASUNCION CASTRO DE LOPEZ, Secretaria de la Asamblea Municipal de Guaynabo, Puerto Rico, por medio de la presente certifico que la que antecede es una coia fiel y exacta de la Ordeanza Núm. 40, Serie 1994-95, aprobada por la Asamblea en su sesión ordinaria del día 16 de diciembre de 1994.

CERTIFICO, ADEMÁS, que la misma fue aprobada por mayoría de los miembros presentes en dicha sesión, los Hons. Julio Vega Rosario, Roberto López López, María del C. Rivera Hernández, Carmen Delgado Morales, Marcos A. Diaz Laboy, Carlos M. Santos Otero, Nelson A. Miranda Hernández, William López Garcés, Maggie Ginés de Soto, Lillian Jiménez López, Ramón Ruiz Sánchez y Milagros Pabón.

Votos abstenidos de los Hons. Sonia Colón Santos y Felipe Arroyo Moret y voto en contra del Hon. Elías González Mathews.

Fue aprobada por el Hon. Héctor O'Neill García, Alcalde, el día 23 de diciembre de 1994.

EN TESTIMONIO DE TODO LO CUAL, libro la presente certificación bajo mi firma y el sello oficial del Municipio de Guaynabo, Puerto Rico, a los ventitres días del mes de diciembre del año mil novecientos noventa y cuatro.


Secretaria Asamblea Municipal

Estado Libre Asociado de Puerto Rico
Gobierno Municipal de Guaynabo
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Secretaria Asamblea Municipal

-----DEED NUMBER

-----DEED OF LEASE WITH OPTION TO PURCHASE-----

---In the City of San Juan, Commonwealth of Puerto Rico, this _____ day of _____ 1994. -----

-----BEFORE ME-----

---Attorney at Law and Notary Public in and for the Commonwealth of Puerto Rico, with offices at Centro de Seguros Building, Suite four hundred seven (407), Seven hundred one (701) Ponce de León Avenue, Miramar, San Juan, Puerto Rico, and residence in Guaynabo, Puerto Rico.-----

---AS PARTY OF THE FIRST PART: G. RB PROPERTIES SOCIEDAD EN COMANDITA, S.E., a Special Partnership organized and existing under law Number Eight (8) enacted on July nineteen (19), nineteen hundred and eighty five (1985), known as the Special Partnership Law of Puerto Rico, whose employer Social Security Number is _____, herein represented by its Administrative Partner, MIRAMAR CONSTRUCTION CO., INC., in turn represented in this act by its President MR. JOSE R. BERRIOS, Social Security Number _____ (- -), of legal age, married, engineer and resident of _____, Puerto Rico; hereinafter referred to as the "LESSOR".-----

---AS PARTY OF THE SECOND PART: THE MUNICIPAL GOVERNMENT OF THE CITY OF GUAYNABO, a dependency of the GOVERNMENT OF COMMONWEALTH OF PUERTO RICO, herein represented by its Mayor the HONORABLE HECTOR O'NEILL, who is of legal age, married,

property owner, and resident of Guaynabo, Puerto Rico, Social Security Number _____ (- - - - -), hereinafter referred to as the "LESSEE". This appearance and representation has been duly approved and authorized by the Municipal Assembly of Guaynabo. Said approval is attached to this contract as its Exhibit I, and constitutes an integral part of this contract.---

-----I ATTEST-----

---As to my personal knowledge of the appearing parties and as to their statements regarding their age, civil status, profession and residence. The appearing parties assure me to be, and in my judgement they are, legally competent to execute this Deed of Lease with Option to Purchase and they freely and voluntarily.-----

-----STATE-----

---FIRST: The LESSOR is the owner in fee simple of the property which in the Spanish language is described as follows:

---Rústica: Parcela de terreno ubicada en Barrio Mamey de Guaynabo, Puerto Rico, marcadas con las letras "F", "C" y "D" en el plano de inscripción y lotificación de la finca principal que proceden éstas, autorizado por la Honorable Junta de Planificación de Puerto Rico, compuesta de dieciocho punto mil cuarenta milésimas de cuerda (18.1040); en lindes por el Norte, con terrenos de Epifanio Cabellio; por el Sur, con un camino público según escritura de Servidumbre de Paso requerida por la Junta de Planificación; por el Este, con la Parcela "G" y "B" de la finca principal; por el Oeste, Parcela "E" de la finca principal y con terrenos de don Félix Baerga.-----

---No enclavan estructuras en esta parcela de terreno.-----

---Inscrita al Folio Ciento setenta y cinco (175), del tomo Doscientos setenta y uno (271), de Guaynabo, Finca Diecisiete mil cero sesenta y cuatro (17,064); Inscripción Primera (1ra.).--

---LESSOR at its sole cost and expense agrees to construct a build^{ing} for the relocation of the "Centro Operacional del Municipio de Guaynabo", herein after referred to as "THE PROPERTY", according to the plans prepared by Architect Lionel Fernández Capella ("THE ARCHITECT"), included herewith as Exhibit II and according to the specifications in the Scope of Work and Stipulations herewith included as Exhibit II. The construction of THE PROJECT will commence once the pertinent construction permit has been obtained.-----

---The LESSOR will submit to the LESSEE, not later than ninety (90) days from the date of this Deed the approved an certified construction drawings. -----

---THE PROPERTY should be completed, except for the circumstances mentioned in clause number Thirty Two (32) "Force Majeure" no later than eighteen (18) months form the date the LESSOR obtains the construction permit. -----

---The LESSEE will be represented during the construction period by a Licensed Civil Engineer or Architect contracted and paid for by the LESSEE. The aforementioned professional will maintain the LESSEE informed through written and oral reports as to the progress and execution of the construction of the building. The above referred to professional will inspect the

construction to assure the LESSEE of the full compliance with the final plans and specifications which form part of this Deed.

---The Premises above described, together with all easements, rights and appurtenances thereto and all buildings, improvements and fixtures located thereon ("the Improvements") including, without limitation, the Building and all personal property of the LESSOR located therein, are hereinafter collectively termed the "Property". -

---On _____ LESSEE granted LESSOR a letter of intent (Carta Compromiso) included herewith as Exhibit III of this agreement. -----

---SECOND: The LESSOR and the LESSEE having agreed to enter into this Lease with Option to Purchase for the above described Property, hereby carry out the same under the following: -----

-----TERMS AND CONDITIONS-----

---ONE: The LESSOR hereby lets and demises the Property unto the LESSEE, and the LESSEE hereby takes and hires from the LESSOR the property with all its uses, easements and improvements for a term of twenty five (25) years which is to commence thirty (30) days from the date of this Agreement.-----

---TWO: The LESSEE, shall pay LESSOR the rent as specified in the following schedule AS OF OCCUPANCY DATE AS ESTABLISHED BELOW. The occupancy date will be thirty (30) days after obtention of use permit to be obtained by LESSOR and the final approval of the pertinent Government Agencies, which must be obtained by

LESSEE within the Thirty day period and it shall not be unreasonably withheld.-----

-----RENT SCHEDULE-----

<u>YEAR</u>	<u>STAGE</u>	<u>MONTHLY PAYMENT</u>
Construction	Construction	\$ -0-
Month 01 to 30	Operational	149,100.00
month 31 to 60	Operational	156,550.00
month 61 to 120	Operational	168,985.00
month 121 to 180	Operational	182,234.00
month 181 to 300	Operational	197,140.00

---Should the building be FULLY OCCUPIED before the eighteen (18) months period, LESSEE will commence payment of rent thirty (30) days after obtention of the use permit and the final approval of the Government Agencies, which shall not be unreasonably withheld, at the rate describe above for the first thirty (30) months.

---LESSOR may have the option of obtaining partial use permits for certain areas, premises or buildings of THE PROPERTY. When said partial permits are obtained by LESSOR, LESSEE upon notice from the LESSOR, will be obliged to occupy said areas, premises or buildings, and comence the payment of rent in proportion to the occupied areas, premises or buildings of THE PROPERTY. When THE PROPERTY is partially occupied and LESSEE pays partial rent; the rent paid in this manner will be proportionately reduced in the first thirty (30) payments.-----

---Notwithstanding the above, the three hundred (300) months duration term of this contract, will

comence when the entire property is occupied by
LESSEE and full payment of the monthly rent
comences to be done.-----

---All conservation, maintenance and repair costs
of the building, its fixtures and equipment,
during the term of this Lease, shall be for the
sole account of **LESSEE**.-----

---**LESSOR** shall not be obligated to make repairs,
replacements or improvements of any kind upon the
Property or upon any equipment, facilities or
fixtures contained herein, all of which shall be
the responsibility of **LESSEE**. If **LESSEE** refuses
and neglects to make any repair which it is
obliged to make under the terms of this Lease,
LESSOR shall have the right, but shall not be
obligated to make such repairs on behalf of and
for the account of **LESSEE**, and in such an event
such work shall be paid for by **LESSEE** and shall
be due upon demand as additional rent.-----

---The monthly rent shall be due and payable in
advanced installments by the **LESSEE** and/or the
Centro de Recaudaciones de Ingresos Municipales
(**CRIM**), within the first ten (10) days of each
month through a check issued to the order of the
LESSOR or to the order of such other person,
entity or corporation as the **LESSOR** shall, in
writing, designate to the **LESSEE**.-----

---The Rent Schedule and other provisions of this
Lease may be amended by written agreement between
the parties, provided the holder of the Mortgage
(as hereinafter defined) shall have given its
written consent to each such agreement.-----

---THREE: At the end of the lease term, on account of the Rent Payments made by LESSEE throughout its twenty five years, if LESSEE so desire, the free and clear title for the leased premises will be transferred from the LESSOR to the LESSEE in consideration of a final payment of ONE DOLLAR (\$1.00), made by the LESSEE to the LESSOR, and other good and valuable considerations.-----

---If THE PROPERTY is not bought by LESSEE, this contract will continue in effect on a month to month basis and the monthly rent to be paid by LESSEE will be \$197,140.00. The monthly payment of the rent will not give LESSEE any right to holdover.-----

---FOUR: LESSEE will also have an option to acquire the property after making the two hundred and fortieth (240 th) payments of rent. The purchase price at that moment will be equal to fifty percent (50%) of the diference between the remanent rent to be paid for the remaining term of this lease contract, less the anual payment to be done for the balance of the unredeemed AFICA bonds. To that amount, and as an integral part of the purchase price, an amount will be added, said amount to be equal to any reserve held for the benefit of G. RB Properties, S.E. by the fiduciary agent of the AFICA bonds or by any other person or entity.-----

---If this option is not exercised by LESSEE at the moment of paying the two hundred and fortieth (240 th) rent installment, the present contract

---The **LESSEE** shall likewise be liable for payment of interest and penalties, if any, which may be imposed if any taxes are not paid when due. Any reduction or credit granted by reason of payment in advance or by reason of an adjustment made in the assessment of the Taxes against the Property or by reason of tax exemption granted on the Property for Taxes payable during the term of this Lease, shall belong to the **LESSEE**.-----

---**EIGHT**: The **LESSEE** shall also pay all utilities to the property, including, but not limited to, electricity, water, gas and telephone service and installation and any other communication system service, and be responsible for paying for the costs of all services, costs charges and any other expenses relative to the Property which shall rise during the term of this Lease, which shall not be expressly assumed by the **LESSOR** hereunder. The **LESSOR** shall not be required to perform any service or make any payments related to the Property, except as specifically provided for herein.-----

---IT IS AGREED THAT THIS IS AN ALL NET LEASE AGREEMENT.-----

---**NINE**: The **LESSEE** binds itself to comply at its own cost with all ordinances, local or federal laws, or regulations or requirements of any governmental authority having jurisdiction over the Property with regard to the use, occupancy, enjoyment and maintenance of the Property including any alteration, improvement,

modification or change of all or any portion of the Property which may be needed in order to comply with said legal requisites. Additionally, in the event that improvements, alterations, modifications, or changes are solely due to damage to the same, caused by any structural defect in a structural part of the Building (provided such a defect shall be solely attributable to a fault in construction performed prior the OCCUPANCY date of this Lease), then the cost of repairing said improvements so as to the restore the same to their condition existing immediately prior to such damage will be the obligation of the LESSOR.-----

---TEN: The LESSEE will expressly acknowledge and accept the property in the actual condition of the same, existing as of the OCCUPANCY date of this Lease, and the LESSEE shall keep the same in said condition, except for the normal wear and tear which the Property is liable to suffer as a result of the use and occupancy thereof by the LESSEE.-----

---ELEVEN: The LESSEE acknowledge to be completely familiar with the Property, the property rights and limitations and encumbrances affecting the Property arising out of the Registry of Property and as such accepts the same. The use permit relative to the Property shall be delivered by LESSOR to the LESSEE prior to the OCCUPANCY of the term of this Lease.-----

---TWELVE: The LESSEE shall, at its sole cost and expense, procure all necessary permits,

licenses or other applicable authorizations required for the lawful and proper use, occupation, operation and management of the Property. Except that the use permit will be obtained by LESSOR at its cost.-----

---THIRTEEN: LESSEE shall indemnify and hold LESSOR harmless from and against all claims, proceedings, actions, demands, liabilities, judgments, and executions which are not due to the LESSOR'S negligence and which either (a) arise in connection with the possession, use, occupation, management, repair, maintenance or control of the Property by LESSEE, its concessionaires, employees, agents or subtenants; (b) arise in connection with any act or omission of LESSEE'S or LESSEE'S agents, employees, subtenants, contractors or any representatives of any kind; (c) result from any default, breach, violation or non-performance of this Lease by LESSEE; or (d) result in injury to person or property or loss of life sustained in the Property. LESSEE shall defend, with counsel designated by LESSOR, any claims brought against LESSOR with respect to the foregoing or in which LESSOR may be impleaded, which duty to defend shall include the payment of all expenses, legal fees and costs necessary to defend LESSOR against such claims. LESSEE shall pay, satisfy and discharge any judgements, orders and decrees which may be recovered against LESSOR in connection with the foregoing and any expenses, legal fees and costs in which LESSOR may have to

incur in order to defend such claims.-----

---FOURTEEN: The LESSEE further agrees that throughout the term of this Lease, it will maintain (i) public liability insurance with a contractual liability endorsement covering and protecting the LESSOR and LESSEE in respect of any action which arise or shall be alleged to have arisen from the use, possession or maintenance of the Property or any other work performed on the Property during the term of this Lease by the LESSEE (to the extent obtainable, which insurance shall protect the LESSEE and the extent obtainable), which insurance shall protect the LESSEE and LESSOR against claims of any and all persons, firms, corporations or governmental authorities (collectively "PERSONS"), for personal injury, death or property damage occurring upon, in or about the Property or any part thereof, such insurance to afford protection to the limit of not less than ONE MILLION DOLLARS (\$1,000,000.00) for each occurrence in respect to injury or death to any single individual and to the limit of not less than FIVE MILLION DOLLARS (\$5,000,000.00) annual aggregate to any one accident, plus an umbrella coverage of FIVE MILLION DOLLARS (\$5,000,000.00) and to the limit of not less than ONE MILLION DOLLARS (\$1,000,000.00) in respect to property damage; and (ii) with respect to any construction or other work on or about the Property, appropriate workmen's compensation insurance with respect thereto. The LESSOR and the LESSEE shall be

named insured under such insurance.-----

---The LESSEE further agrees that through the term of this Lease it will maintain a property insurance in an amount equivalent to the full replacement value of the facilities, with an agreed value endorsement. The LESSOR will be an additional named insured under said policy. Said policy will protect the property, among others, from loss due to earthquake, fire, flood, hurricane, or by the elements, or by act of God. Any deductibles will be paid by LESSEE.-----

---FIFTEEN: During the term of this Lease, except as indicated herein, it shall be the LESSEE'S responsibility to take good care of the Property and all that is accessory to it and to promptly make all repairs, interior and exterior, which are necessary to keep the improvements in good and lawful order and condition. It shall be LESSEE'S responsibility to repair and/or replace without exception any equipment and/or system that is a part or accessory of the Property. The LESSEE binds itself to keep the Property in good condition and adequate physical appearance, including, without limitation, the cleaning of all the improvements and adjacent areas. The LESSEE shall also be liable for making any improvement which may be needed for the upkeep of the Property in order to guarantee its use and making any other improvement which may be required by any other governmental entity, either municipal state or federal or other public authority having jurisdiction over the Property.-

---SIXTEEN: During the term of this Lease, the LESSEE shall permit the LESSOR and its representatives, agents or employees to enter the Property at reasonable hours in order that they may inspect, given mainenance and repair any equipment and/or systems LESSOR is responsible for under the terms and conditions of this Lease. LESSOR, its agents, employees or representatives shall also be permitted to make periodic visits to the Property in order to verify that the Property is being kept in good condition. In the event the LESSEE shall fail to commence work on any repair for a period of forty five (45) days following written demand by registered mail by the LESSOR, the LESSOR and/or its authorized agents, employees or representatives may enter the Property for the purpose of making any necessary repairs thereto any performing any work therein that may be necessary to comply with any applicable laws, ordinances, rules or requirements, or that may be necessary to prevent waste or deterioration of the Property and, in such event, the LESSEE shall promptly, after demand therefor, pay to the LESSOR all reasonable expenses incurred by the LESSOR in making such work or repairs.-----

---SEVENTEEN: The LESSEE shall not suffer or permit any lien, of whatever nature, to encumber all or any portion of the Property or to encumber the LESSEE'S interest therein. If any such lien shall be filed, and if the LESSEE shall fail to discharge such lien within thirty (30) days after

the filing of the same, Then in addition to any other right or remedy of the LESSOR, the LESSOR, may but shall not be obligated to, prosecute the discharge of the same. The LESSEE on demand, shall pay to the LESSOR an amount equal to all reasonable costs incurred by the LESSOR in connection with the prosecution of the discharge of any such lien.-----

---EIGHTEEN: LESSEE shall neither make any structural alterations in, or structural additions to the property, nor make any contract therefor, without first procuring LESSOR'S written consent, which consent shall not be unreasonably denied, withheld or delayed, and delivering the LESSOR the plans, specifications, and the necessary permit, all in form and substance satisfactory to LESSOR, and furnishing indemnifications against liens, costs, damages and expenses as may be reasonably required by LESSOR. All alterations, additions, improvements and fixtures, other than LESSEE'S personal property and trade fixtures, which may be made or installed by either LESSOR or LESSEE upon the Property shall be the property of the LESSOR and shall remain upon the Property as part thereof upon the expiration or sooner termination of the lease, all without compensation or credit to LESSEE. LESSEE shall indemnify and hold LESSOR harmless by reason of workmen's and materialmen's claims and from any other claims arising from the performance of permitted alterations. LESSEE shall procure all required workmen's insurance

policies for the work and construction and shall submit to LESSOR a certificate of insurance to that effect prior to commencing the work. LESSEE will also obtain a public liability insurance policy in connection with the work and construction to be performed with a financially sound company acceptable to LESSOR in which LESSOR shall be named additional insurance and in which the limits shall be no less than ONE HUNDRED FIFTY THOUSAND DOLLARS (\$1,150,000.00) for property damage and TWO HUNDRED FIFTY THOUSAND DOLLARS dash FIVE HUNDRED THOUSAND DOLLARS (\$250,000.00/\$500,000.00) for bodily injury. LESSEE shall furnish to LESSOR prior to commencing the work a certificate of insurance of that policy.-----

---NINETEEN: If during the term of this Lease, the Property shall be taken by any public or quasi public authority under the power of condemnation, eminent domain or expropriation or in the event of conveyance in lieu thereof, this Lease shall be terminated effective as of the day possession shall be taken by such authority. In the event of such termination of this Lease, LESSOR shall be relieved from all its obligations under this Lease and LESSEE shall pay the rent to the day when possession thereof shall be taken by such authority with an appropriate refund by LESSOR of such rent as may have been paid in advance for a period subsequent to such date. It only a portion of the Property is so taken which, in the fair estimation of the parties, permits

LESSEE'S continuance of operations upon the parts not so taken, then this Lease shall continue in effect as to any portion of the Property not so taken or conveyed and, if warranted, the rent shall be proportionately reduced to an amount based upon the ratio the area of the property remaining bears to the area just prior to the taking. If this Lease shall so continue, LESSOR shall, at its expense, but only on the extent of an equitable proportion of the award or the compensation of the portions of the Property taken or conveyed and consequential damages to the remainder thereof not taken (excluding any award or other compensation for land), make all the necessary repairs or alterations so as to constitute the remaining property a complete architectural and tenantable unit. Any compensation awarded for any such taking or conveyance, whether for the whole or a part of the Property, shall be awarded as compensation for diminution in the value of the leasehold or to the fee of the Property, and LESSEE hereby assigns to LESSOR all of LESSEE'S right, title and interest in and to any and all such compensation. LESSEE shall be entitled to claim, prove and receive in the condemnation proceeding such award as may be allowed under the laws of the Commonwealth of Puerto Rico and of the United States of America but only if such award shall be made in addition to, and shall not result in a reduction of, the award made for the land and building so taken.-----

---TWENTY: If the Property and improvements therein shall at any time during the term of this Lease be damaged in whole or in part by fire, flood, hurricane, or by the elements, or by Act of God or the public enemy or otherwise, LESSEE shall, at LESSEE'S own expense and as speedily as circumstances permit, repair said damage and restore the Property to the condition which existed immediately before the occurrence of such damage.-----

---TWENTY ONE: In the event that one of the parties to this Lease shall fail to pay any insurance premium, expenses, tax or other charge required to be paid by it hereunder, or shall fail to perform any other obligation which shall be required of it hereunder, then the other party, after giving the defaulting party not less than ten (10) days prior outwear notice by registered mail, mayo pay such obligation, and in exercising any such rights, such paying and/or performing party may pay all or any necessary and incidental cost and expense with respect thereto.-----

---In the event that a failure by any party to promptly comply with any obligation imposed on it by this Lease would result in an unrecoverable loss or would result in, or arise in connection with an emergency, then the ten (10) day notice requirement provided for previously in this paragraph shall not be effective.

---In the event either party pays or performs the other party's obligations, as provided for

previously in this paragraph, the paying and/or performing party shall have the right to recover from the defaulting party the amounts paid and all expenses resulting from such payment and/or performance, including incidental and/or necessary expenses and attorney's fees with respect thereto.-----

---TWENTY TWO: LESSEE agrees to indemnify and hold harmless LESSOR from any and all claims, charges, damages, fines, judgments, penalties, cost, liabilities, or losses (including, without limitation, any and all sums paid for settlement of claims and attorney, consultant, and expert fees) arising during or after the Lease term and arising out of, based on or in connection with or by reason of LESSEE'S operation or use of the Premises, or the negligence, willful misconduct, or other acts or omissions of LESSEE, or any contamination or hazardous substances existing on the Premises after the date of the Lease caused by the activities of LESSEE, and/or LESSEE'S agents, employees, contractors, or invitees. Without limitation of the foregoing, this indemnification shall include any and all costs incurred due to any investigation of the Premises, any cleanup, removal, or restoration mandated by federal, state, or local agencies or political subdivisions, unless the hazardous substances are present as a result of the negligence, willful misconduct, or other acts or omissions of LESSOR and/or LESSOR'S agents, employees, or contractors.-----

---As used herein "Hazardous Substances" means any substance that is toxic, ignitable, reactive, or corrosive and that is regulated by any municipal, county or local government, the government of the Commonwealth of Puerto Rico, or the U.S. government. "Hazardous Substances" also includes any and all materials or substances that are defined as "hazardous waste," or a "hazardous substance" pursuant to state, federal, or local government law. "Hazardous substance" also includes, but is not restricted to asbestos, polychlorobiphenyls (PCBs), and petroleum products.-----

---The indemnities contained herein shall survive the termination or expiration of this Lease.-----

---TWENTY THREE: If LESSEE shall default in (i) any of the covenants for the payment of any rent due or any part thereof or the making of any other payment herein provided for, and such default shall continue for thirty (30) days after LESSOR shall have given to LESSEE a written notice thereof, or (ii) if LESSEE defaults in fulfilling any other of the covenants of this Lease, or upon its failure to perform any other of the covenants of this Lease to be observed and performed by LESSEE, then if such default or event specified in (ii) of this Section shall continue for thirty (30) days after LESSOR shall have given to LESSEE a written notice specifying the nature of such default or event specified in (ii) above shall be of such nature that the same cannot be reasonably cured or remedied within

said thirty day period, if LESSEE shall not in good faith have commenced the curing or remedying of such default or event within such thirty day period and shall not thereafter continuously and diligently proceed therewith to completion, then in anyone or more of such events under (i) or (ii) above LESSOR shall have the right at its option to cancel this lease by written notice that this lease and the lease term will terminate on a date to be specified therein, which shall be not less than fifteen (15) days after the giving of such notice, and upon the date so specified, this lease and the lease term shall terminate and come to an end as fully and completely as if such date were the day therein definitely fixed for the end and expiration of this Lease and the lease term and LESSEE shall then quit and surrender the Property to LESSOR, but LESSEE shall remain liable as hereinafter set forth.-----

---Failure by LESSEE to pay rent when due for Two (2) or more consecutive months or for Three (3) months in any consecutive twelve month period shall be deemed to be an act of default by LESSEE without the possibility of cure. -----

---If the notice provided for in this Section shall have been given on this Lease shall be terminated, then in any of such event, LESSOR may without further notice, terminate any services required to be provided by LESSOR hereunder, re-enter the Property by summary proceedings or otherwise, dispossess LESSEE and the legal representative of LESSEE or other occupant of the

Property.-----

---In case of any such default, re-entry, expiration and/or dispossession by summary proceedings or otherwise, all rents and other charges shall become due thereupon and be paid up to the time of such re-entry, dispossession and/or expiration and LESSOR may relet the Property or any part or parts thereof, either in the name of LESSOR or otherwise, for a term which would otherwise have constituted the balance of the term of this Lease. Also the LESSOR may grant concessions or free rent and LESSEE shall also pay LESSOR, as liquidated damage for the failure of LESSEE to observe and perform its covenants herein contained, for each month of the period which would otherwise have constituted the balance of the term under this Lease, any deficiency between (i) the sum of one monthly installment of Rent, one twelfth of the average maintenance and conservation expenses payable by LESSEE hereunder for the three Lease years immediately preceding (or for the entire preceding portion of the term if less than three Lease Years), the taxes that would have been payable for the months in question but for such re-entry or termination and all charges that otherwise would have become due and (ii) the net amount, if any, of rents collected on account of the lease or leases of the Property for each month of the period which would otherwise have constituted the balance of the term under this Lease.-----

---Any such liquidated damages shall be paid in monthly installments by LESSEE on the rent day specified in this Lease and any suit brought to collect the amount of the deficiency for any month shall no prejudice in any way the rights of LESSOR to the amount of the deficiency for any month shall not prejudice in any way the rights of LESSOR to collect the deficiency for any subsequent month by a similar proceeding. LESSOR, at LESSOR'S option, may make such alterations, repairs, replacements and/or decorations in the Property as LESSOR, in LESSOR'S judgement, considers advisable and necessary for the purpose of reletting the Property. The making of such alterations and/or decorations shall not operate or be construed to release LESSEE from liability hereunder as aforesaid.-----

---In computing such liquiedated damages there shall be added to the said deficiency such expenses as LESSOR may incur in connection with reletting, such as court costs, reasonable attorney's fees and disbursements, brokerage fees and any other expenses incurred in putting the Property in good order or for preparing the same for reletting, and these costs shall be deemed due and payable immediately upon the presentation of the corresponding invoice by LESSOR to LESSEE.-----

---LESSOR shall in no event be liable in any way whatsoever for failure to relet the Property, or iun the event of a breach or threatened breach by

LESSEE of any of the covenants or provisions hereof, LESSOR shall have the right to invoke any remedy allowed a law. Should recourse to legal action on the part of LESSOR become necessary by reason of an act of default of LESSEE, LESSEE shall pay to the LESSOR in addition to any other sum, the equivalent of a ten percent (10%) of the principal amount involved in the claim for attorney's fees, or if no sum in involved, the reasonable attorney's fees incurred by LESSOR.---

---TWENTY FOUR: The remedies of each of the parties under this lease shall not be considered as exclusive, but as cumulative so that an of the parties may choose one or more remedies in order to protect its right hereunder. The fact that only one remedy may be chosen by a party hereto shall not be interpreted as a renunciation of another remedy by such party under the terms of this Lease or under the laws which might be applicable in that particular case.-----

---The fact that one of the parties should accept a condition different to the ones contained herein shall not constitute a renunciation of rights or shall not be interpreted as an amendment to this Lease unless it is so expressly stated in writing.-----

---TWENTY FIVE: Any failure by either party to insist upon the strict performance by the other party of any of the terms or agreements in this Lease, shall not be construed as a waiver or a relinquishment for the failure of any such term or agreement. The receipt and acceptance by the

LESSOR of rent or any other payment, or the acceptance or performance by either party of any obligation hereunder, with knowledge of the default of any term or condition under this Lease, shall not be deemed a waiver of such default, and no waiver by any party of any term or agreement hereunder shall be deemed to have been made unless expressed in writing and signed by the party so waiving such term or condition.--

---TWENTY SIX: Provided the LESSEE shall perform all of its obligations hereunder, the LESSOR binds itself to protect the LESSEE'S right under the term of this Lease so that its possession be a peaceful and quiet one, without a third party's intervention and this obligation shall run with the land and be extended to any legal successor or assign of the LESSOR.-----

---TWENTY SEVEN: It is understood that this Lease contains all the obligations, conditions and other representations, between the parties and that there are no other obligations, conditions or representations, either verbal or written, other than the ones herein agreed upon.

---This Lease may not be amended or changed orally and any amendment, alteration or additional condition shall be made in writing and accepted by all parties, including the holder of the mortgage, so as to bind said parties.-----

---TWENTY EIGHTH: All notices, demands and requests by either of the parties to the other shall be sent by United State registered or certified mail (or the equivalent of such mail as

may be available from time in Puerto Rico)., postage prepaid which is adressed to the **LESSEE** shall be at its address shown below or if addressed to the **LESSOR** shall be at its address shown below or to such other place as either party may from thime to time designate by written notice to the other. Notices, demands and requests served upon either party in the manner aforesaid, shall be deemed to have been so mailed. The parties hereto agree, for the benefit of the holder of the Mortgage, that a copy of all notices, demands and requests, shall be mailed in the same manner as herein provided to the holder of Mortgage by the party transmitting such notice to the address shown below.-----

LESSOR: G. RB PROPERTIES SOCIEDAD
EN COMANDITA, S.E.
P.O. Box 13986
Santurce, Puerto Rico 00908

LESSEE:

---**TWENTY NINE:** If any provision, clause or condition of this is pronounced void or unenforceable, the rest of this Lease shall remain in full force and effect just as if said provision, clause or condition pronounced void or unenforceable had never been a part of this Lease.-----

---**THIRTY:** If a controversy should arise regarding the scope of this Lease, its terms, condition or other representations or regarding a condition not contemplated herein, such controversy shall be submitted for final decision

and adjudication to the Superior Court of Puerto Rico, San Juan Section, to whose jurisdiction and venue both parties hereby specifically submit themselves.-----

---THIRTY ONE: The terms, conditions, obligation representations and other agreements contained herein bind, not only the appearing parties, but their legal successors and assigns as well.-----

---THIRTY TWO: The LESSOR agrees, in the event it conveys all or any portion of its interest in the property, that it will notify the party receiving such interest of the existence of the Lease and cause such party to deliver to the LESSEE a non disturbance agreement.-----

---THIRTY THREE: Force Majeure. If LESSEE or LESSOR shall be delayed in, hindered in or prevented from, the performance of any act required hereunder (other than performance requiring the payment of a such of money) by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws, regulations or actions, riots, insurrection, the act, failure to act or default of the other party, war or other reason beyond such party's control, then the performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. In the event that the occurrence of the events specified in the first sentence of this section shall delay, hinder or prevent either party's

performance under this Lease, it being a condition precedent to such party's claiming the benefits of section as an excuse for non-performance that such party give the other party notice in writing of such event within sixty (60) days of the occurrence of the same.-----

-----ACCEPTANCE-----

---The appearing parties accept this Deed in the form in which the same has been drafted.-----

---I, the Notary certify and attest that I have given to the appearing parties all necessary legal admonitions, including the right to have witnesses attesting to this Deed, which right the appearing parties waived.-----

---The appearing parties, in their own right have read and consent to this Deed, placing their initials on each and every page of the same, and execute same in my presence, and I, the Notary, certify and attest to everything else I way or relate in this public instrument.