LAW OFFICES

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April 20, 2016

Via E-Mail and U.S. Mail Kevin G. Bennett, Esquire Bennett Law Firm, LLC 301 West Atlantic Avenue Suite O-8 Delray Beach, Florida 33444

RE: RMS Properties IX, LLC Lease with Creations of France, Inc.

Our File No. 16-120

Dear Mr. Bennett:

This law office has been retained by RMS Properties IX, LLC, the owner of that certain real property located at 110 East Atlantic Avenue, Delray Beach ("Property"), in which your client, Creations of France, Inc. d/b/a Café de France is an occupant under a Lease. Your letter of April 14, 2016 has been forwarded to me for a response.

First and foremost, I believe it is necessary to clarify a great misconception you and/or your client has regarding its rights under its Lease, especially as it relates to my client's attempt to upgrade and renovate the Property. Specifically, the Lease for the premises occupied by your client grants to them "use rights" to said space; not "development rights". They are not a legal owner of the Property, and their rights are within the confine of their premises and any extended "use" of the patio area under the Amendment to Lease. Any position or representation to others of rights beyond this is a false representation.

Second, you may or may not be aware, that it was your client who approached my client for an early termination of its Lease. In fact, we have evidence that he has made several inquiries in the Delray Beach area with other property owners to take space; however, whenever the time comes to finalize an agreement, a new "basis" for requested additional funds seems to appear. Besides the ethics of this, the actions by your client amount to bad faith.

Further, in that my client, in reliance of your client's representation of its desire to leave the premises has incurred several thousand dollars in fees and costs in designing and seeking approval of a significant redevelopment of the Property, of which your client has occupancy rights of a small part.

Third, my client, as owner of the Property has every right to advise its Tenant of its intent not to renew or otherwise extend its current Lease. That action may be done in its sole and absolute discretion. The

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fact that your client may not be able to "sell" its business is not a liability or responsibility of the Owner. How or if your client wishes to operate beyond its term is a financial decision lying solely with your client.

Fourth, as to objections you and/or your client have filed with the City of Delray Beach, Florida regarding the redevelopment of the Property, be advised that material misrepresentations have been made regarding your client's rights in the Property (use rights v. developmental rights) and that it has no jurisdiction to object to any common area or other portions of the Property owned by my client to which your client has no rights. In fact, it is clear that your client is attempting to use the pending applications with the City as leverage to seek monies in excess to that which is being offered in good faith, and in an attempt to meet your client's desire to move its operation, and to involve the City in a Landlord-Tenant dispute, an area, that the City (i) has no jurisdiction; and (ii) would not want to involve itself for liability reasons. And the continuing actions which are *not* in good faith does nothing more than to open your client up to further liability for damages caused by any unsupported delay in my client's ability to redevelop the Property.

Fifth, turning to actual lease matters, your client is delinquent in the payment of water assessments for which it has been billed. You have no evidence as to any decision the prior owner's may or may have made regarding same, but apparently, they were unaware of your client's use of the beyond its lease boundaries and that, in fact, the other tenants of the property were, improperly, subsidizing your client's use. As an aside, be advised that Rocco's Taco's is paying its proportionate share of the water charges on a similar basis upon which your client has been billed. Additionally, an invoice for flood damage for which your client was responsible for clean-up and failed to do, still remains outstanding. Failure to pay all monies due for use of the premises as provided by the Lease shall subject them to the remedies provided RMS, as Landlord, arising from your client's default. In this way, both of our clients will have their "day in court", and your client can spend the funds to attempt to stay on the premises instead of receiving compensation for an early termination. This should be a matter of economics for your client, not principle.

Finally, please advise as to who has the authority, besides yourself, to act on behalf of the Tenant, as at no time has Mr. Le Gloahec indicate that he does not have the full authority to negotiate on behalf of the Tenant, which again, turns to his lack of good faith.

Be advised that the foregoing does not and will not act as a waiver on the part of my client to declare a default under the Lease and to seek legal action to enforce its rights under the Lease from said breach of non-payment as discussed hereinabove.

I look forward to discussing an amicable resolution, should your client decide to do so.

Very truly yours,

Les H Stavens

LHS/ns

cc: RMS Properties IX, LLC (via e-mail)

Joseph Scarfone, One Investment Group (via e-mail)

Timothy Stillings, Director, Planning and Zoning (via e-mail)

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> Noel Pfeffer, Esquire, City Attorney, City of Delray Beach (via e-mail) Candi Jefferson, Sr. Planner, City of Delray Beach (via e-mail) Richard Jones, AIA (via e-mail)