

ASSIGNMENT OF LEASE AND AMENDMENT OF LEASE

THIS ASSIGNMENT OF LEASE AND AMENDMENT TO LEASE (the “**Assignment and Amendment**”) is made effective as of March 31, 2022 (the “**Effective Date**”), by and among **Deal Sephardic Youth Center, Inc.**, a New Jersey corporation, t/a DSN (“**Assignor**”), **DSN Beach Liquor LLC**, a New Jersey limited liability company (“**Assignee**”) and **Borough of Deal** (“**Landlord**”).

WHEREAS, Landlord and Assignor, as the Tenant, are parties to a certain Lease dated July 13, 2015, as amended by that certain First Amendment to Lease dated June 30, 2018 (“**First Amendment**”) (collectively, the “**Lease**”) for certain premises located on Ocean Avenue in Deal, New Jersey; and

WHEREAS, Assignor desires to assign its rights, title and interest as the Tenant in the Lease, Assignee desires to accept the assignment of the Assignor’s tenancy under the Lease, and Landlord and Assignee desire to amend the Lease as hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing recitals, mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Recitals; Definition.** The recitals set forth above are incorporated into and deemed a part of this Assignment. All defined terms not defined herein shall have the meaning ascribed to them in the Lease.

2. **Assignment and Assumption.** Assignor hereby assigns to Assignee all of Assignor’s right, title and interest in, to and under the Lease. Assignee hereby accepts the foregoing assignment and expressly assumes and agrees to perform, from and after the Effective Date, the obligations and agreements contained in the Lease, as amended herein and hereinafter, Assignor shall also be referred to herein as Tenant.

3. **Premises; Grant of Lease.** Notwithstanding anything contained in the Lease to the contrary, the Premises being leased to Tenant under the Lease are depicted on Exhibit A attached hereto (“**Site Plan**”) and shall be considered the Premises for all purposes under the Lease and Landlord hereby ratifies and confirms that it is irrevocably leasing the Premises, as shown on the Site Plan, to Tenant until the expiration of the Extended Term, being November 1, 2044. Tenant shall be permitted to construct and have, notwithstanding Section 3 of the First Amendment, continuous non-exclusive access to the beach adjacent to the Premises through the area depicted on the Site Plan as “**Beach Access Point**” subject to the requirement that the Tenant’s respective invitees, patrons and members purchase either a seasonal or daily beach badge during the summer season in order to access the beach. Tenant shall have the right to exclusive parking in the area depicted on the Site Plan as “**Exclusive Parking Area.**” Part of the Premises shall include, with limitation, the “**Playground Area**” as depicted on the Site Plan; provided, however, that Tenant shall permit the non-exclusive use of the Playground Area by residents of the Borough of Deal, subject to reasonable rules and regulations that may be promulgated by Tenant from time to time. Landlord hereby grants to Tenant an irrevocable license, which license shall be coterminous with

the Lease, to use, in common with others, the grass parking lot to the north of the Premises as depicted on the Site Plan and labelled “**Grass Parking Lot.**”

4. **Use.** Tenant and/or its subtenants and licensees, and their respective invitees, patrons and members shall be permitted to have constructed upon the Premises, and use for the entire year, the Premises, for any lawful purpose, which may include, without limitation:

(i) a beach club subject to the requirement that the Tenant’s respective invitees, patrons and members purchase either a seasonal or daily beach badge during the summer season in order to access the beach.; (ii) tennis courts, basketball courts, volley courts and other sporting facilities and activities; (iii) programs and class, such as educational class, programs for children and adults, health and wellness classes and fitness classes; (iv) indoor and outdoor events, fundraisers and celebrations; (v) parking; and (vi) indoor and outdoor restaurants, cafés and lounges all of which may serve liquor, beer and wine, including without limitation, the construction and use of (1) a café, sushi Bar, lounge and terraces on the 1st level of the “Building” (as such Building is depicted on the Site Plan), and in season, a beach park and sandbar pavilion, (2) event space(s) on the 2nd level of the Building, (3) a bar, lounge and restaurant on the top floor and roof of the Building, and (4) related amenities and facilities in and around the Building (any such construction in connection with this 4(vi) being hereinafter referred to a “**Building Construction.**”). To the extent and only to the extent Tenant obtains a Special Concessionaire Permit issued by the New Jersey Division of Alcoholic Beverage Control to serve alcohol at the Premises, Tenant will open to the public solely those areas of the Premises which are licensed for the sale, service or consumption of alcohol. In such event, Tenant shall have the right to charge an entrance fee to patrons and invitees accessing such licensed areas of the Premises.

5. **Construction Obligations.**

- (a) Tenant shall improve the Grass Parking Lot by providing curbing, landscaping, wood railroad ties, but not paving or striping (“**Tenant Grass Parking Lot Improvements**”); provided in no event shall Tenant be obligated to expended more than \$250,000 in connection with the Grass Parking Lot Improvements. Except with respect to the Tenant Grass Parking Lot Improvements, in no event shall Tenant be obligated to perform any construction at the Premises, including without limitation, the Building Construction and, accordingly and for the avoidance of doubt, Section 2 of the First Amendment is hereby deleted in its entirety. Landlord grants Tenant an irrevocable license to access the Grass Parking Lot to perform the Tenant Grass Parking Lot Improvements.
- (b) Tenant shall improve with Playground Area with playground improvements and equipment (“**Tenant Playground Improvements**”). Upon completion of the Tenant Playground Improvements, Tenant shall thereafter maintain the Tenant Playground Improvements in good and working order.
- (c) Landlord shall not contribute to the costs of any construction performed by Tenant under the Lease, including without limitation, the Tenant Grass Parking Lot Improvements and Tenant Playground Improvements, nor shall Landlord reimburse Tenant for any work performed by tenant under this Lease, including without

limitation, the Tenant Grass Parking Lot Improvements and Tenant Playground Improvements. Tenant shall be solely responsible to obtain all governmental permits and zoning approvals that are required for any construction at the Premises.

- (d) Tenant, its subtenants, its licensees, and/or their respective contractors and subcontractors, if any, shall and will be required to conform to the labor laws of the State of New Jersey and the various acts and amendatory and supplemental thereto, and, if applicable, in accordance with the New Jersey Department of Labor and Industry Prevailing Wage Rate Determination. If it is determined that the New Jersey's Prevailing Wage Statute, N.J.S.A. 34:11-56.25 et seq. is applicable to the proposed construction, then the rate of wages for all laborers employed by Tenant, its subtenants, its licensees, and/or their respective contractors and subcontractors, if any, shall not be less than the prevailing rate so established for work to be performed under the terms of the Lease and a copy of the Determination of the Wage and Hour Bureau or other documents specifying the prevailing wages is considered as incorporated by reference as part of the Lease. Tenant specifically agrees, without any reservation, to defend, indemnify and hold Landlord and its commissioners, appointed officials, employees, and agents harmless as to any and all claims, actions, causes of action, proceedings, suits, debts, dues, sums of money, accounts, covenants, contracts, controversies, agreements, promises, damages, attorney's fees, liability, judgments, claims and demands of whatever nature, in law or in equity, direct or indirect, made by any person or entity alleging a violation of pursuant to any labor law of the State of New Jersey and the various acts and amendatory and supplemental thereto, including, but not limited to, the New Jersey's Prevailing Wage Statute, N.J.S.A. 34:11-56.25 et seq.

6. **Sublet and Assignment.** For the avoidance of doubt, Tenant shall be permitted, without the consent of Landlord, to (i) sublease and grant licenses to portions of the Premises, to Assignee, and (ii) assign the Lease to affiliates or related parties, including without limitation, back to Assignor.

7. **Miscellaneous.** This Assignment and Amendment may be executed in one or more counterparts or by facsimile, each of which when executed and delivered shall be an original, and all of which when executed shall constitute one and the same instrument. The parties expressly agree that if a signature on this Assignment and Amendment is not an original, but is a digital, mechanical, or electronic reproduction (such as, but not limited to, a photocopy of, fax, email, PDF, Adobe image, jpeg, telegram, telex or telecopy), then such digital, mechanical, or electronic reproduction shall be as enforceable, valid, and binding as, and the legal equivalent to, an authentic and traditional ink-on-paper, original wet-signature, penned manually by its signatory.

8. **Binding Effect.** This Assignment and Amendment shall be interpreted and enforced in accordance with the laws of the State of New Jersey, without regard to its conflict of law provisions. This Assignment and Amendment shall be binding and inure to the benefit of the Assignor and Assignee and their respective successors, assigns and legal representatives. Except as expressly modified by this Assignment and Amendment, the terms and conditions of the Lease shall remain unmodified and shall remain in full force and effect, without change, including without limitation, the Extended Term and Minimum Rent established pursuant to the First

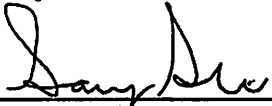
Amendment, which Minimum Rent, for avoidance of doubt, being for the years 2020-2024: \$7,000.00 per annum; for the years 2025-2029: \$15,000.00 per annum; for the years 2030-2034: \$20,000.00 per annum; for the years 2035-2039: \$25,000.00 per annum; and, for the years 2040-2044: \$30,000.00 per annum.

[signatures appear on following page]

IN WITNESS WHEREOF, the undersigned, intending to be duly bound, have executed this Assignment and Amendment as of the day and year first written above.


Assignor:

Deal Sephardic Youth Center, Inc., a New Jersey corporation

By: 
Name: Sammy Sift
Title: Executive Director

Assignee:

DSN Beach Liquor LLC, a New Jersey limited liability company

By: 
Name: Leon Zekaria
Title: Manager

Landlord:

Borough of Deal

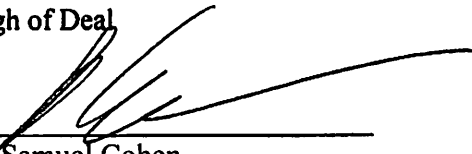
By: 
Name: Samuel Cohen
Title: Mayor

Exhibit A

Site Plan

