



## *Community Redevelopment Agency*

City of Tarpon Springs, Florida  
324 E. Pine Street  
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Tarpon Springs, FL 34688-5004  
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**COMMUNITY REDEVELOPMENT AGENCY AGENDA  
FOR THE DOWNTOWN TARPON SPRINGS REDEVELOPMENT AREA  
TUESDAY, MARCH 23, 2021  
IMMEDIATELY FOLLOWING BOARD OF COMMISSIONERS MEETING**

CALL TO ORDER  
ROLL CALL

1. APPROVAL OF FINAL FORBES PROPERTY AGREEMENT

BOARD AND STAFF COMMENTS  
ADJOURNMENT



# *City of Tarpon Springs, Florida*

324 East Pine Street  
Post Office Box 5004  
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**March 19, 2021**

**To: CRA Board**

**From: Mark G. LeCouris, City Manager**

**Subject: Forbes Property Agreement**

The City Attorney and I are asking for your approval to sign the attached agreement on the Forbes Property and to present it to the Denami Group with a definite time period for their signature.

GROUND LEASE AND OPTION TO PURCHASE

BY AND BETWEEN

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS,  
AS LANDLORD

AND

DENAMI HOLDINGS, LLC, AS TENANT

DATE: ~~FEBRUARY~~MARCH, 2021

**GROUND LEASE AND OPTION TO PURCHASE AGREEMENT**

THIS GROUND LEASE AND OPTION TO PURCHASE AGREEMENT (the "Lease") is made and entered into this \_\_\_\_\_ day of ~~February~~ March, 2021 (the "Effective Date"), by and between **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS** (hereinafter referred to as the "Landlord") and **DENAMI HOLDINGS, LLC**, (hereinafter referred to as the "Tenant").

**WITNESSETH:**

1. Demised Premises and Improvements Thereon. Landlord, in consideration of the rents, terms, covenants, and agreements hereinafter set forth on the part of Tenant to be paid, kept, and performed, grants, demises, and lets to Tenant, and Tenant hereby takes and hires from Landlord, on the terms, covenants, provisions, and agreements hereinafter provided:

All that certain tract or parcel of land lying and being in Tarpon Springs, County of Pinellas, State of Florida, more particularly described in EXHIBIT A attached hereto and made a part hereof (except as the context may otherwise require, the above mentioned premises being hereinafter referred to as the "Premises", or the "Demised Premises").

To have and to hold the Demised Premises for and during the term and extension periods hereinafter described;

Together with any and all improvements presently on the Demised Premises and those buildings and improvements hereafter erected on the Demised Premises by Tenant (it being understood that Landlord has no obligation to erect any buildings or other improvements on the Demised Premises except as otherwise specifically provided in this Lease); and

Together with all and singular appurtenances, rights, interest, easements, and privileges in anywise appertaining thereto.

2. Term, Commencement Date and Duration. The term ("Term") of this Lease shall be for a period of thirty (30) months commencing on the ~~earlier of: (i) the date that the Landlord transfers~~ of the equivalent of six (6) residential units to the Demised Premises; ~~or (ii) thirty (30) days after final non appealable adoption of comprehensive plan amendment and ordinance maximizing the floor area ratio (FAR) on the site to a minimum of 2.0~~ ("Commencement Date").

3. Short Form or Memorandum of Lease Suitable for Recording. The parties hereto covenant and agree that at the request of either party, Landlord and Tenant will promptly execute and deliver to the requesting party a short form or memorandum of Lease duly acknowledged and in recordable form setting forth, among other things, the names and addresses of the parties, a reference to this Lease and its date, the description of the Demised Premises, the Commencement Date, Tenant's rights to obtain financing and to secure such financing with a leasehold mortgage, the right of Tenant to build, alter,

repair, improve, change or demolish buildings, structures, and improvements, an express prohibition of construction liens on Landlord's fee interest in the Premises in accordance with Section 713.10, Florida Statutes, Tenant's right to purchase the Demised Premises under the terms of this Lease, and such other information as either party may request and such other facts as may be required by the laws of the State of Florida to give appropriate notice pursuant to the recording acts. The short form or memorandum of Lease may be recorded by either Landlord or Tenant. Tenant agrees to pay the costs and expenses of recording said short form or memorandum of Lease. Furthermore, upon termination of the Lease, if such short form or memorandum of Lease has been recorded, both parties shall execute and record a document evidencing such termination. This Paragraph 3 shall survive the expiration or earlier termination of this Lease.

4. Fixed Rent.

Tenant covenants and agrees to pay to Landlord at the address set forth in Paragraph 32 of this Lease, or at such other place or places as Landlord shall from time to time designate in writing, for and throughout each lease year of this Lease, Fixed Rent and additional rent, if any, due from Tenant to Landlord pursuant to this Lease, in addition to and above all other payments to be made and paid by Tenant to Landlord as set forth in this Lease, as follows:

(i) Fixed Rent. Tenant shall pay to Landlord as rent for the Demised Premises for thirty (30) months, monthly payments \$10.00 of Fixed Rent, in advance, on or before the first (1st) day of each month throughout the lease term, and sales and use taxes on such Fixed Rent. If the Commencement Date is on a day other than the first day of a month, then the Fixed Rent shall be prorated for the balance of said month on a per diem basis. Tenant shall also pay any use or sales tax on the Fixed Rent and any other sums payable under this Lease imposed by the State of Florida and any federal or local government.

(ii) Additional Tenant Expenses. During the Term of the Lease, Tenant shall be responsible for, and shall pay directly, on or before the applicable due date, all costs and expenses relating to the Demised Premises, with the following by way of illustration but not limitation: (i) real estate taxes, including all costs associated with the appeal of an assessment of taxes; (ii) the cost of commercial general liability, special form perils, including hurricane and other wind damage, flood and earthquake or earth movement, and all other insurance, and any self-insurance and the payment of any deductible amount applicable to any claim made under such insurance; (iii) and all assessments, charges, fees and other expenses pursuant to any restrictive covenants or other recorded matters of title now or hereafter affecting the Demised Premises and (iv) all charges for utilities used on the Demised Premises. Notwithstanding the foregoing, Tenant shall not be required to pay income or similar taxes on Landlord's income from the Demised Premises.

A. Tenant covenants to pay to Landlord the Rent herein reserved and all the other sums and the other and additional payments to be made by Tenant as provided under this Lease, which may become due from or payable by Tenant, at the

time and in the manner in this Lease provided, all of which rent, sums, and payments are to be paid in lawful money of the United States of America, which shall be legal tender in payment of all debts and dues, public or private, at the time of payment, or by good check drawn on a depository in the state wherein the Demised Premises are located.

B. Landlord shall apply the receipt of payments from the Tenant in the following order: First, toward the payment of Landlord's reimbursable expenses; second, toward the payment of any rent to be applied to the payment of the rental installment or installments first accrued; and finally to all other sums due under this Lease.

5. Use and Occupancy

A. The Demised Premises shall be developed by Tenant, as a mixed use development (collectively, the "Project"), substantially consistent with Tenant's response to Landlord's Public Notice (PN) which was published in the Tampa Bay Times on March 20, 2020, and with all land use, zoning, and other ordinances, and for no other purposes. Any contractors or subcontractors not identified in Tenant's response to Landlord's Public Notice published March 20, 2020 must be approved by the City Manager or his designee.. Without limiting the foregoing, Tenant shall not use or permit the use of the Demised Premises in any manner that will tend to create waste or a nuisance or violate any state, local, or federal laws or ordinances. Tenant shall, at Tenant's expense, execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the federal, state, county and city government, and of any and all of their departments and bureaus, applicable to the Property, as well as all covenants and restrictions of record, and other requirements in effect during the term or any part thereof, which regulate the use by Tenant of the Property.

B. Landlord retains the right to utilize the Property and make it available to the public during the time between the effective date of this Lease and the time Tenant obtains a building permit for construction on the Project.

6. Assignment and Subletting. Tenant shall not, without the prior written consent of Landlord, sell, assign, sublease, or otherwise transfer the Premises or Tenant's interest in this Lease, in whole, or grant or permit any lien or encumbrance on or security interest in Tenant's interest in this Lease. Any written consent given by Landlord shall not relieve Tenant, or any subtenant, assignee or transferee, from the obligation to obtain Landlord's consent prior to any future sale, assignment or transfer. Landlord's acceptance of rent from a subtenant, assignee or transferee of Tenant shall not constitute consent to such sublease, assignment or transfer by Landlord. Any assignee, subtenant or transferee approved by Landlord shall expressly assume this Lease by an agreement in recordable form, an original executed counterpart of which shall be delivered to Landlord prior to any assignment of the Lease. Any sale, assignment, transfer, sublease or encumbrance in violation of this Paragraph 6 shall be voidable at Landlord's option. Furthermore, a sale,

assignment, transfer, exchange or other disposition of the stock of Tenant, membership interest or any general partner interest in Tenant which results in a change or transfer of management or control of Tenant, or a merger, consolidation or other combination of Tenant with another entity which results in a change or transfer of management or control of Tenant, shall be deemed an assignment hereunder, unless such change or transfer of management or control is to an affiliate of Tenant, which shall not require Landlord's consent. Without limiting any of the foregoing provisions of this Paragraph 6, if, pursuant to the U.S. Bankruptcy Code, as the same may be amended from time to time, Tenant is permitted to assign or otherwise transfer its rights and obligations under this Lease in disregard of the restrictions contained in this Paragraph, the assignee agrees to provide adequate assurance to Landlord (a) of the continued use of the Premises solely in accordance with the permitted use thereof, (b) of the continuous operation of the business in the Premises in strict accordance with the requirements of Paragraph 5 hereof, and (c) of such other matters as Landlord may reasonably require at the time of such assumption or assignment. Such assignee shall expressly assume this Lease by an agreement in recordable form, an original counterpart of which shall be delivered to Landlord prior to an assignment of the Lease.

If Tenant sells, assigns or transfers all of its interest under this Lease, in a transaction requiring Landlord's consent under the terms of this Paragraph 6 or under Paragraph 14, such that the result of such sale, assignment or transfer is that Tenant no longer holds any interest under this Lease, either directly or indirectly through an ownership interest of at least five percent (5%) in Tenant's vendee, assignee or transferee, Tenant, upon such sale, assignment or transfer, shall pay to Landlord an amount equal to all unpaid Fixed Rent and additional rent for the remainder of the Lease Term ("Transfer Payment"). Notwithstanding anything to the contrary in this Lease, under no circumstances shall Tenant be required to pay the Transfer Payment to Landlord following a sale, assignment or transfer requiring Landlord's consent if Tenant maintains a direct or indirect interest in this Lease, as provided in this paragraph.

Unless expressly agreed by Landlord in writing to the contrary, Landlord's consent to any assignment of this Lease shall not operate to release Tenant or any Tenant-assignee from its obligations hereunder, with respect to which said Tenant or Tenant-assignee shall remain personally liable.

In each instance, Tenant shall pay Landlord a fee of Three Hundred Fifty and No/100 Dollars (\$350.00) to cover Landlord's administrative costs and legal expenses incurred by Landlord for review of documents relating to any proposed sale, assignment, transfer, or sublease by Tenant of the Premises or its interest in this Lease. In addition to the administrative review fee, Tenant agrees to pay Landlord's legal fees for any documents that Landlord is required to prepare, or that Landlord deems necessary, relating to any such proposed sale, assignment, transfer, or sublease. Tenant hereby acknowledges and agrees that the acceptance of such fees by Landlord shall not constitute consent to the proposed sale, assignment, transfer, or sublease.

If Tenant is more than one individual or entity, such individuals or entities acknowledge and agree their duties, responsibilities, and obligations under this Lease are joint and several.

7. Taxes and Assessments.

From the Commencement Date of this Lease, in addition to the payment of Fixed Rent and additional rent, Tenant covenants to pay directly to the appropriate authority, satisfy and discharge as the same may become due and payable, all governmental charges, assessments, real estate taxes, all charges for sidewalks, streets, sewage or sewer improvements, or other charges of any kind of character imposed upon the Demised Premises, but this provision shall not be construed to impose upon the Tenant any obligation to pay any excise, income or excess profits tax which may be payable or imposed against Landlord or against any of the Fixed Rent or additional rent payable to Landlord hereunder. Tenant further covenants to reimburse Landlord within thirty days of presentment of an invoice for same all ad valorem taxes of any sort, which Landlord shall pay timely as same become due and payable.

Any provisions of this Lease to the contrary notwithstanding, Tenant may, if in good faith it believes that any tax, assessment or improvement lien payable by it shall be invalid, excessive, or unenforceable, in whole or in part, protect against and contest the validity, amount of and enforceability of any such tax, assessment or lien. In case Tenant shall contest any such taxes, assessments or liens, it shall comply with all requirements of law as to the conditions precedent to making any contest, and Tenant covenants to protect Landlord against foreclosure of any lien resulting from imposition of any tax or assessment which Tenant may contest by giving to Landlord an appropriate bond conditioned to pay such liens or claims, executed in an adequate penal sum by a responsible surety company licensed to do business in the State of Florida and reasonably acceptable to the Landlord. In the event the contested lien should ever attach to the Demised Premises, Tenant may continue to contest said lien provided it causes the lien to be paid in full or otherwise removed as a lien against the Demised Premises.

Tenant shall exhibit to Landlord, within thirty (30) days following the due date thereof, receipts showing payment of the obligations in this Paragraph 7 undertaken.

8. Liability Insurance.

A. Tenant covenants and agrees, at its sole cost and expense, throughout the duration of this Lease, to obtain, keep, and maintain in full force and effect for the mutual benefit of Landlord, Tenant, the holder(s) of mortgage(s) obtained by Tenant and Tenant's written designee(s) or subtenant(s) designated in writing by Tenant, comprehensive liability insurance against claims for damage to persons or property arising out of the use and occupancy of the Demised Premises or any part or parts thereof in limits of not less than One Million and No/100ths Dollars (\$1,000,000.00) combined single limit coverage and property damage in all instances in an amount not less than Five Hundred Thousand and No/100ths Dollars (\$500,000.00). A duplicate original, certificate, or binder of such insurance shall be furnished to Landlord on the Commencement Date and each renewal certificate of such policy shall be furnished to Landlord at least fifteen (15) days prior to the expiration of the policy it renews. Each such policy of insurance shall name Landlord as an additional insured and shall contain an agreement by the insurer, if obtainable, that such policy shall not be cancelled without ten (10) days prior written notice to Landlord.

DRAM SHOP - prior to the sale, storage, use, or giving away of alcoholic beverages on or from the Premises Tenant, at Tenant's expense, shall obtain a policy or policies of insurance having limits for bodily injury (fatal or non-fatal) to any person, or arising out of any one accident, of no less than \$3,000,000.00, protecting Landlord as an additional insured and the Premises against any and all damages, claims, liens, judgments, expenses and costs arising under any present or future law, statute or ordinance by reason of any storage, sale, use or giving away of alcoholic beverages on or from the Premises.

B. All insurance provided for in this Paragraph 8 may be in the form of a general coverage, floater policy or so-called blanket policies which may be furnished by Tenant, or the parent corporation of Tenant or any related entity, Tenant's written designee(s) or sublessee(s) designated in writing by Tenant or by any of the holders of the mortgage referred to in Paragraphs 13 or 14 hereof. The liability coverage set forth in this Paragraph shall be issued by insurers of recognized responsibility issued by companies reasonably approved by Landlord that are authorized and licensed to do business in the State in which the Premises is located.

C. In the event Tenant fails to cause the aforesaid insurance policies to be written, or renewed, or to pay the premiums for the same as they become due and payable or to deliver all such certificates of insurance or duplicate originals thereof to Landlord within the time provided for in this Lease, Landlord shall have the right, without being obligated to do so, to effect such insurance and pay the premiums therefor, and all such premiums paid by Landlord shall be repaid to Landlord on demand as additional rent.

D. In the event Tenant shall fail to procure insurance and deliver the certificate(s) thereof to Landlord as required under this Paragraph 8, Tenant shall not be allowed to take possession of the Premises until such insurance has been procured and the certificate(s) have been delivered to Landlord; however, any refusal by Landlord to deliver possession of the Premises pursuant to this Paragraph 8 shall not affect the Commencement Date and Rent shall accrue as of such date.

Nothing contained in this Paragraph 8 shall effect or limit Tenant's obligations under Paragraph 9 hereof.

9. Indemnity.

A. Subject to the provisions of this Lease, Tenant covenants and agrees that from and after the Commencement Date of this Lease, Landlord shall not be liable or responsible for damages for any personal injury or injuries, death(s), damages, or losses to any person(s) or property that may be suffered or sustained by Tenant or subtenant(s) or any of their respective agents, servants, employees, patrons, customers, invitees, visitors, licensees, departments, and concessionaires or by any other person or persons in, on or about the Demised Premises or any part thereof, arising from Tenant's failure to keep or cause to be kept the Demised Premises in good condition and repair, or arising from the use or occupancy of the Demised Premises by Tenant or subtenant(s) or any of their respective agents, servants, employees, patrons, customers, invitees, visitors, licensees, departments, and concessionaires,

except to the extent such damages or losses arise from the acts or omissions, negligence or intentional misconduct of the Landlord, its agents, employees, servants or representatives.

B. Tenant covenants and agrees to indemnify and save Landlord harmless from and against any and all liability, costs and expenses for damages, losses, injuries, or death to persons or damages or losses to property which may be imposed upon or incurred by or asserted against Landlord as to any of the matters, provisions and conditions set forth in this Paragraph 9, except as to those matters which Landlord has obligation(s) or any liability under this Lease and as to the acts or omissions, negligence or intentional misconduct of Landlord, its agents, employees, servants and representatives.

10. Landlord's Remedies on Tenant's Failure to Pay Taxes. Tenant covenants and agrees that if it shall at any time fail to pay any of the taxes and assessments as required in Paragraph 7 hereof, subject to the extensions of time set forth in this Lease, Landlord shall have the right to pay same after ten (10) days' prior written notice to Tenant. If Landlord is justified in making such payments under the provisions of this Lease, Tenant shall reimburse such amount to Landlord as additional rent promptly together with 4.75% annual interest thereon from the date paid by Landlord until the date that Tenant reimburses Landlord (or if such percent is disallowed for being too high, at the maximum interest rate then allowable under the laws of the State in which the Premises is located).

11. Construction of Buildings and Improvements; Landlord's Work.

A. All buildings, structures, or improvements on the Demised Premises, or any part or parts thereof, shall be new or completely reconditioned and constructed without cost of expense to Landlord.

B. Tenant, at its own cost and expense, shall apply for and prosecute with reasonable diligence, all necessary approvals, permits, and licenses required for the construction of all building and improvements and for the operation of Tenant's business.- Landlord shall cooperate with the City of Tarpon Springs ("City") and the Tenant to assist in the securing of building and other permits and approvals necessary for the purpose of the development and construction of the Project. Tenant shall be entitled to impact fee credits \$58,228.25, as applicable, for transportation, water and sewer impact fees. Tenant shall also be entitled to receive, as an incentive, a Seven Thousand Five Hundred Dollar (\$7,500.00) credit against fees due or paid by Tenant upon the Tenant obtaining its final Certificate of Occupancy, ~~for the Project within twenty-four (24) months of the Commencement Date.~~

C. Throughout the Term of this Lease, Tenant agrees that all installations or building(s), structures, and improvements that may be erected on the Demised Premises by Tenant or any subtenants, including, but not limited to, all elevators, escalators, plumbing, electrical, heating, air conditioning and ventilation equipment

and systems, and all other equipment, will be installed, operated, and maintained in good order and repair and in accordance with the law and with the regulations and requirements of any and all governmental authorities, agencies, or departments, having jurisdiction thereof, without cost or expense to Landlord. In addition, Tenant agrees that throughout the Term of this Lease that the Demised Premises and all improvements thereon shall be maintained in good condition and repair and in a clean and safe condition free of excessive debris and rubbish. By way of example and not by way of limitation, Tenant's maintenance obligations shall include, but not be limited to, maintaining both the exterior of any improvements on the Demised Premises and any parking, sidewalk and landscaped areas of the Demised Premises, in as good condition and repair as existed as of the Commencement Date, normal wear and tear excepted. Furthermore, Tenant agrees all trash shall be stored in appropriate containers to be furnished by Tenant and Tenant shall cause all trash and rubbish to be disposed of properly at its sole cost and expense. Should Tenant fail to comply with any of its obligations set forth in this Paragraph, then Landlord may, at its option, undertake such compliance on behalf of Tenant after thirty (30) days prior written notice to Tenant and any sums expended by Landlord in undertaking such compliance shall be reimbursed by Tenant within thirty (30) days of demand therefor, and any sums not so reimbursed shall be deemed to be additional rent under this Lease.

D. Tenant may in accordance with this Lease erect, on the Demised Premises or on any portion(s) thereof selected by Tenant, any building(s) or portion(s) thereof, improvements, structures, and appurtenances thereto, all without Landlord's prior approval or consent, subject to all applicable permit applications, inspections and approvals in the normal course of City business.

E. All persons doing work for or furnishing labor or materials to the Demised Premises on the order of or on behalf of the Tenant shall look solely to the Tenant's interest in the Demised Premises. The interest of the Landlord shall not be subject to liens for improvements made by the Tenant. If any construction, mechanic's, or other liens, or order for the payment of money, shall be filed against the Demised Premises, or any building or improvements thereon, by reason of change and alteration or addition made or alleged to have been made, by or for, the Tenant, or the cost or expense thereof, or any contract relating thereto, the Tenant shall cause the same to be cancelled and discharged of record, by bond or otherwise, at the election and expense of the Tenant, and shall also defend on behalf of the Landlord, at the Tenant's sole cost and expense, any action, suit or proceeding which may be brought thereon for the enforcement of such lien, liens, or orders, and the Tenant will pay any damage and satisfactorily discharge any judgment entered therein, and save harmless the Landlord from any claim, attorney fees or damage therefrom. If any mechanic's or other lien, or order for payment of money, shall be filed against the Demised Premises, or on any building or improvements thereon, for any of the reasons provided for in this Paragraph, and shall not be removed by the Tenant within thirty (30) days after notice given by the Landlord (or earlier should an action to foreclose be commenced), the Landlord shall have the right to remove same by payment or otherwise, and all sums expended by the Landlord for such removal, including counsel fees, shall be paid by the Tenant unto the Landlord upon demand, and shall be deemed to be additional rent due under this Lease. Tenant shall not permit to be created nor to remain undischarged any

lien, encumbrance, or charge arising out of any work or work claim of any contractor, mechanic, materialman, or supplier of labor or materials supplied, which might be or become a lien or encumbrance, or a charge upon the Demised Premises, and Tenant shall not suffer any other matter or thing whereby the estate, right, or interest, of Landlord in the Demised Premises might be encumbered or impaired. Tenant's contractors shall be required to waive all lien rights against Landlord's interest in the Demised Premises.

F. Tenant shall be responsible for the payment of all impact, utility and hook-up fees in connection with its construction of improvements and its use and occupancy of the Demised Premises and all costs to tie into the existing stormwater drainage systems. Further, Landlord shall have no responsibility whatsoever insofar as construction of improvements on the Demised Premises is concerned.

G. Tenant acknowledges that its improvements shall be consistent with all land use and zoning ordinances. Landlord and Tenant acknowledge that architectural renderings for Tenant's improvements and a final site plan for the development of the Demised Premises are required to be approved by Landlord and Tenant. Landlord and Tenant agree that Tenant's improvements on the Demised Premises shall comply with the aforementioned architectural renderings and final site plan.

H. Landlord's Work. LANDLORD HAS NO OBLIGATION TO PERFORM ANY WORK WITHIN THE PREMISES AND TENANT AGREES TO ACCEPT THE PREMISES IN THEIR "AS IS" CONDITION AND TENANT SHALL BE OBLIGATED TO PERFORM SUCH WORK AS IS NECESSARY TO RENDER THE PREMISES USEFUL FOR THE PURPOSES LEASED.

12. Compliance with Laws.

A. Tenant covenants and agrees that during the Term of this Lease it shall promptly comply with all present and future laws, ordinances, orders, rules, regulations, and requirements of the Federal, State, County, and City Governments or any of their departments, bureaus, boards, commissions and officials thereof with respect to the Demised Premises, the buildings and improvements thereon or hereafter erected thereon by Tenant, or the use or occupancy thereof, whether said compliance shall be ordered or directed to or against Landlord or Tenant or both.

B. Tenant shall have the right, after prior written notice to Landlord, to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Landlord or Tenant or both and without cost or expense to Landlord, the validity or applicability of any law, ordinance, order, rule, or regulation of the nature hereinabove referred to in this Paragraph 12, and Tenant shall have the right to delay observance thereof and compliance therewith until such contest is finally determined and is no longer subject to appeal, provided that observance and compliance therewith pending the prosecution of such proceeding may be legally delayed without subjecting Landlord to any criminal liability or fine.

13. Mortgages at Tenant's Request. Landlord covenants, warrants, and

agrees, whenever and as often as Tenant may request, during the existence of this Lease, that (i) Tenant may mortgage its leasehold interest (as such mortgage may be assigned or transferred, "Leasehold Mortgage") in accordance with the provisions of Paragraph 14 below and (ii) Landlord shall within thirty (30) days of any request execute such agreements as are reasonably necessary to facilitate Tenant's obtaining of said Leasehold Mortgage, including without limitation the giving of such notice and curative rights by Landlord in favor of Tenant's lender, provided, however, that Landlord shall not be obligated to execute any instrument that would subordinate Landlord's fee interest in the Demised Premises to the holder of any such Leasehold Mortgage.

14. Leasehold Financing. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the absolute right, without Landlord's consent or approval, at any time and from time to time, to grant, enter into and record a Leasehold Mortgage on such terms and conditions as Tenant shall determine, and to enter into any and all extensions, modifications, amendments, replacement(s), and refinancing(s) of any such Leasehold Mortgage as Tenant may desire. Landlord consents to any subsequent sale or transfer of Tenant's leasehold interest as permitted under the Leasehold Mortgage.

If Tenant shall grant a Leasehold Mortgage, then, as long as any such Leasehold Mortgage shall remain unsatisfied of record, the provisions of Paragraphs 13 and 14 shall apply and prevail, notwithstanding anything to the contrary contained in this Lease, and any pertinent provisions of this Lease shall be deemed to be amended and modified to the extent necessary so as to provide as follows:

A. If the holder of a Leasehold Mortgage on Tenant's leasehold interest (including such holder's assignees or transferees, "Leasehold Mortgagee") shall register with Landlord, in the same manner as provided in this Lease for delivering notices to Landlord, his or its name and address in writing, Landlord, on serving on Tenant any notice of breach or any other notice pursuant to the provisions of, or with respect to, this Lease, shall at the same time serve a true, correct and complete duplicate counterpart of such notice on the Leasehold Mortgagee by either Certified Mail, Return Receipt requested or nationally recognized overnight courier service, addressed to said Leasehold Mortgagee at the address registered with Landlord. No notice or other correspondence shall be deemed to have been delivered to Tenant unless a copy simultaneously is delivered to Leasehold Mortgagee in accordance with the terms of this Paragraph 14.

B. Such Leasehold Mortgagee, in the event Tenant shall fail to satisfy any term, obligation, covenant, agreement, provision or condition on Tenant's part to be kept, observed or performed by Tenant under this Lease, shall have the right, within the period and otherwise as herein provided, to remedy or cause to be remedied such failure, and Landlord shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been performed by Tenant. No default by Tenant in performing work required to be performed, acts to be done, or conditions to

be remedied under this Lease, shall be deemed to exist, if steps, in good faith, shall have been commenced by Tenant or by said Leasehold Mortgagee to rectify the same and prosecuted to completion with diligence and continuity within the time permitted under this Lease. Tenant irrevocably directs that Landlord accept, and Landlord agrees to accept, performance and compliance by Leasehold Mortgagee with any term, obligation, covenant, agreement, provision or condition on Tenant's part to be kept, observed or performed by Tenant under this Lease.

C. Anything in this Lease to the contrary notwithstanding, during such time as the Leasehold Mortgage remains unsatisfied of record, if any act or omission by Tenant shall occur which is a breach of this Lease that would entitle Landlord to terminate this Lease in the absence of the existence of a Leasehold Mortgage, Landlord shall not terminate this Lease until and unless:

(i) Notice of such breach by Tenant shall have been delivered to Leasehold Mortgagee in accordance with the provisions of this paragraph;

(ii) With respect to a breach that is curable solely by the payment of money, Leasehold Mortgagee shall not have cured such breach within thirty (30) days following the expiration of Tenant's notice and cure period as set forth in this Lease; and

(iii) With respect to a breach that is not curable solely by the payment of money, Leasehold Mortgagee has not cured such breach within forty-five (45) days following the expiration of Tenant's notice and cure period as set forth in this Lease; provided that if such breach reasonably is not curable within forty-five (45) days, Leasehold Mortgagee has not commenced to cure such breach within the forty-five (45) day period or, after commencing such cure, Leasehold Mortgagee does not prosecute such cure to completion.

D. Notwithstanding anything to the contrary in this paragraph, this Lease shall not be terminated as the result of a breach of this Lease by Tenant that cannot be cured by Leasehold Mortgagee.

E. No Leasehold Mortgagee shall be liable under this Lease unless and until such Leasehold Mortgagee shall become the owner of the leasehold interest, and then only for as long as it remains the owner Tenant's leasehold interest.

F. Without the written consent of Leasehold Mortgagee, Landlord agrees not to accept a cancellation or voluntary surrender of this Lease at any time while the Leasehold Mortgage remains a lien on Tenant's leasehold interest; and any such attempted cancellation or surrender of this Lease without the written consent of Leasehold Mortgagee shall be null and void and of no force or effect. Landlord and Tenant further agree for the benefit of Leasehold Mortgagee that, so long as any such Leasehold Mortgage shall remain a lien on Tenant's leasehold interest, Landlord and Tenant will not subordinate this Lease, or any New Lease entered into pursuant to this paragraph, to any fee mortgage that may hereafter be placed on Landlord's fee interest in the Demised Premises unless the holder of such fee mortgage shall have entered into a commercially standard subordination and non-disturbance agreement, which provides that the holder of such fee mortgage will

recognize and will not disturb the rights of Tenant and Leasehold Mortgagee under this Lease following a foreclosure of such fee mortgage.

G. It is acknowledged that the Leasehold Mortgage may be assigned by Leasehold Mortgagee in accordance with its terms. Notwithstanding anything stated to the contrary in this Lease, the following transfers shall be permitted, shall not require the approval or consent of Landlord and, notwithstanding anything to the contrary in this Lease, shall not create an obligation for any party to pay the Termination Payment to Landlord:

(i) A transfer of Tenant's leasehold interest at a foreclosure sale under the Leasehold Mortgage, whether pursuant to the power of sale contained therein or a judicial foreclosure decree, or by an assignment in lieu of foreclosure; or

(ii) Any subsequent transfer by Leasehold Mortgagee or its nominee or designee if Leasehold Mortgagee, or such nominee or designee, is the purchaser at such foreclosure sale or under such assignment in lieu of foreclosure.

(iii) Any such transferee shall be liable to perform the obligations of Tenant under this Lease only so long as such transferee holds title to the leasehold interest; provided that upon any conveyance of the leasehold interest, such transferee's transferee expressly assumes and agrees to perform all of Tenant's obligations under this Lease; provided further, that the liability of any Leasehold Mortgagee that obtains title to the leasehold interest under the Lease shall be limited to Leasehold Mortgagee's interest in such leasehold interest.

(iv) Following any transfer described in (i) above, all non-curable defaults existing under this Lease prior to such transfer shall be deemed waived without further notice or action of any party.

H. In the event the ownership of the fee and leasehold interests in the Demised Premises become vested in the same person or entity, then as long as the Leasehold Mortgage shall remain outstanding, such occurrence shall not result in a merger of title. Rather, the Lease and the Leasehold Mortgage thereon shall remain in full force and effect.

I. If this Lease is subject to being terminated because of Tenant's breach hereunder that cannot be cured by Leasehold Mortgagee (including, without limitation, rejection of this Lease by a trustee in bankruptcy), then Leasehold Mortgagee may elect to demand a new lease of the Demised Premises (the "New Lease") by notice to Landlord within thirty (30) days after Leasehold Mortgagee is notified by Landlord of such Tenant breach. Upon any such election, the following provisions shall apply:

(i) The New Lease shall be for the remainder of the Term of this Lease (including the right thereafter to extend the Term for any then-unexercised renewal period), at the same Basic Rent and shall contain the same covenants, agreements,

conditions, provisions, restrictions and limitations as were contained in this Lease. Such New Lease shall be subject to all then-existing subleases demising space within the Demised Premises, including, without limitation, the Approved Subleases.

(ii) The New Lease shall be executed by Landlord within thirty (30) days after receipt by Landlord of notice of Leasehold Mortgagee's election to enter into a New Lease with a tenant designated by Leasehold Mortgagee.

(iii) Any New Lease and the leasehold estate created thereby shall, subject to the same conditions contained in this Lease, continue to maintain the same priority as this Lease with regard to any Leasehold Mortgage or any other lien, charge or encumbrance affecting the Premises. Concurrently with the execution and delivery of the New Lease, Landlord shall assign to the tenant named therein all of its right, title and interest in and to moneys, if any, then held by or payable to Landlord which Tenant would have been entitled to receive.

J. If Tenant refuses to surrender possession of the Demised Premises following an uncured breach of this Lease, Landlord shall, at the request of Leasehold Mortgagee, institute and pursue diligently to conclusion the appropriate legal remedy or remedies to oust or remove Tenant and all sublessees actually occupying the Demised Premises or any part thereof who are not authorized to remain in possession hereunder. Any such action taken by Landlord at the request of Leasehold Mortgagee shall be at Leasehold Mortgagee's sole expense.

15. Casualty Insurance.

A. Tenant covenants that it will, during the continuance of the Term of this Lease, keep or cause to be kept the building(s) and improvements on the Demised Premises insured in a responsible and reputable insurance company or companies licensed to do business in the state in which the Demised Premises are located against loss or damage by fire and such other hazards as are currently embraced in the standard extended coverage endorsement in the jurisdiction where the Demised Premises are located, and in an amount equal to the greater of either (i) at least eighty (80%) percent of the full insurable value of said buildings and improvements; or (ii) such amount as is necessary to avoid the effects of any co-insurance provision under the applicable policy.

B. All insurance policies carried or caused to be carried by Tenant shall be issued in the name of Tenant, the Landlord, as additional insured, the holder(s) of the mortgage(s) referred to in Paragraphs 13 and 14, as their respective interests may appear. Tenant shall have the right to make all adjustments of loss, and execute all proofs of loss in its name and/or in Landlord's name. The proceeds of such insurance in case of loss(es) shall, except as otherwise set forth herein, be payable to Tenant and used by Tenant for the purpose of restoring, rebuilding and/or repairing the damaged building and improvements (unless such loss shall occur within three (3) years of the end of this Lease, and Tenant elects to terminate and cancel the Lease as provided in

this Paragraph 16).

C. In the event that the insurance proceeds received are insufficient to restore, repair, or rebuild said building(s) and improvements, Tenant covenants and agrees that it will pay the balance of the amount necessary to restore such building(s) or improvements to restore to their former state or erect other building(s) and improvements, provided the value thereof is at least equal to the value of the building(s) and improvements immediately prior to such damage or destruction. Any excess of insurance proceeds over the cost of repairing or rebuilding shall belong to Tenant.

D. Any insurance policy or policies of Tenant shall designate, if Tenant elects, a co-insurance clause for any holder(s) of mortgages which Tenant obtains. Tenant may maintain for its own account any insurance not required by this Lease or insurance required by this Lease with greater coverage in scope and amounts, and the proceeds thereof shall belong to Tenant.

E. Tenant or said holder(s) of mortgage(s), in its discretion, may carry such insurance under a blanket fire and other hazards and causes insurance policy or policies issued to Tenant or said holder(s) of mortgage(s) covering the Demised Premises and other premises or property. However, a certificate or true copy thereof evidencing said insurance shall be delivered to Landlord on Landlord's written request.

16. Damage or Destruction. Should the whole or any part or parts of the building(s) or improvements then on the Demised Premises be partially or wholly damaged or destroyed by fire or other insured casualty after the Commencement Date, such destruction or damage shall not operate to terminate this Lease, but this Lease shall continue in full force and effect, except as otherwise provided in this Lease. Subject to the provisions of this Lease, Tenant, at its own cost and expense, agrees to restore, rebuild or repair said building(s) and improvements to a condition at least equal in value to the value immediately prior to a loss caused by fire or other insured casualty. Provided that such restored, rebuilt or repaired building(s) or other improvements are substantially the same as the building(s) and improvements that existed before such casualty, Tenant shall not require any prior consent or approval from Landlord. The foregoing notwithstanding, should such damage or destruction occur within three (3) years of the end of the Term of this Lease, Tenant shall thereupon have the option of cancelling and terminating this Lease on giving Landlord sixty (60) days' written notice of Tenant's intention to do so. If Tenant elects to terminate this Lease in accordance with the foregoing option, Tenant shall be under no duty to restore, rebuild or repair said buildings or improvements, but shall within thirty (30) days of terminating the Lease, raze any remaining buildings and improvements and remove all debris from the Demised Premises, and Tenant shall pay to Landlord an amount equal to the full replacement value of all buildings and improvements previously constructed and located on the Demised Premises immediately prior to the happening of such damage or casualty within thirty (30) day of electing to terminate this Lease. Should Tenant fail to fulfill its obligation to restore, rebuild or repair the buildings and improvements on the Demised Premises as required in this Paragraph and Tenant either does not have the right, pursuant to this Paragraph, to terminate the Lease, or having such

right fails to exercise such right within the time period set forth in this Paragraph, then Tenant shall pay to Landlord an amount equal to the full replacement value of all buildings and improvements previously constructed and located on the Demised Premises immediately prior to the happening of such damage or casualty. Should Tenant fail to pay such amount to Landlord within thirty (30) days after Tenant's receipt of proceeds from its insurer, then such amount due Landlord shall be deemed to be additional rent under this Lease and Landlord shall be entitled to exercise any and all remedies available for the collection of such amount whether set forth in this Lease or otherwise. Should Tenant fail to fulfill its obligations to raze any remaining buildings and improvements and remove all debris from the Demised Premises after having elected to terminate this Lease, if permitted by this Paragraph, then Landlord shall notify Tenant in writing requesting Tenant to fulfill such obligation. If Tenant fails to fully complete such obligation within thirty (30) days from the date of Landlord's notice, or promptly to commence within said thirty (30) day period and diligently pursue to completion such obligation if such obligation is not reasonably capable of being completed within said thirty (30) day period, then Landlord may, at its option, upon providing thirty (30) days advance written notice to Tenant, undertake to raze any remaining buildings and remove all debris from the Demised Premises, and any expenses incurred by Landlord in undertaking such obligation of Tenant shall be reimbursed by Tenant within thirty (30) days after demand therefor, and any sums not so reimbursed shall be deemed additional rent under this Lease, unless within such thirty (30) day period after Landlord's notice electing to undertake such obligation of Tenant, Tenant undertakes to fulfill its obligation to raze any remaining buildings and remove all debris from the Demised Premises as set forth in this Paragraph and diligently proceeds to complete such obligation.

17. Double Net Lease. This Lease shall be deemed and construed to be a "double net lease" and Tenant shall pay to Landlord, absolutely net throughout the Term of this Lease, the net annual rent, free of any charges, assessments impositions or deductions of any kind and without any abatement, deduction or set-off, other than as herein otherwise expressly provided for, and under no circumstances or conditions, whether now existing or hereafter arising, or whether beyond the present contemplation of the parties, shall the Landlord be expected or required to make any payment of any kind whatsoever or be under any other obligation or liability hereunder, or as herein otherwise expressly set forth.

18. Landlord's Right to Show Premises. Tenant shall permit Landlord or its authorized agents or representatives to show the Demised Premises or any part thereof at reasonable times during business hours to persons wishing to purchase the same; provided (i) that such showing shall not interfere with the business of the Tenant or any of its subtenants, if any, then being conducted on the Demised Premises and (ii) Landlord shall use reasonable efforts to give Tenant forty-eight (48) hours prior written notice. Tenant shall be responsible for notifying its subtenants, if any.

19. Default by Tenant. Each of the following breaches, if not cured as provided herein, shall be deemed a default of this Lease:

- A. (i) The filing of a petition by or against the Tenant for adjudication as a

debtor within the meaning of Chapter 7 or Chapter 13 or other provisions of the Bankruptcy Act, as now or hereafter amended or supplemented, or for reorganization or arrangement within the meaning of Chapter 11 of said Bankruptcy Act, or the filing of any petition by or against the Tenant under any future bankruptcy act for the same or similar relief;

(ii) The dissolution or the commencement of any action or proceeding for the dissolution or liquidation of the Tenant, whether instituted by or against the Tenant or for the appointment of a receiver or trustee of the property of the Tenant;

(iii) The taking possession of the property of the Tenant by any governmental officer or agency pursuant to statutory authority for the dissolution, rehabilitation, reorganization or liquidation of the Tenant; the levying by any governmental officer upon the Tenant's leasehold estate or if Tenant's leasehold estate is attempted to be sold under any execution or process of law;

(iv) The making by the Tenant of any assignment for the benefit of creditors, except for Leasehold Mortgagees. If "(i)" shall be involuntary on the part of the Tenant, the event in question shall not be deemed a default within the meaning of this Lease in the absence of any adjudication thereof or final order thereon, and if either "(i)", "(ii)" or "(iii)" above shall be involuntary on the part of the Tenant, the event in question shall not be deemed a default within the meaning of this Lease if dismissed or vacated by the Tenant within sixty (60) days thereof;

B. (i) A failure by Tenant to pay the Fixed Rent reserved herein, or any other amount due Landlord hereunder, or any part thereof, to pay any insurance premium, including renewal premiums, when due, or to provide Landlord with certificates of insurance, including renewals thereof, or duplicate originals of such policies, in accordance with this Lease, for a period often (10) days after written notice;

(ii) Tenant abandons the Demised Premises, which shall be deemed to have occurred if: (1) the Landlord reasonably believes that the Tenant or its leasing agent has been absent from the Demised Premises for a period of thirty (30) consecutive days; (2) Fixed Rent is not current; and (3) the Landlord provides written notice to Tenant that Landlord deems the Demised Premises abandoned, by registered or certified mail, return receipt requested, and ten (10) days elapse following delivery of such notice without Tenant notifying Landlord disputing that it has abandoned the Demised Premises;

(iii) Failure in the performance of any other covenant or condition of this Lease on the part of the Tenant to be performed, for a period of thirty (30) days after written notice thereof from Landlord; provided, however, no Tenant default shall be deemed to have occurred if Tenant shall have, in good faith, commenced to remedy such failure within such thirty (30) day period and such remedy thereafter shall be prosecuted to completion with diligence and continuity.

In the event of any such default of the Tenant, the Landlord may serve a written notice upon the Tenant that the Landlord elects to terminate this Lease upon a specified date not less than thirty (30) days after the date of the serving of such notice, except in the case of a default under subdivision "B.(i)" hereof for non-payment, in which event such date shall be not be less than five (5) days after the expiration of any ten (10) day notice given under said subdivision "B.(i)", and this Lease shall then expire on the date so specified as if that date had been originally fixed as the expiration date of the Term.

In the event this Lease shall be terminated as a result of a Tenant default as provided, or by summary proceedings or otherwise, the Landlord, or its agents, servants or representatives, may immediately or at any time thereafter, re-enter and resume possession and operation of the Demised Premises or such part thereof, including recognizing the rights of all existing Approved Subleases encumbering the Demised Premises, provided that such approved Subleases are not in default beyond applicable notice and cure periods. No re-entry by the Landlord shall be deemed an acceptance of a surrender of this Lease.

In the event this Lease shall be terminated as hereinbefore provided, or by summary proceedings or otherwise, the Landlord may in its own behalf, relet any vacant portion of the Demised Premises for any period equal to, greater or lesser than the remainder of the Term, for any sum suitable and satisfactory, and for any use and purpose permitted under this Lease, subject to any rights granted under the Approved Subleases, and in connection with any such lease the Landlord may make such changes in the character of the improvements on the Demised Premises and may grant concessions or free rent as the Landlord may determine to be appropriate or helpful in effecting such lease, without affecting the liability of Tenant hereunder. Any rent generated by any reletting shall apply against Fixed Rent and other sums owed by Tenant.

C. In the event this Lease shall be terminated by summary proceedings, or otherwise as provided in this Paragraph 19, and whether or not any portion of the Demised Premises be relet, the Landlord shall be entitled to recover from the Tenant, and the Tenant shall pay to the Landlord, in addition to any other damages due hereunder an amount equal to the amount of all rents and other amounts reserved under this Lease, less the net rent, if any, collected by the Landlord from existing Approved Subleases on the Demised Premises and on reletting any portion of the Demised Premises, which shall be due and payable by the Tenant to the Landlord on the several days on which the Fixed Rent and other amounts reserved in this Lease would have become due and payable; that is to say, upon each of such days the Tenant shall pay to the Landlord the amount of deficiency then existing. Such net rent collected from existing Approved Subleases and on reletting by the Landlord shall be computed by deducting from the gross rents collected all expenses incurred by the Landlord in connection with the reletting of the Demised Premises or any part thereof, including brokers' commission and the cost of repairing, renovating or remodeling the Demised Premises. The terms of this Paragraph 19 shall survive the expiration or earlier termination of this Lease.

20. Alterations. Subject to the provisions of Paragraph 11 of this Lease, Tenant shall have the right, at all times during the continuance of this Lease and at its own cost and expense, to make such changes, improvements, alterations and additions to the Demised Premises, erect such building(s) and/or improvements thereon, thereunder or thereafter as Tenant may desire and demolish any building(s), improvement(s), and/or structures that are now situated thereon or that may hereafter be erected without Landlord's consent or approval, subject to all applicable permit applications, inspections and approvals in the normal course of City business. Notwithstanding the foregoing provision to the contrary, Tenant covenants and agrees not to make any alteration, addition, substitution, replacement, modification or change to any buildings or improvements on the Demised Premises without Landlord's prior written consent, which would: (i) increase the size of any building constructed on the Demised Premises; (ii) result in a substantial change to the architectural style of the exterior of any buildings constructed on the Demised Premises; (iii) materially alter the parking and/or ingress and egress patterns to and from the Demised Premises; or (iv) materially alter the lighting intensity level of the portions of the Demised Premises used for parking. Tenant shall submit to Landlord for its approval plans and specifications for any changes, improvements, alterations or additions to the Demised Premises, which pursuant to the terms of this Paragraph require the Landlord's consent, and Landlord agrees to notify Tenant within thirty (30) days of its receipt of such plans and specifications whether or not it approves of such changes, improvements, alterations or additions. Landlord agrees to cooperate with Tenant, without expense to Landlord, in securing such permits as may be necessary to accomplish any of the work under the provisions of this Lease relating to construction, alterations, and/or building(s) to be constructed. Tenant agrees to replace, restore, and rebuild any building(s) and improvements demolished by Tenant, or, at Tenant's option, to construct new building(s) and improvements whose value shall be at least equal to the building(s) and improvements prior to such demolition.

21. Condemnation.

A. If the entire Demised Premises shall be taken by the exercise of the right of eminent domain for any public or quasi-public improvement or use, this Lease and the Term hereby granted shall then expire, and Fixed Rent and all other obligations hereunder shall expire, on the date when title to the Demised Premises shall vest in the appropriate authority or on the date when any possession is required to be surrendered, whichever is earlier.

B. If:

(i) so substantial a portion of the Demised Premises or any building or improvements or parking shall be so taken as to make same unusable in Tenant's sole opinion for the purposes to which the Demised Premises shall be devoted; or

(ii) there is a permanent deprivation of access to adjacent streets or highways, then Tenant shall have the right to cancel or terminate this Lease on written notice to Landlord, which shall be effective on the date when title to the portion(s) so

taken shall vest in the appropriate authority or, at Tenant's option, on the date physical possession is required to be surrendered. In recognition of Tenant's Option to purchase the Demised Premises under the Lease and the application of Tenant's Fixed Rent payments toward the cost of purchasing the Demised Premises, Landlord agrees that on such entire or partial taking Tenant shall be entitled to a portion of the condemnation award for the value of the fee ownership of the Demised Premises based upon the number of lease years that expired before such condemnation compared to the twenty-five (25) year Lease Term (e.g. if all or a portion of the Demised Premises is condemned in the fifteenth (15th) lease year, Tenant shall be entitled to sixty percent (60%) of any resulting award for value of the fee ownership of such condemned property). Additionally, Tenant shall be entitled to make a separate claim against the condemning authority for any business losses which may be reasonable, which for purposes of this Lease shall be deemed to include Tenant's unamortized cost of constructing the improvements located on the Demised Premises and any moving expenses. Fixed Rent and all other costs hereunder shall be apportioned and adjusted and any advance rent shall be apportioned through the date of termination. Landlord agrees to cooperate with Tenant in obtaining any condemnation award(s).

C. If Tenant shall not cancel the Lease as hereinabove provided in subparagraph B, this Lease shall not terminate, but the rental for the land constituting the Demised Premises shall be reduced in proportion to the amount of land taken (in some instances, to the amount of building taken) and Tenant shall make such repairs or construction at its own cost and expense and any awards shall be paid to Tenant for such purpose.

22. Interest on Past Due Obligations. Tenant acknowledges that late payment by Tenant to Landlord of Rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the premises. Accordingly, if Tenant fails to make any payment of any sum or amount to be paid by Tenant hereunder on or before the date such payment is due and payable shall pay to Landlord an administrative late charge of two percent (5%) of the amount of such payment. In addition, all such past due payment shall bear interest at 4.75% per annum (or the maximum interest rate then allowable under the laws of the State in which the Premises is located, if such percentage is then disallowed as being too high under the laws of the State in which the Premises is located) from the due date until paid, unless otherwise specifically provided herein. The parties agree that such administrative late charge and late payment interest represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge and late payment interest by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

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23. Effect of Unavoidable Delays. The provisions of this Paragraph 23 shall be applicable if there shall occur, during or prior to the Lease Term any:

A. Strike, lockout, or labor dispute affecting the Demised Premises or any portion thereof; or

B. Inability to obtain labor or materials or reasonable substitutes therefor; or

C. Acts of God, governmental restrictions, regulations, or controls; enemy or hostile governmental action, civil commotion, insurrection, revolution, sabotage, or fire or other casualty, or other conditions beyond the control of the Tenant.

~~D.~~ Unreasonable delays in City of Tarpon Springs permitting review process.

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If Tenant shall, as the result of any such event, fail punctually to perform any Lease obligation other than Tenant's obligations to pay fixed rent or other monetary payments under this Lease, then such obligation shall be punctually performed as soon as practicable after such event shall abate. If Tenant, as a result of any such event, shall be unable to exercise any right or option within any time limit provided therefor in this Lease, such time limit shall be deemed extended for a period equal to the duration of such event, provided that within thirty (30) days after the happening of any event for which Tenant shall be entitled to an extension hereunder, Tenant shall send to Landlord written notice describing such event.

24. Estoppel Certificates.

A. Landlord shall, without charge, at any time and from time to time, within twenty (20) days after request by Tenant, certify by written instrument which Landlord shall duly execute and acknowledge in recordable form and deliver to Tenant, or any mortgagees selected by Tenant, or any assignee of any mortgagee or purchaser or sublessee, or any proposed mortgagee or proposed purchaser or proposed sublessee, or any other person, firm or corporation specified by Tenant:

(i) That this Lease is unmodified and in full force and effect, (or, if there has been a modification, that the same is in full force and effect as modified and stating the modification);

(ii) The dates, if any, to which the Fixed Rent and additional rent, impositions, and other charges hereunder have been paid in advance;

(iii) Whether Tenant is or is not in default in the performance of any covenant, condition or agreement on Tenant's part to be performed and the nature of Tenant's default, if any; and such other pertinent information as Tenant or the holder of a mortgage described in Paragraph 13 or 14 hereof may request.

B. Tenant shall, without charge, at any time and from time to time, within twenty (20) days after request by Landlord, certify by written instrument, duly executed and acknowledged in recordable form and deliver same to Landlord.

(i) That this Lease is unmodified and in full force and effect, (or if there has been a modification that the modification is in full force and effect and stating the modification);

(ii) The dates to which the Fixed Rent, additional rent, taxes, insurance, and other charges hereunder have been paid;

(iii) Whether Landlord is in default in the performance of any covenants, terms, and conditions on Landlord's part to be performed and the nature of Landlord's default, if any; and

(iv) Such other information as Landlord may request.

25. Conditions.

This Lease and the rights and obligations of Tenant hereunder are expressly contingent upon the satisfaction of the following conditions each of which may be referred to as a "Condition":

A. Environmental Audit and Testing. Tenant may, at its option, obtain a Phase I Environmental Audit of the Demised Premises and any other environmental or geotechnical testing which Tenant deems reasonably necessary to evaluate potential environmental risks. If such audit or tests reveal the existence of any toxic or hazardous waste, material or substance on or under the Demised Premises or any other environmental or geotechnical conditions which would adversely affect Tenant's ability to finance, use and/or develop the Demised Premises, as determined by Tenant in its discretion, then Tenant may terminate this Lease by written notice to Landlord given within the Inspection Period (as defined below). Tenant shall furnish to Landlord a copy of its Phase I Environmental Audit and/or other environmental report, provided, however, that Landlord agrees to use such audit and reports for informational purposes only and Landlord shall not be entitled to rely on the results of such audit and/or reports.

B. Title and Survey. Tenant may, at its option, obtain a current title commitment (the "Commitment") and a certified survey of the Demised Premises bearing a legal description of the Demised Premises (the "Survey") made and prepared by a reputable and competent licensed surveyor showing (i) the area, dimension and

locations of the Demised Premises to the nearest monuments, streets and alleys on all sides; (ii) the location and description of all existing and/or proposed easements against or appurtenant to the Demised Premises; and (iii) the location of all improvements and encroachments. If Tenant objects to any matters revealed by the Commitment or the Survey, as determined by Tenant in its discretion, Tenant may deliver written notice to Landlord within ten (10) business days following receipt of the Commitment and Survey. If Landlord cures such objections during the Inspection Period to Tenant's satisfaction, then such objections shall be deemed waived. If Landlord refuses or fails to cure such to Tenant's satisfaction during the Inspection Period, Tenant may terminate this Lease by written notice to Landlord given within five (5) days following the end of the Inspection Period. The Inspection Period shall be sixty (60) days commencing on the Effective Date of this Lease.

~~C. Density. The transfer of six (6) residential units to the Demised Premises by the Landlord or initiation and final adoption by the City of a Comprehensive Plan amendment and associated Land Development Code amendment, as necessary, to increase the permissible floor area ratio on the Demised Premises to a 2.0 FAR.~~

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~~C.~~  
D. Landlord Approvals. Approval by the City of the site plan and building permits to facilitate the construction of the Project.

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26. Initialed Exhibits. Any and all exhibits, schedules, and plans annexed to this Lease have been initialed by the parties hereto for the purposes of identification.

27. Lease of the Demised Premises "As Is". Except as otherwise specifically set forth in this lease, the lease of the Demised Premises hereunder is made on an "as is" basis with all faults and without representations or warranties of any kind or nature, express, implied, or otherwise, including but not limited to, any representation or warranty concerning the physical condition of the Demised Premises or any part thereof. Tenant acknowledges that Tenant has completed all inspections or examinations relating to the Demised Premises hereunder and will lease the same in the condition found to exist, without warranty or representation on the part of the Landlord, as aforesaid.

28. Compliance with Environmental Laws.

A. Tenant agrees that it shall not use or store in violation of any applicable law, code, ordinance, rule, or regulation and shall not discharge, dump, or spill, or store any Hazardous Substances (hereinafter defined) on or about the Demised Premises during the Term, provided, however, that the foregoing shall not prevent or prohibit Tenant from using commercial cleaning products in connection with its business as long as Tenant's storage, use and disposal of such products is in compliance with all applicable laws, codes, rules and regulations. If any such Hazardous Substances are introduced in any manner by the Tenant, its agents or employees on or about the Demised Premises in violation of applicable law, all costs of remediating the Demised Premises in accordance with applicable law incurred by, all liability imposed upon, or damages suffered by, the Landlord, shall be borne by the Tenant, which costs, liability, and damages Tenant shall pay the Landlord within thirty (30) days of receipt of a properly documented invoice from the Landlord. In the event the Tenant fails to perform such remediation or to reimburse

the Landlord for such costs, liability, and damages as set forth above, the Landlord shall have the right, at its election, to immediately take any appropriate legal action and to immediately terminate this Lease without waiving the Landlord's rights to damages for the Tenant's failure to perform such work. The provisions of the immediately preceding provisions of this Paragraph to the contrary notwithstanding, the Landlord shall not be obligated to perform such environmental remediation and shall not be liable to the Tenant for not performing such work. The rights granted to the Landlord herein shall be in furtherance, and not in limitation of any other rights the Landlord may have pursuant to this Lease. Tenant agrees to indemnify and hold the Landlord harmless from any loss or claim for damages occasioned as a result of the Tenant's violation of the terms of this Paragraph. Tenant's obligations and liabilities under this Paragraph shall survive the expiration or termination of this Lease. For the purposes of this Lease, the term "Hazardous Substances" shall mean any and all toxic or hazardous substances, chemicals, materials or pollutants, of any kind or nature, which are regulated, governed, restricted or prohibited by any federal, state or local law, decision, statute, rule, or ordinance currently in existence or hereafter enacted or rendered, and shall include (without limitation), all oil, gasoline and petroleum based substances.

B. Tenant agrees that Tenant shall have all obligations and responsibilities with respect to Hazardous Substances in, upon or about the Demised Premises. if Tenant exercises its Option to purchase the Demised Premises pursuant to this Lease.

29. Ownership of Improvements. Tenant shall own and have the right to take the depreciation deductions under the tax laws for any buildings and improvements heretofore or hereafter erected on the Demised Premises.

30. Waiver of Subrogation. Landlord and Tenant hereby mutually waive all rights and claims against each other and against the holders of the mortgages described in Paragraphs 13 and 14 hereof for all losses covered by their respective insurance policies, and waive all rights of subrogation of their respective insurers. Landlord and Tenant hereby agree that their respective insurance policies are now, or shall be prior to the Commencement Date, endorsed so that such waivers of subrogation shall not affect their respective rights to recover thereunder.

31. Partial Invalidity. If any term, covenant, condition, or provision of this Lease or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which this Lease is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition, and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

32. Notices. Any notice required or permitted to be given under this Lease must be given only by one of the following: (a) United States registered or certified mail, postage prepaid, return receipt requested, (b) reputable overnight courier service which provides written evidence of delivery, or (c) personal delivery; and addressed as follows:

**Landlord:**

**CITY OF TARPON SPRINGS  
c/o Mark G. LeCouris, City Manager  
324 E. Pine St.  
Tarpon Springs, FL 34689**

**Tenant:**

**DENAMI HOLDINGS, LLC  
c/o Nick Mavromatis, Managing Member  
514 Anclote Road  
Tarpon Springs, FL 34689**

**Copy to:**

**Thomas J. Trask, Esq. City Attorney  
Trask Daigneault, LLP  
1001 South Ft. Harrison Ave.  
Suite 201  
Clearwater, FL 33756**

Notices shall be deemed received upon delivery or refusal of delivery. Any party may change the address to which its notices are sent by giving the other party written notice of any such change in the manner provided in this Paragraph 32, but notice of change of address is effective only upon receipt.

33. Binding on Successors and Assigns. Except as otherwise provided in this Lease, all covenants, agreements, provisions, and conditions of this Lease shall be binding on and inure to the benefit of the parties hereto, their respective personal representatives, successors, and assigns. No modification or termination of this Lease shall be binding unless evidenced by an agreement in writing signed by Landlord and Tenant.

34. Broker. Landlord and Tenant hereby represent and warrant to each other that they have not engaged, employed or utilized the services of any business or real estate brokers, salesmen, agents or finders in the initiation, negotiation or consummation of the business and real estate transaction reflected in this Lease including, without limitation, Tenant's Option to purchase the Demised Premises. Each party hereby agrees to indemnify and save and hold the other party harmless from and against the payment of any commissions or fees to or claims for commissions or fees by any real estate or business broker, salesman, agent or finder resulting from or arising out of any actions taken or agreements made by them with respect to the business and real estate transaction reflected in this Lease.

35. No Merger. Notwithstanding any provision of this Lease to the contrary, if at any time or times during the Term of this Lease, Landlord and Tenant shall be the same person, party, or entity, Landlord's and Tenant's interests shall remain separate and distinct, and shall not be merged into one estate, so as to cancel, terminate, or extinguish this Lease by law or otherwise.

36. Captions. The captions of the Paragraphs of this instrument are solely for convenience and shall not be deemed a part of this instrument for the purpose of construing

the meaning thereof, or for any other purpose.

37. Quiet Enjoyment. Landlord agrees, covenants, and warrants that as long as Tenant faithfully performs the agreements, terms, covenants, and conditions of this Lease within the grace periods and extended periods for any unavoidable delays, Tenant shall peaceably and quietly have, hold, and enjoy the Demised Premises for the Term and extensions thereof hereby granted without molestation or disturbance by or from Landlord and free of any and all encumbrances created or suffered by Landlord.

38. No Waiver. No waiver of any covenant or condition contained in this Lease or of any breach of any such covenant or condition shall constitute a waiver of any subsequent breach of such covenant or condition by either party, or justify or authorize the nonobservance on any other occasion of the same or any other covenant or condition hereof of either party.

39. Interpretation; Consents. This Lease shall be construed in accordance with the law of the State of Florida. Whenever the contents of any provision shall require it, the singular number shall be held to include the plural number, and vice versa. The neuter gender includes the masculine and the feminine. All references to "days" contained herein are references to calendar days, unless otherwise specified and are based on the seven (7) day week including holidays. In the event specific performance is due on a day which is a legal holiday or weekend, performance shall be postponed to the next business day. Landlord and Tenant agree that any legal proceedings with respect to the enforcement or interpretation of this Lease or with respect to the Demised Premises shall be brought in the Circuit Court of Pinellas County, Florida, and Landlord and Tenant hereby submit to the jurisdiction of such court. Whenever a party is asked to provide consent under this Lease, unless expressly stated otherwise, such party shall not unreasonably withhold or delay giving the consent requested.

40. Cost of Litigation. In the event of any litigation between the parties hereto for the enforcement or interpretation of any provisions herein, the prevailing party shall be entitled to recover from the other party its costs of such litigation including reasonable attorney's fees whether at the trial level or on appeal.

41. Deposit. As security for the performance of all of the terms and conditions of this Lease to be performed by Tenant, Tenant has deposited with Landlord a security deposit in the amount of \$15,000.00. If not otherwise expressly stated herein, the full amount of the security deposit shall be returned to Tenant, without interest, within thirty (30) days after the expiration or termination of this Lease, provided Tenant is not in default hereunder and has fully and faithfully performed all of Tenant's obligations hereunder, including, but not limited to, the payment of Rent. Landlord shall have the right, but not the obligation, to apply any part of the security deposit to past due Rent, or any other obligation of Tenant, however, Landlord's election to do so will not constitute a remedy for default. In the event Landlord applies any portion of the security deposit to such Rent due from Tenant, Tenant shall, within five (5) days of receipt of notice from Landlord, replenish and restore the security deposit to the amount set forth above. In the event Landlord sells, transfers or assigns its interest in the Premises, Landlord shall have the right to transfer the security

deposit to such buyer, transferee or assignee, and Landlord shall be released from all liability for the return of the security deposit to Tenant, and Tenant agrees to look solely to such buyer, transferee or assignee.

42. **Release of Landlord on Sale.** If Landlord transfers the Demised Premises by sale or exchange, such sale or exchange shall be expressly made subject to this Lease, including Tenant's Option to purchase the Demised Premises. Upon such transfer, the transferring Landlord shall be released by Tenant from all its responsibilities as Landlord which accrue after the date of such transfer, but not any unperformed obligations that accrue prior to the date of such transfer. Landlord shall be responsible for providing Tenant with notice of any transfer, and Tenant shall not be required to pay Fixed Rent or any other sums to Landlord's transferee until such notice is delivered to Tenant. All payments sent to Landlord by Tenant prior to its receipt of Landlord's transfer notice shall be credited to Tenant, regardless of when the transfer from Landlord actually shall have occurred. Upon request by the successor Landlord, Tenant shall attorn to the successor Landlord if the successor agrees in writing that Tenant's rights under this Lease shall be recognized and not disturbed so long as Tenant is not in default.

43. **Entire Agreement.** This Lease contains the entire agreement of the parties hereto with respect to the letting and hiring of the Demised Premises described above and this Lease may not be amended, modified, released, or discharged, in whole or in part, except by an instrument in writing signed by the parties hereto, their respective successors or assigns.

44. **Option to Purchase.**

Landlord grants to Tenant the option to purchase the Demised Premises ("Option") under the following terms and conditions:

(a) **Purchase Price:** The Purchase Price at the end of the Lease Term shall be Two Thousand Five Hundred and 00/100 Dollars(\$2,500.00), provided that any and all payments of Fixed Rent and all other payments required to be made by Tenant hereunder have been made.

(b) **Term.** The term for this Option shall be -thirty months from the Commencement Date of this Lease. Tenant may exercise its Option at any time during the Lease Term after the shell of the building consisting of the structural components that completely enclose a building, including, but not limited to, the foundation, structural frame, exterior walls, and roof system have been constructed and inspected for approval by the Landlord (Building Official).

(c) **Date of Closing:** This Option, if exercised, shall be closed on a date mutually agreed upon by Tenant and Landlord, which date shall be within ninety (90) days after delivery of Tenant's written intention to exercise the Option.

(d) **Conveyance, Restrictions and Easements:** Landlord agrees to convey title to the Demised Premises to Tenant, by special warranty deed, free and clear of all

encumbrances or liens, except (a) zoning and/or restrictions and prohibitions imposed by governmental authority and (b) property taxes; (c) easements of record. Landlord shall select the title company and shall provide Tenant with a title commitment from a national title insurance company that is reasonably acceptable to Tenant within ten (20) days after Tenant exercises its Option, which commitment shall show title to the Demised Premises vested in Landlord without any unacceptable encumbrances, and Landlord agrees to pay for the owner's policy of title insurance at closing. The value of the owner's title policy shall be an amount equal to two hundred and seventy five thousand Dollars (\$275,000.00).

(e) **Expenses:** Tenant shall pay all closing costs, including but not limited to documentary stamps which are required to be affixed to the special warranty deed, and recording of the deed ~~and all costs for title searches, preparation of a title commitment, and the owner's title insurance policy~~, and each party shall pay its own legal fees. Fixed Rent shall be prorated to the closing ~~date~~.

(f) **Default:** If Tenant fails to perform any of the covenants of this Option, this Option shall remain in place for sixty (60) days following delivery of written notice of said failure to Tenant. Should Tenant fail to exercise this Option within said sixty (60) day timeframe, Tenant thereafter shall not be entitled to exercise this Option, and the same shall be considered null and void; however, the Lease shall remain in force. If Landlord fails to close as required hereunder, Tenant shall have all remedies available at law or in equity, including, without limitation, the right to specifically enforce its right to acquire the Demised Premises pursuant to this Option.

(g) **Fees:** In connection with any litigation arising out of this Option, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' and paralegals' fees.

(h) **Sole Agreement:** No other agreements or representations relating to the Option shall be binding upon the parties.

This Option may not be separated from the leasehold interest created under this Lease, and any attempt to assign, set over, convey or in any way transfer this Option separately from this Lease shall be null and void unless the Landlord consents, which will not be unreasonably withheld, in writing, to any such assignment.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals to duplicates hereof, the day and year first above written, or caused the within to be duly executed by their proper officers and the seal of the corporation hereto affixed by proper authority of their Board of Directors.

[SIGNATURE PAGES TO FOLLOW]

Formatted: Centered

Two Witnesses

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

 **COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF  
TARPON SPRINGS**

By: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me, by means of  physical presence or  online authorization, by \_\_\_\_\_, as \_\_\_\_\_ of COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS, who  is personally known to me or  has produced \_\_\_\_\_ as identification, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires:

**ATTEST:**

\_\_\_\_\_  
Irene S. Jacobs, CMC, City Clerk & Collector

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Thomas J. Trask, Esquire  
City Attorney

Two Witnesses

\_\_\_\_\_  
(Print Name)\_\_\_\_\_

\_\_\_\_\_  
(Print Name)\_\_\_\_\_

**DENAMI HOLDINGS, LLC**

By: \_\_\_\_\_  
Nick Mavromatis, Managing Member

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me, by means of  physical presence or  online authorization, by Nick Mavromatis as Managing Member of DENAMI HOLDINGS, LLC, who  is personally known to me or  has produced \_\_\_\_\_ as identification, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires:

EXHIBIT A

Lot 3, Block 67, Map of the Town of Tarpon Springs, according to the map or plat thereof as recorded in Plat Book 4, Page 78 of the Public Records of Pinellas County, Florida.

GROUND LEASE AND OPTION TO PURCHASE

BY AND BETWEEN

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS,  
AS LANDLORD

AND

DENAMI HOLDINGS, LLC, AS TENANT

DATE: MARCH , 2021

## GROUND LEASE AND OPTION TO PURCHASE AGREEMENT

THIS GROUND LEASE AND OPTION TO PURCHASE AGREEMENT (the "Lease") is made and entered into this \_\_\_\_\_ day of March, 2021 (the "Effective Date"), by and between **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS** (hereinafter referred to as the "Landlord") and **DENAMI HOLDINGS, LLC**, (hereinafter referred to as the "Tenant").

### WITNESSETH:

1. Demised Premises and Improvements Thereon. Landlord, in consideration of the rents, terms, covenants, and agreements hereinafter set forth on the part of Tenant to be paid, kept, and performed, grants, demises, and lets to Tenant, and Tenant hereby takes and hires from Landlord, on the terms, covenants, provisions, and agreements hereinafter provided:

All that certain tract or parcel of land lying and being in Tarpon Springs, County of Pinellas, State of Florida, more particularly described in EXHIBIT A attached hereto and made a part hereof (except as the context may otherwise require, the above mentioned premises being hereinafter referred to as the "Premises", or the "Demised Premises").

To have and to hold the Demised Premises for and during the term and extension periods hereinafter described;

Together with any and all improvements presently on the Demised Premises and those buildings and improvements hereafter erected on the Demised Premises by Tenant (it being understood that Landlord has no obligation to erect any buildings or other improvements on the Demised Premises except as otherwise specifically provided in this Lease); and

Together with all and singular appurtenances, rights, interest, easements, and privileges in anywise appertaining thereto.

2. Term, Commencement Date and Duration. The term ("Term") of this Lease shall be for a period of thirty (30) months commencing on the date that the Landlord transfers the equivalent of six (6) residential units to the Demised Premises ("Commencement Date").

3. Short Form or Memorandum of Lease Suitable for Recording. The parties hereto covenant and agree that at the request of either party, Landlord and Tenant will promptly execute and deliver to the requesting party a short form or memorandum of Lease duly acknowledged and in recordable form setting forth, among other things, the names and addresses of the parties, a reference to this Lease and its date, the description of the Demised Premises, the Commencement Date, Tenant's rights to obtain financing and to secure such financing with a leasehold mortgage, the right of Tenant to build, alter, repair, improve, change or demolish buildings, structures, and improvements, an express prohibition of construction liens on Landlord's fee interest in the Premises in accordance

with Section 713.10, Florida Statutes, Tenant's right to purchase the Demised Premises under the terms of this Lease, and such other information as either party may request and such other facts as may be required by the laws of the State of Florida to give appropriate notice pursuant to the recording acts. The short form or memorandum of Lease may be recorded by either Landlord or Tenant. Tenant agrees to pay the costs and expenses of recording said short form or memorandum of Lease. Furthermore, upon termination of the Lease, if such short form or memorandum of Lease has been recorded, both parties shall execute and record a document evidencing such termination. This Paragraph 3 shall survive the expiration or earlier termination of this Lease.

4. Fixed Rent.

Tenant covenants and agrees to pay to Landlord at the address set forth in Paragraph 32 of this Lease, or at such other place or places as Landlord shall from time to time designate in writing, for and throughout each lease year of this Lease, Fixed Rent and additional rent, if any, due from Tenant to Landlord pursuant to this Lease, in addition to and above all other payments to be made and paid by Tenant to Landlord as set forth in this Lease, as follows:

(i) Fixed Rent. Tenant shall pay to Landlord as rent for the Demised Premises for thirty (30) months, monthly payments \$10.00 of Fixed Rent, in advance, on or before the first (1st) day of each month throughout the lease term, and sales and use taxes on such Fixed Rent. If the Commencement Date is on a day other than the first day of a month, then the Fixed Rent shall be prorated for the balance of said month on a per diem basis. Tenant shall also pay any use or sales tax on the Fixed Rent and any other sums payable under this Lease imposed by the State of Florida and any federal or local government.

(ii) Additional Tenant Expenses. During the Term of the Lease, Tenant shall be responsible for, and shall pay directly, on or before the applicable due date, all costs and expenses relating to the Demised Premises, with the following by way of illustration but not limitation: (i) real estate taxes, including all costs associated with the appeal of an assessment of taxes; (ii) the cost of commercial general liability, special form perils, including hurricane and other wind damage, flood and earthquake or earth movement, and all other insurance, and any self-insurance and the payment of any deductible amount applicable to any claim made under such insurance; (iii) and all assessments, charges, fees and other expenses pursuant to any restrictive covenants or other recorded matters of title now or hereafter affecting the Demised Premises and (iv) all charges for utilities used on the Demised Premises. Notwithstanding the foregoing, Tenant shall not be required to pay income or similar taxes on Landlord's income from the Demised Premises.

A. Tenant covenants to pay to Landlord the Rent herein reserved and all the other sums and the other and additional payments to be made by Tenant as provided under this Lease, which may become due from or payable by Tenant, at the time and in the manner in this Lease provided, all of which rent, sums, and payments are to be paid in lawful money of the United States of America, which shall be legal

tender in payment of all debts and dues, public or private, at the time of payment, or by good check drawn on a depository in the state wherein the Demised Premises are located.

B. Landlord shall apply the receipt of payments from the Tenant in the following order: First, toward the payment of Landlord's reimbursable expenses; second, toward the payment of any rent to be applied to the payment of the rental installment or installments first accrued; and finally to all other sums due under this Lease.

5. Use and Occupancy

A. The Demised Premises shall be developed by Tenant, as a mixed use development (collectively, the "Project"), substantially consistent with Tenant's response to Landlord's Public Notice (PN) which was published in the Tampa Bay Times on March 20, 2020, and with all land use, zoning, and other ordinances, and for no other purposes. Any contractors or subcontractors not identified in Tenant's response to Landlord's Public Notice published March 20, 2020 must be approved by the City Manager or his designee.. Without limiting the foregoing, Tenant shall not use or permit the use of the Demised Premises in any manner that will tend to create waste or a nuisance or violate any state, local, or federal laws or ordinances. Tenant shall, at Tenant's expense, execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the federal, state, county and city government, and of any and all of their departments and bureaus, applicable to the Property, as well as all covenants and restrictions of record, and other requirements in effect during the term or any part thereof, which regulate the use by Tenant of the Property.

B. Landlord retains the right to utilize the Property and make it available to the public during the time between the effective date of this Lease and the time Tenant obtains a building permit for construction on the Project.

6. Assignment and Subletting. Tenant shall not, without the prior written consent of Landlord, sell, assign, sublease, or otherwise transfer the Premises or Tenant's interest in this Lease, in whole, or grant or permit any lien or encumbrance on or security interest in Tenant's interest in this Lease. Any written consent given by Landlord shall not relieve Tenant, or any subtenant, assignee or transferee, from the obligation to obtain Landlord's consent prior to any future sale, assignment or transfer. Landlord's acceptance of rent from a subtenant, assignee or transferee of Tenant shall not constitute consent to such sublease, assignment or transfer by Landlord. Any assignee, subtenant or transferee approved by Landlord shall expressly assume this Lease by an agreement in recordable form, an original executed counterpart of which shall be delivered to Landlord prior to any assignment of the Lease. Any sale, assignment, transfer, sublease or encumbrance in violation of this Paragraph 6 shall be voidable at Landlord's option. Furthermore, a sale, assignment, transfer, exchange or other disposition of the stock of Tenant, membership interest or any general partner interest in Tenant which results in a change or transfer of

management or control of Tenant, or a merger, consolidation or other combination of Tenant with another entity which results in a change or transfer of management or control of Tenant, shall be deemed an assignment hereunder, unless such change or transfer of management or control is to an affiliate of Tenant, which shall not require Landlord's consent. Without limiting any of the foregoing provisions of this Paragraph 6, if, pursuant to the U.S. Bankruptcy Code, as the same may be amended from time to time, Tenant is permitted to assign or otherwise transfer its rights and obligations under this Lease in disregard of the restrictions contained in this Paragraph, the assignee agrees to provide adequate assurance to Landlord (a) of the continued use of the Premises solely in accordance with the permitted use thereof, (b) of the continuous operation of the business in the Premises in strict accordance with the requirements of Paragraph 5 hereof, and (c) of such other matters as Landlord may reasonably require at the time of such assumption or assignment. Such assignee shall expressly assume this Lease by an agreement in recordable form, an original counterpart of which shall be delivered to Landlord prior to an assignment of the Lease.

If Tenant sells, assigns or transfers all of its interest under this Lease, in a transaction requiring Landlord's consent under the terms of this Paragraph 6 or under Paragraph 14, such that the result of such sale, assignment or transfer is that Tenant no longer holds any interest under this Lease, either directly or indirectly through an ownership interest of at least five percent (5%) in Tenant's vendee, assignee or transferee, Tenant, upon such sale, assignment or transfer, shall pay to Landlord an amount equal to all unpaid Fixed Rent and additional rent for the remainder of the Lease Term ("Transfer Payment"). Notwithstanding anything to the contrary in this Lease, under no circumstances shall Tenant be required to pay the Transfer Payment to Landlord following a sale, assignment or transfer requiring Landlord's consent if Tenant maintains a direct or indirect interest in this Lease, as provided in this paragraph.

Unless expressly agreed by Landlord in writing to the contrary, Landlord's consent to any assignment of this Lease shall not operate to release Tenant or any Tenant-assignee from its obligations hereunder, with respect to which said Tenant or Tenant-assignee shall remain personally liable.

In each instance, Tenant shall pay Landlord a fee of Three Hundred Fifty and No/100 Dollars (\$350.00) to cover Landlord's administrative costs and legal expenses incurred by Landlord for review of documents relating to any proposed sale, assignment, transfer, or sublease by Tenant of the Premises or its interest in this Lease. In addition to the administrative review fee, Tenant agrees to pay Landlord's legal fees for any documents that Landlord is required to prepare, or that Landlord deems necessary, relating to any such proposed sale, assignment, transfer, or sublease. Tenant hereby acknowledges and agrees that the acceptance of such fees by Landlord shall not constitute consent to the proposed sale, assignment, transfer, or sublease.

If Tenant is more than one individual or entity, such individuals or entities acknowledge and agree their duties, responsibilities, and obligations under this Lease are joint and several.

7. Taxes and Assessments.

From the Commencement Date of this Lease, in addition to the payment of Fixed Rent and additional rent, Tenant covenants to pay directly to the appropriate authority, satisfy and discharge as the same may become due and payable, all governmental charges, assessments, real estate taxes, all charges for sidewalks, streets, sewage or sewer improvements, or other charges of any kind of character imposed upon the Demised Premises, but this provision shall not be construed to impose upon the Tenant any obligation to pay any excise, income or excess profits tax which may be payable or imposed against Landlord or against any of the Fixed Rent or additional rent payable to Landlord hereunder. Tenant further covenants to reimburse Landlord within thirty days of presentment of an invoice for same all ad valorem taxes of any sort, which Landlord shall pay timely as same become due and payable.

Any provisions of this Lease to the contrary notwithstanding, Tenant may, if in good faith it believes that any tax, assessment or improvement lien payable by it shall be invalid, excessive, or unenforceable, in whole or in part, protect against and contest the validity, amount of and enforceability of any such tax, assessment or lien. In case Tenant shall contest any such taxes, assessments or liens, it shall comply with all requirements of law as to the conditions precedent to making any contest, and Tenant covenants to protect Landlord against foreclosure of any lien resulting from imposition of any tax or assessment which Tenant may contest by giving to Landlord an appropriate bond conditioned to pay such liens or claims, executed in an adequate penal sum by a responsible surety company licensed to do business in the State of Florida and reasonably acceptable to the Landlord. In the event the contested lien should ever attach to the Demised Premises, Tenant may continue to contest said lien provided it causes the lien to be paid in full or otherwise removed as a lien against the Demised Premises.

Tenant shall exhibit to Landlord, within thirty (30) days following the due date thereof, receipts showing payment of the obligations in this Paragraph 7 undertaken.

8. Liability Insurance.

A. Tenant covenants and agrees, at its sole cost and expense, throughout the duration of this Lease, to obtain, keep, and maintain in full force and effect for the mutual benefit of Landlord, Tenant, the holder(s) of mortgage(s) obtained by Tenant and Tenant's written designee(s) or subtenant(s) designated in writing by Tenant, comprehensive liability insurance against claims for damage to persons or property arising out of the use and occupancy of the Demised Premises or any part or parts thereof in limits of not less than One Million and No/100ths Dollars (\$1,000,000.00) combined single limit coverage and property damage in all instances in an amount not less than Five Hundred Thousand and No/100ths Dollars (\$500,000.00). A duplicate original, certificate, or binder of such insurance shall be furnished to Landlord on the Commencement Date and each renewal certificate of such policy shall be furnished to Landlord at least fifteen (15) days prior to the expiration of the policy it renews. Each such policy of insurance shall name Landlord as an additional insured and shall contain an agreement by the insurer, if obtainable, that such policy shall not be cancelled without ten (10) days prior written notice to Landlord. DRAM SHOP - prior to the sale, storage, use, or giving away of alcoholic beverages on

or from the Premises Tenant, at Tenant's expense, shall obtain a policy or policies of insurance having limits for bodily injury (fatal or non-fatal) to any person, or arising out of any one accident, of no less than \$3,000,000.00, protecting Landlord as an additional insured and the Premises against any and all damages, claims, liens, judgments, expenses and costs arising under any present or future law, statute or ordinance by reason of any storage, sale, use or giving away of alcoholic beverages on or from the Premises.

B. All insurance provided for in this Paragraph 8 may be in the form of a general coverage, floater policy or so-called blanket policies which may be furnished by Tenant, or the parent corporation of Tenant or any related entity, Tenant's written designee(s) or sublessee(s) designated in writing by Tenant or by any of the holders of the mortgage referred to in Paragraphs 13 or 14 hereof. The liability coverage set forth in this Paragraph shall be issued by insurers of recognized responsibility issued by companies reasonably approved by Landlord that are authorized and licensed to do business in the State in which the Premises is located.

C. In the event Tenant fails to cause the aforesaid insurance policies to be written, or renewed, or to pay the premiums for the same as they become due and payable or to deliver all such certificates of insurance or duplicate originals thereof to Landlord within the time provided for in this Lease, Landlord shall have the right, without being obligated to do so, to effect such insurance and pay the premiums therefor, and all such premiums paid by Landlord shall be repaid to Landlord on demand as additional rent.

D. In the event Tenant shall fail to procure insurance and deliver the certificate(s) thereof to Landlord as required under this Paragraph 8, Tenant shall not be allowed to take possession of the Premises until such insurance has been procured and the certificate(s) have been delivered to Landlord; however, any refusal by Landlord to deliver possession of the Premises pursuant to this Paragraph 8 shall not affect the Commencement Date and Rent shall accrue as of such date.

Nothing contained in this Paragraph 8 shall effect or limit Tenant's obligations under Paragraph 9 hereof.

9. Indemnity.

A. Subject to the provisions of this Lease, Tenant covenants and agrees that from and after the Commencement Date of this Lease, Landlord shall not be liable or responsible for damages for any personal injury or injuries, death(s), damages, or losses to any person(s) or property that may be suffered or sustained by Tenant or subtenant(s) or any of their respective agents, servants, employees, patrons, customers, invitees, visitors, licensees, departments, and concessionaires or by any other person or persons in, on or about the Demised Premises or any part thereof, arising from Tenant's failure to keep or cause to be kept the Demised Premises in good condition and repair, or arising from the use or occupancy of the Demised Premises by Tenant or subtenant(s) or any of their respective agents, servants, employees, patrons, customers, invitees, visitors, licensees, departments, and concessionaires, except to the extent such damages or losses arise from the acts or omissions,

negligence or intentional misconduct of the Landlord, its agents, employees, servants or representatives.

B. Tenant covenants and agrees to indemnify and save Landlord harmless from and against any and all liability, costs and expenses for damages, losses, injuries, or death to persons or damages or losses to property which may be imposed upon or incurred by or asserted against Landlord as to any of the matters, provisions and conditions set forth in this Paragraph 9, except as to those matters which Landlord has obligation(s) or any liability under this Lease and as to the acts or omissions, negligence or intentional misconduct of Landlord, its agents, employees, servants and representatives.

10. Landlord's Remedies on Tenant's Failure to Pay Taxes. Tenant covenants and agrees that if it shall at any time fail to pay any of the taxes and assessments as required in Paragraph 7 hereof, subject to the extensions of time set forth in this Lease, Landlord shall have the right to pay same after ten (10) days' prior written notice to Tenant. If Landlord is justified in making such payments under the provisions of this Lease, Tenant shall reimburse such amount to Landlord as additional rent promptly together with 4.75% annual interest thereon from the date paid by Landlord until the date that Tenant reimburses Landlord (or if such percent is disallowed for being too high, at the maximum interest rate then allowable under the laws of the State in which the Premises is located).

11. Construction of Buildings and Improvements; Landlord's Work.

A. All buildings, structures, or improvements on the Demised Premises, or any part or parts thereof, shall be new or completely reconditioned and constructed without cost of expense to Landlord.

B. Tenant, at its own cost and expense, shall apply for and prosecute with reasonable diligence, all necessary approvals, permits, and licenses required for the construction of all building and improvements and for the operation of Tenant's business. Landlord shall cooperate with the City of Tarpon Springs ("City") and the Tenant to assist in the securing of building and other permits and approvals necessary for the purpose of the development and construction of the Project. Tenant shall be entitled to impact fee credits \$58,228.25, as applicable, for transportation, water and sewer impact fees. Tenant shall also be entitled to receive, as an incentive, a Seven Thousand Five Hundred Dollar (\$7,500.00) credit against fees due or paid by Tenant upon the Tenant obtaining its final Certificate of Occupancy.

C. Throughout the Term of this Lease, Tenant agrees that all installations or building(s), structures, and improvements that may be erected on the Demised Premises by Tenant or any subtenants, including, but not limited to, all elevators, escalators, plumbing, electrical, heating, air conditioning and ventilation equipment and systems, and all other equipment, will be installed, operated, and maintained in good order and repair and in accordance with the law and with the regulations and

requirements of any and all governmental authorities, agencies, or departments, having jurisdiction thereof, without cost or expense to Landlord. In addition, Tenant agrees that throughout the Term of this Lease that the Demised Premises and all improvements thereon shall be maintained in good condition and repair and in a clean and safe condition free of excessive debris and rubbish. By way of example and not by way of limitation, Tenant's maintenance obligations shall include, but not be limited to, maintaining both the exterior of any improvements on the Demised Premises and any parking, sidewalk and landscaped areas of the Demised Premises, in as good condition and repair as existed as of the Commencement Date, normal wear and tear excepted. Furthermore, Tenant agrees all trash shall be stored in appropriate containers to be furnished by Tenant and Tenant shall cause all trash and rubbish to be disposed of properly at its sole cost and expense. Should Tenant fail to comply with any of its obligations set forth in this Paragraph, then Landlord may, at its option, undertake such compliance on behalf of Tenant after thirty (30) days prior written notice to Tenant and any sums expended by Landlord in undertaking such compliance shall be reimbursed by Tenant within thirty (30) days of demand therefor, and any sums not so reimbursed shall be deemed to be additional rent under this Lease.

D. Tenant may in accordance with this Lease erect, on the Demised Premises or on any portion(s) thereof selected by Tenant, any building(s) or portion(s) thereof, improvements, structures, and appurtenances thereto, all without Landlord's prior approval or consent, subject to all applicable permit applications, inspections and approvals in the normal course of City business.

E. All persons doing work for or furnishing labor or materials to the Demised Premises on the order of or on behalf of the Tenant shall look solely to the Tenant's interest in the Demised Premises. The interest of the Landlord shall not be subject to liens for improvements made by the Tenant. If any construction, mechanic's, or other liens, or order for the payment of money, shall be filed against the Demised Premises, or any building or improvements thereon, by reason of change and alteration or addition made or alleged to have been made, by or for, the Tenant, or the cost or expense thereof, or any contract relating thereto, the Tenant shall cause the same to be cancelled and discharged of record, by bond or otherwise, at the election and expense of the Tenant, and shall also defend on behalf of the Landlord, at the Tenant's sole cost and expense, any action, suit or proceeding which may be brought thereon for the enforcement of such lien, liens, or orders, and the Tenant will pay any damage and satisfactorily discharge any judgment entered therein, and save harmless the Landlord from any claim, attorney fees or damage therefrom. If any mechanic's or other lien, or order for payment of money, shall be filed against the Demised Premises, or on any building or improvements thereon, for any of the reasons provided for in this Paragraph, and shall not be removed by the Tenant within thirty (30) days after notice given by the Landlord (or earlier should an action to foreclose be commenced), the Landlord shall have the right to remove same by payment or otherwise, and all sums expended by the Landlord for such removal, including counsel fees, shall be paid by the Tenant unto the Landlord upon demand, and shall be deemed to be additional rent due under this Lease. Tenant shall not permit to be created nor to remain undischarged any lien, encumbrance, or charge arising out of any work or work claim of any contractor, mechanic, materialman, or supplier of labor or materials supplied, which might be or

become a lien or encumbrance, or a charge upon the Demised Premises, and Tenant shall not suffer any other matter or thing whereby the estate, right, or interest, of Landlord in the Demised Premises might be encumbered or impaired. Tenant's contractors shall be required to waive all lien rights against Landlord's interest in the Demised Premises.

F. Tenant shall be responsible for the payment of all impact, utility and hook-up fees in connection with its construction of improvements and its use and occupancy of the Demised Premises and all costs to tie into the existing stormwater drainage systems. Further, Landlord shall have no responsibility whatsoever insofar as construction of improvements on the Demised Premises is concerned.

G. Tenant acknowledges that its improvements shall be consistent with all land use and zoning ordinances. Landlord and Tenant acknowledge that architectural renderings for Tenant's improvements and a final site plan for the development of the Demised Premises are required to be approved by Landlord and Tenant. Landlord and Tenant agree that Tenant's improvements on the Demised Premises shall comply with the aforementioned architectural renderings and final site plan.

H. Landlord's Work. LANDLORD HAS NO OBLIGATION TO PERFORM ANY WORK WITHIN THE PREMISES AND TENANT AGREES TO ACCEPT THE PREMISES IN THEIR "AS IS" CONDITION AND TENANT SHALL BE OBLIGATED TO PERFORM SUCH WORK AS IS NECESSARY TO RENDER THE PREMISES USEFUL FOR THE PURPOSES LEASED.

12. Compliance with Laws.

A. Tenant covenants and agrees that during the Term of this Lease it shall promptly comply with all present and future laws, ordinances, orders, rules, regulations, and requirements of the Federal, State, County, and City Governments or any of their departments, bureaus, boards, commissions and officials thereof with respect to the Demised Premises, the buildings and improvements thereon or hereafter erected thereon by Tenant, or the use or occupancy thereof, whether said compliance shall be ordered or directed to or against Landlord or Tenant or both.

B. Tenant shall have the right, after prior written notice to Landlord, to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Landlord or Tenant or both and without cost or expense to Landlord, the validity or applicability of any law, ordinance, order, rule, or regulation of the nature hereinabove referred to in this Paragraph 12, and Tenant shall have the right to delay observance thereof and compliance therewith until such contest is finally determined and is no longer subject to appeal, provided that observance and compliance therewith pending the prosecution of such proceeding may be legally delayed without subjecting Landlord to any criminal liability or fine.

13. Mortgages at Tenant's Request. Landlord covenants, warrants, and agrees, whenever and as often as Tenant may request, during the existence of this Lease, that (i) Tenant may mortgage its leasehold interest (as such mortgage may be

assigned or transferred, "Leasehold Mortgage") in accordance with the provisions of Paragraph 14 below and (ii) Landlord shall within thirty (30) days of any request execute such agreements as are reasonably necessary to facilitate Tenant's obtaining of said Leasehold Mortgage, including without limitation the giving of such notice and curative rights by Landlord in favor of Tenant's lender, provided, however, that Landlord shall not be obligated to execute any instrument that would subordinate Landlord's fee interest in the Demised Premises to the holder of any such Leasehold Mortgage.

14. Leasehold Financing. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the absolute right, without Landlord's consent or approval, at any time and from time to time, to grant, enter into and record a Leasehold Mortgage on such terms and conditions as Tenant shall determine, and to enter into any and all extensions, modifications, amendments, replacement(s), and refinancing(s) of any such Leasehold Mortgage as Tenant may desire. Landlord consents to any subsequent sale or transfer of Tenant's leasehold interest as permitted under the Leasehold Mortgage.

If Tenant shall grant a Leasehold Mortgage, then, as long as any such Leasehold Mortgage shall remain unsatisfied of record, the provisions of Paragraphs 13 and 14 shall apply and prevail, notwithstanding anything to the contrary contained in this Lease, and any pertinent provisions of this Lease shall be deemed to be amended and modified to the extent necessary so as to provide as follows:

A. If the holder of a Leasehold Mortgage on Tenant's leasehold interest (including such holder's assignees or transferees, "Leasehold Mortgagee") shall register with Landlord, in the same manner as provided in this Lease for delivering notices to Landlord, his or its name and address in writing, Landlord, on serving on Tenant any notice of breach or any other notice pursuant to the provisions of, or with respect to, this Lease, shall at the same time serve a true, correct and complete duplicate counterpart of such notice on the Leasehold Mortgagee by either Certified Mail, Return Receipt requested or nationally recognized overnight courier service, addressed to said Leasehold Mortgagee at the address registered with Landlord. No notice or other correspondence shall be deemed to have been delivered to Tenant unless a copy simultaneously is delivered to Leasehold Mortgagee in accordance with the terms of this Paragraph 14.

B. Such Leasehold Mortgagee, in the event Tenant shall fail to satisfy any term, obligation, covenant, agreement, provision or condition on Tenant's part to be kept, observed or performed by Tenant under this Lease, shall have the right, within the period and otherwise as herein provided, to remedy or cause to be remedied such failure, and Landlord shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been performed by Tenant. No default by Tenant in performing work required to be performed, acts to be done, or conditions to be remedied under this Lease, shall be deemed to exist, if steps, in good faith, shall have been commenced by Tenant or by said Leasehold Mortgagee to rectify the same

and prosecuted to completion with diligence and continuity within the time permitted under this Lease. Tenant irrevocably directs that Landlord accept, and Landlord agrees to accept, performance and compliance by Leasehold Mortgagee with any term, obligation, covenant, agreement, provision or condition on Tenant's part to be kept, observed or performed by Tenant under this Lease.

C. Anything in this Lease to the contrary notwithstanding, during such time as the Leasehold Mortgage remains unsatisfied of record, if any act or omission by Tenant shall occur which is a breach of this Lease that would entitle Landlord to terminate this Lease in the absence of the existence of a Leasehold Mortgage, Landlord shall not terminate this Lease until and unless:

(i) Notice of such breach by Tenant shall have been delivered to Leasehold Mortgagee in accordance with the provisions of this paragraph;

(ii) With respect to a breach that is curable solely by the payment of money, Leasehold Mortgagee shall not have cured such breach within thirty (30) days following the expiration of Tenant's notice and cure period as set forth in this Lease; and

(iii) With respect to a breach that is not curable solely by the payment of money, Leasehold Mortgagee has not cured such breach within forty-five (45) days following the expiration of Tenant's notice and cure period as set forth in this Lease; provided that if such breach reasonably is not curable within forty-five (45) days, Leasehold Mortgagee has not commenced to cure such breach within the forty-five (45) day period or, after commencing such cure, Leasehold Mortgagee does not prosecute such cure to completion.

D. Notwithstanding anything to the contrary in this paragraph, this Lease shall not be terminated as the result of a breach of this Lease by Tenant that cannot be cured by Leasehold Mortgagee.

E. No Leasehold Mortgagee shall be liable under this Lease unless and until such Leasehold Mortgagee shall become the owner of the leasehold interest, and then only for as long as it remains the owner Tenant's leasehold interest.

F. Without the written consent of Leasehold Mortgagee, Landlord agrees not to accept a cancellation or voluntary surrender of this Lease at any time while the Leasehold Mortgage remains a lien on Tenant's leasehold interest; and any such attempted cancellation or surrender of this Lease without the written consent of Leasehold Mortgagee shall be null and void and of no force or effect. Landlord and Tenant further agree for the benefit of Leasehold Mortgagee that, so long as any such Leasehold Mortgage shall remain a lien on Tenant's leasehold interest, Landlord and Tenant will not subordinate this Lease, or any New Lease entered into pursuant to this paragraph, to any fee mortgage that may hereafter be placed on Landlord's fee interest in the Demised Premises unless the holder of such fee mortgage shall have entered into a commercially standard subordination and non-disturbance agreement, which provides that the holder of such fee mortgage will recognize and will not disturb the rights of Tenant and Leasehold Mortgagee under this Lease following a foreclosure of such fee mortgage.

G. It is acknowledged that the Leasehold Mortgage may be assigned by Leasehold Mortgagee in accordance with its terms. Notwithstanding anything stated to the contrary in this Lease, the following transfers shall be permitted, shall not require the approval or consent of Landlord and, notwithstanding anything to the contrary in this Lease, shall not create an obligation for any party to pay the Termination Payment to Landlord:

(i) A transfer of Tenant's leasehold interest at a foreclosure sale under the Leasehold Mortgage, whether pursuant to the power of sale contained therein or a judicial foreclosure decree, or by an assignment in lieu of foreclosure; or

(ii) Any subsequent transfer by Leasehold Mortgagee or its nominee or designee if Leasehold Mortgagee, or such nominee or designee, is the purchaser at such foreclosure sale or under such assignment in lieu of foreclosure.

(iii) Any such transferee shall be liable to perform the obligations of Tenant under this Lease only so long as such transferee holds title to the leasehold interest; provided that upon any conveyance of the leasehold interest, such transferee's transferee expressly assumes and agrees to perform all of Tenant's obligations under this Lease; provided further, that the liability of any Leasehold Mortgagee that obtains title to the leasehold interest under the Lease shall be limited to Leasehold Mortgagee's interest in such leasehold interest.

(iv) Following any transfer described in (i) above, all non-curable defaults existing under this Lease prior to such transfer shall be deemed waived without further notice or action of any party.

H. In the event the ownership of the fee and leasehold interests in the Demised Premises become vested in the same person or entity, then as long as the Leasehold Mortgage shall remain outstanding, such occurrence shall not result in a merger of title. Rather, the Lease and the Leasehold Mortgage thereon shall remain in full force and effect.

I. If this Lease is subject to being terminated because of Tenant's breach hereunder that cannot be cured by Leasehold Mortgagee (including, without limitation, rejection of this Lease by a trustee in bankruptcy), then Leasehold Mortgagee may elect to demand a new lease of the Demised Premises (the "New Lease") by notice to Landlord within thirty (30) days after Leasehold Mortgagee is notified by Landlord of such Tenant breach. Upon any such election, the following provisions shall apply:

(i) The New Lease shall be for the remainder of the Term of this Lease (including the right thereafter to extend the Term for any then-unexercised renewal period), at the same Basic Rent and shall contain the same covenants, agreements, conditions, provisions, restrictions and limitations as were contained in this Lease. Such New Lease shall be subject to all then-existing subleases demising space within

the Demised Premises, including, without limitation, the Approved Subleases.

(ii) The New Lease shall be executed by Landlord within thirty (30) days after receipt by Landlord of notice of Leasehold Mortgagee's election to enter into a New Lease with a tenant designated by Leasehold Mortgagee.

(iii) Any New Lease and the leasehold estate created thereby shall, subject to the same conditions contained in this Lease, continue to maintain the same priority as this Lease with regard to any Leasehold Mortgage or any other lien, charge or encumbrance affecting the Premises. Concurrently with the execution and delivery of the New Lease, Landlord shall assign to the tenant named therein all of its right, title and interest in and to moneys, if any, then held by or payable to Landlord which Tenant would have been entitled to receive.

J. If Tenant refuses to surrender possession of the Demised Premises following an uncured breach of this Lease, Landlord shall, at the request of Leasehold Mortgagee, institute and pursue diligently to conclusion the appropriate legal remedy or remedies to oust or remove Tenant and all sublessees actually occupying the Demised Premises or any part thereof who are not authorized to remain in possession hereunder. Any such action taken by Landlord at the request of Leasehold Mortgagee shall be at Leasehold Mortgagee's sole expense.

15. Casualty Insurance.

A. Tenant covenants that it will, during the continuance of the Term of this Lease, keep or cause to be kept the building(s) and improvements on the Demised Premises insured in a responsible and reputable insurance company or companies licensed to do business in the state in which the Demised Premises are located against loss or damage by fire and such other hazards as are currently embraced in the standard extended coverage endorsement in the jurisdiction where the Demised Premises are located, and in an amount equal to the greater of either (i) at least eighty (80%) percent of the full insurable value of said buildings and improvements; or (ii) such amount as is necessary to avoid the effects of any co-insurance provision under the applicable policy.

B. All insurance policies carried or caused to be carried by Tenant shall be issued in the name of Tenant, the Landlord, as additional insured, the holder(s) of the mortgage(s) referred to in Paragraphs 13 and 14, as their respective interests may appear. Tenant shall have the right to make all adjustments of loss, and execute all proofs of loss in its name and/or in Landlord's name. The proceeds of such insurance in case of loss(es) shall, except as otherwise set forth herein, be payable to Tenant and used by Tenant for the purpose of restoring, rebuilding and/or repairing the damaged building and improvements (unless such loss shall occur within three (3) years of the end of this Lease, and Tenant elects to terminate and cancel the Lease as provided in this Paragraph 16).

C. In the event that the insurance proceeds received are insufficient to restore, repair, or rebuild said building(s) and improvements, Tenant covenants and agrees that it will pay the balance of the amount necessary to restore such building(s) or improvements to restore to their former state or erect other building(s) and improvements, provided the value thereof is at least equal to the value of the building(s) and improvements immediately prior to such damage or destruction. Any excess of insurance proceeds over the cost of repairing or rebuilding shall belong to Tenant.

D. Any insurance policy or policies of Tenant shall designate, if Tenant elects, a co-insurance clause for any holder(s) of mortgages which Tenant obtains. Tenant may maintain for its own account any insurance not required by this Lease or insurance required by this Lease with greater coverage in scope and amounts, and the proceeds thereof shall belong to Tenant.

E. Tenant or said holder(s) of mortgage(s), in its discretion, may carry such insurance under a blanket fire and other hazards and causes insurance policy or policies issued to Tenant or said holder(s) of mortgage(s) covering the Demised Premises and other premises or property. However, a certificate or true copy thereof evidencing said insurance shall be delivered to Landlord on Landlord's written request.

16. Damage or Destruction. Should the whole or any part or parts of the building(s) or improvements then on the Demised Premises be partially or wholly damaged or destroyed by fire or other insured casualty after the Commencement Date, such destruction or damage shall not operate to terminate this Lease, but this Lease shall continue in full force and effect, except as otherwise provided in this Lease. Subject to the provisions of this Lease, Tenant, at its own cost and expense, agrees to restore, rebuild or repair said building(s) and improvements to a condition at least equal in value to the value immediately prior to a loss caused by fire or other insured casualty. Provided that such restored, rebuilt or repaired building(s) or other improvements are substantially the same as the building(s) and improvements that existed before such casualty, Tenant shall not require any prior consent or approval from Landlord. The foregoing notwithstanding, should such damage or destruction occur within three (3) years of the end of the Term of this Lease, Tenant shall thereupon have the option of cancelling and terminating this Lease on giving Landlord sixty (60) days' written notice of Tenant's intention to do so. If Tenant elects to terminate this Lease in accordance with the foregoing option, Tenant shall be under no duty to restore, rebuild or repair said buildings or improvements, but shall within thirty (30) days of terminating the Lease, raze any remaining buildings and improvements and remove all debris from the Demised Premises, and Tenant shall pay to Landlord an amount equal to the full replacement value of all buildings and improvements previously constructed and located on the Demised Premises immediately prior to the happening of such damage or casualty within thirty (30) day of electing to terminate this Lease. Should Tenant fail to fulfill its obligation to restore, rebuild or repair the buildings and improvements on the Demised Premises as required in this Paragraph and Tenant either does not have the right, pursuant to this Paragraph, to terminate the Lease, or having such right fails to exercise such right within the time period set forth in this Paragraph, then Tenant shall pay to Landlord an amount equal to the full replacement value of all buildings

and improvements previously constructed and located on the Demised Premises immediately prior to the happening of such damage or casualty. Should Tenant fail to pay such amount to Landlord within thirty (30) days after Tenant's receipt of proceeds from its insurer, then such amount due Landlord shall be deemed to be additional rent under this Lease and Landlord shall be entitled to exercise any and all remedies available for the collection of such amount whether set forth in this Lease or otherwise. Should Tenant fail to fulfill its obligations to raze any remaining buildings and improvements and remove all debris from the Demised Premises after having elected to terminate this Lease, if permitted by this Paragraph, then Landlord shall notify Tenant in writing requesting Tenant to fulfill such obligation. If Tenant fails to fully complete such obligation within thirty (30) days from the date of Landlord's notice, or promptly to commence within said thirty (30) day period and diligently pursue to completion such obligation if such obligation is not reasonably capable of being completed within said thirty (30) day period, then Landlord may, at its option, upon providing thirty (30) days advance written notice to Tenant, undertake to raze any remaining buildings and remove all debris from the Demised Premises, and any expenses incurred by Landlord in undertaking such obligation of Tenant shall be reimbursed by Tenant within thirty (30) days after demand therefor, and any sums not so reimbursed shall be deemed additional rent under this Lease, unless within such thirty (30) day period after Landlord's notice electing to undertake such obligation of Tenant, Tenant undertakes to fulfill its obligation to raze any remaining buildings and remove all debris from the Demised Premises as set forth in this Paragraph and diligently proceeds to complete such obligation.

17. Double Net Lease. This Lease shall be deemed and construed to be a "double net lease" and Tenant shall pay to Landlord, absolutely net throughout the Term of this Lease, the net annual rent, free of any charges, assessments impositions or deductions of any kind and without any abatement, deduction or set-off, other than as herein otherwise expressly provided for, and under no circumstances or conditions, whether now existing or hereafter arising, or whether beyond the present contemplation of the parties, shall the Landlord be expected or required to make any payment of any kind whatsoever or be under any other obligation or liability hereunder, or as herein otherwise expressly set forth.

18. Landlord's Right to Show Premises. Tenant shall permit Landlord or its authorized agents or representatives to show the Demised Premises or any part thereof at reasonable times during business hours to persons wishing to purchase the same; provided (i) that such showing shall not interfere with the business of the Tenant or any of its subtenants, if any, then being conducted on the Demised Premises and (ii) Landlord shall use reasonable efforts to give Tenant forty-eight (48) hours prior written notice. Tenant shall be responsible for notifying its subtenants, if any.

19. Default by Tenant. Each of the following breaches, if not cured as provided herein, shall be deemed a default of this Lease:

A. (i) The filing of a petition by or against the Tenant for adjudication as a debtor within the meaning of Chapter 7 or Chapter 13 or other provisions of the Bankruptcy Act, as now or hereafter amended or supplemented, or for reorganization

or arrangement within the meaning of Chapter 11 of said Bankruptcy Act, or the filing of any petition by or against the Tenant under any future bankruptcy act for the same or similar relief;

(ii) The dissolution or the commencement of any action or proceeding for the dissolution or liquidation of the Tenant, whether instituted by or against the Tenant or for the appointment of a receiver or trustee of the property of the Tenant;

(iii) The taking possession of the property of the Tenant by any governmental officer or agency pursuant to statutory authority for the dissolution, rehabilitation, reorganization or liquidation of the Tenant; the levying by any governmental officer upon the Tenant's leasehold estate or if Tenant's leasehold estate is attempted to be sold under any execution or process of law;

(iv) The making by the Tenant of any assignment for the benefit of creditors, except for Leasehold Mortgagees. If "(i)" shall be involuntary on the part of the Tenant, the event in question shall not be deemed a default within the meaning of this Lease in the absence of any adjudication thereof or final order thereon, and if either "(i)", "(ii)" or "(iii)" above shall be involuntary on the part of the Tenant, the event in question shall not be deemed a default within the meaning of this Lease if dismissed or vacated by the Tenant within sixty (60) days thereof;

B. (i) A failure by Tenant to pay the Fixed Rent reserved herein, or any other amount due Landlord hereunder, or any part thereof, to pay any insurance premium, including renewal premiums, when due, or to provide Landlord with certificates of insurance, including renewals thereof, or duplicate originals of such policies, in accordance with this Lease, for a period often (10) days after written notice;

(ii) Tenant abandons the Demised Premises, which shall be deemed to have occurred if: (1) the Landlord reasonably believes that the Tenant or its leasing agent has been absent from the Demised Premises for a period of thirty (30) consecutive days; (2) Fixed Rent is not current; and (3) the Landlord provides written notice to Tenant that Landlord deems the Demised Premises abandoned, by registered or certified mail, return receipt requested, and ten (10) days elapse following delivery of such notice without Tenant notifying Landlord disputing that it has abandoned the Demised Premises;

(iii) Failure in the performance of any other covenant or condition of this Lease on the part of the Tenant to be performed, for a period of thirty (30) days after written notice thereof from Landlord; provided, however, no Tenant default shall be deemed to have occurred if Tenant shall have, in good faith, commenced to remedy such failure within such thirty (30) day period and such remedy thereafter shall be prosecuted to completion with diligence and continuity.

In the event of any such default of the Tenant, the Landlord may serve a written notice upon the Tenant that the Landlord elects to terminate this Lease upon a specified date not less than thirty (30) days after the date of the serving of such notice, except in the case of a default under subdivision "B.(i)" hereof for non-payment, in which event such date shall be not be less than five (5) days after the expiration of any ten (10) day notice given under said subdivision "B.(i)", and this Lease shall then expire on the date so specified as if that date had been originally fixed as the expiration date of the Term.

In the event this Lease shall be terminated as a result of a Tenant default as provided, or by summary proceedings or otherwise, the Landlord, or its agents, servants or representatives, may immediately or at any time thereafter, re-enter and resume possession and operation of the Demised Premises or such part thereof, including recognizing the rights of all existing Approved Subleases encumbering the Demised Premises, provided that such approved Subleases are not in default beyond applicable notice and cure periods. No re-entry by the Landlord shall be deemed an acceptance of a surrender of this Lease.

In the event this Lease shall be terminated as hereinbefore provided, or by summary proceedings or otherwise, the Landlord may in its own behalf, relet any vacant portion of the Demised Premises for any period equal to, greater or lesser than the remainder of the Term, for any sum suitable and satisfactory, and for any use and purpose permitted under this Lease, subject to any rights granted under the Approved Subleases, and in connection with any such lease the Landlord may make such changes in the character of the improvements on the Demised Premises and may grant concessions or free rent as the Landlord may determine to be appropriate or helpful in effecting such lease, without affecting the liability of Tenant hereunder. Any rent generated by any reletting shall apply against Fixed Rent and other sums owed by Tenant.

C. In the event this Lease shall be terminated by summary proceedings, or otherwise as provided in this Paragraph 19, and whether or not any portion of the Demised Premises be relet, the Landlord shall be entitled to recover from the Tenant, and the Tenant shall pay to the Landlord, in addition to any other damages due hereunder an amount equal to the amount of all rents and other amounts reserved under this Lease, less the net rent, if any, collected by the Landlord from existing Approved Subleases on the Demised Premises and on reletting any portion of the Demised Premises, which shall be due and payable by the Tenant to the Landlord on the several days on which the Fixed Rent and other amounts reserved in this Lease would have become due and payable; that is to say, upon each of such days the Tenant shall pay to the Landlord the amount of deficiency then existing. Such net rent collected from existing Approved Subleases and on reletting by the Landlord shall be computed by deducting from the gross rents collected all expenses incurred by the Landlord in connection with the reletting of the Demised Premises or any part thereof, including brokers' commission and the cost of repairing, renovating or remodeling the Demised Premises. The terms of this Paragraph 19 shall survive the expiration or earlier termination of this Lease.

20. Alterations. Subject to the provisions of Paragraph 11 of this Lease, Tenant shall have the right, at all times during the continuance of this Lease and at its own cost and expense, to make such changes, improvements, alterations and additions to the Demised Premises, erect such building(s) and/or improvements thereon, thereunder or thereafter as Tenant may desire and demolish any building(s), improvement(s), and/or structures that are now situated thereon or that may hereafter be erected without Landlord's consent or approval, subject to all applicable permit applications, inspections and approvals in the normal course of City business. Notwithstanding the foregoing provision to the contrary, Tenant covenants and agrees not to make any alteration, addition, substitution, replacement, modification or change to any buildings or improvements on the Demised Premises without Landlord's prior written consent, which would: (i) increase the size of any building constructed on the Demised Premises; (ii) result in a substantial change to the architectural style of the exterior of any buildings constructed on the Demised Premises; (iii) materially alter the parking and/or ingress and egress patterns to and from the Demised Premises; or (iv) materially alter the lighting intensity level of the portions of the Demised Premises used for parking. Tenant shall submit to Landlord for its approval plans and specifications for any changes, improvements, alterations or additions to the Demised Premises, which pursuant to the terms of this Paragraph require the Landlord's consent, and Landlord agrees to notify Tenant within thirty (30) days of its receipt of such plans and specifications whether or not it approves of such changes, improvements, alterations or additions. Landlord agrees to cooperate with Tenant, without expense to Landlord, in securing such permits as may be necessary to accomplish any of the work under the provisions of this Lease relating to construction, alterations, and/or building(s) to be constructed. Tenant agrees to replace, restore, and rebuild any building(s) and improvements demolished by Tenant, or, at Tenant's option, to construct new building(s) and improvements whose value shall be at least equal to the building(s) and improvements prior to such demolition.

21. Condemnation.

A. If the entire Demised Premises shall be taken by the exercise of the right of eminent domain for any public or quasi-public improvement or use, this Lease and the Term hereby granted shall then expire, and Fixed Rent and all other obligations hereunder shall expire, on the date when title to the Demised Premises shall vest in the appropriate authority or on the date when any possession is required to be surrendered, whichever is earlier.

B. If:

(i) so substantial a portion of the Demised Premises or any building or improvements or parking shall be so taken as to make same unusable in Tenant's sole opinion for the purposes to which the Demised Premises shall be devoted; or

(ii) there is a permanent deprivation of access to adjacent streets or highways, then Tenant shall have the right to cancel or terminate this Lease on written notice to Landlord, which shall be effective on the date when title to the portion(s) so

taken shall vest in the appropriate authority or, at Tenant's option, on the date physical possession is required to be surrendered. In recognition of Tenant's Option to purchase the Demised Premises under the Lease and the application of Tenant's Fixed Rent payments toward the cost of purchasing the Demised Premises, Landlord agrees that on such entire or partial taking Tenant shall be entitled to a portion of the condemnation award for the value of the fee ownership of the Demised Premises based upon the number of lease years that expired before such condemnation compared to the twenty-five (25) year Lease Term (e.g. if all or a portion of the Demised Premises is condemned in the fifteenth (15th) lease year, Tenant shall be entitled to sixty percent (60%) of any resulting award for value of the fee ownership of such condemned property). Additionally, Tenant shall be entitled to make a separate claim against the condemning authority for any business losses which may be reasonable, which for purposes of this Lease shall be deemed to include Tenant's unamortized cost of constructing the improvements located on the Demised Premises and any moving expenses. Fixed Rent and all other costs hereunder shall be apportioned and adjusted and any advance rent shall be apportioned through the date of termination. Landlord agrees to cooperate with Tenant in obtaining any condemnation award(s).

C. If Tenant shall not cancel the Lease as hereinabove provided in subparagraph B, this Lease shall not terminate, but the rental for the land constituting the Demised Premises shall be reduced in proportion to the amount of land taken (in some instances, to the amount of building taken) and Tenant shall make such repairs or construction at its own cost and expense and any awards shall be paid to Tenant for such purpose.

22. Interest on Past Due Obligations. Tenant acknowledges that late payment by Tenant to Landlord of Rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the premises. Accordingly, if Tenant fails to make any payment of any sum or amount to be paid by Tenant hereunder on or before the date such payment is due and payable shall pay to Landlord an administrative late charge of two percent (5%) of the amount of such payment. In addition, all such past due payment shall bear interest at 4.75% per annum (or the maximum interest rate then allowable under the laws of the State in which the Premises is located, if such percentage is then disallowed as being too high under the laws of the State in which the Premises is located) from the due date until paid, unless otherwise specifically provided herein. The parties agree that such administrative late charge and late payment interest represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge and late payment interest by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

23. Effect of Unavoidable Delays. The provisions of this Paragraph 23 shall be applicable if there shall occur, during or prior to the Lease Term any:

A. Strike, lockout, or labor dispute affecting the Demised Premises or any portion thereof; or

B. Inability to obtain labor or materials or reasonable substitutes therefor; or

C. Acts of God, governmental restrictions, regulations, or controls; enemy or hostile governmental action, civil commotion, insurrection, revolution, sabotage, or fire or other casualty, or other conditions beyond the control of the Tenant.

D. Unreasonable delays in City of Tarpon Springs permitting review process.

If Tenant shall, as the result of any such event, fail punctually to perform any Lease obligation other than Tenant's obligations to pay fixed rent or other monetary payments under this Lease, then such obligation shall be punctually performed as soon as practicable after such event shall abate. If Tenant, as a result of any such event, shall be unable to exercise any right or option within any time limit provided therefor in this Lease, such time limit shall be deemed extended for a period equal to the duration of such event, provided that within thirty (30) days after the happening of any event for which Tenant shall be entitled to an extension hereunder, Tenant shall send to Landlord written notice describing such event.

24. Estoppel Certificates.

A. Landlord shall, without charge, at any time and from time to time, within twenty (20) days after request by Tenant, certify by written instrument which Landlord shall duly execute and acknowledge in recordable form and deliver to Tenant, or any mortgagees selected by Tenant, or any assignee of any mortgagee or purchaser or sublessee, or any proposed mortgagee or proposed purchaser or proposed sublessee, or any other person, firm or corporation specified by Tenant:

(i) That this Lease is unmodified and in full force and effect, (or, if there has been a modification, that the same is in full force and effect as modified and stating the modification);

(ii) The dates, if any, to which the Fixed Rent and additional rent, impositions, and other charges hereunder have been paid in advance;

(iii) Whether Tenant is or is not in default in the performance of any covenant, condition or agreement on Tenant's part to be performed and the nature of Tenant's default, if any; and such other pertinent information as Tenant or the holder of a mortgage described in Paragraph 13 or 14 hereof may request.

B. Tenant shall, without charge, at any time and from time to time, within twenty (20) days after request by Landlord, certify by written instrument, duly executed and acknowledged in recordable form and deliver same to Landlord.

(i) That this Lease is unmodified and in full force and effect, (or if there has been a modification that the modification is in full force and effect and stating the modification);

(ii) The dates to which the Fixed Rent, additional rent, taxes, insurance, and other charges hereunder have been paid;

(iii) Whether Landlord is in default in the performance of any covenants, terms, and conditions on Landlord's part to be performed and the nature of Landlord's default, if any; and

(iv) Such other information as Landlord may request.

25. Conditions.

This Lease and the rights and obligations of Tenant hereunder are expressly contingent upon the satisfaction of the following conditions each of which may be referred to as a "Condition":

A. Environmental Audit and Testing. Tenant may, at its option, obtain a Phase I Environmental Audit of the Demised Premises and any other environmental or geotechnical testing which Tenant deems reasonably necessary to evaluate potential environmental risks. If such audit or tests reveal the existence of any toxic or hazardous waste, material or substance on or under the Demised Premises or any other environmental or geotechnical conditions which would adversely affect Tenant's ability to finance, use and/or develop the Demised Premises, as determined by Tenant in its discretion, then Tenant may terminate this Lease by written notice to Landlord given within the Inspection Period (as defined below). Tenant shall furnish to Landlord a copy of its Phase I Environmental Audit and/or other environmental report, provided, however, that Landlord agrees to use such audit and reports for informational purposes only and Landlord shall not be entitled to rely on the results of such audit and/or reports.

B. Title and Survey. Tenant may, at its option, obtain a current title commitment (the "Commitment") and a certified survey of the Demised Premises bearing a legal description of the Demised Premises (the "Survey") made and prepared by a reputable and competent licensed surveyor showing (i) the area, dimension and locations of the Demised Premises to the nearest monuments, streets and alleys on all

sides; (ii) the location and description of all existing and/or proposed easements against or appurtenant to the Demised Premises; and (iii) the location of all improvements and encroachments. If Tenant objects to any matters revealed by the Commitment or the Survey, as determined by Tenant in its discretion, Tenant may deliver written notice to Landlord within ten (10) business days following receipt of the Commitment and Survey. If Landlord cures such objections during the Inspection Period to Tenant's satisfaction, then such objections shall be deemed waived. If Landlord refuses or fails to cure such to Tenant's satisfaction during the Inspection Period, Tenant may terminate this Lease by written notice to Landlord given within five (5) days following the end of the Inspection Period. The Inspection Period shall be sixty (60) days commencing on the Effective Date of this Lease.

C. Density. The transfer of six (6) residential units to the Demised Premises by the Landlord.

D. Landlord Approvals. Approval by the City of the site plan and building permits to facilitate the construction of the Project.

26. Initialed Exhibits. Any and all exhibits, schedules, and plans annexed to this Lease have been initialed by the parties hereto for the purposes of identification.

27. Lease of the Demised Premises "As Is". Except as otherwise specifically set forth in this lease, the lease of the Demised Premises hereunder is made on an "as is" basis with all faults and without representations or warranties of any kind or nature, express, implied, or otherwise, including but not limited to, any representation or warranty concerning the physical condition of the Demised Premises or any part thereof. Tenant acknowledges that Tenant has completed all inspections or examinations relating to the Demised Premises hereunder and will lease the same in the condition found to exist, without warranty or representation on the part of the Landlord, as aforesaid.

28. Compliance with Environmental Laws.

A. Tenant agrees that it shall not use or store in violation of any applicable law, code, ordinance, rule, or regulation and shall not discharge, dump, or spill, or store any Hazardous Substances (hereinafter defined) on or about the Demised Premises during the Term, provided, however, that the foregoing shall not prevent or prohibit Tenant from using commercial cleaning products in connection with its business as long as Tenant's storage, use and disposal of such products is in compliance with all applicable laws, codes, rules and regulations. If any such Hazardous Substances are introduced in any manner by the Tenant, its agents or employees on or about the Demised Premises in violation of applicable law, all costs of remediating the Demised Premises in accordance with applicable law incurred by, all liability imposed upon, or damages suffered by, the Landlord, shall be borne by the Tenant, which costs, liability, and damages Tenant shall pay the Landlord within thirty (30) days of receipt of a properly documented invoice from the Landlord. In the event the Tenant fails to perform such remediation or to reimburse the Landlord for such costs, liability, and damages as set forth above, the Landlord shall have the right, at its election, to immediately take any appropriate legal action and to immediately terminate this Lease without waiving the Landlord's rights to damages for the Tenant's failure to perform such work. The provisions of the immediately preceding

provisions of this Paragraph to the contrary notwithstanding, the Landlord shall not be obligated to perform such environmental remediation and shall not be liable to the Tenant for not performing such work. The rights granted to the Landlord herein shall be in furtherance, and not in limitation of any other rights the Landlord may have pursuant to this Lease. Tenant agrees to indemnify and hold the Landlord harmless from any loss or claim for damages occasioned as a result of the Tenant's violation of the terms of this Paragraph. Tenant's obligations and liabilities under this Paragraph shall survive the expiration or termination of this Lease. For the purposes of this Lease, the term "Hazardous Substances" shall mean any and all toxic or hazardous substances, chemicals, materials or pollutants, of any kind or nature, which are regulated, governed, restricted or prohibited by any federal, state or local law, decision, statute, rule, or ordinance currently in existence or hereafter enacted or rendered, and shall include (without limitation), all oil, gasoline and petroleum based substances.

B. Tenant agrees that Tenant shall have all obligations and responsibilities with respect to Hazardous Substances in, upon or about the Demised Premises. if Tenant exercises its Option to purchase the Demised Premises pursuant to this Lease.

29. Ownership of Improvements. Tenant shall own and have the right to take the depreciation deductions under the tax laws for any buildings and improvements heretofore or hereafter erected on the Demised Premises.

30. Waiver of Subrogation. Landlord and Tenant hereby mutually waive all rights and claims against each other and against the holders of the mortgages described in Paragraphs 13 and 14 hereof for all losses covered by their respective insurance policies, and waive all rights of subrogation of their respective insurers. Landlord and Tenant hereby agree that their respective insurance policies are now, or shall be prior to the Commencement Date, endorsed so that such waivers of subrogation shall not affect their respective rights to recover thereunder.

31. Partial Invalidity. If any term, covenant, condition, or provision of this Lease or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which this Lease is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition, and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

32. Notices. Any notice required or permitted to be given under this Lease must be given only by one of the following: (a) United States registered or certified mail, postage prepaid, return receipt requested, (b) reputable overnight courier service which provides written evidence of delivery, or (c) personal delivery; and addressed as follows:

**Landlord:**

**CITY OF TARPON SPRINGS  
c/o Mark G. LeCouris, City Manager  
324 E. Pine St.  
Tarpon Springs, FL 34689**

**Tenant:**

**DENAMI HOLDINGS, LLC  
c/o Nick Mavromatis, Managing Member  
514 Anclote Road  
Tarpon Springs, FL 34689**

**Copy to:**

**Thomas J. Trask, Esq. City Attorney  
Trask Daigneault, LLP  
1001 South Ft. Harrison Ave.  
Suite 201  
Clearwater, FL 33756**

Notices shall be deemed received upon delivery or refusal of delivery. Any party may change the address to which its notices are sent by giving the other party written notice of any such change in the manner provided in this Paragraph 32, but notice of change of address is effective only upon receipt.

33. Binding on Successors and Assigns. Except as otherwise provided in this Lease, all covenants, agreements, provisions, and conditions of this Lease shall be binding on and inure to the benefit of the parties hereto, their respective personal representatives, successors, and assigns. No modification or termination of this Lease shall be binding unless evidenced by an agreement in writing signed by Landlord and Tenant.

34. Broker. Landlord and Tenant hereby represent and warrant to each other that they have not engaged, employed or utilized the services of any business or real estate brokers, salesmen, agents or finders in the initiation, negotiation or consummation of the business and real estate transaction reflected in this Lease including, without limitation, Tenant's Option to purchase the Demised Premises. Each party hereby agrees to indemnify and save and hold the other party harmless from and against the payment of any commissions or fees to or claims for commissions or fees by any real estate or business broker, salesman, agent or finder resulting from or arising out of any actions taken or agreements made by them with respect to the business and real estate transaction reflected in this Lease.

35. No Merger. Notwithstanding any provision of this Lease to the contrary, if at any time or times during the Term of this Lease, Landlord and Tenant shall be the same person, party, or entity, Landlord's and Tenant's interests shall remain separate and distinct, and shall not be merged into one estate, so as to cancel, terminate, or extinguish this Lease by law or otherwise.

36. Captions. The captions of the Paragraphs of this instrument are solely for convenience and shall not be deemed a part of this instrument for the purpose of construing the meaning thereof, or for any other purpose.

37. Quiet Enjoyment. Landlord agrees, covenants, and warrants that as long as Tenant faithfully performs the agreements, terms, covenants, and conditions of this Lease within the grace periods and extended periods for any unavoidable delays, Tenant shall peaceably and quietly have, hold, and enjoy the Demised Premises for the Term and extensions thereof hereby granted without molestation or disturbance by or from Landlord and free of any and all encumbrances created or suffered by Landlord.

38. No Waiver. No waiver of any covenant or condition contained in this Lease or of any breach of any such covenant or condition shall constitute a waiver of any subsequent breach of such covenant or condition by either party, or justify or authorize the nonobservance on any other occasion of the same or any other covenant or condition hereof of either party.

39. Interpretation; Consents. This Lease shall be construed in accordance with the law of the State of Florida. Whenever the contents of any provision shall require it, the singular number shall be held to include the plural number, and vice versa. The neuter gender includes the masculine and the feminine. All references to "days" contained herein are references to calendar days, unless otherwise specified and are based on the seven (7) day week including holidays. In the event specific performance is due on a day which is a legal holiday or weekend, performance shall be postponed to the next business day. Landlord and Tenant agree that any legal proceedings with respect to the enforcement or interpretation of this Lease or with respect to the Demised Premises shall be brought in the Circuit Court of Pinellas County, Florida, and Landlord and Tenant hereby submit to the jurisdiction of such court. Whenever a party is asked to provide consent under this Lease, unless expressly stated otherwise, such party shall not unreasonably withhold or delay giving the consent requested.

40. Cost of Litigation. In the event of any litigation between the parties hereto for the enforcement or interpretation of any provisions herein, the prevailing party shall be entitled to recover from the other party its costs of such litigation including reasonable attorney's fees whether at the trial level or on appeal.

41. Deposit. As security for the performance of all of the terms and conditions of this Lease to be performed by Tenant, Tenant has deposited with Landlord a security deposit in the amount of \$15,000.00. If not otherwise expressly stated herein, the full amount of the security deposit shall be returned to Tenant, without interest, within thirty (30) days after the expiration or termination of this Lease, provided Tenant is not in default hereunder and has fully and faithfully performed all of Tenant's obligations hereunder, including, but not limited to, the payment of Rent. Landlord shall have the right, but not the obligation, to apply any part of the security deposit to past due Rent, or any other obligation of Tenant, however, Landlord's election to do so will not constitute a remedy for default. In the event Landlord applies any portion of the security deposit to such Rent due from Tenant,

Tenant shall, within five (5) days of receipt of notice from Landlord, replenish and restore the security deposit to the amount set forth above. In the event Landlord sells, transfers or assigns its interest in the Premises, Landlord shall have the right to transfer the security deposit to such buyer, transferee or assignee, and Landlord shall be released from all liability for the return of the security deposit to Tenant, and Tenant agrees to look solely to such buyer, transferee or assignee.

42. Release of Landlord on Sale. If Landlord transfers the Demised Premises by sale or exchange, such sale or exchange shall be expressly made subject to this Lease, including Tenant's Option to purchase the Demised Premises. Upon such transfer, the transferring Landlord shall be released by Tenant from all its responsibilities as Landlord which accrue after the date of such transfer, but not any unperformed obligations that accrue prior to the date of such transfer. Landlord shall be responsible for providing Tenant with notice of any transfer, and Tenant shall not be required to pay Fixed Rent or any other sums to Landlord's transferee until such notice is delivered to Tenant. All payments sent to Landlord by Tenant prior to its receipt of Landlord's transfer notice shall be credited to Tenant, regardless of when the transfer from Landlord actually shall have occurred. Upon request by the successor Landlord, Tenant shall attorn to the successor Landlord if the successor agrees in writing that Tenant's rights under this Lease shall be recognized and not disturbed so long as Tenant is not in default.

43. Entire Agreement. This Lease contains the entire agreement of the parties hereto with respect to the letting and hiring of the Demised Premises described above and this Lease may not be amended, modified, released, or discharged, in whole or in part, except by an instrument in writing signed by the parties hereto, their respective successors or assigns.

44. Option to Purchase.

Landlord grants to Tenant the option to purchase the Demised Premises ("Option") under the following terms and conditions:

(a) **Purchase Price:** The Purchase Price at the end of the Lease Term shall be Two Thousand Five Hundred and 00/100 Dollars(\$2,500.00), provided that any and all payments of Fixed Rent and all other payments required to be made by Tenant hereunder have been made.

(b) **Term.** The term for this Option shall be -thirty months from the Commencement Date of this Lease. Tenant may exercise its Option at any time during the Lease Term after the shell of the building consisting of the structural components that completely enclose a building, including, but not limited to, the foundation, structural frame, exterior walls, and roof system have been constructed and inspected for approval by the Landlord (Building Official).

(c) **Date of Closing:** This Option, if exercised, shall be closed on a date mutually agreed upon by Tenant and Landlord, which date shall be within ninety (90) days after delivery of Tenant's written intention to exercise the Option.

(d) **Conveyance, Restrictions and Easements**: Landlord agrees to convey title to the Demised Premises to Tenant, by special warranty deed, free and clear of all encumbrances or liens, except (a) zoning and/or restrictions and prohibitions imposed by governmental authority and (b) property taxes; (c) easements of record. Landlord shall select the title company and shall provide Tenant with a title commitment from a national title insurance company that is reasonably acceptable to Tenant within ten (20) days after Tenant exercises its Option, which commitment shall show title to the Demised Premises vested in Landlord without any unacceptable encumbrances, and Landlord agrees to pay for the owner's policy of title insurance at closing. The value of the owner's title policy shall be an amount equal to two hundred and seventy five thousand Dollars (\$275,000.00).

(e) **Expenses**: Tenant shall pay all closing costs, including but not limited to documentary stamps which are required to be affixed to the special warranty deed, and recording of the deed, and each party shall pay its own legal fees. Fixed Rent shall be prorated to the closing date.

(f) **Default**: If Tenant fails to perform any of the covenants of this Option, this Option shall remain in place for sixty (60) days following delivery of written notice of said failure to Tenant. Should Tenant fail to exercise this Option within said sixty (60) day timeframe, Tenant thereafter shall not be entitled to exercise this Option, and the same shall be considered null and void; however, the Lease shall remain in force. If Landlord fails to close as required hereunder, Tenant shall have all remedies available at law or in equity, including, without limitation, the right to specifically enforce its right to acquire the Demised Premises pursuant to this Option.

(g) **Fees**: In connection with any litigation arising out of this Option, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' and paralegals' fees.

(h) **Sole Agreement**: No other agreements or representations relating to the Option shall be binding upon the parties.

This Option may not be separated from the leasehold interest created under this Lease, and any attempt to assign, set- over, convey or in any way transfer this Option separately from this Lease shall be null and void unless the Landlord consents, which will not be unreasonably withheld, in writing, to any such assignment.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals to duplicates hereof, the day and year first above written, or caused the within to be duly executed by their proper officers and the seal of the corporation hereto affixed by proper authority of their Board of Directors.

[SIGNATURE PAGES TO FOLLOW]

Two Witnesses

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

**COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF  
TARPON SPRINGS**

By: \_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me, by means of  physical presence or  online authorization, by \_\_\_\_\_, as \_\_\_\_\_ of COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TARPON SPRINGS, who  is personally known to me or  has produced \_\_\_\_\_ as identification, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires:

**ATTEST:**

\_\_\_\_\_  
Irene S. Jacobs, CMC, City Clerk & Collector

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Thomas J. Trask, Esquire  
City Attorney

Two Witnesses

**DENAMI HOLDINGS, LLC**

\_\_\_\_\_  
(Print Name)\_\_\_\_\_

By: \_\_\_\_\_  
Nick Mavromatis, Managing Member

\_\_\_\_\_  
(Print Name)\_\_\_\_\_

[CORPORATE SEAL]

STATE OF FLORIDA  
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me, by means of  physical presence or  online authorization, by Nick Mavromatis as Managing Member of DENAMI HOLDINGS, LLC, who  is personally known to me or  has produced \_\_\_\_\_ as identification, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires:

EXHIBIT A

Lot 3, Block 67, Map of the Town of Tarpon Springs, according to the map or plat thereof as recorded in Plat Book 4, Page 78 of the Public Records of Pinellas County, Florida.