

***THE SPRUCE CREEK TERRACE SHOPPES***

***17860 SE 109TH AVE***

***SUMMERFIELD, FL 34491***

***TENANT LEASE***

***FOR***

***UNIT # 601B/602***

***MARION COUNTY BOARD OF COMMISSIONERS FOR  
MARION COUNTY TAX COLLECTOR***

# ***LEASE***

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THIS AGREEMENT OF LEASE (the "Lease") is made this 7th day of September, 2010 by and between **FH/2, L.L.C., A FLORIDA LIMITED LIABILITY COMPANY**, as Lessor (the "Landlord"), and **Marion County Florida, a political subdivision of the State of Florida** as Lessee (the "Tenant").

WITNESSETH:

## **SECTION 1**

### **Premises**

In consideration of the rents to be paid and covenants and agreements to be performed by Tenant, Landlord does hereby lease unto Tenant certain premises (the "Premises") in the property known as ***The Spruce Creek Terrace Shoppes*** located at **17860 SE 109TH AVE, Summerfield, Florida 34491** (the "Terrace Shoppes"). The location, size and area of the Premises shall be substantially as shown by cross-hatching on the plan of the Terrace Shoppes attached hereto as Exhibit "A", which is identified by the initials of the parties hereto and is incorporated herein by this reference. The Premises are identified as Unit Number **#601B/602** and have a ground floor area of approximately **2,145** square feet. Landlord may increase, decrease, or otherwise modify the location of the Premises, and other features comprising the Terrace Shoppes, in any manner in which Landlord shall deem proper provided, however, that Landlord may not substantially alter the location of the Premises as shown in Exhibit "A" without the prior written consent of Tenant.

## **SECTION 2**

### **Improvements to Premises**

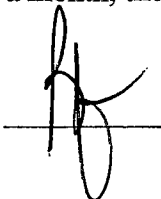
Tenant is leasing the Premises in their "AS IS" condition except as specified in the addendum attached hereto as Exhibit "C". Any other improvements to the Premises desired or needed by Tenant, including, but not limited to, interior partitioning, custom display windows and entryways, plumbing, electrical systems and equipment, shall be installed by Tenant at Tenant's sole cost and expense provided, however, that written approval of Landlord must be obtained prior to commencement of construction of any such improvements, which written approval shall not be unreasonably withheld, and the construction of all improvements shall be performed by licensed contractors. Upon any termination of the Lease all such improvements shall be the sole property of Landlord.

## **SECTION 3**

### **Term**

The term of this Lease shall be for a period of 5 (**Five**) years, beginning on the Commencement Date (as hereinafter defined), except that if the Commencement Date shall be a day other than the first day of a month, then the period of time between the Commencement Date and the first

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day of the month next following shall be added to the term of the Lease. Each period of twelve (12) consecutive months, commencing upon the Commencement Date, shall be known as a "Lease Year".

#### **SECTION 4** **Lease Extensions**

Upon Tenant's request the term of this Lease may be extended for **(2) two** successive period(s) of **(5) Five** year(s) each, upon approval of Landlord. Landlord may set new rates in an agreement between the parties reached prior to Landlord's approval for any lease extensions. Landlord's approval is at Landlord's sole discretion. *Tenant shall notify Landlord in writing no later than six (6) months prior to the end of the original term and/or previous lease extension that it elects that said term not be so extended, and in such event the term of this Lease shall expire in accordance with such notice.*

#### **SECTION 5** **Commencement Date**

As herein used, the term "Commencement Date" shall mean **September 15, 2010**.

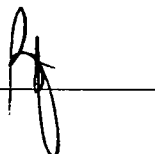
#### **SECTION 6** **Minimum Rent**

Tenant shall pay to Landlord as rent for the Premises in legal tender of the United States a monthly minimum rental, plus applicable sales tax, as follows:

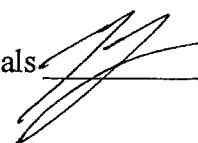
<u>Lease Year</u>	<u>Base Rent</u>	<u>Monthly Rental</u> (without taxes or other additional rental)	<u>Yearly Total</u> (without taxes or other additional rental)
1	\$ 13.50 per sq. ft.	\$2,413.12	\$28,957.50
2	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)
3 - 5	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)	(Prior Lease Year's Amount plus scheduled CPI increase as per Section below)

All such rent shall be payable in advance on the first (1st) day of each and every calendar month. If the Lease term shall commence on a day other than the first day of a calendar month or shall end on a day other than the last day of a calendar month, the minimum rent for such first or last fractional month shall be such proportion of the monthly minimum rent as the number of days in such fractional month bears to the total number of days in such calendar month. All rent payable

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under this Lease shall be paid to Landlord without set-off or withholding for any reason and shall be mailed to Landlord at 10935 S.E. 177th Place, #305 Summerfield, FL. 34491 or such other address of which Landlord shall notify Tenant.

#### **SECTION 7**

##### **Base Rent Increases**

Commencing with the second Lease Year, and the beginning of each Lease Year thereafter during the term of this Lease, the Minimum Rent shall be adjusted in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers (U.S. City Average: All Items) (hereinafter referred to as "CPI") issued by the Bureau of Labor Statistics of the U.S. Department of Labor using the years 1982-1984 as a base of 100 "Index". At the commencement of the second Lease Year, and on each Lease Year thereafter, the Minimum Rent shall be adjusted by multiplying said rent by a fraction, the numerator of which shall be the Index number for the month preceding the commencement of the new Lease Year, and the denominator of which shall be the Index number for the month of the Commencement Date. In the event that the Index herein referred to ceases to be published during the term of the Lease, or if a substantial change is made in the method of establishing such Index, then the determination of the adjustment of the Minimum Rent shall be made with the use of such conversion factor, formula or table, as may be published by the Bureau of Labor Statistics, or if none is available, the parties shall accept comparable statistics on the cost of living in the United States, as shall then be computed and published by an agency of the United States, or if none, by a respected financial periodical selected by Landlord.

#### **SECTION 8**

##### **Sales Tax**

MARION COUNTY FLORIDA AND THE MARION COUNTY TAX COLLECTOR ARE GOVERNMENT AGENCIES AND AS SUCH ARE TAX EXEMPT. MARION COUNTY'S TAX EXEMPT NUMBER IS 85-801389606-4C-4.

#### **SECTION 9**

##### **Advance Rent**

Tenant will deposit upon execution of the Lease with Landlord the sum of \$ 8,445.94 which represents 2 ½ times the amount of \$3,378.37 as advance rent for 15 days in September and the months of October and November, 2010. After this initial advanced rent Tenant shall begin regular monthly rental payments of \$3,378.37 on December 1, 2010 and a like amount on the first day of each month thereafter for remainder of the lease term.

#### **SECTION 10**

##### **Occupancy of Premises**

Taking possession of the Premises by Tenant shall constitute complete acceptance of the Premises in their then condition, and waiver of any obligation of Landlord in making further improvements to the Premises unless mutually agreed to between Landlord and Tenant in writing

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prior to the date of Tenant's possession. Tenant acknowledges and agrees that it has examined the Premises and the present condition thereof and accepts the Premises in their "AS IS" condition subject to the provisions of the addendum attached hereto as Exhibit C. Tenant agrees to furnish Landlord at the time of taking possession of the Premises an executed letter of acceptance and a current certificate of insurance giving proof of Tenant's compliance with all of the insurance requirements contained in this Lease. Tenant further agrees to furnish Landlord, at Landlord's request, an executed estoppel letter stating the amount and date due of the monthly rental payment, and that neither Landlord nor Tenant are in default under the terms of the Lease.

## SECTION 11

### Late Payments and Dishonored Checks

If Tenant shall fail to pay any rent when due, Tenant shall also pay to Landlord an late payment service charge covering administrative and overhead expenses equal to \$.05 for each \$1.00 so overdue. Notwithstanding anything to the contrary contained in this Lease, Tenant shall be in default under this Lease if any or all payments required to be made by Tenant are not made at the time herein stipulated, and neither demand nor collection by Landlord of such late payment service charge shall be construed as a cure for such default on the part of Tenant. A payment is considered late if received five (5) business days or more after such payment is due. If payment made by check is dishonored by Tenant's bank, the amount due shall be deemed a "late payment" and treated as set forth herein. In addition to the late charge, Tenant shall pay to Landlord a service charge covering administrative expenses of \$50.00. If during the term of this Lease more than two (2) of Tenant's checks are dishonored by Tenant's bank, then Landlord, at Landlord's sole discretion, may require all future rent of Tenant to be paid by cashier's check or money order only.

## SECTION 12

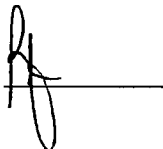
### Use and Occupancy

The Premises during the term of this Lease shall be occupied for the operating and conducting therein of **Marion County Tax Collector Services** under the name of **Marion County Tax Collector** and as an incidental part of **Marion County Tax Collector's** business in the Leased Premises, as well as other uses consistent with The Spruce Creek Terrace Shoppes, and for no other purpose whatsoever without consent of Landlord in writing.

**Marion County Tax Collector** shall at all times conduct its operations on the Premises in a lawful manner and in compliance with all governmental laws, rules, regulations and orders applicable to the business of **Marion County Tax Collector**, except for any such compliance which is exclusively the obligation of Landlord under this Lease. **Marion County Tax Collector** shall observe and comply with all recorded restrictive covenants applicable to the Premises.

Tenant shall not install any aerial on the roof or exterior walls of the Premises without first obtaining the written consent of Landlord, which consent shall be in the sole discretion of Landlord.

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**Marion County Tax Collector** shall use in its advertised business address the name of The Spruce Creek Terrace Shoppes. **Marion County Tax Collector** shall not use the name of the Terrace Shoppes for any purpose other than that it is the address for the business to be conducted in the Premises, and Tenant shall not acquire any property right in or to any name which contains the name of the Terrace Shoppes as a part thereof.

**Marion County Tax Collector** covenants that it will use, occupy, and operate the entire Premises continually and without interruption during the term of the Lease in a competent, dignified, and energetic manner consistent with all the terms and conditions of this Lease (including the rules and regulations that may be reasonably promulgated by Landlord with minimum interruption to Tenant's business), and to keep the Premises in a clean and neat condition and not suffer, permit, or commit any waste or nuisance.

### **SECTION 13**

#### **Waste and Refuse Removal**

Tenant covenants that Tenant will use, maintain and occupy the Premises in a careful, safe, lawful and proper manner and will not commit waste therein. Tenant agrees to remove all refuse from the Premises in a timely, clean and sanitary manner. Refuse is to be kept within the Premises until removed, and refuse shall be removed from the Premises on a daily basis, or Tenant agrees to provide a refuse collection container at the rear of the Premises to accommodate Tenant's refuse. In this event Tenant shall contract with a licensed or insured refuse collection contractor to timely remove said refuse. The location and type of the container is to be approved by Landlord.

### **SECTION 14**

#### **Utilities**

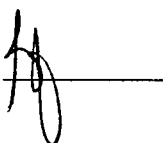
Tenant agrees to be responsible and pay for all public utility services rendered or furnished to the Premises during the term hereof, including heat, water, gas, electric, etc., together with all taxes, levies or other charges on such utility services. Should any utility service not be separately metered, then Tenant shall be responsible for its pro rata share thereof as determined from time to time and billed by Landlord. Landlord shall not be liable for the quality or quantity of or interference involving such utilities unless due directly to Landlord's negligence. During the term hereof, whether the Premises are occupied or unoccupied, Tenant agrees to maintain heat sufficient to heat the Premises so as to avert any damage to the Premises on account of cold weather.

### **SECTION 15**

#### **Common Areas**

"Common Areas" means all areas and facilities in the Terrace Shoppes provided and so designated by Landlord or otherwise made available by Landlord for the common use and benefit of tenants of the Terrace Shoppes and their customers, employees and invitees. Common Areas shall include (to the extent the same are constructed), but not be limited to, the parking areas, sidewalks, landscaped areas, corridors, stairways, boundary walls and fences, incinerators,

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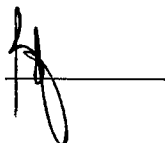
driveways, service roads, service areas, open and enclosed courts and malls, waterscapes, bus stops, retaining walls, and restrooms not located within the premises of any tenant. The "Common Areas" as determined by Landlord from time to time, are subject to (i) the right of Landlord to later substitute from time to time any parking area or part thereof, or other parking spaces substantially equal in area and reasonable to tenants of the Terrace Shoppes and their employees, agents, customers, and invitees; (ii) the right of the Landlord to make such changes in the Common Areas will not substantially reduce the total Common Areas but will, in the sole and absolute judgment of Landlord, be in the best interest of the tenants of the Terrace Shoppes, including the right to locate any improvements thereto, and the right to enclose, heat, ventilate and air condition a mall, if any; and (iii) the right of Landlord to rearrange or make changes in buildings or other premises including entrances, loading docks and other portions of the Terrace Shoppes, except the Premises. Landlord may make any of the aforesaid changes or substitutions to the Common Areas at any time and from time to time and no such change shall entitle Tenant to any abatement of rent.

Throughout the term hereof, Landlord shall operate and maintain the Common Areas, including the parking areas for the use and benefit of the tenants of the Terrace Shoppes and their customers, employees and invitees. Landlord shall at all times have exclusive control of the Common Areas and may at any time and from time to time: (i) promulgate, modify and amend reasonable rules and regulations for the use of the Common Areas, which rules and regulations shall be binding upon Tenant upon the delivery of a copy thereof to Tenant; (ii) temporarily close any part of the Common Areas, including but not limited to closing the street, sidewalks, road or other facilities to the extent necessary to prevent a dedication thereof or the accrual of rights for any reason or of the public therein; (iii) exclude and restrain anyone from the use or occupancy of the Common Areas or any part thereof except bona fide customers and suppliers of the tenants of the Terrace Shoppes who use said areas in accordance with the rules and regulations established by Landlord; (iv) engage others to operate and maintain all or any part of the Common Areas, on such terms and conditions as Landlord shall, in its sole judgment, deem reasonable and proper; and (v) make such changes in the Common Areas as in its opinion are in the best interest of the Terrace Shoppes, including but not limited to changing the location of walkways, service areas, driveways, entrances, existing automobile parking spaces and other facilities, changing the direction and flow of traffic and establishing prohibited areas.

Tenant shall keep all Common Areas free of obstructions created or permitted by Tenant. Tenant shall permit the use of the Common Areas only for normal parking and ingress and egress by its customers and suppliers to and from the Premises. Landlord shall nonetheless have the right at any time to remove or restrain any such unauthorized persons from the Common Areas. Landlord, Tenant, and others constructing improvements or making repairs or alterations in the Terrace Shoppes shall have the right to make reasonable use of portions of the Common Areas.

Tenant and its employees shall park their vehicles only in those portions of the Common Areas as are from time to time designated for that purpose by Landlord. Tenant agrees to assume responsibility for compliance by its employees with the parking provisions contained herein. Landlord shall have the right to have the automobiles of Tenant, or any of its agents or employee, removed from any area that is not designated by Landlord for the parking thereof or to

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take any other action to effect such removal and to charge Tenant as additional rent for all expenses incurred in connection with such removal.

## **SECTION 16**

### **Landlord's Repairs**

Landlord shall keep in good order, condition and repair the structural parts, the exterior foundation, the exterior walls (except for interior faces), the downspouts, the gutters and the roof of the building containing the Premises, and the plumbing and sewage system outside said building. "Structural parts" of the building shall mean only the foundation, the exterior walls, the concrete slabs, the beams and columns bearing the main load of the roof, and the floors (but not floor coverings). Notwithstanding the foregoing, Landlord shall not be obligated to repair: (i) the exterior or interior of any doors, windows, plate glass or showcase surrounding the Premises or the store front; (ii) any heating, ventilating or air-conditioning equipment in or serving the Premises, except as set forth below; (iii) any damage caused by any burglary, break-in, vandalism, war or act of God; or (iv) any damage caused by any negligent act or omission of Tenant or its customers, employees, agents, invitees, licensees or contractors. Landlord shall make all repairs within a reasonable time after notice from Tenant stating the need for repairs. Tenant hereby expressly waives the provisions of any law permitting repairs by a tenant at the Landlord's expense. Tenant shall be responsible for all repairs or replacements of the motors, compressors, condensers, or the entire heating, ventilation, and air conditioning ("HVAC" system) provided, however, that if Tenant maintains a service contract for the HVAC system, Landlord shall warrant the system during the first year of the Lease.

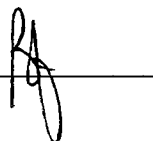
## **SECTION 17**

### **Tenant's Repairs**

Tenants shall keep, maintain, and replace if necessary at Tenant's expense, all and every other part of the Premises in good order, condition and repair, including, by way of example but not limitation: (i) all leasehold improvements; (ii) all heating, ventilating and air-conditioning equipment except as provided above; (iii) interior plumbing and sewage facilities; (iv) all interior lighting; (v) electric signs; (vi) all interior walls; (vii) floor coverings; (viii) ceilings; (ix) appliances and equipment; (x) all doors, exterior entrances, windows and window moldings; (xi) plate glass; (xii) signs and showcases surrounding and within the Premises; (xiii) the store front; and (xiv) any damages occasioned or caused by the actions of Tenant, its agents, invitees or employees as a result of Tenant's repair obligations hereunder. Landlord's roofing contractor is the only contractor permitted to have access, or to perform alterations of any kind, to the roof of the building.

If Landlord deems any repair which Tenant is required to make hereunder to be necessary, Landlord may demand that Tenant make such repair immediately. If Tenant refuses or neglects to make such repair and to complete the same with reasonable dispatch, Landlord may make such repair and Tenant shall, on demand, immediately pay to Landlord the cost of said repair, together with interest at ten percent (10%) per annum. Landlord shall not be liable to Tenant for

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any loss or damage that may accrue to Tenant's stock or business by reason of such work or its results.

## **SECTION 18**

### **Glass**

Tenant shall maintain the glass part of the Premises, promptly replacing any breakage and fully saving Landlord harmless from any loss, cost or damage resulting from such breakage or the replacement thereof.

## **SECTION 19**

### **Right to Remodel**

Tenant may, with Landlord's approval and at Tenant's expense, make repairs to and alterations in the Premises and remodel the Premises, excepting structural changes, in such manner and to such extent as may from time to time be deemed necessary by Tenant for adapting the Premises to the requirements and uses of Tenant and for the installation of Tenant's fixtures, appliances and equipment. All plans for such remodeling shall be submitted to Landlord for endorsement of its written approval prior to commencement of work. The interest of Landlord in the Premises shall not be subject to liens for improvements made by Tenant with respect to the Premises. Tenant will indemnify and save harmless Landlord from and against all insurance claims of any kind, mechanic's liens or claims by reason of repairs, alterations or improvements which may be made by Tenant on the Premises up to the limits of section 768.28, Florida Statutes and Tenant does not waive its sovereign immunity.

## **SECTION 20**

### **Fixtures**

Provided that Tenant shall repair any damage caused by removal of Tenant's property and provided that Tenant is not in default under this Lease, Tenant shall have the right to remove from the Premises all signs, shelving, electrical and other trade fixtures and equipment, window reflectors and backgrounds and any and all other trade fixtures which Tenant has installed upon the Premises. Upon the expiration or other termination of this Lease, Landlord shall have the right to require such removal by Tenant at Tenant's expenses.

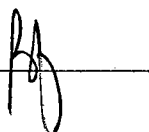
## **SECTION 21**

### **Operating Expenses**

As provided in this Section, Tenant shall pay to Landlord Tenant's "Proportionate Share" (as hereinafter defined) of all "Operating Expenses" (as hereinafter defined) of the Terrace Shoppes for each calendar year or fraction thereof during the term of this Lease. There shall be an appropriate adjustment of Tenant's Proportionate Share of the Operating Expenses as of the commencement of rent and expiration of the term of this Lease.

Tenant's "Proportionate Share" means a fraction, the numerator of which shall be the floor area of the Premises and the denominator of which shall be the floor area of all buildings in the

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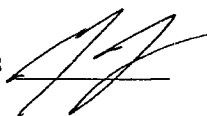
Terrace Shoppes. For the purposes hereof, the term "floor area" shall mean the number of square feet of total building area on all levels in the Terrace Shoppes (as initially constructed or as the same may at any time thereafter be enlarged or reduced) and measured in all cases to the exterior surface of exterior walls (or to the exterior line of the respective tenant's premises) and to the centerline of joint partitions and party walls, but excluding any floor space in the Common Areas and excluding the building roofs.

"Operating Expenses" of the Terrace Shoppes shall include without limitation all sums expended by Landlord in connection with the Common Areas for all general maintenance and repairs, re-surfacing, painting, re-striping, cleaning, sweeping and janitorial services; maintenance, repair, and replacement of sidewalks, curbs, fences and walls, Terrace Shoppes signs, sprinkler systems, planting and landscaping; lighting and other utilities; directional signs and other markers and bumpers; maintenance and repair of any fire protection systems, lighting systems, storm draining systems, roof patching and any other utility systems; personnel to implement such services including the cost of security guards; any government imposition or surcharge imposed against Landlord or assessed against the automobile parking area or any other portion of the Common Areas; all real estate taxes and assessments assessed, imposed or levied against property of Landlord (of which the Premises are a part), during any fiscal year which occurs wholly or partially during the term of this Lease; and all insurance including liability, fire, and casualty on the Terrace Shoppes and the Common Areas of the Terrace Shoppes, and including, without limitation, liability insurance for personal injury, death and property damage, insurance against fire, extended coverage, theft or other casualties, workers compensation insurance covering personnel, fidelity bonds for personnel, insurance against liability for assault and battery, defamation and claims of false arrest occurring on or about the Common Areas, plate glass insurance for glass exclusively serving the Common Areas; all costs and expenses pertaining to a security alarm system for tenants in the Terrace Shoppes; maintenance of sprinkler systems serving the Terrace Shoppes; removal of trash and debris; regulation of traffic; surcharges levied upon or assessed against parking spaces or areas, payments toward mass transit or car pooling facilities or otherwise as required by federal, state, or local governmental authorities; costs and expenses of maintenance, repair, and replacement of utility systems serving the Common Areas, including, but not limited to, water, sanitary sewer, and stormwater lines, pipes and conduits; costs and expenses of maintenance of water towers; costs and expenses of maintenance, repair, replacement and substitution of and for all portions of the Common Areas, both interior and exterior, on the Terrace Shoppes (excluding the Premises and premises leased to other Tenants) including, but not limited to, floors, floor coverings, ceilings, walls, roofs and roof flashings, canopies, skylights, signs, planters, benches, fountains, elevators, escalators, and stairs, fire exits and doors and hardware; costs and expenses of music program services and loud speaker systems, including furnishing electricity therefore; depreciation on maintenance and operating machinery and equipment (if owned) and rental paid for such machinery and equipment (if rented); and all costs and expenses of, and assessments paid to, the Spruce Creek Business Center Property Owners' Association Assessments. In addition, the Operating Expenses shall include a sum equal to fifteen percent (15%) of the total of the aforementioned expenses in each calendar year for the accounting, bookkeeping and collection of such expenses in connection with the Common Areas. Landlord may cause any or all of said services to be provided by an independent contractor or contractors. If Landlord should acquire or make available additional land not shown as part of the Terrace Shoppes on Exhibit "A" and make the

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same available for parking or other Common Area purposes, then the Operating Expenses shall also include all of the aforementioned expenses incurred and paid by Landlord in connection with that additional land.

From and after the date the monthly minimum rental commences under this Lease, Tenant shall pay to Landlord on the first day of each calendar month of the term of this Lease an amount estimated by Landlord to be **Tenant's Proportionate Share of Operating Expenses** currently estimated to be **\$5.40 per square foot per year paid monthly (\$ 965.25)**. Landlord may adjust the estimated monthly charge at the beginning of any calendar year on the basis of Landlord's experience and reasonable anticipated costs. Within ninety (90) days following the end of each calendar year, Landlord shall furnish Tenant a statement for that calendar year, certified as correct by an authorized representative of Landlord, showing the total Operating Expenses, the amount of Tenant's Proportionate Share thereof for that calendar year and the payments made by Tenant with respect to that calendar year. If Tenant's Proportionate Share of Operating Expenses exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within thirty (30) days after receipt of such statement. If said payment exceeds Tenant's Proportionate Share of Operating Expenses, Tenant shall be entitled to offset the excess against Operating Expense payments next thereafter to become due Landlord, or a refund if in the last year of the lease, such refund payable January 15<sup>th</sup> subsequent to Tenant vacating premises.

## **SECTION 22**

### **Property Taxes**

In addition to all rent, and as part of the Operating Expenses described in the previous Section, Tenant shall pay to Landlord Tenant's Proportionate Share of all real estate taxes and assessments and personal property taxes levied against the land and improvements and equipment of the Terrace Shoppes (including taxes applicable to the Common Areas). Tenant shall also pay Tenant's Proportionate Share of taxes which may be levied, assessed or imposed by the state in which the Premises are located or by any political or taxing subdivision thereof, upon or measured by the rent hereunder or the income arising from this Lease, to the extent (and only to the extent) that such taxes are in lieu of or a substitute for any tax on the Premises of the Terrace Shoppes that would be payable by Tenant under the provisions hereof if such tax were in effect, but it is not intended that Tenant shall be required to pay any taxes to Landlord which are presently denominated as income or franchise taxes. All of the real estate taxes, assessments, personal property taxes, taxes in lieu of real estate taxes, costs and fees as described above are hereinafter collectively referred to as "Property Taxes".

## **SECTION 23**

### **Liability Insurance**

Tenant agrees to carry at Tenant's own expense, throughout this Lease, public liability insurance covering the Premises and Tenant's use thereof, which insurance shall include Landlord as an additional named insured, in companies and in a form satisfactory to Landlord, with minimums of the following: (i) \$1,000,000 occ., \$2,000,000 agg. on account of bodily injuries to or death of

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one person; (ii) \$1,000,000 occ., \$2,000,000 agg. on account of bodily injuries to or death of more than one person as a result of any one accident or disaster; and (iii) \$1,000,000 occ., \$2,000,000 agg. coverage for property damaged in an accident. Tenant shall deposit said policy or policies and the certificate shall bear endorsements to the effect that the insurer agrees to notify Landlord not less than ten (10) days in advance of modification or cancellation thereof.

## **SECTION 24**

### **Hazard Insurance**

Landlord shall at all times during the term of this Lease carry fire, casualty and extended coverage insurance on all the buildings and permanent improvements made by Landlord in the Terrace Shoppes. In addition to all rent and other sums required to be paid by Tenant hereunder, Tenant shall pay to Landlord, as part of the Operating Expenses described in Section above, Tenant's Proportionate Share of all costs of insurance covering the Terrace Shoppes (inclusive of the Common Areas) for loss or damage by fire or other risks included from time to time in what is commonly called "extended coverage" insurance (with vandalism and malicious mischief endorsements, boiler and machinery and all risks) and flood insurance and liability insurance (including without limitation any "umbrella policies"). Such insurance payments by Tenant shall be made in monthly installments on the first day of each month and shall be based upon the most recent premium for such insurance. Any fractional month or partial Lease Year shall be prorated on a per diem basis. Tenant agrees that Tenant will not keep, use, sell or offer for sale any articles, nor conduct or permit any activity, in or upon the Premises which may be prohibited by the standard form of fire insurance policy, and Tenant agrees to pay any increased insurance cost resulting from any violation of this covenant or from any unpermitted vacancy of the Premises.

## **SECTION 25**

### **Fire and Buildings**

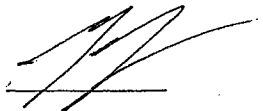
If the Premises or any permanent additions or leasehold improvements thereto shall be damaged, destroyed or rendered untenable, in whole or in part, by or as the result or consequence of fire or other casualty during the term hereof, Landlord shall repair and restore the same to a good tenantable condition with reasonable dispatch. During such period of repair, this Lease shall remain in full force and effect but the rent hereunder shall abate: (i) entirely, if the whole Premises are untenable and Landlord determines in good faith that Tenant cannot economically conduct business from the undamaged portion of the Premises; and (ii) proportionately to the extent of the damage, if only a portion is untenable and Tenant is able to conduct its business from the undamaged portion of the Premises. Said abatement shall cease at such time as the Premises shall be restored to a tenantable condition.

If the damaged Premises are not repaired and restored to tenantable condition within reasonable dispatch from the date of receipt of insurance proceeds for such damage or destruction, then Tenant or Landlord shall each have the option to terminate this Lease by giving sixty (60) days prior written notice to the other party and thereupon Landlord and Tenant shall be released from all future liability and obligations under this Lease.

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## **SECTION 26**

### **Eminent Domain**

If all or any portion of the Premises or the Common areas or the Terrace Shoppes shall be taken or condemned either permanently or temporarily for any public or quasi-public use or purpose by any competent authority in appropriation proceedings or by any right of eminent domain, then the entire compensation or award therefore, including leasehold, reversion and fee, shall belong to Landlord. Nothing contained herein shall preclude tenant from recovering, from the aforesaid authority, any award based solely upon the value of Tenant's interest in the Premises appropriated by said authority.

In the event that more than twenty percent (20%) of the Premises shall at any time after the execution of this Lease be taken by public or quasi-public use or condemned under eminent domain, then at the option of Landlord or Tenant upon the giving of thirty (30) days written notice (after such notice of condemnation), this Lease shall terminate and expire as of the date of such taking and any prepaid rental shall be prorated as of the effective date of such termination.

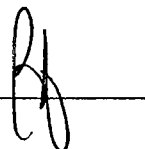
In the event only a portion of the Premises, not exceeding twenty percent (20%) of the same, shall be so taken or condemned, and the remaining portion of the Premises can be repaired so as to be commercially fit for the operation of Tenant's business within ninety (90) days after the condemning authority takes possession, then Landlord at its own expense shall so repair the remaining portion of the Premises and there shall be an equitable adjustment of rent for the remainder of the term. If the remaining portion of the Premises cannot be repaired within that ninety (90) day period so as to be commercially fit for the operation of Tenant's business, then this Lease shall terminate and become null and void from the date the authority takes possession, and after that date the parties hereto shall be released from all obligations hereunder except as herein stated. Except as provided in this Section, no other taking, appropriation or condemnation shall cause this Lease to be terminated. No such appropriation or condemnation proceeding shall operate as or be deemed an eviction of Tenant or a breach of Landlord's covenant of quiet enjoyment.

## **SECTION 27**

### **Mortgages and Subordination; Non-disturbance and Attornment**

This Lease shall automatically be subject to and subordinate to the lien of the Mortgage in so far as such lien affects the real property of which the Demised Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions of the Mortgage to the full extent of any principal sum secured thereby and any reasonable expenses and interest thereon. If requested by Landlord, Tenant shall execute a Subordination Agreement within ten (10) days of notification by Landlord. Failure of Tenant to execute the Subordination Agreement within the timeframe specified in this sub-section shall constitute a default and breach of this Lease entitling Landlord to any and all remedies provided herein.

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Provided that Tenant is not in default (beyond any period given to Tenant to cure such default) in the payment of rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Tenant's possession of the Demised Premises, and Tenant's rights and privileges under the Lease, or any extensions or renewals thereof which may be affected in accordance with any option granted in the Lease, shall not be diminished or interfered with by Mortgagee, and Tenant's occupancy of the Premises shall not be disturbed by Mortgagee during the term of the Lease or any such extensions or renewals thereof.

If the interest of Landlord shall be transferred to and owned by Mortgagee by reason of foreclosure, sale under private power contained in the deed of trust, or other proceedings brought by it, or by any other manner, and Mortgagee succeeds to the interest of Lessor under the Lease, Tenant shall be bound to Mortgagee, and Mortgagee shall be bound to Tenant, under all of the terms, covenants and conditions of the Lease for the balance of the Term thereof remaining in any extensions or renewals thereof which may be affected in accordance with any option granted in the Lease, with the same force and effect as if Mortgagee were Landlord under the Lease, and Tenant does hereby attorn to Mortgagee, as it's Landlord, said attornment to be effective and self-operable without the extension of any further instruments on the part of any of the parties hereto immediately upon Mortgagee's succeeding to the interest of Landlord under the Lease, provided, however, that Tenant shall be under no obligation to pay rent to Mortgagee as it's Landlord, until Tenant receives written notice from Mortgagee, together with evidence satisfactory to demonstrate that it has succeeded to the interest of Landlord under the Lease and directing where such rent should be mailed.

The respective rights and obligations of Mortgagee and Tenant upon such attornment, to the extent of the then remaining balance of the term of the Lease shall be and are the same as set forth therein, it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein. If Mortgagee shall succeed to Landlord's interest in the Lease, then Mortgagee shall be bound to Tenant under all the terms, covenants and conditions of the Lease, and Tenant shall, from and after Mortgagee's succession to the interest of Landlord under the Lease, have the same remedies against Mortgagee for the breach of any agreement contained in the Lease occurring after Mortgagee succeeds to Landlord's interest that Tenant might have had under the Lease against Landlord if Mortgagee had not succeeded to the interest of Landlord. Furthermore, the Mortgagee shall have the same rights to secure any default on the part of Landlord that Landlord would have had.

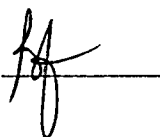
Wherever notice is required to be given to Landlord pursuant to the terms of this Lease, Tenant will likewise give such notice to the Mortgagee of which Tenant has received notice.

## SECTION 28


### Covenant of Title and Peaceful Possession

Subject to the mortgage provisions of this Lease, Landlord shall, on or before the date on which Tenant is permitted to install its merchandise and fixtures in the Premises, have good and marketable title to the Premises in fee simple and the right to make this Lease for the term

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aforesaid. At such time, Landlord shall put Tenant into complete and exclusive possession of the Premises, and if Tenant shall pay the rental and perform all the covenants and provisions of this Lease to be performed by Tenant, then Tenant shall, during the term hereby demised, freely, peaceably and quietly enjoy and occupy the full possession of the Premises and the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining (including the non-exclusive right to use the Common areas), without molestation or hindrance by any person whomsoever.

## **SECTION 29**

### **Access to Premises**

Landlord and its representatives may have free access to the Premises at all reasonable times for the purposes of: (i) inspecting and examining the condition and maintenance of the Premises; (ii) making any alterations or repairs to the Premises that Landlord may deem necessary for their safety or preservation; (iii) exhibiting the Premises for sale or mortgage financing; (iv) exhibiting the Premises to prospective tenants during the last six (6) months of the term of this Lease and putting up the usual "for rent" notice, which notice shall not be removed, obliterated or hidden by Tenant. Any such action by Landlord as aforesaid in this Section shall cause as little inconvenience as reasonably practicable and such action shall not be deemed an eviction or disturbance of Tenant, nor shall Tenant be entitled to any abatement of rent or any damages for any injury or inconvenience occasioned thereby.

## **SECTION 30**

### **Sublease or Assignment**

Tenant covenants not to sublease the Premises or any portion thereof or to assign or to mortgage this Lease, directly or indirectly, without the prior written consent of Landlord in each case.

## **SECTION 31**

### **Surrender**

Tenant covenants and agrees to deliver up and surrender to Landlord the physical possession of the Premises upon the expiration of this Lease or its termination as herein provided in as good condition and repair as the same shall be at the commencement of the original term, loss by fire and/or ordinary wear and tear excepted, and to deliver all of the keys to Landlord or Landlord's agents.

## **SECTION 32**

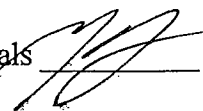
### **Holding Over**

There shall be no privilege of renewal hereunder (except as specifically set forth in this Lease) and any holding over by Tenant after the expiration of this Lease shall be from day to day on the same terms and conditions (prorated on a daily basis) at Landlord's option, except that monthly rent shall be increased to 133% of the monthly rent for the last week of the Lease; no acceptance of rent by or act or statement whatsoever on the part of Landlord or its duly authorized agent, in

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the absence of a written contract signed by Landlord, shall be construed as an extension of the term or as a consent for any further occupancy.

### **SECTION 33**

#### **Notice**

With respect to any Notices required to be given under the terms of this Lease, such Notices shall be deemed given and effective:

Three (3) calendar days after the date they are deposited in the United States Mail, postage prepaid, return receipt requested, addressed to the parties at the following respective addresses; or

**AS TO LANDLORD:**  
**FH/2, L.L.C.**  
**10935 S.E. 177th Place, #305**  
**Summerfield, FL. 34491**

**AS TO TENANT:**  
**Marion County Tax Collector**  
**503 S.E. 25<sup>th</sup> Avenue**  
**Ocala, FL 34471**

With a copy to:  
Vanessa Thomas, Esquire  
Forman, Hanratty, Thomas & Montgomery  
723 East Fort King Street  
Ocala, FL 34471

From the date of actual delivery by a recognized national overnight delivery service (such as Federal Express, UPS, Purolator, or Express Mail); or On the date of verification of receipt by the party being notified of a facsimile copy of the Notice at the facsimile numbers noted below:

**AS TO LANDLORD:**  
**(352) 245-5152 fax**

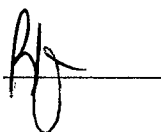
**AS TO TENANT:**  
**(352) 368-8283 fax**

### **SECTION 34**

#### **Default and Remedies**

If any rent or other charges payable by Tenant hereunder shall at any time be in arrears and unpaid for five (5) days, or if Tenant is delinquent in the payment of any rent or other charges after notice by Landlord more than three (3) times during any of twelve (12) consecutive months (notwithstanding Landlord's acceptance of rent from Tenant) or if Tenant shall fail to keep and perform any other covenants or agreements or conditions of this Lease on Tenants part to be performed and the breach is not cured within thirty (30) days after written notice from Landlord, or if Tenant shall abandon or vacate the Premises during the term hereof, or if Tenant shall make an assignment for the benefit of creditors, or if a receiver or liquidator or trustee or custodian shall be appointed for Tenant in any action or proceeding by or against Tenant, or if a voluntary or involuntary petition under the Federal Bankruptcy Code (or Acts amendatory thereof or supplemental thereto) shall be filed by or against Tenant, or if an order for relief shall be entered

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with respect to Tenant in any such bankruptcy proceeding, or if the interest of Tenant in the Premises shall be sold under execution or other legal process, then in any such case Tenant shall be in default under this Lease and Landlord shall have the right to pursue any rights or remedies provided in this Lease or by applicable law, all of which shall be cumulative.

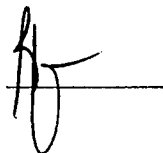
In the event of any such default by Tenant, Landlord may enter in and upon the Premises and again have and repossess and enjoy the same as if this Lease had not been made, and thereupon this Lease and everything contained hereon on the part of Landlord to be kept and performed shall cease and determine and be utterly void, without prejudice, however to the right of Landlord to recover from Tenant all rent and other charges due up to the time of such entry. In the event of any such default by Tenant, Landlord may elect to enter upon the Premises without terminating this Lease and may prepare and relet the Premises at Tenant's cost (including but not limited to broker's and attorney's fees) for the remainder of the Lease term for the highest rent obtainable, and Landlord may recover from Tenant any deficiency between the amount so obtained and the amount of rent herein reserved, or Landlord may elect to accelerate the full rental due and owing under this Lease; unless Landlord elects otherwise, no such entry and reletting by Landlord shall constitute an acceptance of surrender of the Premises. For purposes of making available to Landlord all lawful remedies for the collection of rent, all sums payable by Tenant under this Lease shall be deemed "rent", whether or not so denominated.

Landlord shall not be deemed to be in default in the observance or performance of any covenants, conditions, agreements or provisions of this Lease on its part to be observed or performed, unless Landlord shall fail to remedy such default within thirty (30) days after notice from Tenant to Landlord specifying the nature of such default, except in the case of an emergency when oral notice will suffice and Landlord shall act accordingly; or, if default cannot be reasonably cured within the said thirty (30) day period, Landlord shall not be deemed to be in default unless Landlord shall fail to initiate action to remedy such default within thirty (30) days after such notice and to prosecute the same to completion with due diligence. If Landlord shall continue in default beyond the aforementioned cure period, Tenant shall have the right to either (a) perform the obligation(s) which Landlord has failed to perform, or (b) terminate this Lease upon notice to Landlord. If Tenant performs Landlord's obligation(s), Landlord shall promptly reimburse Tenant for expenses incurred upon Landlord's receipt of paid invoices. Nothing herein contained shall be deemed to limit any right or remedy which Tenant may have under this Lease, at law and equity.

In any case where either party hereto is required to do any act, the date or the period within or by which the act is to be performed shall be postponed or enlarged by a period equal to any delay caused by or resulting from strikes, lockups, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitute therefore, governmental restrictions, governmental regulations, governmental controls, the failure or delay of any governmental agency or departure to issue necessary permits or approvals, enemy or hostile government action, civil commotion, fire or other casualty and other causes (not including financial inability to perform) beyond such party's reasonable control, whether such date or time period be designated specifically or described as or with reference to a "reasonable time period".

#### SECTION 35

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## **Rights Cumulative**

Unless expressly provided to the contrary in this Lease, each and every one of the rights, remedies and benefits provided by this Lease shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits provided herein or allowed by law; provided, however, that this Lease shall not be cancelable except for default of Tenant except as otherwise specifically provided herein.

## **SECTION 36 Mitigation of Damages**

Notwithstanding any of the terms and provisions herein contained to the contrary, Landlord and Tenant shall each have the duty and obligation to mitigate, in every reasonable manner, any and all damages that may or shall be caused or suffered by virtue of any default under or violation of any of the terms and provisions of this Lease committed by the other.

## **SECTION 37 Non-Waiver**

No payment by Tenant or receipt by Landlord or its agents of a lesser amount than the rent and other charges stipulated in this Lease shall be deemed to be other than a payment on account thereof, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord or its agents may accept such check or payment without prejudice to Landlord's right to recover the balance of the amount due or to pursue any other remedy provided in this Lease or by applicable Law.

## **SECTION 38 Waiver**

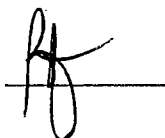
A waiver of any breach or default by either party shall not be a waiver of any other breach or default. Landlord's consent to, or approval of, any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

## **SECTION 39 Personal Property**

Tenant agrees that all goods, machinery, merchandise, floor covering, wall coverings, and other personal property of every kind or description that may at any time be in or on the Premises shall be at Tenant's sole risk, or at the risk of those claiming under Tenant, and Tenant shall insure same under its Fire and Extended Coverage Insurance Policy, and that Landlord shall not be liable for any damage to said property or loss suffered by the business or occupation of Tenant caused in any manner whatsoever.

## **SECTION 40**

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## **Indemnity**

Tenant agrees to indemnify and save Landlord harmless from and against any and all liabilities or damages for any injury to or death of any person or persons or damage to property caused by the negligence or willful misconduct of Tenant, its agents and employees, or by a default by Tenant under this Lease. Tenant agrees to indemnify Landlord against all loss, claims, fines, penalties or damages resulting from any generation, use, treatment, storage or release of any hazardous or toxic materials or substances or wastes at the Premises during the Lease Term or resulting from any violation during the Lease Term of any environmental laws, rules or regulations applicable to the Premises or any operation conducted thereon. Tenant's grant of indemnity to Landlord hereby survives expiration of this Lease. All indemnity under this section is up to the limits of section 768.28, Florida Statutes, and Tenant does not waive its sovereign immunity.

## **SECTION 41**

### **Waiver of Subrogation**

Landlord and Tenant hereby release each other from any and all liability or responsibility (to the other or any one claiming through or under them by way of subrogation or otherwise) for any loss or damage to property caused by fire or any of the extended coverage or supplementary insurance contract casualties covered by the insurance on the Premises, even if such fire or other casualty shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's insurance policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair or prejudice the right to the releasor to recover thereunder. Landlord and Tenant each agree that their policies will include such clause or endorsement so long as the same is obtainable and if not obtainable, shall so advise the other in writing and such notice shall release both parties from the obligation to obtain such a clause or endorsement.

## **SECTION 42**

### **Exculpation**

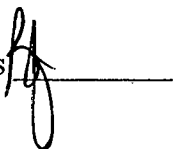
If Tenant obtains a money judgment against Landlord or any of its partners (if applicable) or its successors or assigns arising out of any provision of this Lease, then Tenant shall be entitled to have execution upon such judgment only upon Landlord's fee simple and/or leasehold estate in the Terrace Shops (whichever is applicable) and not out of any other assets of Landlord or any of its partners (if applicable); and Landlord shall be entitled to have any such judgment so qualified as to constitute a lien only on said estate.

## **SECTION 43**

### **Transfer of Interest**

If Landlord's interest in the Premises should be sold or otherwise voluntarily or involuntarily transferred (including without limitation any mortgage foreclosure or deed in lieu thereof),

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Landlord shall thereafter have no liability to Tenant under this Lease or any modifications or amendments or extensions hereof, except for such liabilities which have accrued prior to the date of such sale or transfer of Landlord's interest. Tenant shall attorn to and recognize the transferee as Tenant's landlord under this lease and shall, within fifteen (15) days after notice, execute and deliver any instrument that may be necessary to evidence such attornment.

#### **SECTION 44**

##### **Estoppel Certificate**

Within fifteen (15) days after request by Landlord from time to time, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate, addressed to such persons or entities as Landlord shall specify in such request, stating whether or not (a) this Lease is in full force and effect, (b) ) this Lease has been amended in any way, (c) there are any existing defaults hereunder to the knowledge of Tenant and specifying the nature of such defaults, if any, and (d) the date to which rent, and other amounts due hereunder, if any, have been paid.

#### **SECTION 45**

##### **Signs**

No signs, whether building, free-standing, pylon or other signs, shall be placed within the Terrace Shoppes except such signs as shall comply with sign criteria established by Landlord. Signage will be in accordance with the design criteria and specifications set forth in Exhibit "B" attached hereto and incorporated herein.

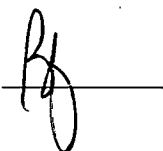
#### **SECTION 46**

##### **Use Restrictions**

Tenant shall not commit any nuisance, nor permit the admission of any objectionable noise, or odor, nor burn any trash or refuse within the Premises, nor bring on, deposit or allow to be brought on or deposited on the Premises any asbestos materials or any other Hazardous Substance or materials as the same may be defined by State, Federal or local laws, rules, statutes, or regulations; nor make any use of the Premises or any part thereof or equipment therein which is improper, offensive or contrary to any law.

Tenant shall not cause or commit any Hazardous Substance to be used, stored, generated or disposed of on or in the Premises by Tenant, Tenant's agents, employees, contractors, or invitees, without first obtaining Landlord's written consent. If Hazardous Substances are used, stored, generated, or disposed of on or in the Premises except as permitted above, or if the Premises become contaminated in any manner for which Tenant is legally liable, Tenant shall indemnify and hold harmless the Landlord from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, but without limitation, a decrease in value of the Premises, damages due to loss or restriction of rentable or usable space, or any damages due to adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorneys'

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fees, consultant and expert fees, and costs) arising during or after the Lease Term and arising as a result of such contamination by Tenant. Without limitation of the foregoing, if Tenant causes or permits the presence of any Hazardous Substance on the Premises and such results in contamination, Tenant shall promptly, at its sole expense, take any and all actions necessary to return the Premises to the condition existing prior to the presence of any such Hazardous Substance on the Premises. Tenant shall first obtain Landlord's approval for any such remedial action. Landlord shall be responsible for any Hazardous Substance not brought upon the Premises by Tenant, Tenant's agents, employees, contractors or invitees.

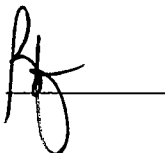
As used herein "Hazardous Substance" means any substance which is toxic, ignitable, reactive, or corrosive and which is regulated by any local government, the State of Florida, or the United States Government. "Hazardous Substance" includes any and all material or substances which are defined as "Hazardous Substance" pursuant to State, Federal, or local government law. "Hazardous Substance" includes, but is not restricted to, asbestos, polychlorobipenyls ("PCB's") and petroleum.

Subject to the provisions of this Agreement and applicable governmental regulations, any building, structure, or improvement on all or any part of the Premises may be used for any lawful government purpose, provided however; that no portion thereof shall be occupied or used, directly or indirectly, for any of the following uses: massage parlor, adult book store; any store with pornographic inventory; any store or club in which individuals, whether male or female, are employed in any capacity in such store or club which includes the displaying of any genitalia, whether topless or bottomless; bar, tavern or pub not part of a restaurant; pawn shop; flea market; off-track betting facilities; carnivals; any restaurant which does not provide interior seating for customers and which does not derive a major portion of its income from interior seated service; any store devoted primarily to the sale of alcoholic beverages and related items (the foregoing is not intended to prohibit the sale of alcoholic beverages by retailers who sell, from the same freestanding building, substantial unrelated products); any gasoline station and any convenience store with gasoline pumps, and any automobile service center or auto parts store or tire store; any kiosk operation selling concessions, candy, food, or drink; movie theater; or bank.

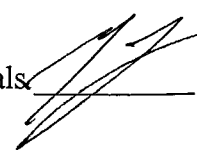
Other than HVAC and other normal building equipment, no articles, goods, materials, machinery, equipment, vehicles, trash, animals or similar items shall be stored in or on any Parcel subject to the terms of this Agreement, or kept in the open, or exposed to view from customer parking areas, public streets or pedestrian walkways. Any articles, goods, or materials, including garbage to be stored other than in an enclosed, covered building, shall be enclosed either with a landscaping screen, fence or wall. All garbage shall be maintained in closed containers and shall be maintained so as to prevent noxious odors from escaping onto any other Parcel. Tenant shall be allowed to park its official business courier vehicle in the common area as designated by Landlord.

No free standing identification sign may be erected without written approval of Landlord.

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## **SECTION 47**

### **Radon Gas**

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

## **SECTION 48**

### **Liens**

The Tenant shall not suffer any mechanics' lien to be filed against the Premises by reason of work, labor, services or materials performed or furnished to the Tenant or to anyone holding the Premises through or under the Tenant. If any such mechanics' lien shall at any time be filed against the Premises, the Tenant shall within thirty (30) days or after cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise, but the Tenant shall have the right to contest any and all such liens. If the Tenant shall fail to cause such lien to be discharged by payment within thirty (30) days after being notified in writing of the filing thereof, and before judgment of sale thereunder, then in addition to any other right or remedy of the Landlord, the Landlord may, but shall not be obligated to, discharge the same by paying the amount to be due or by bonding or other proceeding deemed appropriate by the Landlord, and the amount so paid by the Landlord and/or costs and expenses, including reasonable attorneys' fees and costs, incurred by the Landlord in procuring the discharge of such lien, shall be deemed to be additional rent for the Premises and shall be due and payable to the Landlord by the Tenant on the first day of the next following month. Nothing contained in this Lease shall be construed as a consent on the part of the Landlord to subject the Landlord's estate in the Premises to any lien or liability under the Mechanic's Lien Law or other law of the State of Florida. Any action of the Tenant in violation of this covenant shall be a default under the Lease and Landlord shall be entitled to all remedies against Tenant provided hereunder in the event of a default.

## **SECTION 49**

### **Binding Upon Successors**

The covenants, conditions and agreements made and entered into by the parties hereto shall be binding upon and inure to the benefit of their respective heirs, representatives, successors and assigns.

## **SECTION 50**

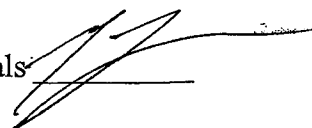
### **Severability**

If any term, covenant, or condition of this Lease or application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby and each remaining term,

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covenant and condition of this Lease shall be valid and enforceable to the fullest extent permitted by law.

### **SECTION 51**

#### **Security**

Tenant hereby agrees and acknowledges that Landlord shall not provide and shall have no duty to provide any security service to or on behalf of Tenant. Any security measures, including but not limited to changes in locks and keys, will be installed and maintained by the Tenant at its expense. The Tenant agrees to notify the Landlord prior to any such changes and to provide the Landlord with the means to enter the premises at any time of the day or night upon one hour notice. Landlord agrees not to enter the driver's license document production room without being accompanied by an authorized representative of the Marion County Tax Collector. Lessee shall supply an emergency contact number to Landlord.

### **SECTION 52**

#### **Fire Extinguisher**

Tenant, at its own expense, shall install and maintain fire extinguisher and other fire protection devices as may be required from time to time by any agency having jurisdiction thereof.

### **SECTION 53**

#### **Miscellaneous**

The laws of the State of Florida in which the Premises are located shall govern the interpretation, validity, and enforcement of this Lease. The singular whenever used herein shall be construed to mean the plural when applicable, and pronouns of any gender shall include the other genders. The headings of each Section hereof are added as a matter of convenience only and shall not limit, alter or otherwise effect the validity or construction of any provision of this Lease. All references in this lease to Sections, subsections, paragraphs, subparagraphs and Exhibits refer to the respective subdivisions of this Lease, unless such reference expressly identifies another instrument.

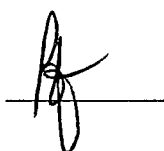
### **SECTION 54**

#### **Attorneys' Fee and Costs; Waiver of Jury Trial**

In the event either party shall file any proceeding, whether at law or in equity, the party prevailing shall be entitled to receive reimbursement of reasonable legal fees and costs from the other party, including such costs arising out of any appellate, bankruptcy or post-judgment proceeding related thereto.

In any act or proceeding brought in connection with this Lease: (a) Tenant waives trial by jury; (c) Tenant submits to the jurisdiction of the state and federal courts in the State of Florida where the Premises are located; (d) venue of any such action or proceeding may at Landlord's option be in the county in which the Premises are located, and Tenant waives any claim that the same is an

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inconvenient forum; (e) Tenant agrees that service of process may be made by delivery of the same to:

**Vanessa Thomas, Esquire  
Forman, Hanratty, Thomas & Montgomery  
723 E. Ft. King Street  
Ocala, FL 34471**

or such other agent as Tenant may designate from time to time by written notice to Landlord; and the foregoing shall not be deemed to limit Landlord's right to effect service of process in any other lawful manner or to bring any such action or proceeding in any other forum permitted by law. This instrument shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

#### **SECTION 55 Recording**

Neither party shall record this Lease in its entirety, but upon the request of Landlord, the Tenant shall join in the execution of a Memorandum of Lease. This Lease shall be considered terminated upon the expiration of its Lease Term unless Landlord and Tenant execute an Addendum exercising a renewal period option in accordance with Section 4. Upon termination of this Lease, whether by expiration, default or breach by Tenant, or otherwise, Tenant shall execute a Termination of Memorandum of Lease which shall be recorded by Tenant as a condition precedent to the termination of Tenant's obligations under this Lease and return of Tenant's Security Deposit, if applicable.

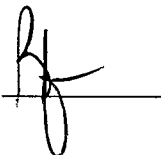
#### **SECTION 56 License**

Landlord grants to Tenant's employees and agents a license to enter the Premises for the purpose of inspecting the Landlord's work prior to the Commencement Date. This license to enter before the Commencement Date is conditioned upon Tenant's employees and agents working in harmony and not interfering with the workmen, mechanics and contractors of Landlord and of any other Tenant. Such entry shall be deemed to be under all the terms, covenants, provisions, and conditions of this Lease except the covenant to pay rent and other charges. All Tenant's materials, work, installations or decorations of any nature brought upon or installed in the Premises before the Commencement Date shall be at Tenant's risk, and neither Landlord or any party acting on Landlord's behalf shall be responsible for any damage thereto or loss or destruction thereof.

#### **SECTION 57 Corporate Landlord**

If Landlord is a corporation, the persons executing this Lease on behalf of Landlord hereby covenant, represent and warrant that Landlord is a duly incorporated or duly qualified (if foreign) corporation and is authorized to do business in the State where the Premises is located (a copy of

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evidence thereof to be supplied to Tenant upon request); and that the person or persons executing this Lease on behalf of Landlord is an officer or are officers of such Landlord and that he or they as such officers are duly authorized to execute, acknowledge, and deliver this Lease to Tenant (a copy of a resolution to that effect to be supplied to Tenant upon request).

#### **SECTION 58** **Exhibits**

All Exhibits, attachments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied at full length herein. The Exhibits attached hereto are listed as follows:

EXHIBIT "A" Survey  
EXHIBIT "B" Signage  
EXHIBIT "C" ADDENDUM

#### **SECTION 59** **Entire Agreement**

This Lease constitutes the entire agreement of the parties hereto; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force and effect. This Lease cannot be changed, modified, or discharged orally but only by an agreement in writing signed by the party against who enforcement of the change, modification or discharge is sought.

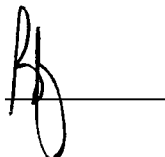
#### **SECTION 60** **Acknowledgment**

This Lease has been negotiated by Landlord and Tenant and this Lease, together with all of the terms and provisions hereof, shall not be deemed to have been prepared by either Landlord or Tenant, but by both equally. Wherever in this Lease any printed portion or part thereof, has been stricken, whether or not any relative provisions have been added, this Lease shall be read and construed as if the material stricken was never included herein, and no implication shall be drawn from the text or material so stricken, which would be inconsistent with any way with the construction or interpretation which would be appropriate if such material were never contained herein. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating a relationship between the parties hereto other than the relationship of Landlord and Tenant.

#### **SECTION 61** **Early Termination Fee**

After one year has elapsed, Marion County may terminate this lease upon six (6) months written notice. It is expressly agreed and understood that tenant is a public entity and that all obligations assumed herein for payment of monies are expressly made subject to Tenant's appropriation of same in the budget of Marion County.

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In event of early termination, tenant will pay landlord \$5,000.00 as liquidated damages. This provision does not relieve tenant of any other obligations under the lease.

WITNESS the due execution hereof as of the day and year first written above.  
Signed and executed in our presence as witnesses:

Signed and Executed In Our Presence As  
Witnesses:

Victoria Smith

Print Name: Victoria Smith

Brandi Jordan

Print Name: Brandi Jordan

ATTEST:

David Ellsperman

DAVID ELLSPERMAN, CLERK

AS TO LANDLORD:

FH/2 LLC, A Florida Limited Liability Company

By: Glenn E. Lane  
Glenn E. Lane, Managing Member

AS TO TENANT:

Marion County Board of Commissioners

By: Barbara Fitos  
Barbara Fitos, Chair

Approved as to Form and Legal

By: Guy Minter  
Guy Minter, County Attorney

Tenant Initials JS

Landlord Initials GL

# THE TERRACE SHOPPES

AT SPRUCE CREEK

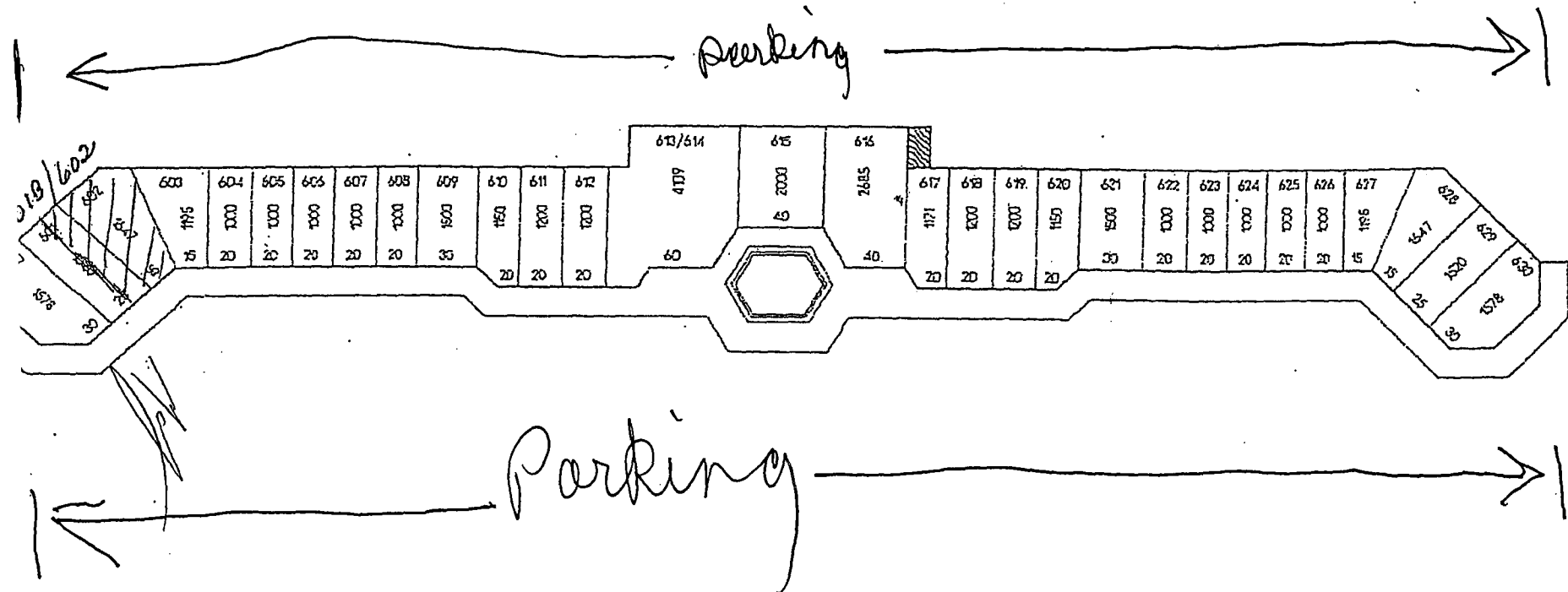
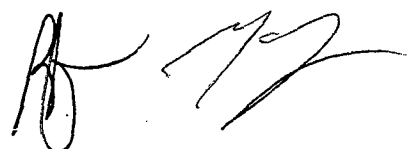


EXHIBIT "A"

Exhibit "B"

SPRUCE CREEK TERRACE SHOPPES SIGN CRITERIA

- 1/ All signs shall be individual channel letters mounted to raceway, not to exceed 12' in length and 24" in height.
- 2/ All signs subject to Landlord's approval via color scale layout.
- 3/ All signs shall be fabricated by licensed sign contractor with proof of liability and worker's compensation.
- 4/ All signs shall be mounted in area designated by written approval of the Landlord only.
- 5/ Electrical power to signs shall be extended from the electrical service supplying tenant's premises at the tenant's expense.
- 6/ Permits (if required) shall be obtained by the tenant.
- 7/ All signs shall bear a U/L label.
- 8/ Design, construction, installation and maintenance of signs shall be at the expense of the tenant.
- 9/ Tenant will submit design, color, scale, layout, locations, and other specifications to landlord for written approval. If any of the above sign criteria is not met, Landlord may remove unauthorized sign, and store it at the cost of fifty dollars (\$50.00) per week. Landlord shall be indemnified from any claim damages.
- 10/ Once erected, Tenant shall keep and maintain, and replace if necessary at Tenant's expense, all and every part of the sign in good order, condition and repair. Tenant shall be responsible for any damages occasioned or caused by the actions of Tenant, its agents, invitees or employees as a result of Tenant's repair obligations hereunder.
- 11/ If Landlord deems any repair which Tenant is required to make necessary, Landlord may demand that Tenant make such repair immediately. If Tenant refuses or neglects to make such repair and to complete the same with reasonable dispatch, Landlord may make such repair, and Tenant shall, on demand, immediately pay to Landlord the cost of said repair, together with interest at ten percent (10%) per annum. Landlord shall not be liable to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason of such work or its results.
- 12/ Tenant will own their sign and may remove it at the end of their lease, provided however, that the building is restored to its original condition, except that electrical will remain in place. Landlord will reserve security deposit pending inspection for compliance with this provision. If Tenant fails to remove the sign, Landlord may do so and charge all cost of removal and repair to Tenant as a further provision of this lease.
- 13/ Each Tenant signatory under the lease must also execute this document (sign criteria) prior to application to Landlord for signage. Upon execution, the sign criteria herein will become an exhibit to the lease and thereby amend its terms.



## EXHIBIT "C"


### ADDENDUM TO THE TERRACE SHOPPES OF SPRUCE CREEK LEASE

This **ADDENDUM** dated September 7, 2010 between **FH/2 LLC (Landlord)** and **MARION COUNTY, FLORIDA**, a political subdivision of the State of Florida (**Tenant**) is for the sole purpose of clarifying the verbal agreements between the Landlord and the Marion County Tax Collector for Tenant Improvements by Landlord for Unit #601B/602 located in the Terrace Shoppes of Spruce Creek. This Addendum will be added as Exhibit C to the Lease between the parties hereto.

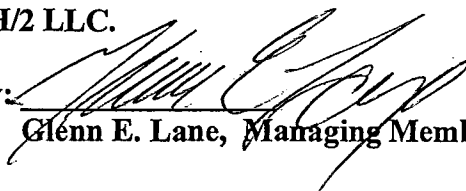
The **LANDLORD** agrees to the following list of Repairs and/or Additions to be performed by **LANDLORD** to Unit #601B/602.

1. Make proper adjustments to Air Conditioning to accommodate the additional 500 sq. ft. of Unit #601B/602. Adjust duct work, including adding return air and five drops (registers).
2. Add a handicap restroom off of existing restroom with a stub out for future sink in break room wall.
3. Reskim with drywall mud the northern wall closest to China King to make the wall uniform along entire length to eliminate wavy imperfections along wall.
4. Finish off southern wall that divides end cap currently just taped and mudded.
5. Repair leak around back door area and replace that section of baseboard molding when break room is trimmed out.
6. Provide and install flooring as per build out schedule.
7. Paint walls as per build out schedule.

**WITNESS:**

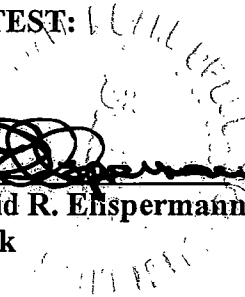

  
Signature  
JOYCE G. MILLER  
Print Name

**LANDLORD:**  
**FH/2 LLC.**

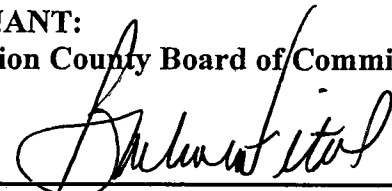
By:   
Glenn E. Lane, Managing Member

Judith R. Hallow  
Signature


Judith R. Hallow  
Print Name

ATTEST:   
  
David R. Enspemann  
Clerk

TENANT:  
Marion County Board of Commissioners

By:   
Barbara Fitos, Chair

Approved as to Form and Legal Sufficiency

BY:   
Guy Minter, County Attorney

**ADDENDUM TO  
THE TERRACE SHOPPES OF SPRUCE CREEK  
LEASE**

This ADDENDUM dated September 7, 2010 between FH/2 LLC (Landlord) and MARION COUNTY, FLORIDA, a political subdivision of the State of Florida (Tenant) is for the sole purpose of amending the insurance provisions found at Section 23 of the lease agreement for Unit #601B/602 located in the Terrace Shoppes of Spruce Creek. This Addendum will be added to the Lease between the parties hereto.

The LANDLORD understands that Marion County is currently self-insured for its general liability coverage and does not have the ability to issue certificates which include the Landlord as an additional insured. TENANT agrees to provide proof of self-insurance to LANDLORD within five (5) days of commencement of the lease agreement.

In the event TENANT obtains a general liability policy of insurance and is no longer self-insured, TENANT agrees to include LANDLORD as an additional insured within the minimum limits as set forth in Section 23 of the lease agreement.

WITNESS:

Vanessa Thomas

Signature

VANESSA THOMAS

Print Name

Robert Fossen

Signature

ROBERT FOSSEN

Print Name

ATTEST:

David R. Ellspermann

David R. Ellspermann  
Clerk

LANDLORD:

FH/2 LLC.

By: Glenn E. Lane

Glenn E. Lane, Managing Member

TENANT:

Marion County Board of Commissioners

By: Barbara Fitos

Barbara Fitos, Chair

Approved as to Form and Legal Sufficiency

BY: Guy Minter

Guy Minter, County Attorney