

LEGISLATIVE FACT SHEET

BT21-039

DATE: 01/10/21

BT or RC No: BT#
(Administration & City Council Bills)

SPONSOR: Jacksonville Fire and Rescue Department
(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Keith Powers

Provide Name: Keith Powers

Contact Number: 904-255-3300

Email Address: kpowers@coj.net

PURPOSE: White Paper (Explain Why this legislation is necessary? Provide; Who, What, When, Where, How and the Impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation.

(Minimum of 350 words - Maximum of 1 page.)

Appropriate funds from the lease agreement between the City of Jacksonville and Thompson Enterprises for partial property located at the Fire Station #65 site on Bailey Body Rd. Funds will be used to purchase capital firefighting equipment. The property was purchased on December 30th by the Department and the tenant's lease is \$6,000/month.

rev: Jan - Sept

APPROPRIATION: Total Amount Appropriated: \$54,000.00 as follows:

List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in title of legislation)

Name of Federal Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of State Funding Source(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name of City of Jacksonville Funding Source(s):	From: FROD Fire & Rescue Office of Director - Fire Control --- Miscellaneous Sales and Charges	Amount: \$54,000.00
	To: FROD Fire & Rescue Office of Director - Fire Control --- Specialized Equipment	Amount: \$54,000.00
Name of In-Kind Contribution(s):	From: _____	Amount: _____
	To: _____	Amount: _____
Name & Number of Bond Account(s):	From: _____	Amount: _____
	To: _____	Amount: _____

PLAIN LANGUAGE OF APPROPRIATION / FINANCIAL IMPACT / OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be an ongoing maintenance? ... and staffing obligation? Per Chapters 122 & 106 regarding funding of anticipated post-construction operation costs.

(Minimum of 350 words - Maximum of 1 page.)

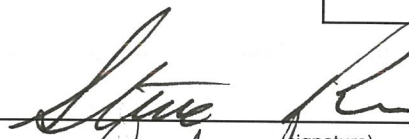
Funding for capital equipment such as thermal imaging cameras, airpacs, extrication equipment, etc. will be provided by the lease payments made by the tenant from Jan - Sep 2021 at \$6,000/month. No match is required. There is no on-going maintenance or staffing obligation.


ACTION ITEMS: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:		Yes	No	
Emergency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Justification of Emergency: If yes, explanation must include detailed nature of emergency. <input type="text"/>
Federal or State Mandate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Explanation: If yes, explanation must include detailed nature of mandate including Statute or Provision. <input type="text"/>
Fiscal Year Carryover?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Note: If yes, note must include explanation of all-year subfund carryover language. <input type="text"/>
CIP Amendment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.
Contract / Agreement Approval?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Attachment & Explanation: If yes, attach the Contract / Agreement and name of Department (and contact name) that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed / drafted? <input type="text"/>
Related RC/BT?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attachment: If yes, attach appropriate RC/BT form(s).
Waiver of Code?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify code section(s) in box below and provide detailed explanation (including impacts) within white paper. <input type="text"/>
Code Exception?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify code in box below and provide detailed explanation (including impacts) within white paper. <input type="text"/>
Related Enacted Ordinances?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code Reference: If yes, identify related code section(s) and ordinance reference number in the box below and provide detailed explanation and any changes necessary within white paper. <input type="text"/>

ACTION ITEMS CONTINUED: Purpose / Check List. If "Yes" please provide detail by attaching justification, and code provisions for each.

ACTION ITEMS:	Yes	No	
Continuation of Grant?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant? Are there long-term implications for the General Fund?
			<div style="border: 1px solid black; height: 40px; width: 100%;"></div>
Surplus Property Certification?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Attachment: If yes, attach appropriate form(s).
Reporting Requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Explanation: List agencies (including City Council / Auditor) to receive reports and frequency of reports, including when reports are due. Provide Department (include contact name and telephone number) responsible for generating reports.
			<div style="border: 1px solid black; height: 30px; width: 100%;"></div>

Division Chief: 
(signature)

Prepared By: 
(signature)

Date: 1/10/21

Date: 1/11/21

ADMINISTRATIVE TRANSMITTAL

To: MBRC, c/o Jasmine Jordan, Budget Office, St. James Suite 325

Thru: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
(Name, Job Title, Department)
 Phone: 255-5015 E-mail: leeannk@coj.net

From: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
Initiating Department Representative (Name, Job Title, Department)
 Phone: 255-5015 E-mail: leeannk@coj.net

Primary Contact: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
(Name, Job Title, Department)
 Phone: 255-5015 E-mail: leeannk@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
 Phone: 255-5015 E-mail: leeannk@coj.net

COUNCIL MEMBER / INDEPENDENT AGENCY / CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Suite 480
Phone: 904-630-4647 E-mail: psidman@coj.net

From: _____
Initiating Council Member / Independent Agency / Constitutional Officer
Phone: _____ E-mail: _____

Primary Contact: _____
(Name, Job Title, Department)
Phone: _____ E-mail: _____

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
Phone: 904-255-5015 E-mail: leeannk@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation.

Independent Agency Action Item: **Yes** **No**
Boards Action / Resolution? Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED

TENANT ESTOPPEL CERTIFICATE

Definitions:

Tenant: THOMPSON ENTERPRISES OF JACKSONVILLE, LLC, a Florida limited liability company

Landlord: ROBERT E. BAILEY, TRUSTEE OF THE ROBERT E. BAILEY TRUST AGREEMENT dated November 5, 2018

Premises: Property located at 7600 Bailey Body Road, Jacksonville, FL 32216, and more particularly described in the Lease

Lease Date: February 23, 2017

Termination Date: February 22, 2027

This TENANT ESTOPPEL CERTIFICATE is executed as of December 18, 2020 by Tenant, who is the current tenant or lessee under that certain Lease dated as of the Lease Date, as amended by that certain First Amendment to Lease dated as of December 18, 2020, (together, the "Lease") by and between Landlord and Tenant for the lease of the Premises.

For good and sufficient consideration, the receipt of which is hereby acknowledged, Tenant hereby represents, warrants, certifies and states to the City of Jacksonville ("City"), its successors and assigns, as follows:

1. The Lease, a true, correct and complete copy of which, together with copies of all related modifications, amendments and other agreements pertaining thereto, is attached hereto and made a part hereof as Attachment 1, is presently in full force and effect and is valid and enforceable against Tenant in accordance with its terms. The Lease has not been amended, supplemented, modified or otherwise changed, except pursuant to the written amendments attached hereto as a portion of Attachment 1. The Lease represents the entire agreement between Tenant and Landlord with respect to the Premises and all related matters.

2. Landlord is not in any respect in default in the performance by Landlord of its obligations under the Lease.

3. Tenant is not in any respect in default or breach of the Lease. To the best of Tenant's knowledge, no event has occurred which, with the passage of time (after notice, if required by the terms of the Lease), would become an event of default under the Lease or would give rise to any right or option of Landlord to terminate the Lease. Tenant has not assigned, transferred or hypothecated its interest under the Lease or sublet all or any portion of the Premises. No one is in occupancy of the Premises other than Tenant.

4. The term of the Lease expires on the Termination Date. Tenant has no right to extend or renew the term of the Lease beyond the Termination Date.

5. Tenant has no right of first refusal or first offer, option or preferential right to purchase all or any part of the Premises, nor any right to relocate or expand or other right, title or interest with respect to the Premises or Landlord's property.

6. Tenant's current address for receipt of notices, elections, demands or other communications under the Lease is at the Premises.

7. Tenant has not generated, used, stored, spilled, disposed of or released any hazardous substances at, on or in the Premises. "Hazardous Substances" means any flammable, explosive, toxic, carcinogenic, mutagenic, or corrosive substance or waste, including volatile petroleum products and derivatives. To the best of Tenant's knowledge, no asbestos or polychlorinated biphenyl ("PCB") is located at, on or in the Premises. "Hazardous Substances" shall not include those materials which are technically within the definition set forth above but which are contained in pre-packaged office supplies, cleaning materials or personal grooming items or other items which are sold for consumer or commercial use and typically used in other similar buildings or space.

8. As of the date hereof, there are no actions, whether voluntary or otherwise, which are pending or have been filed by or against Tenant or, to Tenant's knowledge, which have been threatened against Tenant, under any bankruptcy, insolvency, moratorium or similar laws of any State or the United States.

9. Tenant is current with respect to all base rent, additional rent and other charges stipulated in the Lease to the extent any are due. As of the date of this certificate, Landlord owes Tenant \$3,560.83 for insurance premiums paid by Tenant on Landlord's behalf, which Tenant understands will be satisfied by Landlord. Otherwise, Tenant has no claim, counterclaim, defense, offset, right to receive any refund or recoupment (whether of any overpayment or otherwise), setoff, or any other basis to reduce any payment the Lease requires, including any base rent, additional rent, and other charges the Lease requires Tenant to pay.

10. As of the date of this certificate, Tenant has paid the rent due under the Lease up to and including the month of December, 2020. No other deposits or rent prepayments have been made by or on behalf of Tenant to Landlord.

11. The undersigned has the full power and authority to execute this Tenant Estoppel Certificate for and on behalf of Tenant and to bind Tenant to all the terms and provisions contained herein and that all actions necessary or required by the organizational documents of Tenant have been complied with to authorize such individuals to execute this Tenant Estoppel Certificate. This Tenant Estoppel Certificate shall bind Tenant and its representatives, successors, and assigns.

This Tenant Estoppel Certificate shall inure to the benefit of City and its successors and assigns. Tenant makes this Certificate for the benefit and protection of City, with the understanding that City intends to rely on this statement in making a decision to purchase the Premises and receive an assignment of the Lease.

IN WITNESS WHEREOF, Tenant executes this Tenant Estoppel Certificate to be effective as of the date first set forth above.

TENANT:
**THOMPSON ENTERPRISES OF
JACKSONVILLE, LLC**, a Florida limited liability
company


Name: Michael Thompson
Title: Owner

**Attachment 1
to
Tenant Estoppel Certificate**

LEASE

THIS LEASE is made as of the 23rd day of February, 2017, between **BAILEY'S ENTERPRISES, INC.**, a Florida corporation, (hereinafter referred to as "Landlord"), and **THOMPSON ENTERPRISES OF JACKSONVILLE, LLC**, a Florida limited liability company ("Tenant").

RECITALS:

A. Landlord is the owner of certain real property located in Jacksonville, Duval County, Florida located at 7600 Bailey Body Road, Jacksonville, Florida 32216, which is improved with a building containing approximately 9900 square feet (such real property and the building and improvements located therein are hereinafter collectively referred to as the "Demised Premises"). The legal description of the Demised Premises is set forth on Exhibit A attached hereto.

B. Landlord and Tenant desire to have Landlord lease the Demised Premises to the Tenant on the terms contained in this Lease.

C. Michael Thompson, a member of Tenant, shall unconditionally guaranty the obligations of Tenant hereunder by execution and delivery of the Unconditional Guaranty of Lease attached hereto as Exhibit B.

NOW THEREFORE, the parties hereto hereby covenant and agree as follows:

1. **DEMISED PREMISES.** For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Landlord leases to the Tenant, and the Tenant rents from the Landlord, the Demised Premises. This Lease and the rights of the parties set forth herein shall create the relationship of "landlord" and "tenant" only between Landlord and Tenant.

2. **TERM.** The term of this Lease shall commence at 12:01 a.m. on February 23, 2017 (herein referred to as the "Commencement Date") and unless sooner terminated pursuant to paragraph 14 hereof, shall terminate at midnight on February 22, 2022 (the "Termination Date").

3. **BASE RENT AND OTHER CHARGES.**

a. Base Rent. Tenant agrees to pay Landlord as Base Rent for the Demised Premises, as follows:

i.	<u>Base Rent</u> ¹	<u>Due Date</u>
	\$5,999.99	March 1, 2017
	\$6,309.77	April 1, 2017
	\$6,309.77	May 1, 2017
	\$6,309.77	June 1, 2017
	\$6,309.77	July 1, 2017
	\$6,309.77	August 1, 2017
	\$6,309.77	September 1, 2017
	\$5,000.00	October 1, 2017 and on the first day of each calendar month thereafter through and including January 1, 2020
	\$6,000.00 ²	February 1, 2020 and on the first day of each calendar month thereafter through and including January 1, 2022

¹ All payments of Base Rent below include applicable sales tax.

² Landlord may agree to accept a lesser monthly amount, but in no event less than \$5,000.00 per month, if Tenant can provide sufficient evidence that then current market rents are less than \$6,000.00 per month for comparable properties.

All rental (including Base Rent and all other sums payable to Landlord under this Lease) shall be paid to Landlord in lawful money of the United States of America.

b. Sales Tax. While sales tax is included in the Base Rent described above, Tenant also agrees to pay to Landlord all applicable Florida sales tax due in connection with all other sums required to be paid by Tenant hereunder. Such sales tax payments shall be made together with the monthly Base Rent payments provided for herein.

c. Late Fee. If any installment of Base Rent or any other charge due from Tenant is not received by Landlord or Landlord's designee within ten (10) days after such amount shall be due, then, in addition to the other remedies provided to the Landlord herein, Tenant shall pay to Landlord a late charge equal to five percent (5%) of such overdue amount (the "Late Fee"), and in such event the parties hereby agree that such Late Fee represents a fair and reasonable estimate of the costs Landlord will incur by reason of the late payment by Tenant. No Late Fee may be imposed more than once for the same late payment. Unpaid Base Rent and Late Fees shall accrue interest at the rate of fifteen percent (15%) per annum.

4. **AD VALOREM TAXES.** Landlord shall be responsible for paying all ad valorem real property taxes and assessments assessed against the Demised Premises during the term hereof prior to such taxes becoming delinquent.

5. **USE OF DEMISED PREMISES.** Tenant may use the Demised Premises for the operation of a towing, storage business and motorcycle repair and sales business (hereinafter referred to as the "Initial Use") and any use approved by Landlord in its sole discretion.

6. **ACCEPTANCE OF PREMISES.** Tenant agrees that it accepts the Demised Premises in their present "AS-IS" condition.

7. **UTILITIES.** Tenant shall be solely responsible for, and shall promptly pay, all charges for use or consumption for electricity, potable water, sewer, or any other utility services. Landlord shall not be liable in the event of any interruption in the supply of any utilities. Tenant agrees that it will not install any equipment which will exceed or overload the capacity of any utility facilities and that if any equipment installed by Tenant shall require additional utility facilities not described in the existing plans and specifications of the Demised Premises, the same shall be installed at Tenant's expense in accordance with plans and specifications to be approved in writing by Landlord.

8. **ALTERATIONS.** Tenant shall make no additions, changes, alterations or improvements (the "Work") to the Demised Premises or the systems pertaining to the Demised Premises (the "Systems") without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord may impose reasonable requirements as a condition of such consent including, without limitation, the submission of plans and specifications for Landlord's prior written approval, obtaining necessary permits, posting bonds, obtaining insurance, prior approval of contractors, subcontractors and suppliers, prior receipt of copies of all contracts and subcontracts, contractor and subcontractor lien waivers, affidavits listing all contractors, subcontractors and suppliers, affidavits from licensed contractors acceptable to Landlord stating that the Work will not adversely affect the Systems or the structures on the Demised Premises, and requirements as to the manner and times in which such Work shall be done. All Work shall be performed in a good and workmanlike manner. All materials used shall be of a quality comparable to or better than those in the Demised Premises (including the structures on the Demised Premises) and shall be in accordance with plans and specifications approved by Landlord. If Landlord consents, the same shall not be deemed a warranty as to the adequacy of the design, workmanship or quality of materials, and Landlord hereby expressly disclaims any responsibility or liability for the same. Landlord shall, under no circumstances, have any obligation to repair, maintain or replace any portion of the Work.

Tenant shall keep the Demised Premises free from any mechanic's, materialman's or similar liens or other such encumbrances in connection with any Work on or respecting the Demised Premises not performed by or at the request of Landlord, and shall indemnify and hold Landlord harmless from and against any claims, liabilities, judgments or costs (including attorneys' fees) arising out of the same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any Work on the Demised Premises (or such additional time as may be necessary under applicable laws) to afford the Landlord the opportunity of posting and recording appropriate notices of non-responsibility.

Tenant shall remove any such lien or encumbrance by bond or otherwise within thirty (30) days after written notice by Landlord and, if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance without being responsible for investigating the validity thereof. The amount so paid shall be deemed additional Base Rent under this Lease payable upon demand without limitation as to other remedies available to Landlord under this Lease. Nothing contained in this Lease shall authorize Tenant to do any act that shall subject Landlord's title to the Demised Premises, including the structures on the Demised Premises, to any liens or encumbrances, whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Demised Premises, including the structures on the Demised Premises, arising in connection with any Work on or respecting the Demised Premises (including such structures) not performed by or at the request of Landlord shall be null and void or, at Landlord's option, shall attach only against Tenant's interest in the Demised Premises and shall in all respects be subordinate to Landlord's title.

All additions, alterations, fixtures, improvements, or replacements that are performed or placed by Tenant upon the Demised Premises shall become the property of Landlord without compensation to Tenant and shall be surrendered with the Demised Premises at the termination of this Lease; provided, however, that Landlord shall have the option to require Tenant to restore the Demised Premises to their original condition at Tenant's expense. Anything herein to the contrary notwithstanding, Tenant shall remain the owner of all moveable trade fixtures on the Demised Premises, and shall remove such at the termination hereof, unless such cannot be moved without causing substantial damage to the Demised Premises. If, during the term hereof, any change, alteration, addition or correction shall be required by any law, rule or regulation of any governmental authority to be made in or to the Demised Premises or any portion thereof, such change, alteration, addition or correction shall be made by Tenant at its sole cost and expense.

NOTICE IS HEREBY GIVEN TO ALL PERSONS FURNISHING LABOR OR MATERIALS TO TENANT THAT NO MECHANIC'S MATERIALMEN'S OR OTHER LIEN SOUGHT TO BE TAKEN ON THE DEMISED PREMISES SHALL IN ANY MANNER AFFECT THE RIGHT, TITLE OR INTEREST OF LANDLORD THEREIN.

9. **ASSIGNMENT AND SUBLETTING.** Tenant shall not assign this Lease or any of Tenant's rights hereunder, nor sublet or license the use of the Demised Premises or any portion thereof without first obtaining the written consent of Landlord, which will not be unreasonably withheld or delayed. In consenting to any assignment, sublease or license, Landlord may impose reasonable conditions, restrictions and obligations including, but not limited to, the condition that all outstanding or unfulfilled obligations to be performed or made current, that the proposed assignee, subtenant or licensee agree in writing fully and timely to perform this Lease and to comply herewith, and that the proposed assignee, subtenant or licensee meet certain financial and other criteria prescribed by Landlord. No assignment, subletting or licensing with Landlord's approval shall relieve Tenant of its covenants and obligations hereunder, but Tenant shall remain the primary obligor under the Lease. No consent to an assignment, sublease or license shall be deemed to freely allow subsequent assignments, subleases or licenses.

10. **MAINTENANCE AND REPAIRS.** Tenant shall keep and maintain the Demised Premises (including structural portions of the Building, plumbing, air conditioning, electrical systems, landscaping and grounds) in good condition and repair and in compliance with all laws. If Tenant shall fail to maintain and repair the Demised Premises as provided herein, then, where such failure shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant, Landlord may perform the necessary maintenance and repairs and Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord in performing such maintenance and repairs together with interest therein at the rate of fifteen percent (15%) per annum from the date such costs are incurred until paid.

11. **INDEMNITY.** Tenant shall indemnify and hold harmless Landlord from and against any and all claims arising from Tenant's use of the Demised Premises, or from the conduct of the Business or from any activity, work or things done by Tenant in or about the Demised Premises and shall further indemnify and hold harmless Landlord from and against any and all claims arising from, or any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably acceptable to Landlord.

12. **INSURANCE.**

a. **Tenant Insurance/Property Damage.** At all times during the term hereof, Tenant shall maintain in effect policies of property damage insurance covering: (i) all leasehold improvements (including any alterations, additions or improvements as may be made by Tenant pursuant to provisions of Paragraph 5 hereof); and (ii) trade fixtures, merchandise and other personal property from time to time in, on or upon the Premises, in an amount not less than one hundred percent (100%) of their actual replacement cost from time to time during the term of this Lease, providing protection against any peril included within the classification "Fire and Extended Coverage" together with insurance against sprinkler damage, vandalism and malicious mischief. Tenant shall be entitled, at its option, to include in such policies a deductible provision of up to \$5,000 per occurrence. The proceeds of such insurance shall be used for the repair or replacement of the property so insured. Upon termination of this Lease following a casualty as set forth herein, the proceeds under subsection shall be paid to Landlord.

b. **Tenant Liability Insurance.** Tenant shall, at all times during the term hereof and at its own cost and expense, procure and continue in force comprehensive general liability insurance for bodily injury and property damage, adequate to protect Landlord against liability for injury to or death of any person, arising in connection with the construction of improvements on the Demised Premises by Tenant or use, operation or condition of the Demised Premises by Tenant. Such insurance at all times shall be in an amount of not less than a combined single limit of not less than Two Million Dollars (\$2,000,000.00), insuring against any and all liability of the insured with respect to said Demised Premises or arising out of the use or occupancy thereof.

c. **Policy Form.** All insurance required to be carried by Tenant hereunder shall be issued by insurance companies with no less than an "A" rating from AM Best Co., qualified to do business in the State of Florida and reasonably acceptable to Landlord. Each

policy shall name Landlord, and at Landlord's request any mortgagee of Landlord, as an additional insured, as their respective interests may appear, and copies of all certificates evidencing the existence and amounts of such insurance shall be delivered to Landlord by Tenant. No such policy shall be cancelable except after thirty (30) days prior written notice to Landlord and Landlord's mortgagee. Tenant shall furnish Landlord with renewals or "binders" of any such policy. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and charge the Tenant the premiums, payable upon demand.

d. Landlord Insurance. At all times during the term hereof, Landlord shall maintain and affect a policy of property damage insurance covering the building included in the Demised Premises. Landlord shall not be obligated to insure tenants property or leasehold improvements nor insure Tenant against any general liability claim. Landlord shall not be required to insure Tenant for any liability or other insurance.

13. EMINENT DOMAIN.

a. Condemnation. If the whole of the Demised Premises shall be taken for a public or quasi-public use or purpose under power of eminent domain, the term of this Lease shall terminate as of the date actual physical possession thereof shall be so taken by the condemning authority.

b. Partial Condemnation. If any portion of the Demised Premises shall be taken for a public or quasi-public use or purpose under the power of eminent domain and such partial taking results in: (i) a reduction of more than 50% of the square footage of the building located on the Property; (ii) a reduction of the parking spaces on the Property below the number required by applicable zoning ordinances, and the Landlord is unable to bring the Property into compliance with applicable zoning ordinances and codes by the "Taking Date" (as that term is defined below); or (iii) the loss of access of the Demised Premises by the Taking Date (each hereinafter referred to as a "Material Taking"), Tenant shall be entitled either to elect to cancel and terminate this Lease as of the date actual physical possession of said portion shall be so taken by the condemning authority, or to remain in possession of the remainder of the Demised Premises not so taken; provided, however, that Tenant shall give Landlord written notice of its said election within thirty (30) days after the date of transfer of title or possession, whichever occurs first, and failing so to do Tenant shall be deemed to have elected to remain in possession (hereinafter referred to as the "Taking Date"). In the event Tenant shall elect or be deemed to have elected to remain in possession, or if the portion of the Demised Premises so taken shall not be so extensive as to constitute a Material Taking, then and in either such event, if any portion of the total award is made for a taking of any portion of Tenant's premises, Landlord shall (but only out of and not exceeding such portion of the award received by Landlord for or on account of such taking) repair, reconstruct or restore the remainder of the Demised Premises to their condition as it existed immediately prior to such taking (and Tenant shall not be entitled to any damages by reason of any inconvenience or loss sustained by Tenant as a result thereof) and, except as otherwise herein provided this Lease shall continue in all respects in full force and effect.

c. Abatement of Rent.

i. Minimum Monthly Rent. If any portion of the Demised Premises shall be taken for a public or quasi-public use or purpose and Tenant shall elect or be deemed to have elected to remain in possession as hereinabove provided, or if the portion of the Demised Premises so taken shall not be so extensive as to constitute a Material Taking as determined by the Landlord and Tenant in the reasonable exercise of their discretion, then, and in either such event, the Base Rent shall be equitably reduced in the same proportion which the number of square feet of the Demised Premises so taken bears to the total number of square feet of the Demised Premises immediately prior to such taking of physical possession.

ii. No Other Abatement. Except for the abatement in the Base Rent and other charges expressly hereinabove provided for there shall be no reduction, change or abatement of any rental or other charge payable by or on the part of Tenant to Landlord hereunder, or in the method of computing, accounting for or paying the same; and in no event shall there be any reduction, change or abatement of any rental or other charge whatsoever hereunder until such time as there shall have been an actual taking of physical possession of a portion of the Demised Premises.

d. Separate Awards. No provision contained in this Lease shall operate so as to prevent Landlord from recovering full compensation and damages as provided by Florida law on account of an acquisition or taking by a public or quasi-public authority. Landlord shall be entitled to receive the entire award made for the value of the real property acquired, and Tenant shall have no right or claim to any awards for land value and/or severance damages, the same being reserved herein to Landlord.

e. Effect of Termination. In the event this Lease is canceled or terminated pursuant to any of the provisions of this Paragraph 13, all rent and other charges payable on the part of Tenant to Landlord hereunder shall be paid either as of the date upon which actual physical possession shall be taken by the condemner or as of the date upon which Tenant ceases doing business in, upon or from the Demised Premises, whichever last occurs; and the parties shall thereupon be released from all further liability hereunder, except that Landlord shall make an equitable refund to Tenant of any unearned, unused or unappropriated advance rental or security deposit theretofore paid by Tenant to Landlord hereunder.

14. **DEFAULT BY TENANT; REMEDIES.**

a. Defaults by Tenant. The occurrence of any one or more of the following events shall be a default under and breach of this Lease by Tenant.

i. Tenant shall fail to pay any payment of Base Rent or Additional Rent within ten (10) days of the date the same shall be due and payable or Tenant shall fail to pay any other amounts due to Landlord from Tenant within thirty (30) days after notice that the same shall be due and payable.

ii. Tenant shall fail to perform or observe, whether by action or inaction, any covenant, term, provision or condition of this Lease (other than payment of Base Rent, Additional Rent or other charges payable hereunder) within the fifteen (15) day period after written notice of default has been given by Landlord to Tenant; provided, however, Landlord shall not be required to provide written notice of failure to maintain insurance in accordance with Paragraph 11.c. and any such failure shall immediately be a default and breach of this Lease by Tenant.

iii. A trustee or receiver shall be appointed to take possession of all or substantially all of Tenant's assets in, on or about the Premises or of Tenant's interest in this Lease; Tenant makes an assignment for the benefit of creditors; or substantially all of Tenant's assets in, on or about the Premises or Tenant's interest in this Lease are attached or levied under execution.

iv. A petition in bankruptcy or insolvency or for reorganization or arrangement is filed by or against Tenant pursuant to any federal or state statute (and, with respect to any such petition filed against it, Tenant fails to secure a dismissal thereof within sixty (60) days after such filing.)

b. Remedies of Landlord. Upon the occurrence of any event of default set forth in Paragraph 14 a, Landlord shall have the following rights and remedies, in addition to those allowed at law or in equity, any one or more of which may be exercised without further notice to or demand upon Tenant:

i. Landlord may accelerate the payment of all rent due on to this lease where upon the total rent payable hereunder shall be due and payable in full.

ii. Landlord may re-enter the Premises and cure any default of Tenant, in which event Tenant shall reimburse Landlord, as Additional Rent within ten (10) days after invoice, for any costs and expenses which Landlord may incur to cure such default; and Landlord shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason of Landlord's action.

iii. Landlord may terminate this Lease, in which event (i) neither Tenant nor any person claiming under or through Tenant shall thereafter be entitled to possession of the Premises, and Tenant shall immediately thereafter surrender the Premises to Landlord; (ii) Landlord may re-enter the Premises and dispossess Tenant or any other occupants of the Premises by any means permitted by law, and may remove their effects, which termination, repossession and removal shall be without prejudice to any other remedy which Landlord may have for possession, arrearage in rent, continuing rental obligations which Tenant would have under this Lease had this Lease not been terminated and all other damages and remedies available at law and in equity; it being expressly understood and agreed that the liabilities and remedies specified in this Subsection shall survive the termination of this Lease.

15. DEFAULT BY LANDLORD/REMEDIES. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord hereunder within fifteen (15) days after written notice by Tenant to Landlord, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than such fifteen (15) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such fifteen (15) day period and, thereafter, diligently prosecutes the same to completion. Upon an event of default by Landlord, the Tenant shall have all remedies provided at law, in equity or otherwise for such default.

16. ACCESS TO DEMISED PREMISES. Landlord shall have the right to place, maintain and repair all utility equipment of any kind in, upon or under the Demised Premises. Landlord shall also have the right to enter the Demised Premises at all reasonable times to inspect or to exhibit the same to prospective purchasers if Tenant is in default, and to make such repairs, additions, alterations or improvements as Landlord may deem desirable. Landlord shall be allowed to take all material in, to and upon the Demised Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part and the Tenant's obligation to pay rent shall in no way abate while said work is in progress by reason of loss or interruption of Tenant's business or otherwise and Tenant shall have no claim for damages as long as Landlord acts in good faith. If Tenant shall not be personally present to permit an entry into the Demised Premises when for any reason an entry therein shall be permissible, Landlord may enter the same by a master key (or in the event of emergency or to prevent waste, by the use of force) without rendering Landlord liable therefor and without in any manner affecting the obligations of this Lease. The provisions of this paragraph shall in no way be construed to impose upon Landlord any obligation whatsoever for the maintenance or repair of the building or any part thereof except as otherwise herein specifically provided. Landlord is also expressly authorized to enter the Demised Premises at any time to post notices of non-liability or similar notices to potential mechanic's lienors that neither Landlord nor the Demised Premises are liable for work performed on Tenant's behalf.

17. SUBORDINATION AND NON-DISTURBANCE.

a. Upon written request by Landlord, Tenant shall execute and deliver an agreement subordinating this Lease to any first mortgage upon the Demised Premises; provided, however, such subordination shall be upon the express condition that (i) the validity of this Lease shall be recognized by the mortgagee, and (ii) that, notwithstanding any default by the mortgagor with respect to said mortgage or any foreclosure thereof, Tenant's possession and right of use under this Lease in and to the Demised Premises shall not be disturbed by such mortgagee unless and until Tenant shall breach any of the provisions hereof and this Lease or Tenant's right to possession hereunder shall have been terminated in accordance with the provisions of this Lease.

b. In the event any proceedings are brought for the foreclosure of, or in the event of exercise of power of sale under, any first mortgage covering Landlord's interest in the Demised Premises, and such holder takes possession of the Demised Premises, either as the result of foreclosure of such mortgage or by accepting a deed to the Demised Premises in lieu of foreclosure, or the Demised Premises shall be purchased at such a foreclosure by a third party, and such holder or third party shall furnish Tenant satisfactory evidence that it has acquired title to the Demised Premises subject to no liens or encumbrances superior to this Lease, other than

taxes not yet due and payable, Tenant shall attorn to such holder or third party and recognize it as its landlord under this Lease, and such holder or third party will in such event recognize and accept Tenant as its tenant hereunder, whereupon this Lease shall continue in full force and effect as a direct lease between such holder or third party and Tenant for the term of this Lease and such holder or third party shall, henceforth, be subject to all of the terms of this Lease and perform all of the obligations of Landlord hereunder with the same force and effect as if it were originally named as Landlord hereunder; provided, however, that if conflicting claims should be made to the rent payable hereunder, Tenant shall have the right to institute an interpleader suit for the purpose of determining who is entitled to payment of such rent and to pay the rent in accordance with the judicial determination rendered in such proceeding.

18. **ESTOPPEL CERTIFICATE.** Tenant shall at any time and from time to time, upon not less than thirty (30) days prior written notice from Landlord, execute, acknowledge, and deliver to Landlord a statement in writing certifying certain facts to the extent such facts are accurate and true on the date so certified, including, without limitation, that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the dates to which the rental, and other charges, if any, are paid in advance, and acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, and no events or conditions then in existence which, with the passage of time or notice or both, would constitute a default on the part of Landlord hereunder, or specifying such defaults, events, or conditions, if any are claimed. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant that (i) this Lease is in full force and effect without modification except as may be represented by Landlord; (ii) that there are no uncured defaults in Landlord's performance; and (iii) that not more than two (2) months' rental has been paid in advance.

19. **QUIET ENJOYMENT.** Tenant, upon paying the rents and performing all of the terms on its part to be performed, shall peaceably and quietly enjoy the Demised Premises subject, nevertheless, to the terms of this Lease and to any mortgage, ground lease or agreements to which this Lease is subordinated and covenants, conditions, restrictions and encumbrances appearing in the public records prior to the date of this Lease.

20. **END OF TERM.** At the expiration of this Lease, Tenant shall surrender the Demised Premises in the same condition as it was in upon delivery of possession thereto under this Lease, reasonable wear and tear, excepted, and shall deliver all keys to Landlord. Before surrendering the Demised Premises, Tenant may remove all its personal property, trade fixtures, and decorations, and signage and shall repair any damage caused thereby. Tenant's obligations to perform this provision shall survive the end of the term of this Lease.

21. **HOLDING OVER.** Any holding over after the expiration of this term or any renewal term shall be construed to be a tenancy from month to month and shall otherwise be on the terms herein specified so far as applicable except that Base Rent shall be 150% of the Base Rent in effect hereunder immediately prior to the expiration of the Lease plus actual damages incurred by Landlord as a result of Tenant holding over.

22. **NO WAIVER.** Failure of Landlord or Tenant to insist upon the strict performance of any provision or to exercise any option or enforce any rules and regulations shall

not be construed as a waiver for the future of any such provision, rule or option. The receipt by Landlord of rent with knowledge of the breach of any provision of this Lease shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived unless such waiver be in writing signed by the party purporting to waive the provision in question.

23. **NOTICES.** Any notice, demand, request or other instrument which may be or required to be given under this Lease shall be delivered in person, sent by United States Certified or Registered Mail, postage prepaid, or sent by a reputable overnight courier service and shall be addressed to either party at the address as hereinabove given. Any notice shall be deemed delivered upon hand delivery or three (3) days after depositing such notice in postal receptacles, return receipt requested or one (1) day after depositing such notice with a reputable overnight courier service. Either party may designate such other address as shall be given by written notice.

24. **RECORDING.** Tenant may not record this Lease or a memorandum thereof without Landlord's prior written consent and joinder in such instrument.

25. **PARTIAL INVALIDITY.** If any provision of this Lease or application thereof to any person or circumstance shall, to any extent, be invalid, the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

26. **SUCCESSORS AND ASSIGNS.** Except as otherwise expressly provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns and any sale by Landlord of the Demised Premises shall be subject to this Lease provided the same is not in default at the time of such sale.

27. **ENTIRE AGREEMENT.** This Lease and the Exhibits hereto, set forth the entire agreement between the parties. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by the party sought to be charged. Submission of this Lease for examination does not constitute an option for the Demised Premises and becomes effective as a Lease only upon execution and delivery thereof by Landlord to Tenant. It is herewith agreed that this Lease contains no restrictive covenants in favor of Tenant. The captions and numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any paragraph, nor in any way affect this Lease.

28. **NO PARTNERSHIP.** Nothing contained in this Lease shall, or shall be deemed or construed so as to create the relationship of principal-agent, joint venturers, co-adventurers, partners or co-tenants between Landlord and Tenant; it being the express intention of the parties that they are and shall remain independent contractors one as to the other.

29. **RADON GAS DISCLOSURE.** 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.

30. ENVIRONMENTAL COVENANT AND INDEMNITY. Tenant covenants and agrees with Landlord that, throughout the term of this Lease: (i) Substances (as defined below), which may be used by any person for any purpose upon the Demised Premises, shall be used or stored thereon only in a safe and approved manner, in accordance with all industrial standards and all laws, regulations and requirements for storage, use, treatment and disposal promulgated by any applicable governmental agency or authority; (ii) other than as described in clause (i) of this Paragraph, the Demised Premises will not be used for the purpose of storing such Substances; and (iii) other than as described in clause (i) of this Paragraph, no such storage or use will otherwise be allowed on the Demised Premises which will cause, or which will increase the likelihood of causing, the release of such Substances onto the Property. Tenant hereby agrees to indemnify and save and hold Landlord harmless of and from all loss, cost (including reasonable attorney's fees, fines, penalties and permit fees), liability and damage incurred by Landlord arising out of or by reason of any violation of any applicable statute or regulation for the protection of the environment by Tenant which occurs or has occurred upon the Demised Premises during the period commencing on the date of this Lease and ending as of the termination of this Lease, or by reason of the imposition of any governmental lien for the recovery of environmental clean-up costs expended by reason of such violation by Tenant. For purposes of this Lease, "Substances" shall mean (i) pollutants, contaminants, or hazardous or toxic substances, wastes or materials including, but not limited to, oil, petroleum, petroleum by-product, chemical liquids or solids, liquid or gaseous products, within the meaning of any applicable statute or regulation.

31. WAIVER OF JURY TRIAL. LANDLORD AND TENANT, JOINTLY AND SEVERALLY, HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS, WHETHER VERBAL OR WRITTEN, OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LANDLORD TO ENTER INTO THIS LEASE WITH TENANT.

32. ATTORNEYS' FEES. In connection with any litigation brought to enforce or interrupt this Lease, the prevailing party shall be entitled to recover all costs therein incurred including reasonable attorneys' fees at trial and on appeal.

33. GOVERNING LAW. This Lease shall be deemed to be made under the laws of the State of Florida and shall be construed in accordance with and governed by the laws of said state.

34. SURVIVAL. The indemnity obligations of each party contained herein shall survive the termination, cancellation or expiration of this Lease for any reason whatsoever.

35. RIGHT OF FIRST REFUSAL

a. Grant of Right of First Refusal. Landlord grants to Tenant a right of first refusal to purchase the Demised Premises, from Landlord on and subject to the terms and conditions hereinafter set forth in this paragraph 35 (the "Right of First Refusal").

i. Terms and Conditions of Right of First Refusal.

(1) Term. The Right of First Refusal will commence on the ~~date hereof and will expire on Termination Date or earlier~~ termination of this Lease.

(2) Notice. In the event Landlord receives a bona fide written offer to sell, convey, transfer, alienate or otherwise dispose of the Demised Premises during the term of this Right of First Refusal to an unrelated person which Landlord intends to accept, Landlord will provide Tenant with written notice of Landlord's intention to make a disposition thereof to such person. The notice will contain a copy of the bona fide written offer to sell the Demised Premises setting forth the terms and conditions of such disposition.

(3) Exercise. Tenant may exercise the Right of First Refusal within thirty (30) days of Tenant's receipt of the notice required by Section 35(a)(i)(2) by delivery of written notice to Landlord of such election. If Tenant fails to exercise the Right of First Refusal within 30 days, then the Right of First Refusal will terminate.

ii. Conditions to Exercise Right of First Refusal. Tenant shall not have the right to exercise the Right of First Refusal if at the time of the exercise of the Right of First Refusal, Tenant shall be in default under any of the provisions of the Lease.

b. Termination upon Termination of Lease. The Right of First Refusal shall immediately terminate upon termination of the Lease by Landlord based on default under the Lease by Tenant.

c. Lapse of Right of First Refusal on Failure of Tenant to Exercise Right.

i. If the Tenant does not exercise the Right of First Refusal provided for in this Paragraph 35 in accordance with the terms hereof, the Landlord may sell, convey, transfer, alienate or otherwise dispose of the Demised Premises at any time within the time specified in the bona fide offer, or, if later, within the three (3) month period after submitting the Tenant pursuant to paragraph 35, to the person named as the prospective purchaser, or transferee in such notice upon terms that are in all material respects the same as those set forth in such notice.

ii. Provided, however, if (i) the Landlord (A) fails to close on the sale, conveyance, transfer, alienation, or disposition of the Demised Premises within

the period set forth in paragraph 35 (c), and (B) thereafter again desires to sell, convey, transfer, alienate or otherwise dispose of the Demised Premises during the term of this Right of First Refusal, or (ii) Landlord desires to substantially change the material terms of such sale, conveyance, transfer, alienation, or disposition of the Property or the identity of the prospective purchaser, or transferee, it will again serve notice upon Tenant in accordance with the terms of paragraph 35 (a).

36. **TENANT'S RIGHT TO PURCHASE.** Provided Tenant is not then in default under this Lease, during the "Exercise Period" described below, Tenant shall have the right to purchase the Demised Premises from Landlord (the "Option") in accordance with the following provisions and subject to the following conditions and limitations:

a. **Purchase Price:** The purchase price shall be an amount equal to the Fair Market Value (defined below) of the Demised Premises as of the date during the "Exercise Period" on which Landlord receives notice of exercise of the Option (the "Valuation Date"). The purchase price shall be paid in cash or other immediately available funds at closing.

b. **Notice of Exercise:** Written notice of exercise of the Option (the "Option Exercise Notice") may only be delivered to Landlord pursuant to Section 23 hereof no sooner than January 1, 2022 and no later than February 1, 2022 (the "Exercise Period"). If the Option Exercise Notice is not received during the Exercise Period, the Option shall automatically expire and shall be of no further force or effect.

c. **Option Closing, Continuing Rent and Closing Costs:**

(1) Closing of the purchase of the Demised Premises shall occur within ninety (90) days after the Option Exercise Notice is received by Landlord. Pending the closing, Tenant shall continue to occupy Demised Premises under this Lease and shall continue paying all rent and other amounts due hereunder as if the Lease terms were extended through the closing date.

(2) Tenant shall pay for an owner's title insurance policy, Tenant's attorney fees, a survey of the Demised Premises, all financing costs, and documentary deed stamps.

d. **Determination of Fair Market Value:** As used herein, the term "Fair Market Value" means the valuation determined by the following process.

(1) Within ten (10) days after Tenant has timely given the Option Exercise Notice, Landlord and Tenant shall each select an experienced MAI appraiser who practices in Northeast Florida. These two appraisers will then promptly appraise the fair market value of the Demised Premises and deliver to both parties their complete appraisal reports. If the amount of each of the two appraisals is not greater or

lesser than ten percent (10%) of the average of the two appraisals, then the amount that is equal to the average of the two appraisal amounts shall be the Fair Market Value of the Demised Premises for purposes of the Option.

- (2) If, however, the amount of each of the two appraisals obtained pursuant to Paragraph 5.d.(1) varies from the average of the two appraisal amounts by more than ten percent (10%), then the two appraisers shall agree on a third experienced MAI appraiser who practices in the northeast Florida area who shall be engaged to promptly appraise the fair market value of the Demised Premises and who shall promptly deliver to both parties the complete appraisal report prepared by the third appraiser. The Fair Market Value of the Demised Premises shall be deemed equal to the average of the two (2) highest appraisal amounts.

Each party shall be responsible for the payment of the appraisal fee of the appraiser they selected and both parties shall split the cost of the third appraiser's fee.

e. Conditions to Option. Notwithstanding anything to the contrary herein contained, the right to exercise the Option and the Option granted hereunder is subject to and conditioned upon the following two conditions:

- i. Landlord continues to own the Demised Premises; and
- ii. Landlord has not provided the Tenant a notice under Section 35(a)(i)(2) which may still be accepted by Tenant under Section 35(a)(i)(3).

The Option granted by this Section 36 shall automatically expire and be of no further force and effect if Landlord has sold the Demised Premises after complying with the requirements of Right of First Refusal set forth in Section 35. This Option shall not be binding on any subsequent owner of the Demised Premises whether or not such subsequent owner has knowledge of this Option.

[Signatures on the following page.]

IN WITNESS WHEREOF, the parties hereto have signed and sealed this Lease as of the day and year first above written.

WITNESSES:

Richard L. Szymon
Name:

RJ
Name:

"Landlord"

BAILEY'S ENTERPRISES, INC.
By: Robert E. Bailey
Robert E. Bailey, President

WITNESSES:

Richard L. Szymon
Name:

RJ
Name:

"Tenant"

THOMPSON ENTERPRISES OF JACKSONVILLE, LLC,
a Florida Limited Liability Company
By: [Signature] 02/13/17
Michael Thompson, Manager

"Member and Guarantor"
[Signature] 02/13/17
Michael Thompson

Exhibit A
Legal Description of Demised Premises

7-10 52-2S-27E JOHN B UEBELHOER PLAT OF PT OAKWOOD VILLS - PT TRACT "B" RECD O/R 8934-1106;

7-10 52-2S-27E JOHN B UEBELHOER PLAT & PT TRACT B RECD O/R BK 5693-1410 (EX PT RECD - O/R BKS 4522-945,5242-404)

7-10 52-2S-27E JOHN B UEBELHOER PLAT OF PT OAKWOOD VILLAS - PT TRACT B & PT F RICHARD GRANT RECD O/R BK 6491-478(EX PT IN STATE DITCH)

7-10 52-2S-27E JOHN B UEBELHOER PLAT OF PT OAKWOOD VILLAS - TRACT D,PT SEC 52-2S-27E RECD O/R BK 6106-2255

7-10 52-2S-27E PT JOHN B UEBELHOER PLAT & PT F RICHARD GRANT RECD O/R BK 5242-404

Unconditional Guaranty of Lease

IN CONSIDERATION of the sum of \$10.00 cash in hand paid, and other valuable consideration, as well as for the purpose of seeking to induce BAILEY'S ENTERPRISES INC. ("Landlord"), to enter into that certain Lease (the "Lease") between Landlord and THOMPSON ENTERPRISES OF JACKSONVILLE, LLC ("Tenant"), of the Demised Premises described therein, the undersigned, MICHAEL THOMPSON ("Guarantor"), does hereby guarantee to Landlord and to its transferees, successors or assigns of either this Guaranty or any of the obligations secured hereunder, or both, the prompt payment of all amounts due from Tenant to Landlord under the Lease, and the full performance and observance of all the covenants, conditions and agreements therein provided to be performed and observed by Tenant, Tenant's successors and assigns, and does hereby jointly and severally agree that if any payments which shall become due from Tenant to Landlord under the Lease are not paid by Tenant in accordance with the terms of the Lease, Guarantor will immediately make any payments required thereunder.

FURTHER, Guarantor hereby agrees with Landlord as follows:

1. This is a continuing Guaranty and may not be revoked by Guarantor.
2. The obligation covered by this Guaranty includes all obligations of Tenant under the Lease, as a hold over Tenant, or in any other manner arising from Tenant's occupancy of the Demised Premises, either now existing, or hereafter coming in to existence, and any renewals, modifications or extensions thereof, in whole or in part, together with all damages, losses, costs, interest charges, expenses (including attorney's fees both at trial, on appeal and otherwise), and liabilities of every kind, nature and description suffered or incurred by Landlord arising in any manner out of, or in any way connected with, or growing out of, the Lease or Tenant's occupancy of the Demised Premises.
3. Guarantor hereby consents and agrees that no subletting, assignment, or other transfer of the Lease, or any interest therein, shall operate to extinguish or diminish the liability of any Guarantor under this Guaranty.
4. Landlord shall have the right to proceed against the Guarantor without first proceeding against the Tenant or any other guarantor of the Lease.
5. Guarantor hereby waives and agrees not to assert or take advantage of:
 - a. any right to require Landlord to proceed against Tenant or any other person or to proceed against or exhaust any security held by it at any time or to pursue any other remedy in its power before proceeding against the undersigned;
 - b. any defense that may arise by reason of the incapacity, lack of authority, death or disability of, or revocation hereof by, any other or others or the failure of Landlord to file or enforce a claim against the estate (either in administration, bankruptcy, or any other proceeding) of any other or others;

c. demand, protest and notice of any other kind, including, without limiting the generality of the foregoing, notice of the existence, creation or incurring of any new or additional indebtedness or obligation under the Lease or of any action or non-action on the part of Tenant, Landlord or Guarantor under this or any other instrument or any creditor of Tenant, or any other person whomsoever, in connection with any indebtedness hereby guaranteed;

d. any defense based upon an election of remedies by Landlord which destroys or otherwise impairs the subrogation rights of the undersigned or the right of the undersigned to proceed against Tenant for reimbursement, or both; and

e. any release of Tenant from any of Tenant's obligations under the Lease by operation of law or otherwise, including, but without limitation, the rejection of the Lease in connection with any proceedings under any bankruptcy or reorganization laws now or hereinafter enacted.

6. Guarantor hereby agrees that extension of time in respect of any obligation guaranteed hereby may be granted by Landlord to Tenant without notice to Guarantor and without thereby affecting the liability of Guarantor under this Guaranty in any respect; Guarantor waives notice of acceptance of this Guaranty by Landlord, or of the extension, modification or renewal of any obligation of Tenant to which it relates, or of any default by Tenant. Guarantor agrees that no act or omission on the part of Landlord shall in any way affect or impair this Guaranty.

7. Guarantor hereby agrees that the failure of Landlord to insist, in any one or more instances, upon a strict performance or observance of any of the terms, provisions, or covenants of the Lease or to exercise any right therein contained shall not be construed or deemed to be a waiver or relinquishment for the future of such term, provision, covenant, or right, but the same shall continue and remain in fully force and effect. Receipt by Landlord of rental payments under the Lease without knowledge of the breach of any provision of the Lease shall not be deemed a waiver of such breach.

8. If this Guaranty is placed in the hands of an attorney at law for enforcement, Guarantor hereby agrees to pay the costs thereof, and a reasonable sum as an attorney's fee for such enforcement and appeal, if any.

9. This Guaranty shall be construed and governed by the laws of the State of Florida and Guarantor hereby consents to the jurisdiction of the courts of said state and to being sued therein.

10. Guarantor agrees that this Guaranty may be assigned by Landlord and shall inure to the benefit of and may be enforced by Landlord or its transferees, successors and assigns, and shall be binding upon and enforceable against Guarantor and Guarantors legal representatives, heirs, successors and assigns.

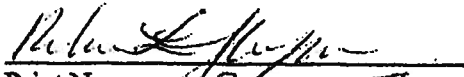
11. AS A MATERIAL INDUCEMENT FOR LANDLORD TO ENTER INTO THE LEASE, LANDLORD AND GUARANTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHTS EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION

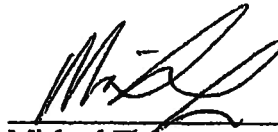
WITH THIS GUARANTY, THE GUARANTEED INDEBTEDNESS, THE LEASE AND ALL DOCUMENTS AND AGREEMENTS EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH THE GUARANTEED INDEBTEDNESS, THE LEASE, OR WITH RESPECT TO ANY CLAIMS OR DEFENSES ALLEGED TO ARISE OUT OF THE COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY.


IN WITNESS WHEREOF, Guarantor has caused this instrument to be executed under seal this 23rd day of February, 2017, and to be delivered in the state of Florida.

Signed, sealed and delivered
in the presence of:

GUARANTOR


Print Name: Rebecca Thompson

 02/13/2017
Michael Thompson


Print Name: Row KOSTAS