

MEMORANDUM

PSC
Substitute to
Agenda Item No. 4(E)

TO: Honorable Chairperson Barbara Carey-Shuler, Ed. D. and Members Board of County Commissioners DATE: February 10, 2004

FROM: George M. Burgess County Manager  SUBJECT: Lease Agreement for Miami-Dade Police Department at 9955 N.W. 116 Way, Suite 1, Medley, Florida Property # 2032-00-00

This item is being substituted to reflect that the Cancellation Provision in the Lease Agreement has been removed. Additionally, the lease agreement has been modified to reflect that the County is self-insured.

The attached Lease Agreement has been prepared by General Services Administration at the request of Miami-Dade Police Department (MDPD) is recommended for approval.

PROPERTY: 9955 N.W. 116 Way, Suite 1, Medley, Florida

OWNER: Flagler Development Company
A Florida Corporation

COMPANY PRINCIPALS: Robert F. Mcswain Director
R.W. Anestis Director
Heidi J. Eddins Secretary
John G. Carey Director
Melinda Thompson
Carl B. Hanson III

USE: 14,940 rentable square feet of office space.

JUSTIFICATION: MDPD's Narcotics Bureau is presently occupying office space at 3425 N.W. 2nd Avenue. The Narcotics Bureau has outgrown the space and would like to move to larger, more centrally located office space. The proposed location will provide adequate space and improved response time due to Turnpike access and proximity to the Police headquarters' crime lab.

LEASE TERM: Five (5) years two months.

RENTAL RATE:

Annual rent for the first year is \$112,050.00 which is equal to \$7.50 per square foot. The rent for the first and second month has been waived and rental payment shall commence on the third month following acceptance of leased space thereby reducing the effective rental rate as shown. The annual base rent for the second and subsequent years of the lease term will be increased by three percent (3%).

LEASE CONDITIONS:

Landlord is responsible for real estate taxes, building insurance, structural and roof maintenance, operating expenses and common area expenses. The County is responsible for separately metered utilities, including electricity, janitorial and custodial services and trash removal. The County will reimburse the Landlord for its pro-rata share of any ad valorem tax and insurance, maintenance and common area expenses to the extent these expenses exceed the base year of 2004.

EFFECTIVE DATES:

Commencing ten days after approval by the Board, unless vetoed by the Mayor, and if vetoed, only upon an override by the Board completion of alterations and acceptance by the Tenant and terminating five (5) years two (2) months thereafter.

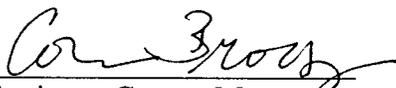
FUNDING SOURCE:

General Fund. This item has been budgeted by the Miami-Dade Police Department.

OTHER PROPERTIES
EVALUATED:

1701 N.W. 82nd Avenue. 10,168 square feet @ \$12.00 per square foot, net of electric, janitorial, waste and common area maintenance. Higher rate than recommended space.

8861 N.W. 18th Terrace- 2,000 square feet @ \$14.50 per square foot. Minimum space available.


Assistant County Manager



MEMORANDUM

(Revised)

TO: Hon. Chairperson Barbara Carey-Shuler, Ed.D.
and Members, Board of County Commissioners

DATE: March 16, 2004

FROM: Robert A. Ginsburg
County Attorney

SUBJECT: Agenda Item No.

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor

Agenda Item No.

Veto _____

Override _____

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF LEASE AGREEMENT AT 9955 N.W. 116 WAY, SUITE 1, MEDLEY, WITH FLAGLER DEVELOPMENT COMPANY, A FLORIDA CORPORATION, FOR PREMISES TO BE UTILIZED BY MIAMI-DADE POLICE DEPARTMENT FOR THE NARCOTICS BUREAU, UPON PROPER EXECUTION; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Lease Agreement between Miami-Dade County and Flagler Development Company, a Florida corporation, for premises to be utilized by the Miami-Dade Police Department for its Narcotics Bureau, in substantially the form attached hereto and made a part hereof; and authorizes the County Manager to execute same for and on behalf of Miami-Dade County, upon proper execution by Flagler Development Company; and authorizes the County Manager to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner

, who moved its adoption. The motion was seconded by Commissioner

and upon being put to a vote, the vote was as follows:

Dr. Barbara Carey-Shuler, Chairperson
Katy Sorenson, Vice-Chairperson

Bruno A. Barreiro
Betty T. Ferguson
Joe A. Martinez
Dennis C. Moss
Natacha Seijas
Sen. Javier D. Souto

Jose "Pepe" Diaz
Sally A. Heyman
Jimmy L. Morales
Dorrin D. Rolle
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 16th day of March, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.



By: _____
Deputy Clerk

LEASE AGREEMENT

THIS AGREEMENT is made on the _____ day of _____, 2004, by and between FLAGLER DEVELOPMENT COMPANY, a Florida corporation, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "TENANT".

WITNESSETH:

That LANDLORD, for and in consideration of the restrictions and covenants herein contained, hereby leases to TENANT and TENANT hereby leases from LANDLORD the premises described as follows:

Approximately 14,940 square feet of air-conditioned and heated office space located at 9955 N.W. 116 Way, Suite 1, Medley, Florida (the "Premises"). The Premises constitutes a portion of a building containing approximately 48,886 square feet of space which is known as Building #OSW1 (the "Building"). The Building and the location of the Premises are as shown on the Site Plan attached hereto as Exhibit A. The Building is included in a multiple-building business and industrial park know as Flagler Station (f/k/a Beacon Station) (the "Park")

TO HAVE AND TO HOLD unto the said TENANT for a term of five (5) years and two (2) months, commencing upon the later of (i) approval of this Lease Agreement by the Board of County Commissioners, unless vetoed by the mayor, and then it shall become effective only upon an override of this Board, and (ii) substantial completion (as defined in ARTICLE XVIII) of LANDLORD's WORK by LANDLORD (the "Commencement Date"), and terminating five (5) years and two (2) months thereafter (the "Termination Date"). Landlord and TENANT shall execute a Memorandum of Lease Commencement substantially in accordance with Exhibit B attached hereto establishing the Commencement Date as soon as it has been determined.

TENANT shall pay LANDLORD during the Lease term annual base rent as set forth in the table below, which reflects a three percent (3%) annual increase:

LEASED PERIOD	ANNUAL RENT	MONTHLY RENT
Months 3 through 14	\$134,460.00	\$11,205.00
Months 15 through 26	\$138,493.80	\$11,541.15
Months 27 through 38	\$142,648.61	\$11,887.39
Months 39 through 50	\$146,928.07	\$12,244.01
Months 51 through 62	\$151,335.91	\$12,611.33

payable in monthly installments as shown above. LANDLORD agrees that there shall be no base rent due and payable for the first two months of the Lease term and the base rent shall commence on the first day of the third month, provided all of the conditions contained in "ARTICLE XXV, CONDITIONS PRECEDENT TO COMMENCEMENT OF TERM," have been met, provided further, that if the date immediately following the expiration of such 2-month rental abatement period should be a date other than the first day of a calendar month, the monthly rental applicable to Month 3 (as set forth above) will also apply to such partial calendar month and will be prorated to the end of such partial calendar month. TENANT agrees to pay LANDLORD rent (the parties acknowledging that TENANT is exempt from the payment of sales or use taxes thereon), payable in advance on the first day of every month at P.O. Box 861945, Orlando, Florida 32886-1945 or at such other place and to such other person as LANDLORD may from time to time designate in writing, as set forth herein. The LANDLORD shall have the right to terminate this agreement if not approved by the Board of County Commissioners on or before February 29, 2004.

All charges payable by TENANT under the terms of this Lease other than base rent are called "Additional Rent." Unless this Lease provides otherwise, all Additional Rent shall be paid with the next monthly installment of base rent.

For all purposes of this Lease, the following terms shall have the meanings ascribed to them herein:

(a) “Operating Expenses” shall mean any expenses incurred whether by the LANDLORD or by others on behalf of the LANDLORD arising out of LANDLORD’s maintenance, operation, repair, replacement (if such replacement is generally regarded in the industry as increasing operating efficiency or is required under any applicable law that was not in effect or not applicable to the Park on the Commencement Date) and administration of the Park, Building, Premises and common areas, including, without limitation: (i) all real estate, personal property and other ad valorem taxes, and any other levies, charges, local improvement rates, and assessments whatsoever assessed or charged against the Park, Building, Premises and common areas, the personal property owned by LANDLORD and used in the operation of the Park, Building or common areas therein contained, including any amounts assessed or charged in substitution for or in lieu of any such taxes, excluding only income or capital gains taxes imposed upon LANDLORD, and including all costs associated with the appeal of any assessment on taxes; (ii) insurance that the LANDLORD is obligated or permitted to obtain under this Lease and any deductible amount applicable to any claim made by the LANDLORD under such insurance; (iii) security, if any is provided by LANDLORD; (iv) landscaping and pest control, (v) a reasonable management fee; (vi) electricity, water, sewer, gas, window washing, janitorial services, trash and debris and other maintenance and utility charges; (vii) wages and benefits payable to employees of LANDLORD and LANDLORD’s property manager whose duties are directly connected with the operation and maintenance of the Premises, Building, common areas or Park; and (viii) dues and assessments under any applicable deed restrictions or declarations of covenants and restrictions. If the Park is a multi-building project and any tax

expense, insurance expense, or other Operating Expense is not assessed separately or charged specifically to the Building, but is charged against the Park as a whole (or applicable portion thereof), LANDLORD shall reasonably determine the portion of such Operating Expenses chargeable to TENANT, based upon a fraction in which the numerator is the square footage of the Premises and the denominator is the total square footage of all buildings in the Park (or applicable portion thereof).

Operating Expenses shall, however, exclude: (i) interest and amortization on mortgages and other debt costs or ground lease payments, if any; (ii) depreciation of buildings and other improvements (except permitted amortization of certain capital expenditures); (iii) legal fees in connection with leasing, tenant disputes or enforcement of leases; (iv) real estate brokers' commissions or marketing costs; (v) improvements or alterations to tenant spaces not required by law or insurance underwriting standards; (vi) the cost of providing any service directly to, and paid directly by, any tenant; (vii) costs of any items to the extent LANDLORD receives reimbursement from insurance proceeds or from a warranty or other such third party (such proceeds to be deducted from Operating Expenses in the year in which received); and (viii) capital expenditures, except those (a) made primarily to reduce Operating Expenses or increases therein, or to comply with laws or insurance requirements (excluding capital expenditures to cure violations of laws or insurance requirements that existed prior to the date of this Lease), or (b) for replacements (as opposed to additions or new improvements); provided, any such permitted capital expenditure shall be amortized (with interest at the prevailing loan rate available to LANDLORD when the cost was incurred) over: (x) the period during which the reasonable estimated savings in Operating Expenses equals the expenditure, if applicable, or (y) the useful life of the item as reasonably determined by LANDLORD, but in no event less than five (5) years nor more than ten (10) years.

(b) "Base Year Operating Expenses" shall mean the Operating Expenses for the calendar year 2004.

(c) "Tenant's Share" shall mean that certain portion of the Operating Expenses that TENANT is obligated to pay to LANDLORD, which shall be calculated by multiplying the difference between annual Operating Expenses less the Base Year Operating Expenses by a fraction, the numerator of which shall be the total square footage of the Premises and the denominator of which shall be the total square footage of the Building, which fraction as of the Commencement Date shall be 30.56%, unless otherwise set forth in the Memorandum of Lease Commencement. Tenant's Share shall be subject to change as and if the square footage of either the Premises or the Building changes.

(d) Payment of Operating Expenses. In addition to the payment of base rent, TENANT shall pay Tenant's Share to LANDLORD in those years during the Lease term in which Operating Expenses exceed Base Year Operating Expenses. On or before March 31st of each year after the Base Year, LANDLORD shall provide an estimate of the Operating Expenses for the current calendar year and an estimate of Tenant's Share, if any (the "Estimate Statement"). If the estimated Operating Expenses exceed the Base Year Operating Expenses, TENANT shall remit monthly one-twelfth (1/12th) of Tenant's Share (the "Estimated Payment") as Additional Rent together with its payments of base rent; provided that LANDLORD may invoice TENANT retroactively for the months of January through the month of issuance of the Estimate Statement. On or before March 31st of each calendar year, LANDLORD shall send a statement to TENANT detailing all Operating Expenses for the prior year and setting forth the amount representing the Tenant's Share, as reconciled for the actual Operating Expenses of the prior year (the "Operating Expense Statement"). If the Operating Expense Statement indicates

that the estimated Operating Expenses paid by TENANT during the preceding year exceeded Tenant's Share, then TENANT shall be given a credit in the amount of the difference between the Estimated Payments made in the preceding year and the Tenant's Share against its next due installments of Operating Expenses. If the Operating Expense Statement indicates that Tenant's Share exceeded the Estimated Payments, then TENANT shall remit the difference to LANDLORD as Additional Rent. LANDLORD'S failure to provide a statement shall not prejudice LANDLORD'S right to collect a shortfall (provided that LANDLORD ultimately provides the Operating Expense Statement to Tenant) or TENANT'S right to receive a credit for over payments.

During the Lease term or any extension thereof, but not more than one (1) time per year, TENANT shall have the right to cause LANDLORD's books and records with respect to Operating Expenses to be audited by a reputable independent certified public accountant or a reputable lease auditing firm of TENANT's choosing or by TENANT's in-house auditing department; provided that: (i) TENANT shall notify LANDLORD, in writing, that it has elected to perform such audit within ninety (90) days after TENANT's receipt of the applicable Operating Expense Statement for the year to be audited (the "Election Notice"); (ii) such audit shall commence within sixty (60) days after TENANT sends the Election Notice; (iii) such audit shall be completed within sixty (60) days after the same is commenced; and (iv) TENANT shall have a reasonable period of time to object to an Operating Expense Statement based upon the results of such audit (which shall in no event exceed sixty (60) days after the completion of such audit). TENANT hereby agrees to keep the results of any such audit(s) confidential (except for disclosures required by law) and any agreement that TENANT enters into with an outside accounting firm shall provide that such firm shall also keep such results confidential (except for

disclosures required by law). LANDLORD shall cause such books and records to be made available for such inspection during normal business hours at the office where Landlord maintains such books and records, upon no less than ten (10) days' prior written notification by TENANT to LANDLORD. Such audit shall be done in accordance with generally accepted auditing principles, consistently applied and TENANT shall provide LANDLORD a complete copy of such audit results at the conclusion thereof. If, at the conclusion of such audit, TENANT's audit of such expenses for the preceding year indicates that TENANT made an overpayment to LANDLORD for such preceding year, LANDLORD shall remit the amount of such overpayment to TENANT within thirty (30) days after receipt of notice from TENANT of the amount of such overpayment; if such audit indicates that TENANT made an underpayment for such preceding year, TENANT shall remit the difference to LANDLORD as Additional Rent within sixty (60) days of the conclusion of such audit. Should LANDLORD disagree with the results of TENANT's audit, LANDLORD and TENANT shall refer the matter to a mutually acceptable independent certified public accountant, who shall be hired on a non-contingent fee basis and shall work in good faith with LANDLORD and TENANT to resolve the discrepancy. The fees and costs of such independent accountant to which such dispute is referred shall be borne by the unsuccessful party and shall be shared pro rata to the extent each party is unsuccessful as determined by such independent certified public account, whose decision shall be final and binding. LANDLORD shall pay the cost of TENANT's initial audit if the total amount of Operating Expenses used for the calculation of pass-throughs for the year in question exceeded five (5%) percent or more of the total amount of Operating Expenses that should properly have been used.

IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

ARTICLE I
USE OF DEMISED PREMISES

The area of the Premises shall be used by TENANT only for the performance of County business by County departments, agencies, and authorities and for the performance of work incidental thereto, which will necessarily entail services performed for the general public. TENANT shall not create a nuisance or use the Premises for any illegal or immoral purpose. TENANT shall observe all reasonable rules and regulations established by LANDLORD from time to time for the Building. The rules and regulations in effect as of the date hereof are attached to and made a part of this Lease as Exhibit C. LANDLORD will have the right at all times to change and amend the rules and regulations in any reasonable manner as it may deem advisable for the safety, care and operation or use of the Park or the Premises.

ARTICLE II
CONDITION OF PREMISES

LANDLORD, at its own expense, shall cause the Premises to be in a state of good repair and suitable for usage by TENANT at the commencement of this Lease Agreement, subject to the provisions of ARTICLE XVIII, "Improvements of the Demised Premises."

Subject to the above, TENANT hereby accepts the Premises to be in a state of good repair and suitable for usage by TENANT at the commencement of the term of this Lease Agreement, after completion of alterations and acceptance by TENANT.

ARTICLE III
UTILITIES

TENANT, during the term hereof, shall pay all charges for its' own separately metered utilities (to the extent such utilities are separately metered for the Premises), janitorial and trash

removal. Tenant shall, in common with other tenants in the Building, pay as Operating Expenses Tenant's Share of utilities not separately metered for the Premises.

ARTICLE IV **MAINTENANCE**

LANDLORD agrees to provide, repair or replace, as necessary, and maintain and keep in good repair, condition, and appearance, during the term of this Lease Agreement or any extension or renewal thereof, the exterior of the Building and the following:

- Plumbing and electrical lines, fixtures, and equipment;
- Halls, and lavatories;
- Air-conditioning and heating equipment (subject to the terms of ARTICLE XXIII hereof);
- Roof and roof leaks;
- Windows, doors, and frames;
- Fire equipment, including inspection as required by applicable fire codes.

LANDLORD, at its sole cost and expense (provided that the cost of such maintenance, repairs and replacements shall be included in Operating Expenses if includible in the definition of Operating Expenses set forth in this Lease), shall perform or cause to be performed in the Premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m. (or at such other times as may be reasonably acceptable to TENANT), the maintenance and services as described above.

LANDLORD shall also repair, replace, and maintain, at its sole cost and expense, the electrical, mechanical, utility, and plumbing systems servicing the Premises, the roof and all other structural elements of the Building except for damages to the interior of the Premises caused by the negligence or willful misconduct of TENANT or TENANT's employees, agents, contractors, visitors, and/or invitees.

Upon the failure of LANDLORD to effect repairs or perform the above-stated services pursuant to this Lease Agreement after five (5) days' written notification to do so by TENANT,

TENANT may cause the repairs to be made and deduct their cost from the rental payments due and to become due until in each instance TENANT has fully recovered such costs in accordance with audited costs of repair furnished by TENANT to LANDLORD; provided, however, that if more than five (5) days are reasonably required for LANDLORD to effect such repairs, then LANDLORD shall not be deemed to be in violation of this provision if LANDLORD commenced such repairs within said five (5) day period and thereafter diligently prosecutes such repairs to completion. In the event of an emergency, TENANT after proper written notification to the LANDLORD and failure of the LANDLORD to take immediate action, may perform repairs that are the LANDLORD's responsibility and receive a credit against rental payments or a cash reimbursement from LANDLORD for the actual costs thereof. All of the aforesaid repairs shall be made with reasonable diligence and in a good and workmanlike manner and in accordance with all terms and conditions of this Lease.

TENANT shall maintain the interior of the Premises, other than the above described items, in good order, condition and repair. LANDLORD and TENANT intend that, at all times during the Lease term, TENANT shall maintain the interior of the Premises in an attractive and fully operative condition.

ARTICLE V
ALTERATIONS BY TENANT

TENANT may not make any alterations, additions, or improvements in or to the Premises without the written consent of LANDLORD, which consent may be withheld in Landlord's sole and absolute discretion. All additions, fixtures, or improvements (except but not limited to store and office furniture and fixtures installed by TENANT which are readily removable without injury to the Premises) shall be and remain a part of the Premises at the expiration of this Lease Agreement. Subject to the above, any carpeting and removable partitions installed by TENANT

within the Premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation hereof. TENANT shall, at TENANT's expense, repair any damage to the Premises or Building caused by the removal of any of TENANT's personal property. TENANT will have no authority or power, express or implied, to create or cause any construction lien or mechanics' or materialmen's lien or claim of any kind against the Premises, the Park or any portion thereof. TENANT will promptly cause any such liens or claims to be released by payment, bonding or otherwise within thirty (30) days after request by LANDLORD, and will indemnify LANDLORD, to the extent and within the limitations of Section 768.28, Florida Statutes, against losses arising out of any such claim including, without limitation, legal fees and court costs. NOTICE IS HEREBY GIVEN THAT LANDLORD WILL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIAL FURNISHED OR TO BE FURNISHED TO TENANT, OR TO ANYONE HOLDING THE PREMISES THROUGH OR UNDER TENANT, AND THAT NO MECHANICS' OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS WILL ATTACH TO OR AFFECT THE INTEREST OF LANDLORD IN THE PREMISES. TENANT WILL DISCLOSE THE FOREGOING PROVISIONS TO ANY CONTRACTOR ENGAGED BY TENANT PROVIDING LABOR, SERVICES OR MATERIAL TO THE PREMISES.

ARTICLE VI
DESTRUCTION OF PREMISES AND CONDEMNATION

(a) If the Premises are at any time damaged or destroyed in whole or in part by fire, casualty or other causes, LANDLORD shall have thirty (30) days from such damage or destruction to determine and inform TENANT whether LANDLORD will restore the Premises to substantially the condition which existed immediately prior to the occurrence of the casualty. If LANDLORD elects not to rebuild, this Lease shall automatically terminate and neither party

shall have any further obligations hereunder, except for those obligations which expressly survive the termination of the Lease. If LANDLORD elects to rebuild, LANDLORD shall complete such repairs to the extent of insurance proceeds within one hundred twenty (120) days from the end of the thirty (30) day period. If such repairs have not been completed within that one hundred twenty (120) day period, and TENANT desires to terminate the Lease as a result thereof, then TENANT must notify LANDLORD prior to LANDLORD's completion of the repairs of TENANT's intention to terminate this Lease. LANDLORD shall then have ten (10) days after LANDLORD's receipt of written notice of TENANT's election to terminate to complete such repairs (as evidenced by a certificate of completion). If LANDLORD does complete such repairs prior to the expiration of such ten (10) day cure period, TENANT shall have no such right to terminate this Lease. TENANT shall, upon substantial completion by LANDLORD, promptly and diligently, and at its sole cost and expense, repair and restore any improvements to the Premises made by TENANT to the condition, which existed immediately prior to the occurrence of the casualty. Until the restoration of the Premises is complete, there shall be an abatement or reduction of base rent in the same proportion that the square footage of the Premises so damaged or destroyed and under restoration bears to the total square footage of the Premises, unless the damaging event was caused by the negligence or willful misconduct of TENANT, its employees, officers, agents, licensees, invitees, visitors, — customers, concessionaires, assignees, subtenants, contractors or subcontractors, in which event there shall be no such abatement.

(b) If the whole of the Premises (provided that if 60% or more of the Premises are taken, the TENANT may deem that all of the Premises are taken), or such portion thereof as will make the Premises unusable, in LANDLORD's judgment, for the purposes leased hereunder, shall be taken by any public authority under the power of eminent domain or sold to public authority under threat or in lieu of such taking, the term of this Lease shall cease as of the day possession or title shall be taken by such public authority, whichever is earlier ("Taking Date"), whereupon the rent and all other charges shall be paid up to the Taking Date with a proportionate

refund by LANDLORD of any rent and all other charges paid for a period subsequent to the Taking Date. If less than the whole of the Premises, or less than such portion thereof as will make the Premises unusable as of the Taking Date, is taken, base rent and other charges payable to LANDLORD shall be reduced in proportion to the amount of the Premises taken. If this Lease is not terminated, LANDLORD shall repair any damage to the Premises caused by the taking to the extent necessary to make the Premises reasonably tenantable within the limitations of the available compensation awarded for the taking (exclusive of any amount awarded for land).

(c) All compensation awarded or paid upon a total or partial taking of the Premises or Building including the value of the leasehold estate created hereby shall belong to and be the property of LANDLORD without any participation by TENANT; TENANT shall have no claim to any such award based on TENANT's leasehold interest. However, nothing contained herein shall be construed to preclude TENANT, at its cost, from independently prosecuting any claim directly against the condemning authority in such condemnation proceeding for damage to, or cost of removal of, stock, trade fixtures, furniture, and other personal property belonging to TENANT; provided, however, that no such claim shall diminish or otherwise adversely affect LANDLORD's award or the award of any mortgagee.

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ARTICLE VII
DISABLED INDIVIDUALS

LANDLORD understands, recognizes, and warrants to the best of its knowledge that all common areas are, and shall at all times be maintained, in accordance with the requirements for disabled individuals contained in the Americans with Disabilities Act of 1990 (the "ADA") and Section 553.501 et seq. of the Florida Statutes, as presently written and as may be hereafter amended.

LANDLORD further warrants that the Premises and access thereto, including but not limited to rest rooms, hallways, entryways to the street, and accessible parking, if parking is

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provided under the Lease Agreement, shall be in compliance with the accessibility standards for government programs contained in the ADA and all requirements of Section 553.501 et seq. of the Florida Statutes. LANDLORD covenants and agrees that the Premises and access thereto shall at all times be maintained in accordance with those requirements at LANDLORD's cost and expense (provided that any such costs may be included in Operating Expenses), except where changes are required as a result of TENANT's alterations to the Premises (excluding LANDLORD's WORK hereunder) or change in program or work force.

LANDLORD agrees to correct any and all violations of the obligations of LANDLORD under this Section within thirty (30) days of written notice by TENANT of the existence of the same, provided that, if such violations cannot feasibly be corrected within said thirty (30) day period, then LANDLORD agrees to commence such repairs within said thirty (30) day period and to diligently pursue the completion of same within a reasonable period thereafter.

LANDLORD recognizes and agrees that, throughout the term of the Lease Agreement, TENANT may in its discretion change its employees or programs which operate from the leased Premises. LANDLORD agrees that TENANT may, at TENANT's expense, make such changes to the leased Premises or the access thereto as may be required by TENANT to accommodate disabled individuals or to provide program accessibility in connection with any such change in TENANT's programs or work force; provided that any such changes shall be made only with Landlord's prior written consent and in accordance with the terms of this Lease (including, without limitation, ARTICLE V hereof).

Notwithstanding the foregoing to the contrary, if, during the term of this Lease, any improvements, modifications or alterations are required by any governmental or municipal body or agency or due to any applicable law as a result of (i) TENANT's specific use of the Premises, or (ii) alterations to the Premises proposed by TENANT (excluding the LANDLORD's WORK hereunder), TENANT will be solely responsible for all associated costs.

ARTICLE VIII
NO LIABILITY FOR PERSONAL PROPERTY

All personal property placed or moved in the Premises above described shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to negligence or willful misconduct of LANDLORD, LANDLORD's agents or employees.

ARTICLE IX
SIGNS

TENANT shall not place any signs on the Premises, Building or Park except with the prior written consent of the LANDLORD, including consent as to location and design, which may be withheld in LANDLORD's sole discretion, provided that TENANT may place exterior signs on the exterior of and in front of the Building in locations approved in advance by LANDLORD, provided that any and all such signs shall be installed and shall be maintained by TENANT, at its sole cost and expense and shall be in compliance with LANDLORD's sign criteria (a copy of which is attached hereto as Exhibit D), the Rules and Regulations and all applicable laws. TENANT shall be responsible to LANDLORD for the installation, use, or maintenance of said signs and any damage caused thereby. TENANT agrees to remove all of its signs prior to the expiration or earlier termination of the Lease and upon such removal to repair all damage incident to such removal.

ARTICLE X
LANDLORD'S RIGHT OF ENTRY

LANDLORD or any of its agents shall have the right to enter said Premises during all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists (in which event no notice shall be required), (i) to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or

preservation thereof of said Building, and (ii) to show them to prospective purchasers, lenders, or anyone having a prospective interest in the Building, and, during the last ninety (90) days of the Lease term or any renewal thereof, to show them to prospective tenants. At the election of TENANT, LANDLORD shall be accompanied by an employee of TENANT, except in the event of an emergency. LANDLORD shall use its commercially reasonable efforts to minimize any interference to TENANT's usage of the Premises during the exercise of any rights granted to LANDLORD herein.

ARTICLE XI
LIABILITY FOR DAMAGE OR INJURY

TENANT shall not be liable for any damage or injury which may be sustained by any party or person on the demised Premises other than the damage or injury caused by the negligence of TENANT (including its agents or employees), subject to all limitations of Florida Statutes, Section 768.28.

ARTICLE XII
PEACEFUL POSSESSION

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the Premises above described, without hindrance or molestation by LANDLORD.

ARTICLE XIII
SURRENDER OF PREMISES

TENANT agrees to surrender to LANDLORD at the end of the term of this Lease Agreement, or any extension thereof, said leased Premises in as good condition as said Premises were at the beginning of the term of this Lease Agreement, ordinary wear and tear and damage by fire and windstorm or other acts of God excepted.

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ARTICLE XIV
INDEMNIFICATION AND HOLD HARMLESS

TENANT does hereby indemnify and agree to hold harmless the LANDLORD, to the extent and within the limitations of Section 768.28, Florida Statutes, subject to the provisions of that Statute whereby the TENANT shall not be held liable to pay a personal injury or property damage claim or judgment by any one person which exceeds the sum of \$100,000 or any claim or judgments or portions thereof, which, when totaled with all other occurrences, exceeds the sum of \$200,000, from any and all personal injury or property damage claims, liabilities, losses or causes of action which may arise solely as a result of the negligence of the TENANT, its agents or employees. However, nothing herein shall be deemed to indemnify the LANDLORD from any liability or claim arising out of the negligent performance or failure of performance of the LANDLORD or any unrelated third party.

ARTICLE XV
ASSIGNMENT OR SUBLET

TENANT shall not assign this Lease Agreement or any part thereof or sublet all or any part of the Premises without the prior written consent of LANDLORD, which consent may be withheld in LANDLORD's sole and absolute discretion; provided, however, that with respect to any proposed assignment or sublease by TENANT to another County agency, LANDLORD's consent may only be withheld in LANDLORD's reasonable discretion. Any assignment or subletting consented to by LANDLORD shall be evidenced in writing in a form acceptable to LANDLORD.

ARTICLE XVI
SUCCESSORS IN INTEREST

It is hereby covenanted and agreed between the parties that all covenants, conditions, agreements, and undertakings contained in this Lease Agreement shall extend to and be binding on the respective successors and permitted assigns of the respective parties hereto, the same as if they were in every case named and expressed.

ARTICLE XVII
NOTICES

It is understood and agreed between the parties hereto that written notices addressed and sent by certified or registered mail, return receipt requested, first class, postage prepaid or via guaranteed overnight delivery service and addressed as follows:

TENANT:

Real Estate Section
Facilities Utilities & Management Division
General Services Administration
111 N.W. First Street, Suite 2460
Miami, Florida 33128

LANDLORD:

Flagler Development Company
10505 N.W. 112 Avenue, Suite 114
Miami, Florida 33178

With a copy to:

Flagler Development Company
10151 Deerwood Park Boulevard
Building 100, Suite 330
Jacksonville, Florida 32256
Attn: Legal Department

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed (via certified or registered mail or guaranteed overnight delivery) or delivered by hand to the addresses as stated above, shall constitute sufficient notice to LANDLORD to comply with the terms of this Lease Agreement. Notices provided herein in this paragraph shall include all notices required in this Lease Agreement or required by law.

ARTICLE XVIII
IMPROVEMENTS OF THE DEMISED PREMISES

A. LANDLORD'S WORK: Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD, at its expense, shall complete and prepare the demised Premises for TENANT's initial occupancy in good, workmanlike, and timely manner in accordance with plans and specifications to be prepared by, or on behalf of LANDLORD, in general conformity with the space plan attached to this Lease as Exhibit E (the "Plans").

LANDLORD reserves the rights, however:

1. to substitute materials of equivalent grade and quality when and if any material specified in the Plans shall not be readily and reasonably available;
2. to make changes necessitated by conditions met in the course of construction, provided that TENANT's approval of any such change shall first be obtained (which approval shall not be unreasonably withheld or delayed so long as there shall be general conformity with the Plans); and
3. to make changes as required by the local building department in order to obtain a building permit or Certificate of Occupancy.

B. LANDLORD shall substantially complete all work and improvements as set forth in the Plans within one hundred twenty (120) days following the issuance of a building permit, as such completion date may be extended by force majeure. Issuance of a Certificate of Occupancy shall determine when substantial completion has occurred, and shall so notify both parties hereto. Improvements to the demised Premises shall be deemed substantially completed upon the issuance of a Certificate of Occupancy notwithstanding the necessity to correct, adjust, or

complete certain items ("Punch-List" items), so long as such corrections, adjustments, or completions do not impede TENANT from using and occupying the demised Premises for the purposes intended, as expressed in the Plans. LANDLORD shall complete such Punch-List items at its expense at a time mutually convenient to both parties. If LANDLORD does not substantially complete the LANDLORD's Work within a period of one hundred twenty (120) days following the issuance of a building permit, as such completion date may be extended by force majeure, then, in such event, TENANT shall be entitled (as TENANT's sole remedy for such delay) to one (1) day of rent abatement for each day of LANDLORD's delay in substantially completing the LANDLORD's Work.

C. LANDLORD shall not charge TENANT any construction, supervision, management, consultation or other fee with respect to the construction of the improvements to the demised Premises. TENANT has the right to inspect the Premises during construction, at such times as shall be reasonably specified by LANDLORD, and all work which is not in general conformity with the Plans must be corrected or repaired at LANDLORD's expense.

D. LANDLORD shall provide the following additional improvements, at LANDLORD'S sole cost and expense, to the existing office space:

Provide two (2) French style solid wood doors; glass in area on the side of the columns; install new building standard carpet throughout the entire suite.

ARTICLE XIX **FURNITURE, FIXTURES AND EQUIPMENT**

LANDLORD shall allow TENANT the use of the existing phone system (Nortel Norstar) and furniture (to be inventoried and attached as Exhibit F) during the term of the Lease. Tenant accepts such furniture and equipment in its "as-is" condition without recourse, representation or warranty of any kind by or from Landlord, and Landlord hereby expressly disclaims any and all implied warranties concerning the condition thereof, either in whole or in part, including, but not

limited to, the implied warranties of habitability, merchantability or fitness for a particular purpose. Tenant shall be fully responsible for the maintenance, repair and/or replacement of such furniture and equipment (normal wear and tear excepted) during the term of the Lease and Landlord shall have no obligations in connection therewith.

ARTICLE XX

[Intentionally Deleted]

ARTICLE XXI
HOLDOVER

If TENANT, without LANDLORD's consent, remains in possession of the Premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then LANDLORD shall have all remedies provided by law.

ARTICLE XXII
HEATING, VENTILATION, AND AIR-CONDITIONING

LANDLORD acknowledges that it is responsible for providing and maintaining, at no cost or expense to TENANT (except as set forth below), a good, sufficient, and safe heating, ventilation, and air conditioning system to uniformly cool and heat the entire Premises.

ARTICLE XXIII
HVAC MAINTENANCE

LANDLORD shall, at TENANT's expense, be required to initiate and maintain a commercial HVAC system maintenance contract, or contracts, which shall call for regular maintenance and service (at least semi-annual) to such systems in accordance with industry standards. The cost of such preventive maintenance contract shall be billed directly by LANDLORD to TENANT and shall be deemed Additional Rent.

ARTICLE XXIV

PARKING AND GROUNDS

TENANT shall have the right to up to 2.06 unassigned parking spaces for every 1,000 square feet of area then under Lease. Upon any expansion of the TENANT'S Premises, TENANT shall have the right to increase the number of unassigned parking spaces allocated based on the ratio of 2.06 parking spaces for every 1,000 square feet of expansion area

ARTICLE XXV
CONDITIONS PRECEDENT TO COMMENCEMENT OF TERM

The following conditions precedent must be satisfied prior to the Commencement Date:

- A. TITLE: LANDLORD must own fee simple title of the Premises.
- B. VACANT POSSESSION: LANDLORD must deliver vacant possession of the Premises.
- C. PERMITS: LANDLORD shall obtain a Certificate of Occupancy for TENANT in order to allow TENANT to utilize all of the Premises.
- D. GOVERNMENT APPROVAL: This Lease Agreement shall be authorized and approved by the appropriate authorities of Miami-Dade County.
- E. APPROVAL OF PLANS: TENANT'S Plans (as defined herein) have been completely approved by LANDLORD and written evidence thereof shall have been received by TENANT.
- F. LANDLORD'S WORK: LANDLORD shall commence LANDLORD'S WORK as soon as reasonably possible following approval of this Lease by the Board of County Commissioners and shall have completed LANDLORD'S WORK, within one hundred twenty (120 days) following the issuance of a building permit therefor, subject to extension for force majeure.

ARTICLE XXVI

CONSTRUCTION

A. PLANS: In the event of any conflict or ambiguity between the terms of the Lease Agreement and the approved Plans, the approved Plans shall be paramount and controlling.

B. ACCEPTANCE OF LANDLORD'S WORK: LANDLORD acknowledges that TENANT's entry in the Premises shall be deemed an acceptance of LANDLORD'S WORK by TENANT, provided, however, that LANDLORD shall remain liable for:

1. LANDLORD's construction and repair obligations;
2. Latent defects;
3. "Punch-List" items;
4. Governmental requirements (except as otherwise set forth herein); and
5. Other representations of LANDLORD as set forth in this Lease Agreement.

ARTICLE XXVII WAIVER OF LANDLORD'S LIEN

LANDLORD, for itself and its successors and assigns, does hereby waive all rights to levy and/or distraint and all lien rights accrued and accruing as to all personal property, machinery, fixtures, and equipment, affixed or otherwise, now or hereafter belonging to or in the possession of TENANT. Further, TENANT may at its discretion remove from time to time all or part of its personal property, machinery, trade fixtures, and equipment.

ARTICLE XXVIII ASSIGNMENT BY LANDLORD

If the interests of LANDLORD under this Lease Agreement shall be transferred voluntarily or by reason of foreclosure or other proceedings for enforcement of any mortgage on the Premises, TENANT shall be bound to such transferee (herein sometimes called the

“Purchaser”) for the balance of the term hereof remaining, and any extension or renewals thereof which may be effected in accordance with the terms and provisions hereof, with the same force and effect as if the Purchaser were the LANDLORD under this Lease Agreement, and TENANT does hereby agree to attorn to the Purchaser, including the Mortgagee under any such mortgage if it be the Purchaser, as its LANDLORD, said attornment to be effective and self-operative without the execution of any further instruments upon the Purchaser succeeding to the interest of the LANDLORD under this Lease Agreement. The respective rights and obligations of TENANT and the Purchaser upon such attornment, to the extent of the then remaining balance of the term of this Lease Agreement and any such extensions and renewals, shall be and are the same as those set forth herein. In the event of such transfer of LANDLORD’s interests, LANDLORD shall be released and relieved from all liabilities and responsibility to TENANT thereafter accruing under this Lease Agreement or otherwise and LANDLORD’s successor by acceptance of rent from TENANT hereunder shall become liable and responsible to TENANT in respect to all obligations of the LANDLORD under this Lease Agreement.

ARTICLE XXIX
NON-DISTURBANCE

The Lease Agreement shall be subordinate and subject to all ground or underlying leases and mortgages covering the fee of the Premises, or which at any time thereafter affect the Premises, and to all renewals, modifications, or replacements thereof; provided that LANDLORD shall, within thirty (30) days of the Commencement Date, obtain from its mortgagee (the “Mortgagee”) of the Premises a subordination, non-disturbance and attornment agreement in the form attached hereto as Exhibit G. If LANDLORD shall so fail to obtain a Non-Disturbance Agreement from any ground lessor, holder of any mortgage, or underlying

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lessor, then the parties recognize that this Lease Agreement shall be and remain superior to any such ground lease agreement, underlying lease agreement, and/or mortgage entered into or executed subsequent to the date of this Lease Agreement.

ARTICLE XXX
SET-ASIDE FUNDS

LANDLORD acknowledges that it has irrevocably earmarked and set aside available funds to complete all of LANDLORD'S WORK, to be exclusively used for the performance until completion of LANDLORD'S WORK, and agrees to so use the funds to perform, comply with, and abide by all the stipulations, agreements, conditions, and covenants of this Lease Agreement on LANDLORD's part to be performed in order to place TENANT in the exclusive possession of the Premises.

ARTICLE XXXI
FORCE MAJEURE

TENANT and LANDLORD shall be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the non-monetary terms, covenants, and conditions of the Lease Agreement when prevented from so doing by cause or causes beyond TENANT's or LANDLORD's control, excluding filing of bankruptcy, but which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of TENANT or LANDLORD.

ARTICLE XXXII
LANDLORD'S DEFAULT

It shall constitute a default of this Lease Agreement by LANDLORD if, except as otherwise provided in this Lease Agreement, LANDLORD fails to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by

LANDLORD, where such failure shall continue for a period of thirty (30) days after written notice thereof from TENANT to LANDLORD; provided, however, that if the nature of LANDLORD's non-compliance is such that more than thirty (30) days are reasonably required for its cure, then LANDLORD shall not be deemed to be in default if LANDLORD commenced such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. In the event of any such default by LANDLORD, TENANT may at any time thereafter bring an action for damages, and/or injunctive relief (it being recognized that in such event TENANT is irreparably harmed for which there is no adequate remedy at law) (provided that TENANT shall only have the right to terminate this Lease as a remedy for a default by Landlord to the extent that Landlord's default (after the expiration of the foregoing notice and cure period) renders a material portion of the Premises untenable). No remedy of TENANT provided for in the Lease Agreement shall be considered to exclude or suspend any other remedy provided for herein (except as set forth above), but the same shall be cumulative and in addition to TENANT's remedies at law or in equity.

ARTICLE XXXIII
RESPONSIBILITY FOR DAMAGE TO DEMISED PREMISES

If TENANT shall fail to perform its obligations under ARTICLE IV after thirty (30) days' written notice (except that no notice shall be required in case of emergency) from LANDLORD, then LANDLORD shall have the right to make such repairs or replacements and any reasonable cost so incurred by LANDLORD shall be paid by TENANT, in which event such cost shall become Additional Rent payable with the installment of rent next becoming due under the terms of this Lease Agreement.

ARTICLE XXXIV
WAIVER

If, under the provisions hereof, LANDLORD or TENANT shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of LANDLORD's or TENANT's rights hereunder, unless expressly stated in such settlement agreement. No waiver by LANDLORD or TENANT of any provision hereof shall be deemed to have been made unless expressed in writing and signed by both parties. No waiver by LANDLORD or TENANT of any breach of covenant, condition, or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment by TENANT or receipt by LANDLORD of lesser amount than the monthly installments of rent (or additional rent obligations stipulated) shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amounts owed to LANDLORD be deemed an accord and satisfaction and LANDLORD may accept such check or payment without prejudice to or waiver of LANDLORD's right to recover the balance of such rent or other amount owed or to pursue any other remedy provided in this Lease Agreement. No reentry by LANDLORD and no acceptance by LANDLORD of keys from TENANT shall be considered an acceptance of a surrender of this Lease Agreement.

ARTICLE XXXV
DEFAULT OF TENANT

If TENANT shall fail to pay any monthly installment or item of rent on the date when the same becomes due or shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by TENANT, and if such violation or failure continues for a period of thirty (30) days after written notice thereof to TENANT by LANDLORD (except for failure to pay rent, which shall have a fifteen (15) day period for cure after written notice thereof to TENANT by LANDLORD, unless LANDLORD has already given two (2) such notices of default during the previous twelve (12) - month period, in which event LANDLORD shall have

no obligation to give notice of the then-current default before proceeding to pursue its remedies), and further, if TENANT shall be diligently attempting to cure such failure to perform any other conditions, covenants, or agreements, the time to cure such failure shall be extended for so long as TENANT shall diligently prosecute (such cure), then (a) LANDLORD may terminate this Lease and dispossess TENANT; (b) LANDLORD may elect to repossess the Premises and to relet the Premises for TENANT's account, holding TENANT liable in damages for all expenses incurred in any such reletting and for any difference between the amount of rent received from such reletting and the amount due and payable under the terms of this Lease; and (c) LANDLORD may enter the Premises and take any actions required of TENANT under the terms of this Lease, and TENANT shall reimburse LANDLORD on demand for any expenses that LANDLORD may incur in effecting compliance with TENANT's obligations under this Lease, and LANDLORD shall not be liable for any damages resulting to the TENANT from such action. All rights and remedies of LANDLORD under this Lease Agreement shall be cumulative and shall not be exclusive of any other rights and remedies provided to LANDLORD under applicable law.

ARTICLE XXXVI
LANDLORD'S INTERRUPTION OF SERVICES

In the event that, because of the act or negligence of LANDLORD, its employees, agents, or contractors, LANDLORD shall fail to provide, or cause to be provided, to substantially all of the Premises, air conditioning, plumbing (unless LANDLORD shall provide other facilities in the Building), any electricity for more than two (2) continuous business days, the rent shall equitably abate based on any substantial portion of the Premises affected until the situation is corrected. Notwithstanding anything contrary to the above, any act caused by force majeure is not included herein.

ARTICLE XXXVII

ESTOPPEL CERTIFICATES

LANDLORD and TENANT agree, at any time and from time to time, upon not less than sixty (60) days prior written notice by such party, to execute, acknowledge, and deliver to the other a statement in writing:

A. certifying that this Lease Agreement has been unmodified since its execution and is in full force and effect (or if Lease Agreement has been modified since its execution, that it is in full force and effect, as modified, and stating the modifications);

B. stating the dates, if any, to which the rent and sums hereunder have been paid by TENANT, and stating the amount of such rent and other sums currently and actually paid by TENANT under the Lease;

C. stating whether or not to the knowledge of LANDLORD or TENANT, as the case may be, there are then existing any defaults under this Lease Agreement (and, if so, specifying the same);

D. stating the terms of any renewal or expansion options of TENANT, if any;

E. stating that TENANT is in possession of the Premises;

F. stating whether LANDLORD or TENANT has any offsets or claims against the other party and, if so, specifying with particularity the nature and amount of such offset or claim; and

D. stating the address to which notices to LANDLORD or TENANT, as the case may be, should be sent. Any such statement delivered pursuant thereto shall provide that such statement may be relied upon by LANDLORD or TENANT or any prospective purchaser or mortgagee or lessee or assignee of the Premises, or any part thereof or estate therein.

ARTICLE XXXVIII
AMENDMENT

All amendments to this Lease Agreement must be in writing and signed by LANDLORD prior to submittal to the Board of County Commissioners.

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ARTICLE XXXIX
ENVIRONMENTAL QUALITY

Without prejudice to any other obligation of LANDLORD pursuant to this Lease Agreement, LANDLORD shall at all times comply with the following requirements:

A. INDOOR AIR QUALITY. LANDLORD shall at all times maintain the Heating, Ventilating, and Air Conditioning System (HVAC) in the Premises and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment in accordance with the manufacturer's specifications and recognized industry standards for such equipment.

B. WATER QUALITY. LANDLORD shall, following any buildout, changes, or repairs by LANDLORD significantly impacting the plumbing system, have the drinking water sampled and tested for lead by a recognized Testing Laboratory. Results of such tests shall not exceed the EPA standard for lead in drinking water of 15 PPB. The drinking water test shall be paid for by LANDLORD and the original test results shall be furnished to TENANT.

C. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the leased premises as part of pest control services shall only be used in places of infestation as demonstrated by sticky traps or other such devices and TENANT observation but never as a preventative. Such spot sprays or dusts shall be only after normal working hours to allow for ventilation before TENANT employees re-enter TENANT premises. TENANT encourages LANDLORD to employ the use of traps, baits, or portable vacuums before resorting to pesticide sprays or dusts. LANDLORD shall give TENANT twenty-four (24) hours' notice prior to commencement of pest control services that include sprays or dusts with any kind of pesticide or other chemicals. LANDLORD shall provide reasonable assurance that any and all such chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

response to such situation required by applicable laws, provided that TENANT shall first obtain LANDLORD's approval of the non-emergency remediation plan to be undertaken.

ARTICLE XLIII
INSURANCE

(a) TENANT will throughout the Lease term (and any other period when TENANT is in possession of the Premises) be self-insured as to worker's compensation, public liability and automobile liability coverage. TENANT shall provide evidence of such coverage to LANDLORD upon execution of the Lease. All personal property placed or moved in the Premises shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to the negligence or misconduct of LANDLORD, its agents or employees.

(b) During the Lease term, LANDLORD will carry and maintain the following types of insurance with respect to the Building and Park in such amount or percentage of replacement value as LANDLORD or its insurance advisor deems reasonable in relation to the age, location, type of construction and physical conditions of the Building and Park and the availability of such insurance at reasonable rates: (i) broad form or extended coverage insurance on the Building (excluding any property with respect to which the TENANT and other tenants are obliged to insure (or self-insure) pursuant to this section or other sections of their respective leases); (ii) public liability and property damage insurance with respect to the LANDLORD's operations in the Building; and (iii) such other forms of insurance as the LANDLORD or its mortgagee reasonably considers advisable. Such insurance shall be in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a similar building, having

regard to size, age, and location. LANDLORD shall have the right to self insure any or all of its liabilities with respect to the Park.

ARTICLE XLIV
WRITTEN AGREEMENT

This Lease Agreement contains the entire agreement between the parties hereto and all previous negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.

IN WITNESS WHEREOF, LANDLORD and TENANT have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

FLAGLER DEVELOPMENT COMPANY

WITNESS

By _____

WITNESS

G. John Carey
President –
(LANDLORD)

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
George M. Burgess
County Manager (TENANT)

EXHIBIT A

SITE PLAN

EXHIBIT B

FORM OF MEMORANDUM OF LEASE COMMENCEMENT

THIS MEMORANDUM is made and entered into as of _____, 2001, by and between Flagler Development Company ("Landlord") and _____ ("Tenant") with respect to that certain Lease between Landlord and Tenant dated as of _____, 200__ (the "Lease").

Landlord and Tenant hereby confirm that the Commencement Date of the Lease is _____, and that the Term shall expire on _____, unless the Term is renewed or Lease is terminated pursuant to the Terms of Lease, and that these dates shall be conclusive for all purposes of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this document as of the first date set forth in the first paragraph above.

Flagler Development Company

By: _____
Print Name: _____
As Its _____ President

By: _____
G. John Carey
As Its President

Date: _____

Date: _____

EXHIBIT C

RULES AND REGULATIONS

1. Security. The Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Building, any persons occupying, using, or entering the same, or any equipment, furnishings, or contents thereof, and the Tenant shall comply with the Landlord's reasonable requirements relative thereto.

2. Return of Keys. At the end of the Term, the Tenant shall promptly return to the Landlord all keys for the Building and Premises which are in the possession of the Tenant. In the event any Tenant fails to return keys, Landlord may retain \$50.00 of Tenant's security deposit for locksmith work and administration.

3. Repair, Maintenance, Alterations, and Improvements. The Tenant shall carry out Tenant's repair, maintenance, alterations, and improvements in the Premises only during times agreed to in advance by the Landlord and in a manner which will not interfere with the rights of other tenants in the Building.

4. Water Fixtures. The Tenant shall not use water fixtures for any purpose for which they are not intended, nor shall water be wasted by tampering with such fixtures. Any cost or damage resulting from such misuse by the Tenant shall be paid for by the Tenant.

5. Personal Use of Premises. The Premises shall not be used or permitted to be used for residential, lodging, or sleeping purposes or for the storage of personal effects or property not required for business purposes.

6. Heavy Articles. The Tenant shall not place in or move about the Premises without Landlord's prior written consent any safe or other heavy article which in the Landlord's reasonable opinion may damage the Building, and the Landlord may designate the location of any such heavy articles in the Premises.

7. Bicycles, Animals. The Tenant shall not bring any animals or birds into the Building, and shall not permit bicycles or other vehicles inside or on the sidewalks outside the Building except in areas designated from time to time by the Landlord for such purposes.

8. Deliveries. The Tenant shall ensure that deliveries of supplies, fixtures, equipment, furnishings, wares, and merchandise to the Premises are made through such entrances, elevators, and corridors and at such times as may from time to time be designated by the Landlord, and shall promptly pay or cause to be paid to the Landlord the cost of repairing any damage in the Building caused by any person making improper deliveries.

9. Solicitations. The Landlord reserves the right to restrict or prohibit canvassing, soliciting, or peddling in the Building.

10. Food and Beverages. Only persons approved from time to time by the Landlord may prepare, solicit orders for, sell, serve, or distribute foods or beverages in the Building, or use the Common Areas for any such purpose. Except with the Landlord's prior written consent and in accordance with arrangements approved by the Landlord, the Tenant shall not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving, or distribution of food or beverages.

11. Refuse. The Tenant shall place all refuse in proper receptacles provided by the Tenant at its expense in the Premises or in receptacles (if any) provided by the Landlord for the Building, and shall keep sidewalks and driveways outside the Building, and lobbies, corridors, stairwells, ducts, and shafts of the Building, free of all refuse.

12. Obstructions. The Tenant shall not obstruct or place anything in or on the sidewalks or driveways outside the Building or in the lobbies, corridors, stairwells, or other Common Areas, or use such locations for any purpose except access to and exit from the Premises without the Landlord's prior written consent. The Landlord may remove at the Tenant's expense any such obstruction or thing caused or placed by the Tenant (and unauthorized by the Landlord) without notice or obligation to the Tenant.

13. Proper Conduct. The Tenant shall not conduct itself in any manner which is inconsistent with the character of the Building as a first quality building or which will impair the comfort and convenience of other tenants in the Building.

14. Employees, Agents, and Invitees. In these Rules and Regulations, "Tenant" includes the employees, agents, invitees, and licensees of the Tenant and others permitted by the Tenant to use or occupy the Premises.

15. Parking. If the Landlord designates tenant parking areas for the Building, the Tenant shall park its vehicles and shall cause its employees and agents to park their vehicles only in such designated parking areas. In the event of failure of the Tenant or its employees or agents to park their vehicles in such designated parking areas, the Tenant shall forthwith on demand pay to the Landlord the sum of Twenty and No/100 (\$20.00) Dollars per day per each car so parked. Landlord may itself or through any agent designated for such purpose, make, administer, and enforce additional rules and regulations regarding parking by tenants and by their employees or agents, including, without limitation, rules and regulations permitting the Landlord or such agent to move any vehicles improperly parked to the designated tenant or employee parking areas. No disabled vehicle shall be left in the parking areas of the Building for more than 24 hours.

EXHIBIT D

SIGN CRITERIA

NON-ILLUMINATED PANEL SIGNS

Main frame constructed from a 4" x 2" structural aluminum channel with corners mitered and heliarc welded.

Supply internal angle brackets for mounting at all four corners and 4' spacing for 8' and 12' panels. Faces are United Sign 063 thick aluminum sheet decorated per specs and held in with a 2" x 2" x 1/16" aluminum angle frame. As designed by Acolite & Claude Company.

EXHIBIT E
SPACE PLAN

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EXHIBIT F

FURNITURE INVENTORY

[To be inventoried and attached by Landlord prior to Lease commencement]

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EXHIBIT G
FORM OF SNDA

**SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

DEFINED TERMS

Execution Date: _____, 2003
Lender & Address: Metropolitan Life Insurance Company, a New York corporation 200 Park Avenue, 12 th Floor New York, New York 10166 Attn: Senior Vice President Real Estate Investments with a copy to: Metropolitan Life Insurance Company 101 East Kennedy Blvd., Suite 1165 Tampa, FL 33602 Attn: Mortgage Portfolio Services
Tenant & Address: with a copy to:
Landlord & Address: Flagler Development Company 10151 Deerwood Park Boulevard, Building 100, Suite 330 Jacksonville, Florida 32256
Loan: A first mortgage loan in the original principal amount of \$ _____ from Lender to Landlord.
Note: A Promissory Note executed by Landlord in favor of Lender in the amount of the Loan dated as of _____, 2001.
Mortgage: A Mortgage, Security Agreement and Fixture Filing dated as of _____, 2001 executed by Landlord, to Lender securing repayment of the Note to be recorded in the records of the County in which the Property is located.
Lease and Lease Date:
Property: The Property is more particularly described on <u>Exhibit A</u> .

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT (the "Agreement") is made by and among Tenant, Landlord, and Lender and affects the Property described in Exhibit A. Certain terms used in this Agreement are defined in the Defined Terms. This Agreement is entered into as of the Execution Date with reference to the following facts:

A. Landlord and Tenant have entered into the Lease covering certain space in the improvements located in and upon the Property (the "Premises").

B. Lender has made or is making the Loan to Landlord evidenced by the Note. The Note is secured, among other documents, by the Mortgage.

C. Landlord, Tenant and Lender all wish to subordinate the Lease to the lien of the Mortgage.

D. Tenant has requested that Lender agree not to disturb Tenant's rights in the Premises pursuant to the Lease in the event Lender forecloses the Mortgage, or acquires the Property pursuant to the power of sale contained in the Mortgage or receives a transfer of the Property by a conveyance in lieu of foreclosure of the Property (collectively, a "Foreclosure Sale") but only if Tenant is not then in default under the Lease and Tenant attorns to Lender or a third party purchaser at the Foreclosure Sale (a "Foreclosure Purchaser").

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. Subordination. The Lease and the leasehold estate created by the Lease and all of Tenant's rights under the Lease are and shall remain subordinate to the Mortgage and the lien of the Mortgage, to all rights of Lender under the Mortgage and to all renewals, amendments, modifications and extensions of the Mortgage.

2. Acknowledgements by Tenant. Tenant agrees that: (a) Tenant has notice that the Lease and the rent and all other sums due under the Lease have been or are to be assigned to Lender as security for the Loan. In the event that Lender notifies Tenant of a default under the Mortgage and requests Tenant to pay its rent and all other sums due under the Lease to Lender, Tenant shall pay such sums directly to Lender or as Lender may otherwise request. (b) Tenant shall send a copy of any notice or statement under the Lease to Lender at the same time Tenant sends such notice or statement to Landlord. (c) This Agreement satisfies any condition or requirement in the Lease relating to the granting of a nondisturbance agreement.

3. Foreclosure and Sale. In the event of a Foreclosure Sale,

(a) So long as Tenant complies with this Agreement and is not in default under any of the provisions of the Lease, the Lease shall continue in full force and effect as a direct lease between Lender and Tenant, and Lender will not disturb the possession of Tenant, subject to this Agreement. To the extent that the Lease is extinguished as a result of a Foreclosure Sale, a new lease shall automatically go into effect upon the same provisions as contained in the Lease between Landlord and Tenant, except as set forth in this Agreement, for the unexpired term of the Lease. Tenant agrees to attorn to and accept Lender as landlord under the Lease and to be bound by and perform all of the obligations imposed by the Lease, or, as the case may be, under the new lease, in the event that the Lease is extinguished by a Foreclosure Sale. Upon Lender's acquisition of title to the Property, Lender will perform all of the obligations imposed on the Landlord by the Lease except as set forth in this Agreement; provided, however, that Lender shall not be: (i) liable for any act or omission of a prior landlord (including Landlord); or (ii) subject to any offsets or defenses that Tenant might have against any prior landlord (including Landlord); or (iii) bound by any rent or additional rent which Tenant might have paid in advance to any prior landlord (including Landlord) for a period in excess of one month or by any security deposit, cleaning deposit or other sum that Tenant may have paid in advance

to any prior landlord (including Landlord); or (iv) bound by any amendment, modification, assignment or termination of the Lease made without the written consent of Lender; (v) obligated or liable with respect to any representations, warranties or indemnities contained in the Lease; or (vi) liable to Tenant or any other party for any conflict between the provisions of the Lease and the provisions of any other lease affecting the Property which is not entered into by Lender.

(b) Upon the written request of Lender after a Foreclosure Sale, the parties shall execute a lease of the Premises upon the same provisions as contained in the Lease between Landlord and Tenant, except as set forth in this Agreement, for the unexpired term of the Lease.

(c) Notwithstanding any provisions of the Lease to the contrary, from and after the date that Lender acquires title to the Property as a result of a Foreclosure Sale, (i) Lender will not be obligated to expend any monies to restore casualty damage in excess of available insurance proceeds; (ii) Tenant shall not have the right to make repairs and deduct the cost of such repairs from the rent without a judicial determination that Lender is in default of its obligations under the Lease; (iii) Lender shall not be required to grant nondisturbance to any subtenants of Tenant; (iv) in no event will Lender be obligated to indemnify Tenant, except where Lender is in breach of its obligations under the Lease or where Lender has been actively negligent in the performance of its obligations as landlord; and (v) other than determination of fair market value, no disputes under the Lease shall be subject to arbitration unless Lender and Tenant agree to submit a particular dispute to arbitration.

4. Subordination and Release of Purchase Options. Tenant represents that it has no right or option of any nature to purchase the Property or any portion of the Property or any interest in the Borrower. To the extent Tenant has or acquires any such right or option, these rights or options are acknowledged to be subject and subordinate to the Mortgage and are waived and released as to Lender and any Foreclosure Purchaser.

5. Acknowledgment by Landlord. In the event of a default under the Mortgage, at the election of Lender, Tenant shall and is directed to pay all rent and all other sums due under the Lease to Lender.

6. Construction of Improvements. Any provision of this Agreement to the contrary notwithstanding, the Lender shall have no obligation, or incur any liability, with respect to the erection and completion of the building in which the Premises demised by the Lease are or are to be located or for the completion of such Premises or any improvements for Tenant's use and occupancy.

7. Notice. All notices under this Agreement shall be deemed to have been properly given if delivered by overnight courier service or mailed by United States certified mail, with return receipt requested, postage prepaid to the party receiving the notice at its address set forth in the Defined Terms (or at such other address as shall be given in writing by such party to the other parties) and shall be deemed complete upon receipt or refusal of delivery.

8. Miscellaneous. Lender shall not be subject to any provision of the Lease that is inconsistent with this Agreement. Nothing contained in this Agreement shall be construed to derogate from or in any way impair or affect the lien or the provisions of the Mortgage. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

9. Liability and Successors and Assigns. In the event that Lender acquires title to the Premises or the Property, Lender shall have no obligation nor incur any liability beyond the lesser of (i) Lender's then equity interest in the Premises and Tenant shall look solely to Lender's then equity interest for the payment and performance of any obligations imposed upon Lender under this Agreement or under the Lease, or (ii) Landlord's liability as provided for under the Lease. This Agreement shall run with the land and shall inure to the benefit of the parties and, their respective successors and permitted assigns including a Foreclosure Purchaser. If a Foreclosure Purchaser acquires the Property or if Lender assigns or transfers its interest in the Note and Mortgage or the Property, all obligations and liabilities of Lender under this Agreement shall terminate and be the responsibility of the Foreclosure Purchaser or other party to whom Lender's interest is

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assigned or transferred. The interest of Tenant under this Agreement may not be assigned or transferred except in connection with an assignment of its interest in the Lease, which has been consented to by Lender. THIS AGREEMENT RESULTS IN THE LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

IN WITNESS WHEREOF, the parties have executed this Subordination, Nondisturbance and Attornment Agreement as of the Execution Date.

LENDER:

METROPOLITAN LIFE INSURANCE COMPANY,
a New York corporation

By: _____

Name: _____

Title: _____

Print Name: _____

Print Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by _____, the _____ of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation, on behalf of the corporation, who either ____ is personally known to me or ____ has produced identification in the form of _____ driver's license.

Print or Stamp Name: _____

Notary Public, State of _____

Commission No.: _____

My Commission Expires: _____

TENANT:

Print Name: _____

By: _____
Name: _____
Title: _____

Print Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by _____, the _____ of _____, a _____, on behalf of the corporation, who either _____ is personally known to me or _____ has produced identification in the form of _____ driver's license.

Print or Stamp Name: _____
Notary Public, State of _____
Commission No.: _____
My Commission Expires: _____

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