

Memorandum



Date: September 18, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Lease Agreement and Assignment of Lease Agreement
at 8600 NW 17 Street, Second Floor, Doral for the State of Florida
Department of Health, Miami-Dade County Health Unit
Property #3034-00-00

Agenda Item No. 8(F)(1)(A)

R#1027-07

RECOMMENDATION:

It is recommended that the Board approve the attached resolution authorizing execution of a lease agreement at 8600 NW 17 Street, Second Floor, Doral, with Headlands Realty Corporation, a Maryland Corporation, for premises to be utilized by the State of Florida Department of Health, Miami-Dade County Health Unit. The Lease Agreement and Assignment of Lease Agreement was prepared by General Services Administration at the request of the State of Florida Department of Health, Miami-Dade County Health Department and is recommended for approval.

PROPERTY: 8600 N.W. 17 Street, Second Floor, Doral

COMMISSION DISTRICT: 12

COMMISSION DISTRICTS IMPACTED: Countywide

OWNER: Headlands Realty Corporation, a Maryland Corporation

COMPANY PRINCIPAL: W. Blake Baird, President, CEO
Michael A. Coke, Executive Vice President, CFO
Christos F. Kombouras, Vice President

OWNER'S TRACK RECORD: The County has no record of negative performance issues with Headlands Realty Corporation.

USE: Entire second floor, which is comprised of 31,517 square feet of air-conditioned office space, and the right to use 126 unassigned parking spaces.

JUSTIFICATION: The Florida Department of Health, Miami-Dade County Health Department has a need to continue utilizing this space for its administrative offices. They have operated at this location since June, 2004.

LEASE TERM: Five years.

EFFECTIVE DATES: Commencing October 1, 2007 and terminating September 30, 2012.

RENTAL RATE: The annual rent for the initial year of the lease is \$750,104.60, which is equal to \$23.80 per square foot (PSF). The annual base rent for each of the second through the fifth lease years will be increased by three percent (3%) annually. Tenant is responsible for its pro-rata share of the increases in operating expenses over the base year 2008.

FINANCIAL IMPACT: The total financial impact for the first lease year is estimated to be \$780,108.78, which is comprised of the following:

	<u>Total Dollars</u>	<u>PSF</u>
Total Base Rent:	\$750,104.60	\$23.80
Lease Management Fee (4%)	<u>\$ 30,004.18</u>	
Total Cost to State:	\$780,108.78	

LEASE CONDITIONS: Full service lease. The Landlord shall be responsible for water, waste disposal services, electricity, janitorial and custodial services, exterior of the building, plumbing and electrical lines, air-conditioning equipment, roof and roof leaks, all common areas, parking lot and landscaping.

CANCELLATION PROVISION: Tenant may cancel after the third year of the initial lease term by giving landlord 180 days prior written notice.

FUNDING SOURCE: State Funds. This item has been budgeted by the Florida Department of Health.

CURRENT LEASE: The current lease was approved by the State of Florida Department of Health under their lease process on June 1, 2004. The Lease commenced June 1, 2004 through September 30, 2007 with no renewal option period.

COMMENTS: State law and administrative procedure authorizes the Florida Department of Health to lease space through Miami-Dade County. County programs will not operate from this leased location and no County funds will be expended for this program. The resolution also assigns the Lease Agreement to the Florida Department of Health, Miami-Dade County Health Department in order to transfer all legal and financial responsibility to the Florida Department of Health.

MONITOR: Margaret Araujo, Real Estate Officer



Director
General Services Administration

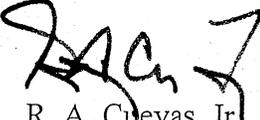


MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: September 18, 2007

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(F)(1)(A)

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

Veto _____

Override _____

Agenda Item No. 8(F)(1)(A)
09-18-07

RESOLUTION NO. 1027-07

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AND ASSIGNMENT OF LEASE AGREEMENT AT 8600 N.W. 17 STREET, SECOND FLOOR, DORAL, WITH HEADLANDS REALTY CORPORATION, A MARYLAND CORPORATION, FOR PREMISES TO BE UTILIZED BY THE STATE OF FLORIDA, DEPARTMENT OF HEALTH, MIAMI-DADE COUNTY HEALTH UNIT FOR ITS ADMINISTRATIVE OFFICES; AND AUTHORIZING THE COUNTY MAYOR OR HIS DESIGNEE 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 and Assignment of Lease Agreement between Miami-Dade County and Headlands Realty Corporation, a Maryland Corporation, for premises to be utilized by the State of Florida, Department of Health, Miami-Dade County Health Unit for its administrative offices, in substantially the form attached hereto and made a part hereof; authorizes the County Mayor or his designee to execute same for and on behalf of Miami-Dade County; and authorizes the County Mayor or his designee 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:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 18th day of September, 2007. 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

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. MR

Monica Rizo

LEASE AGREEMENT

THIS AGREEMENT made on the 21st day of June, 2007, by and between HEADLANDS REALTY CORPORATION, a Maryland 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 agrees to lease from LANDLORD the demised premises described as follows:

31,517 rentable square feet of air conditioned office space comprising the entire Second Floor located at Beacon Executive Center, Building 36 (the "Building"), 8600 N.W. 17 Street, Doral, Florida 33122, including the right to use 126 unassigned parking spaces.

The Building's square footage is 63,240 rentable square feet for Operating Expenses other than electricity, and 54,010 rentable square feet for electricity, of which 31,517 rentable square feet of air conditioned space is to be occupied by TENANT as the Premises. The ratio of rentable square footage of the demised premises to rentable square footage in the Building is 50% for Operating Expenses other than electricity, and 58.4% for electricity.

The terms "rentable" and "usable" square footage (or area) shall have the meanings ascribed to them by the Building Owners and Managers Association International (BOMA) as the "American National Standard", as amended and in effect at the time of the execution of this Lease. Rentable area for the Premises and Building shall not be subject to remeasurement by either party.

TO HAVE AND TO HOLD unto the said TENANT for a term of Five (5) years, commencing on October 1, 2007 (the "Commencement Date"), and terminating September 30, 2012, for and at a total rental of Seven Hundred Fifty Thousand One-Hundred Four Dollars and 60/100 (\$750,104.60) for the first lease year, payable in twelve (12) equal monthly installments of Sixty-Two Thousand Five Hundred Eight Dollars and 71/100 (\$62,508.71), payable in advance on the first day of every month to Headlands Realty Corporation, P. O. Box 6110, Hicksville, New York 11802-6110 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 second through the fifth lease year, (on each October 1) the annual rent shall be increased by three percent (3%)

over the previous year's annual rent and excluding "Operating Expenses."

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

ARTICLE I
USE OF DEMISED PREMISES

The area of the demised premises shall be used by TENANT as general offices 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. However, in no event may the demised premises be used for retail banking or trust services (including retail banking or trust services as an agency office of a foreign bank or an Edge Act Bank).

ARTICLE II
CONDITION OF DEMISED PREMISES

TENANT hereby accepts the demised 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 XXII, "Improvements of the Demised Premises."

ARTICLE III
UTILITIES

LANDLORD, during the term hereof, shall pay all charges for electricity, water, waste disposal services used TENANT, by subject to reimbursement pursuant to Article XXX, "Operating Expenses" of the Lease Agreement.

ARTICLE IV
MAINTENANCE

LANDLORD, as part of the Operating Expenses, 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, stairways, elevators, lavatories;
Trash and refuse disposal;
Janitorial and custodial services referenced in Exhibit "B" "Janitorial Services";

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Air-conditioning and heating equipment;
Roof, roof leaks and all other structural elements of the building;
Windows, doors, and frames;
Fire equipment, including inspection as required by applicable fire codes;
HVAC System, as referenced in Exhibit "A";
Electrical, mechanical, utility and plumbing systems servicing the demised premises.

LANDLORD, at its sole cost and expense, except as provided in Article XXX, "Operating Expenses" shall perform or cause to be performed in the demised premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m. the aforementioned maintenance, janitorial and custodial services as described above and as referenced in Exhibit "A" HVAC System "Preventive Maintenance for Leased Space" and Exhibit "B" "Janitorial Services."

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. In the event of an emergency, TENANT after proper 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. During the term of this Lease Agreement or any renewal thereof, if in TENANT's reasonable judgment a condition exists with respect to any matter in which the LANDLORD is obligated to maintain, that which adversely affects TENANT's operations, and after proper notice, LANDLORD fails to repair same as required, TENANT may make such repairs and deduct the cost thereof from rental payments or any other amounts due to LANDLORD hereunder. All of the aforesaid repairs shall be made with reasonable diligence and in a good and workmanlike manner.

ARTICLE V
ALTERATIONS BY TENANT

TENANT may not make any alterations, additions, or improvements in or to the demised premises without the written consent of LANDLORD. All additions, fixtures, or improvements (except but not

limited to store and office furniture and fixtures which are readily removable without injury to the demised premises) shall be and remain a part of the demised premises at the expiration of this Lease Agreement. Subject to the above, any removable partitions installed by TENANT within the demised premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation thereof.

ARTICLE VI
DESTRUCTION OF DEMISED PREMISES

In the event the demised premises or any portion thereof should be destroyed or so damaged by fire, windstorm, or other casualty, to the extent that the demised premises are rendered untenable or unfit for the purpose of TENANT, either party may cancel this Lease Agreement for its convenience by the giving of written notice to the other at any time after the occurrence of the fire, windstorm, or other casualty. In the event of cancellation under this Article, neither party shall be responsible to the other party for any expense associated with the cancellation, and TENANT shall only be liable to LANDLORD for such rents as may be due as of the date of such fire, windstorm, or other casualty.

If neither party shall exercise the foregoing right of cancellation, LANDLORD shall cause the building and demised premises to be repaired and placed in good condition within one hundred twenty (120) days following the date of casualty, time being of the essence. If the demised premises sustained damages such that repairs cannot be completed within one hundred twenty (120) days, LANDLORD or TENANT shall be entitled to cancel the Lease Agreement by the giving of written notice to the other party at any time, notwithstanding the commencement of any repairs by LANDLORD. TENANT shall not be liable for rent during such period of time as the demised premises be untenable by reason of fire, windstorm or other casualty.

In the event of partial destruction or damages to the demised premises which do not render the demised premises untenable, the rents shall be proportionately abated in accordance with the extent to which TENANT is deprived of use, occupancy or full enjoyment of the premises, unless LANDLORD or TENANT exercises its right of cancellation as set forth above.

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 as of the Commencement Date, the demised premises and access thereto, including but not limited to rest rooms, hallways, entryways to the street, and accessible parking, if parking is 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 common areas of the Building shall at all times be maintained in accordance with such requirements at LANDLORD's cost and expense. From and after the Commencement Date, TENANT is responsible for ADA compliance regarding the interior of the demised premises, including without limitations where changes are required as a result of TENANT's 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 demised premises. LANDLORD agrees that TENANT may at TENANT's expense and subject to LANDLORD's prior reasonable approval, make such changes to the demised 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.

ARTICLE VIII
NO LIABILITY FOR PERSONAL PROPERTY

All personal property placed or moved in the demised 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

Interior signs will be of the design and form of letter to be first approved by LANDLORD, the cost of painting to be paid by TENANT. All signs shall be removed by TENANT at termination of this Lease Agreement and any damage or unsightly condition caused to the demised premises because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

ARTICLE X
LANDLORD'S RIGHT OF ENTRY

LANDLORD or any of its agents shall have the right to enter said demised premises during all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists, 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 or to exhibit said demised premises and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within sixty (60) days before the expiration of this Lease Agreement.

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, 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 demised premises above described, without hindrance or molestation by LANDLORD.

ARTICLE XIII
SURRENDER OF DEMISED PREMISES

TENANT agrees to surrender to LANDLORD at the end of the term of this Lease Agreement, or any extension thereof, said demised premises in as good condition as said demised 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.

ARTICLE XIV
INDEMNIFICATION AND HOLD HARMLESS

TENANT does hereby agree to indemnify and 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 occurrence, 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. 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
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 assigns of the respective parties hereto, the same as if they were in every case named and expressed.

ARTICLE XVI
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 demised 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. Notwithstanding any law to the contrary, LANDLORD and TENANT agree that the rights created by this Lease Agreement shall be subordinate to any other instruments affecting the demised premises, such as mortgages, subsequent purchase agreements, or encumbrances, whether presently in existence or later created or filed.

ARTICLE XVII
NON-DISTURBANCE

The Lease Agreement shall be subordinate and subject to all ground or underlying leases and mortgages covering the fee of the property, or which at any time thereafter affect the property, and to all renewals, modifications, or replacements thereof; provided, however, that with respect to any ground lease agreement, underlying lease agreement, or mortgage subsequent to the date of this Lease Agreement, such subordination shall not be effective unless and until LANDLORD shall obtain from any and all such ground lessors, underlying lessors, and/or lenders a written agreement with TENANT wherein any and all such ground lessors, underlying lessors, and/or lenders shall agree that the Lease Agreement shall not be divested or in any way affected by foreclosure, other default proceedings, or other succession in interest by or under any ground lease agreement, lease agreement mortgage, or obligation secured thereby, so long as TENANT complies with the terms, conditions, and covenants of this Lease Agreement and performs its obligations under this Lease Agreement (said agreement being referred to herein as a "Non-Disturbance Agreement"). If LANDLORD shall so fail to obtain a Non-Disturbance Agreement from any ground lessor, holder of any mortgage, or underlying 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. LANDLORD and TENANT agree that the terms, conditions, and covenants contained herein shall not be altered or affected by any subsequent change in ownership of the Property by reason of foreclosure, conveyance, or otherwise. Any document purporting to transfer ownership in the Property, whether presently in existence or not, shall be subordinate to this Lease Agreement, and subject to the terms, obligations, and covenants herein contained. In the event that a change of ownership in the Property results in any additional costs to

TENANT by material alteration of the terms of this Lease Agreement, LANDLORD agrees to indemnify TENANT for such costs.

ARTICLE XVIII
ASSIGNMENT AND CONSENT TO THE STATE OF FLORIDA
DEPARTMENT OF HEALTH

The LANDLORD agrees to the assignment and delegation of all rights, duties and responsibilities of the Lease Agreement to the Florida Department of Health, Miami-Dade County Health Department.

Except as provided for herein, TENANT shall not assign this Lease Agreement or any part thereof or sublet all or any part of the premises without prior written consent of LANDLORD, which shall not be unreasonably withheld. Any assignment or subletting consented to by LANDLORD shall be evidenced in writing in a form acceptable to LANDLORD.

ARTICLE XIX
CANCELLATION

During the Initial Lease Term, TENANT, through its County Manager or his designee, shall have the right to cancel this Lease Agreement by giving LANDLORD at least one hundred eighty (180) days' written notice prior to the effective cancellation date. However, such effective cancellation date shall be no sooner than September 30, 2010.

ARTICLE XX
HVAC MAINTENANCE

Without limiting the obligations of LANDLORD as set forth in ARTICLE IV, "Maintenance" of this Lease Agreement, LANDLORD (as part of Operating Expenses) shall be required to maintain the air conditioning (HVAC) system which shall include regular maintenance and service to such systems in accordance with industry standards and as outlined in Exhibit "A."

ARTICLE XXI
JANITORIAL AND CUSTODIAL SERVICES

LANDLORD, at its sole cost and expense, (but subject to article XXX) shall perform or cause to

be performed in the demised premises, on a daily basis during the term of this Lease Agreement and any extensions thereof, (except for Saturdays, Sundays and holidays) after 5:00 p.m., the custodial and janitorial services with respect to the demised premises as per terms outlined in Exhibit "B."

ARTICLE XXII
IMPROVEMENTS OF THE DEMISED PREMISES

Subject to the terms, condition and covenants of this Lease Agreement, LANDLORD at LANDLORD's sole cost and expense, shall complete the following repairs as promptly as possible following the commencement date; all using LANDLORD's Building standard methods and materials:

1. Shampoo the carpet throughout the demised premises and remove stains.
2. Replace stained and damaged ceiling tiles.
3. Repair and/or replace defective light fixtures and light covers.
4. Repaint the interior of the demised premises as necessary.
5. Clean the wallpaper as necessary.
6. Sanitize and clean restrooms and restroom tiled floor.
7. Repair and replace window blinds as necessary.
8. Clean windows throughout the demised premises.
9. Clean air conditioning grills/vents.
10. Perform an HVAC system preventive maintenance as per Exhibit "A" attached.

ARTICLE XXIII
NOTICES

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

TENANT:

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

LANDLORD:

Headlands Realty Corporation
c/o AMB Property, L.P.
Sixty State Street, Suite 1200
Boston, Massachusetts 02109
Attn: Christos F. Kombouras, Vice President

WITH A COPY TO:

Flagler Real Estate Services, Inc.
8323 N.W. 12 Street, Suite 108
Doral, Florida 33126
Attn: Property Manager

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed or delivered to the address 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 XXIV
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) and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment as specified in the attached Exhibit "HVAC System Preventive Maintenance For Leased Space" applicable to the TENANT premises.

B. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the demised premises as part of pest control services shall only be used in places of infestation as demonstrated by sticky traps or other such devices observed by TENANT but never as a preventative measure. Such spot sprays or dusts shall be only after normal working hours to allow for ventilation before TENANT employees re-enter the 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.

C. NOTICE OF RENOVATION OPERATIONS. LANDLORD shall act to prevent the degradation of indoor air quality during any building renovation, remodeling, and similar activities that could allow off-gassing from embodied chemicals in construction materials, furniture, or equipment into spaces occupied by and common areas used by TENANT. LANDLORD and its designated contractor will use only nontoxic paint or other surface coatings, and will cause the space to be continuously ventilated with outside air to prevent the build-up of chemical gases from construction materials, carpet, carpet glues, or other emissive materials during the buildout or renovation of the demised space.

D. RADON. 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 Health Department.

ARTICLE XXV
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 XXVI
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 reasonable control of TENANT or LANDLORD.

ARTICLE XXVII
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 bring an action for damages, termination, and/or injunctive relief (it being recognized that in such event TENANT may be irreparably harmed for which there is no adequate remedy at law). No remedy of TENANT provided for in the Lease Agreement shall be considered to exclude or suspend any other remedy provided for herein, but the same shall be cumulative and in addition to TENANT's remedies at law or in equity.

ARTICLE XXVIII
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 the waiving party. 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 XXIX
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, (but 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 LANDLORD may proceed with any remedy available at law or in equity in the State of Florida or by such other proceedings, including reentry and possession, as may be applicable. 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 XXX
OPERATING EXPENSES

The TENANT shall be responsible for its pro-rata share of "Operating Expenses." TENANT's obligations to pay its pro-rata share of the increased "Operating Expenses" shall commence as of the beginning of the first full calendar year following the calendar year of the "Commencement Date," (The "Base Year"). For the purposes of this Lease Agreement, the "Base Year" is understood to be the calendar year 2008. The TENANT's proportionate share of "Operating Expenses" shall be calculated as provided on page one (1) hereof. The "Operating Expenses" of which TENANT shall be responsible for any increases over the base year 2008 shall become "Additional Rent" with the monthly installment of rent under the terms of this Lease Agreement. Such "Operating Expenses" shall include, without limitation:

- A. "Direct Expenses": All costs of operation, maintenance, repair and management of the Building, as determined in accordance with generally accepted accounting principles, including the following costs by way of illustration, but not limitation: utility costs, including but not limited to, light, power, water and sewer, waste disposal; the cost of janitorial services; landscaping costs; parking area care; exterior window cleaning; the cost of security and alarm services; labor costs; costs and expenses of managing the building including fees; air conditioning maintenance costs; material costs; equipment costs including the costs of maintenance, repair and service agreements; licenses, permits and inspection fees incurred in connection therewith; insurance charges of or relating to all insurance policies and endorsements deemed by LANDLORD to be reasonably necessary or desirable and relating in any manner to the protection, preservation or operation of the Building or any part thereof, and amortization of capital improvements which will reduce

Operating Expenses or are required by laws not in effect on the date hereof. "Direct Expenses" shall not include depreciation or amortization of the building or equipment in the building, except as described above.

- B. "Taxes:" Ad valorem and non Ad valorem taxes shall mean real estate taxes, based on the November discounted payment, special and extraordinary assessments and governmental levies against the building and land upon which the building is located. "Base Tax" shall mean the taxes assessed for the calendar year 2008. "Tax Year" shall mean the fiscal year for which taxes are levied by any governmental authority, (which is a calendar year). "Tenants Proportionate Share" shall mean the percentage set forth on page one (1) hereof. If the Taxes for any Tax Year shall be more than the Base Tax, TENANT shall pay as additional rent for such Tax Year an amount equal to TENANT's Proportionate Share of the amount by which the Taxes for such Tax Year are greater than the Base Tax and is included as part of the "Operating Expenses." It is agreed that the Taxes due in November of each year shall be the figure used in calculating the "Operating Expenses." LANDLORD may elect to treat Taxes as a pass-through item separate from the other "Operating Expenses".
- C. The annual determination/audit of the County's pro-rata share of "Operating Expenses" shall be made by LANDLORD and certified by an independent accountant. TENANT may review the books and records supporting such determination in the office of LANDLORD, or LANDLORD's agent, during normal business hours, upon giving LANDLORD five (5) business days advance written notice within sixty (60) days after receipt of such determination, but in no event more often than once in any one year period. TENANT shall have the right to conduct an audit by the Miami-Dade County Internal Auditor or by a firm or auditor designated by MDC for the purpose of verifying that the costs included in the calculation of Operating Expenses were actually incurred and allowable under the terms of this Agreement. Such auditor (or firm) shall not be compensated on a contingency basis.

If such audit concludes that LANDLORD has not incurred actual costs to the extent noted above, TENANT shall be entitled to setoff such amounts from any payments otherwise due LANDLORD under this Agreement. Any such audit shall be done in accordance with generally accepted accounting principles, consistently applied. If, at the conclusion of such audit, such audit reveals an underpayment by TENANT, TENANT will remit the amount of such underpayment within thirty (30) days of TENANT becoming aware of such underpayment. Should the 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 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 accountant, whose decision shall be final and binding. With regard to TENANT's audit, LANDLORD's books and records and the results of any such audit are to be kept strictly confidential and are not to be made available or published to anyone. Prior to the actual determination thereof for a lease year, LANDLORD may from time to time estimate TENANT's liability for "Operating Expenses" for the lease year or portion thereof. LANDLORD will give TENANT written notification of the amount of such estimate and TENANT agrees that it will pay, by increase of its monthly installments of rent due as "Additional Rent" in the amount of such estimate.

- D. When the above mentioned actual determination of TENANT's liability for "Operating Expenses" is made for any lease year and when TENANT is so notified in writing, then:
1. If the total "Additional Rent" TENANT actually paid on account of "Operating Expenses" for the lease year is less than TENANT's liability for Operating Expenses, then TENANT shall pay such deficiency to LANDLORD as "Additional Rent" in one lump sum within thirty (30) days of receipt of LANDLORD's bill therefor; and

2. If the total "Additional Rent" TENANT actually paid on account of "Operating Expenses" for the lease year is more than TENANT's liability for "Operating Expenses," then LANDLORD shall credit the difference against the then next due payments to be made by TENANT.

E. Lease year: Each calendar year falling partly or wholly within the term. If the term commencement date is other than January 1, or if the termination date is other than December 31, TENANT's liability for "Operating Expenses" for the lease year in which date occurs shall be prorated based upon a three hundred sixty-five (365) day year. LANDLORD shall provide TENANT with its annual determination of Operating Expenses (as set forth above in Article XXX C.) within 120 days of the close of the calendar year upon which the annual determination of Operating Expenses is based. Landlord's failure to timely provide to TENANT its annual determination of Operating Expenses within 365 days following the close of a calendar year shall constitute a waiver and/or forfeiture of LANDLORD's right to Additional Rent for the calendar year at issue.

ARTICLE XXXI
GOVERNING LAW

This Agreement, including any exhibits or amendments, if any, and all matters relating thereto (whether in contract, statute, tort or otherwise) shall be governed by and construed in accordance with the laws of the State of Florida.

ARTICLE XXXII
HOLDOVER

If TENANT, with LANDLORD's consent, remains in possession of the demised premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then such occupancy shall be a tenancy from month to month at a

monthly rental for the first month, after expiration of the term, equivalent to one hundred percent (100%) of the monthly rental in effect immediately prior to expiration, such payments to be made as herein provided. In the event of such holding over, all of the terms of the Lease Agreement including the payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

ARTICLE XXXIII
RESPONSIBILITY FOR DAMAGE TO DEMISED PREMISES

If TENANT shall fail to perform its obligations under this Lease Agreement after thirty (30) days' written notice 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
ESTOPPEL CERTIFICATES

LANDLORD and TENANT agree, at any time and from time to time, upon not less than thirty (30) 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;
- 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); and

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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 Property, or any part thereof or estate therein.

ARTICLE XXXV
WRITTEN AGREEMENT

This Lease Agreement contains the entire agreement between the parties hereto relating to the subject matter hereof and all previous negotiations leading thereto, and it may be modified only by an instrument in writing signed by the parties together with a 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)

By: HEADLANDS REALTY CORPORATION,
a Maryland corporation

Mander U. Batters
WITNESS

Nicole Keefe
WITNESS

By: Christos F. Kambouras
Christos F. Kambouras
Vice President
(LANDLORD)

(OFFICIAL SEAL)

ATTEST:

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

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

By: _____
Carlos Alvarez
Mayor
(TENANT)

Approved by the County Attorney as
to form and legal sufficiency. AK

Exhibit "A"
HVAC SYSTEM PREVENTIVE MAINTENANCE FOR LEASED SPACE

The following components are typically found in the Heating, Ventilating, and Air Conditioning (HVAC) systems in Miami-Dade County buildings; each component has the typical maintenance activity and minimum frequency noted:

- I. **FILTERS** - Applicable to all supply conditioned air to TENANT premises:
 - A. High-efficiency type (ASHRAE rated 85%) - preferred - changed every 2 years.
 - B. Electrostatic antimicrobial - minimum acceptable - cleaned every 30 days.
- II. **OUTSIDE AIR INTAKE** - applicable on all central systems:
 - A. Check for cleanness and operation if motorized louvers - filter preferred - quarterly.
- III. **TEMPERATURE AND HUMIDITY** - Temperature 73-78 degrees - Humidity 50-60%:
 - A. ASHRAE generally accepted comfort zone for South Florida.
 - B. Check controls and verify temperature and humidity are at or near guidelines - monthly.
- IV. **AIR HANDLER** - Separate type or self contained in AC package unit as applicable:
 - A. Clean coils and check for leaks and loose connections - check quarterly.
 - B. Lubricate fan motors and check belts - quarterly.
 - C. Check air intake and exhaust - quarterly.
 - D. Check fan motors for overheating and vibration - quarterly.
 - E. Check structural frame for sturdiness - quarterly.
 - F. Check and clean contact points in switches - quarterly.
 - G. Check condensate drip pan for standing water. Clean and spray with algicide quarterly.
 - H. Check, remove trash, and clean condensate drain and trap - quarterly.
- V. **COMPRESSOR** - Separate or self-contained in AC package unit as applicable:
 - A. Check for indication of leakage - monthly.
 - B. Check pressure and temperature - quarterly.
- VI. **PUMPS** as applicable:
 - A. Inspect belts for damage, tension, and alignment - quarterly.
 - B. Check bearings and seals (motor and pump) - quarterly or semi-annually.
 - C. Check phase voltage and impeller - yearly.
- VII. **COOLING TOWER** as applicable:
 - A. Check water level - minimum monthly - prefer weekly.
 - B. Check oil level in gear reducers - monthly.
 - C. Check for leaks and excessive noise or vibration - monthly.
 - D. Check water quality/chemical treatment - monthly.
- VIII. **BUILDING EXTERIOR:**
 - A. Check for water infiltration into walls or above ceilings to prevent mold and mildew - quarterly.
- IX. **CEILING TILES:**
 - A. Check and replace any ceiling tile that shows water stains to prevent mold spores - quarterly.
- X. **SUPPLY AND RETURN AIR DUCTS:**
 - A. Remove ceiling diffuser and clean, check for visible sign of dirt around the opening or dirt coming out of duct openings on supply air diffusers - yearly. If they are dirty, then clean the ducts.

EXHIBIT "B"
JANITORIAL SERVICES

The LANDLORD agrees to furnish janitorial and cleaning services as part of this Lease Agreement. This includes furnishing all cleaning/maintenance equipment and cleaning supplies as required, including but not limited to, bathroom tissue, paper towels, trash receptacle liners and hand soap (preferably liquid). All supplies are to be of good quality acceptable in the janitorial profession and of satisfactory quality suitable to the needs of personnel.

Cleaning of the facility shall be accomplished in accord with the following schedule:

a) **FLOORS**

Daily: Carpeted areas - vacuum.
Non-carpeted areas - dustmop - spray buff as required, remove gum and other materials, spot damp mop to remove stains or spots.

Weekly: Non-carpeted areas - damp mop and spray buff.

Monthly: Strip and wax lobby, waiting and tile restroom areas.

Quarterly: Strip and wax hallway floors. (Apply three coats of Johnson Complete Wax or equivalent).

Semiannually: Machine clean carpets in hallways. Other areas are to be cleaned, if their condition so dictates.

Strip, reseal and wax with nonskid wax all normally waxed floors.

Annually: Machine clean all carpet throughout the facility.

b) **WALLS, CEILINGS, INTERIOR DOORS, LEDGES, ETC.**

Weekly: Spot clean. Clean light switch plates and surrounding wall areas. Dust windowsills, ledges, fixtures, etc.

Monthly: Dust or vacuum HVAC registers.

Annually: Clean all light fixture diffuses and wipe dust off light bulbs.

c) **WINDOWS AND GLASS**

Daily: Spot clean entrance and vicinity glass both inside and outside.

Spot clean directory and internal glass or windows.

Semiannually: Clean inside of external windows.

d) WATER FOUNTAINS

Daily: Clean and sanitize. Replenish supply of disposable cups (if applicable).

e) FURNISHINGS

Daily: Dust tables, chairs, credenzas, file cabinets, bookcases, etc.

Do not disturb any papers lying on desks or cabinets.

Weekly: Dust and clean all ornamental wall decorations, pictures, charts, chalkboards, etc.

Dust draperies, blinds or other window treatments.

Semiannually: Vacuum all drapes, blinds or other window treatments.

f) TRASH AND REFUSE

Daily: Empty and clean all trash receptacles. Receptacle liners are to be used and changed as necessary. Remove all collected trash to external dumpsters or trash containers.

In conference rooms, reception areas, etc., remove accumulated trash, paper cups, soda cans, etc.

g) RESTROOMS

Daily: Maintain in a clean sanitary condition: floors, walls, doors, stalls, partitions, shelves, sinks, commodes, urinals, bath facilities, soap and towel dispensers.

Clean and polish mirrors.

Empty and sanitize trash and sanitary napkin receptacles.

Replenish supplies of tissue, towels and soap.

Monthly: Clean ceramic tile surfaces with a strong cleaner or bleach so that tile and grout have uniform color.

h) LOUNGE AND KITCHEN AREAS

Daily: Clean and sanitize sinks and counter areas.

NOTE: THE WASHING OF EMPLOYEE'S DISHES OR THE REFRIGERATOR IN THE LOUNGE OR KITCHEN AREAS ARE NOT REQUIREMENTS OF THIS CONTRACT.

i) EXTERIOR

Daily: Sweep outside area immediately adjacent to building entrances.
Keep parking lot and surrounding grass areas free of trash.

Empty outside trash receptacles.

Weekly: Sweep all exterior access areas, e.g., sidewalks, porches, courtyards, etc.

Perform other such services as are necessary to keep the facility clean and in a sanitary condition.
In providing of the aforementioned services:

Only actual employees of the janitorial contractor are to be admitted to the demised premises. During after hours cleaning, all outside doors are to be locked and janitorial staff are not to provide access to anyone into the facility. Janitorial staff are to check exterior doors and windows to insure the facility is secure at the time of leaving the facility.

LANDLORD shall provide reasonable assurance that any and all chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

A copy of the MSDS for each cleaning agent or chemical used by janitorial service shall be provided to TENANT. Only those cleaning agents or chemicals approved by TENANT shall be used in the demised premises.