Memorandum

MIAMI-DADE COUNTY

Date: September 2, 2008

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

From: George M. Burgess
County Manager

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

Subject: Lease Agreement at 8525 N.W. 53 Terrace, Suites 215 and 219, Doral for the Miami-Dade Police Department
Property # 3022-00-00

RECOMMENDATION

It is recommended that the Board approve the attached resolution authorizing execution of a Lease Agreement at 8525 N.W. 53 Terrace, Suite 215 and 219, Doral with Koala Miami Realty Holding Co., Inc., a Delaware Corporation, for space occupied by the Miami-Dade Police Department. The attached Lease Agreement has been prepared by the General Services Administration at the request of the Miami-Dade Police Department.

PROPERTY:	8525 N.W. 53 Terrace, Suites 215 and 219, Doral
COMMISSION DISTRICT:	12
COMMISSION DISTRICTS IMPACTED:	Countywide
OWNER:	Koala Miami Realty Holding Co., Inc. a Delaware Corporation
COMPANY PRINCIPALS:	Strategic Property Fund, a Commingled Pension Trust Fund J.P. Morgan Chase Bank, N.A., Trustee for the Strategic Property Fund - 100%
OWNER TRACT RECORD:	The County has no record of negative performance issues with Koala Miami Realty Holding Co., Inc., a Delaware Corporation.
USE:	3,024 rentable square feet of air-conditioned office space together with on site parking in common with other tenants.
JUSTIFICATION:	Miami-Dade Police Department (MDPD) has a need to continue utilizing this facility for administrative offices. MDPD has been operating out of this facility since 1989.

LEASE TERM: Five years.

EFFECTIVE DATES: Commencing upon approval of the Board, and terminating five years thereafter.

RENTAL RATE: Annual base rent for the first lease year of the initial lease term is $54,280.80, which is equal to $17.95 per square foot. The annual base rent for the second through the fifth lease year shall be increased by the Consumer Price Index. In no event shall the annual rental increase exceed five percent (5%). The County is also responsible for its pro-rata share of Ad Valorem Real Estate Taxes increases above the base year 2008.

FINANCIAL IMPACT: The total financial impact for the first lease year is estimated to be $56,452.03, which is comprised of the following:

First Year Occupancy Cost:

	Total Dollars	PSF
Annual Rent; first year	$ 54,280.80	$17.95
Indirect Expense:		
Lease Management Fee (4%)	$ 2,171.23	
Total Cost, to County First Year:	$ 56,452.03	

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

CANCELLATION PROVISIONS: County may cancel the lease at anytime by giving Landlord ninety (90) days prior written notice. In the event that Landlord shall enter into a contract for the sale of the property or any portion thereof with a purchaser that shall intend to redevelop the property or any portion thereof, Landlord shall have the right to terminate by giving County nine (9) months prior written notice.

FUNDING SOURCE: General Funds. This item has been budgeted by the Miami-Dade Police Department.

CURRENT LEASE: The current lease agreement was approved by the Board on January 23, 2001 by Resolution No. R-40-01. The lease commenced on April 4, 2001 for three (3) years with two (2) additional two-year renewal option periods. The current annual rental amount is $52,721.04, which is equal to $17.43 per square foot. The lease expired on April 3, 2008. Due to the fact that the landlord did not return the executed lease agreement to the County until April 30, 2008, staff was unable to submit it to the Board for approval prior to the expiration date. However, the lease is on holdover until such time as the Board approves the new lease agreement.

OTHER PROPERTIES EVALUATED:	9800 N.W. 41 Street, Miami — $25.00 PSF for a full service lease plus electric, CAM and relocation costs. 10305 N.W. 41 Street, Miami — $23.00 PSF for a full service lease plus operating expenses, taxes, insurance and relocation costs. 3900 N.W. 79 Street, Miami — $25.00 PSF for a full service lease plus operating expenses, taxes, insurance and relocation costs.
MONITOR:	Margaret Araujo, Real Estate Officer
DELEGATED AUTHORITY:	Authorizes the County Mayor or his designee to execute the lease agreement and exercise the cancellation provision. The County has the option to take additional available space in the building, under the same terms and conditions, without prior Board approval.

Director
General Services Administration

MEMORANDUM

(Revised)

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

DATE: September 2, 2008

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)
9-2-08

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AT 8525 N.W. 53 TERRACE, SUITE 215 AND 219, DORAL, WITH KOALA MIAMI REALTY HOLDING CO., INC. A DELAWARE CORPORATION FOR PREMISES TO BE UTILIZED BY THE MIAMI-DADE POLICE DEPARTMENT FOR 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 between Miami-Dade County and Koala Miami Realty Holding Co., Inc., a Delaware Corporation, for premises to be utilized by the Miami-Dade Police Department for 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
Carlos A. Gimenez
Joe A. Martinez
Dorrin D. Rolle
Katy Sorenson
Sen. Javier D. Souto
Audrey M. Edmonson
Sally A. Heyman
Dennis C. Moss
Natacha Seijas
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of September, 2008. 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 "LEASE AGREEMENT" made on the day of , 2008, by and between KOALA MIAMI REALTY HOLDING CO., INC., a Delaware 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:

> 3,024 rentable square feet of air-conditioned and heated office space, located at the Doral Center, Savannah Building, at 8525 N.W. 53 Terrace, Suites 215, and 219, Doral, Florida 33176, the "Demised Premises" and shown on Attachment 1 hereto, together with on site parking.
>
> The Building's square footage is 51,570 rentable square feet of air-conditioned office space of which 2,700 square feet of usable square feet is to be occupied by TENANT as the Premises. The building's ratio of rentable square footage to usable square footage in the Building is presently 12% (the "Factor"), which results in a rentable square footage in the Premises of 3,024.

TO HAVE AND TO HOLD unto the said TENANT for a term of Five (5) years, commencing on April 3, 2008 (the Commencement Date") and expiring on April 3, 2013, unless earlier terminated in accordance with this Lease Agreement, for and at a total base rental of Fifty Four Thousand Two Hundred Eighty Dollars and 80/100 ($54,280.80) for the first year, payable in twelve (12) equal monthly installments of Four Thousand Five Hundred Twenty-Three Dollars and 40/100 ($4,523.40), in advance on the first day of every month to Koala Miami Realty Holding Co., Inc., P. O. Box 531211, Atlanta, Georgia 30353-1211, or at such other place and to such other person as LANDLORD may from time to time designate in writing. The annual base rental rate for each of the second through the fifth lease years of the lease term shall be increased as per Consumer Price Index (CPI) as per Article XVIII, "Rent Adjustment" of the Lease Agreement. The October monthly installment rental payment for each year will

be processed by the County after the close of the County's fiscal year, for each calendar year.

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 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.

ARTICLE II
CONDITION OF DEMISED PREMISES

Subject to the provisions of ARTICLE XXIV, "Improvements of the 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 the term this Lease Agreement.

ARTICLE III
UTILITIES

LANDLORD, during the term hereof, shall pay all charges for electricity, water, and waste disposal services used by TENANT.

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, stairways, elevators, lavatories;
Janitorial and custodial services of all common areas and exterior of the building;
Air-conditioning and heating equipment, as referenced in Exhibit "A";
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;
Electrical, mechanical, utility and plumbing systems servicing the demised premises;

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the demised premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) the aforementioned maintenance services as described above and as referenced in Exhibit "A" HVAC System "Preventive Maintenance for Leased Space."

Upon 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.

TENANT shall be responsible for custodial and janitorial services for the interior of the Demised Premises.

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.

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 untenantable or unfit for the purpose of TENANT and the damage cannot be repaired within one hundred eighty (180) days, either party may cancel this Lease Agreement by giving written notice to the other within thirty (30) days after the date of such damage or destruction. 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 within thirty (30) days after the date of such damage or destruction, LANDLORD shall cause the building and demised premises to be repaired and placed in good condition within one hundred eighty (180) days following the date of casualty, time being of the essence. If the LANDLORD'S repairs are not completed within one hundred eighty (180) days, TENANT shall be entitled to cancel the Lease Agreement by the giving of written notice to LANDLORD at any time, notwithstanding the commencement of any repairs by LANDLORD; provided however that, if LANDLORD substantially completes the repairs within ten (10) days after receipt of TENANT's notice, then such termination shall be null and void and the Lease Agreement shall remain in full force and effect. TENANT shall not be liable for rent during such period of time as the demised premises be untenantable 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 untenantable, 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 TENANT exercises its right of cancellation as set forth above.

ARTICLE VII
DISABLED INDIVIDUALS

LANDLORD understands and recognizes, that all common areas are to 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 Demised Premises and access thereto, including but not limited to restrooms, 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 demised premises and access thereto shall at all times be maintained in accordance with the requirements of Section 255.21 of the Florida Statutes at LANDLORD's cost and expense, except 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

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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 and/or exterior signs will be of the design and form of letter to be first approved by LANDLORD, the cost of signage 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 building because of or due to said signs shall be satisfactorily corrected or repaired by TENANT. Signs are limited to the building's standard directory and standard door sign; no exterior signs should be placed outside the building.

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 reasonable 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, or any extension or renewal thereof.

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 solely 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.

Sale of Property to Redeveloper: In the event that LANDLORD shall enter into a contract for the sale of the property or any portion thereof with a purchaser that shall intend to redevelop the property or any portion thereof, LANDLORD shall have the right to terminate this Lease Agreement upon nine (9) months' prior written notice to TENANT. Should LANDLORD exercise such right, TENANT shall surrender the leased premises on the date provided in the notice in accordance with the terms of this Lease Agreement and TENANT shall be released from any further obligations under the Lease Agreement with respect to the premises, except that TENANT will continue to remain liable thereafter for, and shall indemnify LANDLORD from and against any and all liabilities, losses, damages, expenses, costs and the like incurred by LANDLORD (including, without limitation, attorneys' fees and disbursements in connection with all pre-trial, trial, bankruptcy, appellate and post-judgment proceedings) as the direct or indirect result of: (a) TENANT's failure to surrender the premises in accordance with the terms of this Lease Agreement; and (b) construction liens and claims of lien for labor and the provision of work of materials contracted for by TENANT through and including the surrender date; and (c) TENANT's failure to perform any other obligations of TENANT expressly provided in this Lease Agreement.

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
ASSIGNMENT OR SUBLET

TENANT shall not assign this Lease Agreement or any part thereof or sublet all or any part of the demised 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 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 assigns of the respective parties hereto, the same as if they were in every case named and expressed.

ARTICLE XVII
RENT ADJUSTMENT

Commencing on the first anniversary of the Commencement Date, and continuing on each annual anniversary date of the Commencement Date thereafter, the base rent for each twelve-month period during

the term of this Lease Agreement, shall be computed by multiplying Fifty Four Thousand Two Hundred Eighty Dollars and 80/100 ($54,280.80) by a fraction whose numerator shall be the Consumer Price Index (CPI) for the month January immediately prior to the first day of such twelve-month period and whose denominator shall be the Consumer Price Index (CPI) for January 1, 2008. For purposes hereof, the Consumer Price Index to be used shall be the National Consumer Price Index for all Wage Earners & Clerical Workers, U.S. City Average (All items: 1982-84=100) issued by the U.S. Department of Labor, Bureau of Labor Statistics or any successor agency of the United States that shall issue indexes or data of similar type. In no event shall the rent adjustment exceed five percent (5%) per annum or be less than the rent for the immediately preceding year.

ARTICLE XVIII
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
Real Estate Development Division
Real Estate Section
111 N.W. First Street, Suite 2460
Miami, Florida 33128

LANDLORD:

Koala Miami Realty Holding Co., Inc.
C/O Flagler Real Estate Services, LLC
8350 N.W. 52 Terrace, Suite 102
Doral, Florida 33166
Attn: Doral Center Property Manager

WITH A COPY TO:

Koala Miami Realty Holding Co., Inc
C/O J.P. Morgan Asset Management Real Estate
245 Park Avenue, Second Floor
Mail code NY1-Q220
New York, New York 10167
Attention: Joseph B. Dobronyi, Jr., Vice President

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed or

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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 XIX
AD VALOREM TAXES

TENANT agrees to pay TENANT's pro-rata share, as hereinafter defined, of any and all increases in Ad Valorem Taxes imposed and assessed against the land and building, as hereinabove specified; in excess of the Ad Valorem Taxes for the base calendar year 2008. LANDLORD agrees to provide TENANT a true copy of the aforesaid tax bill, and to provide the tax bill for each subsequent year during the term of this Lease Agreement, and TENANT agrees to pay LANDLORD the TENANT's pro-rata share on increases as aforesaid, in Ad Valorem Taxes within thirty (30) days after delivery of said tax bill to TENANT. TENANT's pro-rata share will be calculated by dividing the 3,024 square feet of the leased premises by the square footage of the building which is 51,570 net rentable square feet, which is equals to 5.9%.

ARTICLE XX
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 "A" "HVAC System Preventive Maintenance For Leased Space" applicable to TENANT premises.

B. WATER QUALITY. LANDLORD shall, prior to occupancy by TENANT and following any build-out, changes, or repairs by LANDLORD involving 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 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 or 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 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.

D. 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 build-out or renovation of the demised space.

E. Radon gas is a naturally occurring radioactive gas which, 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 gas that exceeds 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. TENANT acknowledges this disclosure by signing this Lease Agreement.

ARTICLE XXI
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 equivalent to one hundred twenty-five percent (125%) of the monthly rental in effect immediately prior to expiration for the first thirty (30) days of such holdover period, and one hundred-fifty percent (150%) of the monthly rental in effect immediately prior to expiration during the holdover period thereafter, 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 XXII
IMPROVEMENTS OF THE DEMISED PREMISES

Subject to the terms, condition and covenants of this Lease Agreement, LANDLORD at LANDLORD's cost and expense, shall complete and prepare the demised premises for TENANT's continued occupancy as follows:

1. Shampoo carpet.
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.
5. Clean air conditioning grills/vents.
6. Perform an HVAC system preventive maintenance as per Exhibit "A," attached.

ARTICLE XXIII
TERMINATION RIGHTS OF TENANT

TENANT, through its County Manager or his designee, shall have the right to terminate this Lease Agreement, or any portion thereof, at anytime by giving LANDLORD at least ninety (90) days' written notice prior to its effective date.

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ARTICLE XXIV
OPTION TO TAKE SPACE IN BUILDING

Provided this Lease Agreement shall be in full force and effect and TENANT shall not be in default in the payment of rent beyond any curative period, and provided that there is at least three (3) years remaining in the term of the Lease Agreement, TENANT shall have the option from time to time to lease any part of LANDLORD's available space in the building upon the same then-current terms and conditions as the space initially leased pursuant to this agreement by notifying LANDLORD in writing. Including, without limitation, the rental for the additional available space shall be calculated at the same rate per square foot of the existing space as set forth in this Lease Agreement.

ARTICLE XXV
HEATING, VENTILATION, AND AIR-CONDITIONING

LANDLORD acknowledges that it is responsible for providing and maintaining, at no cost or expense to TENANT, a good, sufficient, and safe heating, ventilation, and air conditioning system to cool and heat the entire premises uniformly, and sufficient for TENANT's use of the demised premises, Monday through Friday from 8:00 a.m. to 5:00 p.m., excluding national holidays. HVAC may be provided at other times at the sole cost and expense of TENANT, paid as additional rent, at the rate of $11.00 per hour.

ARTICLE XXVI
HVAC MAINTENANCE

Without limiting the obligations of LANDLORD as set forth in ARTICLE IV of this Lease Agreement, LANDLORD shall be required to initiate and maintain a commercial HVAC system maintenance contract, or contracts, which shall call for regular maintenance and service to such systems in accordance with industry standards.

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
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 reasonable 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 XXIX
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 terminate this Lease Agreement within seven (7) days written notice to LANDLORD or bring an action for damages, or injunctive relief (it being recognized that in such event TENANT is 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 XXX
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 XXXI
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, 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 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 XXXII
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, (if any,) 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 XXXIII
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. Further, with respect to any and all existing ground lease agreement, underlying lease agreement, and/or mortgage, prior to the commencement of the construction of LANDLORD's work, LANDLORD shall obtain from any and all ground lessors, underlying lessors, and/or lenders as of the date of this Lease Agreement, a Non-Disturbance 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, and 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. 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 XXXIV
RESPONSIBILITY FOR DAMAGE TO DEMISED PREMISES

If TENANT shall fail to perform its obligations under ARTICLE IV "Maintenance" 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 XXXV
LANDLORD'S RIGHT TO REPAIR

LANDLORD shall have access to all air conditioning and heating equipment and to all other mechanical, electrical, plumbing and utility installations servicing the Building and the demised Premises upon twenty-four (24) hours prior written notice to TENANT, except in the event of an emergency, in which case such notice shall be reasonable under the circumstances. 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 best reasonable efforts to minimize any interference to TENANT's usage of the demised Premises during the exercise of any rights granted to LANDLORD herein. 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 demised premises, air conditioning, plumbing (unless LANDLORD shall provide other facilities in the building), any elevator service or

electricity for more than two (2) continuous business days, the rent shall equitably abate based on any substantial portion of the demised premises affected until the situation is corrected. Notwithstanding anything contrary to the above, any act caused by force majeure is not included herein.

ARTICLE XXXVI
ESTOPPEL CERTIFICATES

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

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 XXXVII
AMENDMENT

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

ARTICLE XXXVIII
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

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laws of the State of Florida.

ARTICLE XXXIX
WRITTEN AGREEMENT

This Lease Agreement contains the entire agreement between the parties hereto related to the demised premises and TENANT's occupancy thereof, and all previous negotiations leading thereto, and it may be modified only by written instrument signed by both LANDLORD and TENANT 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: KOALA MIAMI REALTY HOLDING CO., INC., a Delaware Corporation.

WITNESS

By: _____
Joseph B. Dobronyi, Jr.
Vice President

(LANDLORD)

WITNESS

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

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

By: _____
Carlos Alvarez
County Mayor

(TENANT)

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

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ATTACHMENT 1, Premises

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 - quarterly.

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 – quarterly or as needed.
   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 – quarterly or as necessary.
   B. Check oil level in gear reducers – quarterly or as necessary.
   C. Check for leaks and excessive noise or vibration – quarterly or as necessary.
   D. Check water quality/chemical treatment – quarterly or as necessary.

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.

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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.

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.

e) FURNISHINGS

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.

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

h) 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.

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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 facility during and after cleaning hours. 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.