

# LEASE

**LANDLORD:** SED DEVELOPMENT, LLC  
a Delaware limited liability company

**TENANT:** CITY OF ORLANDO, FLORIDA,  
a municipal corporation of the State of Florida

## SUMMARY PAGE

Leased Premises: Orlando Police Department Headquarters at 100 South Hughey Avenue

Rent: One Hundred Thousand and 00/100 (\$100,000.00) Dollars per year.

Term: Thirty (30) months, subject to extension or early termination as provided in the Lease.

Renewal Terms: Two (2) Renewal Terms of six (6) months each as described in the Lease.

Lease Commencement Date: November 5, 2014.

Termination Date: The earlier of (i) thirty (30) months after the Commencement Date plus any Renewal Terms, or (ii) one hundred twenty (120) days after completion of the New Headquarters Facility.

Maintenance and Repairs: Tenant responsible.

Utilities: Tenant responsible.

Security Deposit: None.

# **LEASE**

## **(ORLANDO POLICE DEPARTMENT HEADQUARTERS)**

**THIS LEASE** (this "Lease") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between **SED DEVELOPMENT, LLC**, a Delaware limited liability company (the "Landlord"), with a mailing address of 8701 Maitland Summit Boulevard, Orlando, Florida 32810-5915 and the **CITY OF ORLANDO, FLORIDA**, a municipal corporation of the State of Florida (the "Tenant"), with a mailing address of 400 South Orange Avenue, Orlando, Florida 32801.

### **BACKGROUND STATEMENT**

The Leased Premises described in this Lease are the Orlando Police Department headquarters and were constructed and owned by Tenant prior to the Commencement Date of this Lease. Tenant was in sole continuous possession of the Leased Premises prior to the Commencement Date.

Contemporaneously with the Commencement Date (defined below), Tenant sold the Leased Premises (defined below), along with adjacent real property, to Landlord and its affiliates for redevelopment. It is the intent of Landlord to demolish the buildings and all improvements on the Leased Premises after this Lease terminates.

Tenant is undertaking the development and construction of a new, more modern, police headquarters building at another location (the "New Headquarters Facility"), but to give time for the construction of the new Orlando Police Headquarters Facility, Tenant will continue to occupy and use the Leased Premises as the Orlando Police Department headquarters for the term of this Lease.

Due to the use of the Leased Premises, Tenant will remain in complete control of the Leased Premises and will provide whatever maintenance and operation it deems necessary or desirable to continue its operations at the Leased Premises.

### **TERMS AND CONDITIONS**

In consideration of the rents hereinafter reserved and the agreement hereinafter set forth, Landlord and Tenant mutually agree as follows:

#### **1. LEASED PREMISES.**

1.1 Leased Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Leased Premises (the "Leased Premises") depicted on Schedule A attached hereto together with all improvements. The Leased Premises consist of approximately 145,253 square feet (3.33 acres) of land together with all improvements thereon, including, without limitation, Bryan Avenue and the building (the "Building") serving as the Orlando Police Headquarters

containing approximately 170,438 square feet of space with an address of 100 South Hughey Avenue, Orlando, Florida 32801 and a tax parcel number of 26-22-29-6732-03-011.

1.2 Bryan Avenue. To provide adequate security for the Building, the Orlando Police Department must use the rear exit of the Building which is only accessible through Bryan Avenue. Additionally, the rear exit of the Building serves as the only entrance to the Building for handicapped visitors. Landlord shall have access to Bryan Avenue during the Term (subject to potential brief closures during demolition which Landlord shall coordinate with the Orlando Police Department) and any Extension Terms for demolition and construction purposes. For security reasons, Landlord must receive authorization from the Orlando Police Department prior to any use of Bryan Avenue.

## 2. TERM AND COMMENCEMENT OF TERM.

2.1 Initial Term. The term of this Lease (the “Term”) shall commence on November 5, 2014 (the “Commencement Date”). The Term shall commence on the Commencement Date and continue for a period of thirty (30) months (the “Initial Term”) unless extended or terminated earlier pursuant to this Lease.

2.2 Termination Date. The date on which the Term, including any Renewal Terms, ends is referred to in this Lease as the “Termination Date” and shall be the earlier of either of the following: (i) the end of the Initial Term plus any exercised Renewal Terms, or (ii) one hundred twenty (120) days after completion of the entire New Headquarters Facility as evidenced by the issuance of certificates of occupancy for all portion of the New Headquarters Facility, including any separate facility to be utilized for the storage of evidence or similar documents or items now stored at the Building such that Orlando Police Department would move into the New Headquarters Facility.

2.3 Early Termination of Lease at Tenant’s Election for Convenience. Tenant shall have the right to terminate this Lease for any reason or no reason by delivering written notice to Landlord of its intention to do so at least thirty (30) days prior to such early termination date. Upon delivery of Tenant’s notice exercising its right to terminate, all of Tenant’s covenants and obligations contained in this Lease shall cease on the date of termination set forth in the notice, except any obligations which by their terms continue after the end of the Term.

2.4 Options to Extend Term. Provided Tenant is in possession of the Leased Premises and there are then no uncured defaults by Tenant in its obligations pursuant to this Lease, Tenant shall have two (2) options to renew the Term of this Lease for a period of six (6) months each (the “Renewal Term(s)”). The Renewal Terms shall commence immediately upon the expiration of the Initial Term, or First Renewal Term (defined below), as applicable, upon the same terms, covenants and conditions as contained in this Lease.

Tenant acknowledges that Landlord seeks to obtain possession of the Leased Premises as soon as practical, and to that end the Parties agree to communicate with regard to a projected Termination Date. Unless Tenant has vacated the Leased Premises or notified Landlord in writing of its election not to extend the Term, Tenant shall be deemed to have exercised each option to extend the Term granted herein. However, Landlord may, from time to time, request confirmation

in writing from Tenant of Tenant's decision to extend the Term and Tenant's expectation of an appropriate Termination Date. Within fifteen (15) days after each such written request, Tenant will confirm to Landlord its need to extend the Term (or that the Term will not be extended to any Renewal Term) and any projected Termination Date.

The options to extend the Term granted herein shall not be severed from this Lease, separately sold, assigned or transferred.

2.4 Use of the Leased Premises. Tenant and Landlord agree the intent of this Lease is to allow Tenant to continue to occupy and use the Leased Premises as the Orlando Police Department headquarters until the completion of the New Headquarters Facility, but in no event shall Tenant occupy the Leased Premises beyond the Termination Date. Tenant agrees that it shall not use the Leased Premises for any purpose other than as the Orlando Police Department headquarters and related uses during the Term of this Lease.

### 3. DELIVERY AND ACCEPTANCE OF LEASED PREMISES.

3.1 Acceptance of Leased Premises. The parties acknowledge that Tenant is now in possession of the Leased Premises and that Landlord has limited knowledge of the Leased Premises. Tenant acknowledges and agrees that the Leased Premises will be delivered, and Tenant shall accept the Leased Premises, in their "as is" condition as of the Commencement Date and further agrees that Landlord is not obligated to make improvements to the Leased Premises prior to the Commencement Date or during the Term or any Renewal Terms of this Lease.

### 4. RENT.

4.1 Rent During Initial Term. During the Initial Term Tenant shall pay to Landlord fixed rent equal to One Hundred Thousand and 00/100 (\$100,000.00) Dollars per year. Rent shall be payable in equal monthly installments in the amount of Eight Thousand Three Hundred Thirty Three and 33/100 Dollars (\$8,333.33) in advance on the first day of each month of the Initial Term, without notice, demand, abatement (except as otherwise specifically provided in this Lease), deduction or set-off. If the Term of this Lease shall commence on a day other than the first day of a month, the first payment shall include any prorated Rent for the period from the Commencement Date to the first day of the first full calendar month of the Term. The rent specified in this Section 4.1 and 4.2 below may be referred to in this Lease as the "Rent", but all sums due and payable by Tenant to Landlord pursuant to this Lease are considered rent under applicable law and all sums due to Landlord pursuant to this Lease in addition to the Rent may be referred to herein as "Additional Rent." All Rent and any Additional Rent shall be paid to Landlord at the Landlord's address specified in this Lease.

4.2 Rent During Renewal Terms. If Tenant exercises its option to extend the Term beyond the Initial Term, Tenant shall pay Landlord Rent for the First Renewal Term in the amount of One Hundred Thousand and 00/100 Dollars (\$100,000.00) payable in equal monthly installments of Sixteen Thousand Six Hundred Sixty Seven and 00/100 Dollars (\$16,667.00). If Tenant exercises its option to extend the Term beyond the First Renewal Term, Tenant shall pay Landlord Rent for the Second Renewal Term in the amount of One Hundred Thousand and 00/100 Dollars (\$100,000.00) payable in equal monthly installments of Sixteen Thousand Six Hundred

Sixty Seven and 00/100 Dollars (\$16,667.00). The Rent due to Landlord during the Renewal Terms shall be paid in advance on the first day of each month of the Renewal Terms, without notice, demand, abatement (except as otherwise specifically provided in this Lease), deduction or set-off. In the event Tenant terminates the Term of this Lease pursuant to Section 2.2, then Tenant shall be responsible for rent only that portion of any Renewal Term occurring prior to the early Termination Date so that Tenant will pay Landlord the monthly installments of rent through such early Termination Date, not the entire amount of rent that would otherwise be due for any such Renewal Term.

4.3 Late Charge. If Tenant fails more than two times in any twelve (12) month period to make any payment of Rent within ten (10) days after the date such payment is due, Tenant shall pay to Landlord, as Additional Rent, a late charge to cover extra administrative costs and loss of use of funds equal to (a) five percent (5%) of the amount due for the first month or portion thereof that such amount is past due plus if the rent remains unpaid (b) interest on the amount remaining unpaid thereafter at the rate of twelve percent (12%) per annum; provided, however, that should such late charge at any time violate any applicable law, the late charge shall be reduced to the highest rate permitted by law (the foregoing rate in subsection (b) being herein referred to as the “Default Rate”). Landlord’s acceptance of any rent after it has become due and payable shall not excuse any delays with respect to future rental payments or constitute a waiver of any of Landlord’s rights under this Lease.

4.4 Taxes on Rental. No sales or similar tax shall be paid on the Rent as Tenant is exempt from payment of such taxes. Tenant will provide a certificate or other evidence of such exemption.

4.5 Additional Payment for Insurance. On or before the time Tenant submits its first monthly payment after the Commencement Date under Section 4.1 above, Tenant shall reimburse Landlord for the cost of the insurance for which Tenant is responsible pursuant to Section 11.3 below.

## 5. OPERATING COSTS.

5.1 Definitions. For purposes of this Lease, the following definitions shall apply:

(a) “Operating Costs” means all expenses and costs of every kind and nature in connection with operating, monitoring, repairing, insuring, using and cleaning the Leased Premises, including, but not limited to, the following:

i. cost of all supplies and materials used, and labor charges incurred, in the operation, maintenance, repairing and cleaning of the Leased Premises;

ii. cost of all equipment purchased or rented by Tenant which is utilized in or on the Leased Premises and the cost of maintenance and operation of any such equipment;

iii. cost of all maintenance and service agreements for the Leased Premises entered into by Tenant and the equipment associated therewith, including, without limitation, landscaping, HVAC service, teleconferencing, and other technical services, alarm service, security service, window cleaning, and elevator maintenance;

iv. cost of repairs, replacements and general maintenance to the Leased Premises;

v. cost of removal of trash, rubbish, garbage and other refuse from the Leased Premises;

vi. all charges for electricity, gas, water, sewage service, heating, ventilation and air-conditioning and other utilities furnished to the Leased Premises; and

vii. cost of compliance with all applicable laws, rules and regulations.

(b) Notwithstanding the above, Operating Costs shall not include and Landlord shall be responsible to pay for all the following: (a) payments of principal and interest on any mortgages, deeds of trust or other financing instruments relating to any financing of the Leased Premises, or (b) cost of repairs necessitated by Landlord's negligence or willful misconduct.

(c) Any ad valorem taxes on the Leased Premises shall not be included within the Operating Costs. Due to the public use of the Leased Premises, it is the expectation of the parties that no ad valorem taxes will be due on the Leased Premises during the term of this Lease, and the parties will work together to obtain or process any applications for exemption from such taxes. Should the Leased Premises become subject to any local, state, federal or other ad valorem real estate taxes, Landlord agrees to pay all local, state, federal or other ad valorem real estate taxes, assessments and other public charges which may be imposed, fixed or levied upon the Leased Premises and Tenant shall reimburse Landlord fifty percent (50%) of the costs incurred for any such local, state or ad valorem real estate taxes, assessments and other public charges in the form of additional Rent.

5.2 Payment of Operating Costs. Tenant shall pay all Operating Costs for the Leased Premises during the Term or any Renewal Terms of the Lease, including any and all costs associated with equipment failures occurring on the Leased Premises.

## 6. USE, CASE AND REPAIR OF LEASED PREMISES BY TENANT.

6.1 General Care Standards. The parties acknowledge and agree that Landlord's plan is to demolish the Building and to redevelop the Leased Premises. Tenant shall have absolute discretion to maintain the Leased Premises and Building to whatever standard it deems necessary or desirable during the Term, subject to applicable laws, rules and regulations. Tenant shall not be required to make any repairs to the Leased Premises or Building or to any fixture or equipment on the Leased premises during the Term, except to the extent required to comply with any applicable law, rule and/or regulation. At the end of the Term, Tenant shall deliver possession of the Leased Premises to Landlord in its then existing condition, without any obligation to clean, repair or take any other action regarding the Leased Premises; provided, however, that Tenant shall remove all of Tenant's Personal Property (as defined in Section 10.1 of this Lease) from the Leased Premises in accordance with Section 10.1 of this Lease.

6.2 Hazardous Materials. During the Term, Tenant shall not use, generate, manufacture, produce, store, release, discharge, or dispose of, on, under or about the Leased Premises or transport to or from the Leased Premises any Hazardous Material (as defined below)

or allow its employees, agents, contractors, licensees, invitees or any other person or entity to do so, except in accordance with all Environmental Laws (as defined below). Notwithstanding the foregoing, Landlord hereby approves and Tenant may continue to operate at the Leased Premises and Building as it has during the periods immediately prior to the Commencement Date and as necessary to provide police service at levels currently provided to the community, including, without limitation the continued existence and operation of an underground storage tank for diesel fuel to operate the diesel generator serving the Building, providing any such use is in compliance with Environmental Laws.

(a) “Hazardous Materials” shall be construed broadly to include, without limitation, any toxic or hazardous substance, material, or waste, and any other contaminant, pollutant or constituent thereof, including without limitation, asbestos or asbestos containing materials, chemicals, compounds, by-products, petroleum or petroleum products, and polychlorinated biphenyls, the presence of which requires investigation or remediation under any Environmental Laws or which are or become regulated, listed or controlled by, under or pursuant to any Environmental Laws.

“Environmental Laws” means all federal, state, regional or local statutes, laws, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, whether currently in existence or hereinafter enacted or promulgated, any of which govern, or purport to govern, or relate to pollution, protection of the environment, public health and safety, air emissions, water discharges, hazardous or toxic substances, asbestos or asbestos containing materials, solid or hazardous waste or occupational health and safety, as any of these terms are or may be defined in such statutes, laws, rules, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq. (collectively “CERCLA”); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §6901 et seq. (collectively “RCRA”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401-7642); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act as amended, 7 U.S.C. §136-136y (“FIFRA”); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) (“EPCRA”); and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. (“OSHA”).

(b) The foregoing covenant shall not extend to insignificant amounts of substances typically found or used in general office applications so long as (i) such substances are maintained only in such quantities as are reasonably necessary for Tenant’s operations in the Leased Premises, (ii) such substances are used strictly in accordance with the manufacturers’ instructions therefor and all Environmental Laws, (iii) such substances are not disposed of in or about the Leased Premises in a manner which would constitute a release or discharge thereof, and (iv) all such substances are removed from the Leased Premises by Tenant upon the expiration or earlier termination of this Lease. Tenant shall, within thirty (30) days after demand therefor, provide to Landlord a written list identifying any Hazardous Materials then maintained by Tenant in the Leased Premises, the use of each such Hazardous Material so maintained by Tenant together

with written certification by Tenant stating, in substance, that neither Tenant nor any person for whom Tenant is responsible has released or discharged any Hazardous Materials in or about the Leased Premises.

(c) Upon any violation of the foregoing covenants and in all events upon any expiration of the Term, Tenant shall be obligated, at Tenant's sole cost, to clean-up and remove from the environment all Hazardous Materials released or otherwise disposed of on the Leased Premises by Tenant during the Term. Such clean-up and removal shall include all testing and investigation required by any governmental authorities having jurisdiction and preparation and implementation of any remedial action plan required by any governmental authorities having jurisdiction. All such clean-up and removal activities of Tenant shall, in each instance, be conducted to the satisfaction of the governmental authorities having jurisdiction and shall not be deemed an admission of liability on the part of the Tenant.

(d) The provisions of this Section 6.2 shall survive the expiration or earlier termination of this Lease.

6.3 Compliance with Laws. Tenant, at its sole cost and expense, shall conform to and comply with and shall cause the Leased Premises to conform to and comply with all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, and ordinances applicable to Tenant or resulting from Tenant's use or occupancy of the Leased Premises or any part thereof. Specifically, Tenant shall implement (or continue to implement) an asbestos operation and management plan (the "Management Plan") as may be required by applicable law to maintain the current asbestos located on the Leased Premises. In the event that Tenant fails to implement the Management Plan or engages in any activities during the Lease Term that cause Landlord any increase in costs for removal of any asbestos on the Leased Premises, then City shall be responsible for any such increased costs.

## 7. UTILITIES.

(a) Tenant shall duly and promptly pay to the supplier thereof all bills for utilities consumed at the Leased Premises.

(b) Landlord shall not be liable for, and Tenant shall not be entitled to any damages, abatement or reduction in rent by reason of, an interruption in the supply of utilities, unless such interruption is caused by Landlord, or its affiliates or contractors associated with construction or demolition activities on adjacent property. In such event Landlord shall reimburse Tenant for costs associated with emergency procedures or activities to maintain operations at the Building and such utilities to be repaired as soon as reasonably practical given the critical public nature of the services provided by the Orlando Police Department. No failure, stoppage or interruption of any utility or service shall be construed as an eviction of Tenant nor shall it relieve Tenant from any obligation to perform any covenant or agreement under this Lease. No representation is made by Landlord with respect to the adequacy or fitness of the Building's ventilating, air conditioning or other systems to maintain temperatures as may be required for the operation of any computer, film processing or other special trade fixtures or equipment of Tenant.



8. LOSS, DAMAGE AND INJURY.

8.1 Loss, Damage and Injury. To the maximum extent permitted by law, Tenant shall occupy and use the Leased Premises and the Building at Tenant's own risk. Consistent with the provisions of Subsection 12.1 of this Lease, Tenant's Personal Property (defined below) and the property of those claiming by, through or under Tenant, located in or on the Leased Premises or the Building, shall be and remain at the sole risk of Tenant or such other person.

9. REPAIRS TO BUILDING AND LEASED PREMISES.

9.1 Repairs to Building and Leased Premises. Unless specifically stated in this Lease, neither Landlord nor Tenant shall have any obligation during the Term or any Renewal Terms of the Lease to make and repairs or perform any maintenance work on or in connection with the Building or Leased Premises. To the extent it deems appropriate or desirable, Tenant shall make any repairs and perform any maintenance work on the Leased Premises and the Building and all machinery, equipment, fixtures and systems of every kind attached to, or used in connection with the operation of, the Building and Leased Premises, including all electrical, heating, mechanical, sanitary, sprinkler, utility, power, plumbing, cleaning, refrigeration, ventilating, air conditioning and elevator systems and equipment, notwithstanding repairs caused by the gross negligence or willful misconduct of Landlord, its agents, employees, invitees and guests, which repairs shall be made by Tenant at the sole cost of Landlord.

10. TENANT'S PERSONAL PROPERTY.

10.1 Tenant's Personal Property. "Tenant's Personal Property" means without limitation, all equipment, machinery, furniture, furnishings, signage, trade fixtures and/or other property now or hereafter installed or placed in or on the Leased Premises, including, but not limited to, all personal property located in the evidence room located on the Leased Premises and any chemicals or toxic substances located on the Leased Premises. Tenant shall be required to remove all of Tenant's Personal Property from the Leased Premises no later than the Termination Date, at the Tenant's sole cost and expense.

11. INSURANCE.

11.1 Tenant's Insurance. Tenant, at its expense, shall obtain and maintain in effect as long as this Lease remains in effect and during such other time thereafter as Tenant occupies the Leased Premises or any part thereof the following insurance policies:

(a) Commercial General Liability Commercial general liability insurance policy, including insurance against assumed or contractual liability under this Lease, with respect to the Leased Premises, to afford protection with limits, per occurrence, of not less than One Million and No/100 Dollars (\$1,000,000.00), combined single limit, with respect to personal injury, bodily injury, including death, and property damage and Two Million and No/100 Dollars (\$2,000,000.00) aggregate (occurrence form), such insurance to provide for deductible of not more than Five Hundred Thousand and No/100 Dollars (\$500,000.00);

(b) Workers Compensation. Worker's compensation or similar insurance policy offering statutory coverage and containing statutory limits;

(c) Construction. Tenant shall require any construction contractor retained by it to perform work on the Leased Premises to carry and maintain, at no expense to Landlord, during such times as contractor is working in the Leased Premises, a non-deductible (a) commercial general liability insurance policy, including, but not limited to, contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection with limits per person and for each occurrence, of not less than One Million and No/100 Dollars (\$1,000,000.00), combined single limit, and with respect to personal injury and death and property damage, Four Million and No/100 Dollars (\$4,000,000.00) aggregate (occurrence form) and Two Million and No/100 Dollars (\$2,000,000.00) aggregate completed operations; (b) automobile liability insurance in the amount of One Million and No/100 Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; (c) worker's compensation insurance or similar insurance in form and amounts as required by law; and (d) any other insurance reasonably required of Tenant by Landlord.

11.2 Waiver of Right of Recovery. Landlord and Tenant shall have no liability to one another, or to any insurer, by way of subrogation, on account of any loss or damage to the respective properties of each, the Leased Premises or the contents thereof, regardless of whether such loss or damage is caused by the negligence of Landlord or Tenant, arising out of any of the perils or casualties insured against by the insurance policies carried, or required to be carried, by the parties pursuant to this Lease. The insurance policies obtained by Landlord and Tenant shall permit waivers of subrogation, which the insurer may otherwise have against the non-insuring party. In the event the policy or policies do not allow waiver of subrogation prior to loss, either Landlord or Tenant shall, at the request of the other party, deliver to the requesting party a waiver of subrogation endorsement in such form and content as may reasonably be required by the requesting party or its insurer. For purposes of interpreting this subrogation provision, the terms "Landlord" and "Tenant" shall include their commissioners, officials, officers, managers, agents, employees, contractors, subtenants, servants, licensees, concessionaires and invitees, any of whom may be responsible for any loss. Nothing in this Lease shall be construed as a waiver of Tenant's sovereign immunity or Tenant's limits of liability under section 768.28, Florida Statutes as amended from time to time.

### 11.3 Landlord's Insurance.

(a) Environmental Impairment. At Tenant's sole cost and expense, Landlord shall procure and maintain during the Term of this Lease a policy of environmental impairment insurance ("Environmental Impairment Policy"), naming Tenant as an additional insured, with limits of \$2,000,000 per occurrence with not less than a \$4,000,000 annual aggregate limit. The Environmental Impairment Policy shall insure against releases of Hazardous Materials on the Leased Premises after the Commencement Date of this Lease. Tenant acknowledges that it has reviewed the form of the Environmental Impairment Policy identified as follows: ENV-SPL 00003 002 (02/12) and that Tenant finds it satisfactory. Tenant shall fulfill all obligations of the first named insured under the Environmental Impairment Policy, including, without limitation, payment of deductibles/self insured retention, all obligations for reporting or notice to the insurer

under the Environmental Impairment Policy. Landlord hereby waives any claim against Tenant to pay for any costs for any claim covered by the Environmental Impairment Policy to the extent that such costs are recovered by Landlord pursuant to a claim submitted under the Environmental Impairment Policy. Landlord and Tenant agree to pay the cost of the Environmental Impairment Policy (or the parties will equitably share the proportionate cost of the cost of Environmental Impairment Policy and Environmental Insurance Policy if the coverages are combined into one policy), and the sum due from Tenant shall be paid by Tenant at the same time as Tenant submits its first monthly payment after the Commencement Date under Section 4.1 above.

(b) **Pre-Existing Pollution Condition.** Landlord shall procure and maintain during the Term of this Lease, at Landlord's sole cost and expense, for a minimum term of five (5) years, a premises pollution liability environmental insurance policy covering the Leased Premises and adjacent property sold by Tenant to Landlord or its affiliates contemporaneously with the Commencement Date, (the "Environmental Insurance Policy"). The Environmental Insurance Policy shall include coverage in the amount of not less than \$2,000,000 per occurrence with not less than a \$4,000,000 annual aggregate limit for on and off-site bodily injury or death, on and off-site property damage, and off-site cleanup costs arising out of any pre-existing pollution condition on the Leased Premises and adjacent property sold by Tenant to Landlord or its affiliates contemporaneously with the Commencement Date. Tenant shall be named as an additional insured under the Environmental Insurance Policy. Tenant acknowledges that it has reviewed the form of the Environmental Insurance Policy identified as follows: ENV-SPL 00003 002 (02/12) and that Tenant finds it satisfactory. Landlord shall be the first named insured under the Environmental Insurance Policy and shall fulfill all obligations of the first named insured under the Environmental Insurance Policy, including, without limitation, payment of deductibles/self insured retention, all obligations for reporting or notice to the insurer under the Environmental Insurance Policy. Landlord hereby waives any claim against Tenant to pay for any costs for any claim covered by the Environmental Insurance Policy to the extent that such costs are recovered by Landlord pursuant to a claim submitted under the Environmental Insurance Policy.

## 12. ALTERATIONS, TITLE AND PERSONAL PROPERTY.

12.1 **Alterations.** Tenant shall in no event make or permit to be made any "Structural/Building Systems Alterations" (as defined below) without the prior written consent of Landlord which consent may be withheld in Landlord's sole discretion. For purposes of this Lease, "Structural/Building Systems Alterations" shall mean any improvements, alterations, substitutes or modifications, or other change of any nature, to the structural or exterior elements of the Building ("Building Systems").

Tenant may make or permit any "Non-Structural Alterations" (as defined below) to the Leased Premises or the Building without the prior written consent of Landlord. For purposes of this Lease, "Non-Structural Alterations" shall mean any improvements, alterations, substitutes or modifications, or other change of any nature whatsoever, which are non-structural in nature and which do not materially negatively affect any Building Systems or electrical systems located on the Leased Premises. Non-Structural Alterations shall include, but not be limited to, the installation or modification of carpeting, walls, partitions, counters, doors, shelves, lighting fixtures, hardware, ceiling, window and wall coverings.

12.2 Title. All Alterations and all equipment, machinery, furniture, furnishings, and other property or improvements installed or located on or in the Leased Premises by or on behalf of Tenant shall be owned by Tenant, and may be removed by Tenant at any time prior to the Termination Date regardless of damage to the Building or Leased Premises.

### 13. DAMAGE AND DESTRUCTION.

13.1 No Obligation to Repair and Reconstruct. Neither Landlord nor Tenant shall have any responsibility to repair or reconstruct the Building or any improvement on the Leased Premises during the Term regardless of the cause of any damage or destruction to the Building or the Leased Premises, except for damage caused by Landlord or its contractors or agents for which Landlord is responsible and shall repair. In such event Landlord shall reimburse Tenant for costs associated with emergency procedures or activities to maintain operations at the Building and such utilities to be repaired as soon as practical given the critical public nature of the services provided by the Orlando Police Department. However, in the event of damage or destruction to the Building such that the Building is not fully useable, as determined by Tenant in its sole discretion, then Tenant may elect to terminate this Lease effective immediately upon notice of such determination from Tenant to Landlord.

### 14. CONDEMNATION.

14.1 Termination. If either the entire Leased Premises or the Building shall be acquired or condemned by any governmental authority under its power of eminent domain for any public or quasi-public use or purpose, this Lease shall terminate as of the date of vesting or acquisition of title in the condemning authority and the rents hereunder shall be abated on that date. If less than the whole of the Leased Premises or the Building should be so acquired or condemned, this Lease shall continue in force and effect, but from and after the date of the vesting of title in the condemning authority, the Rent payable hereunder during the unexpired portion of the Term shall be reduced in proportion to the reduction in the total area of the Leased Premises or Building.

14.2 Rights to Award. Tenant shall have no claim against Landlord arising out of the taking or condemnation, or arising out of the cancellation of this Lease as a result of any such taking or condemnation, or for any portion of the amount that may be awarded as damages as a result of any taking or condemnation, or for the value of any unexpired portion of the Term, or for any property lost through condemnation, and Tenant hereby assigns to Landlord all its right, title and interest in and to any such award with regard to the Leased Premises; provided, however, that, in the event of a total taking, Tenant may assert any claim it may have against the condemning authority for compensation for the value of Tenant's leasehold interest, Tenant's Personal Property lost thereby, loss of income, and for any relocation expenses compensable by statute and receive such awards therefor as may be allowed in the condemnation proceedings provided that such awards shall be made in addition to, and stated separately from, the award made for the Building, the underlying land and the Leased Premises. Landlord shall have no obligation to contest any taking or condemnation.

15. DEFAULT PROVISIONS AND REMEDIES.

15.1 Events of Default. Each of the following shall be deemed an “Event of Default” by Tenant under this Lease:

(a) failure of Tenant to pay Rent, any Additional Rent, or any other sum required to be paid under the terms of this Lease, including late charges, within five (5) days after written notice from Landlord of non-payment;

(b) failure by Tenant to perform or observe any other term, covenant, agreement or condition of this Lease, on the part of Tenant to be performed, within ten (10) days after notice thereof from the Landlord, unless such performance shall reasonably require a longer period, in which case Tenant shall not be deemed in default if Tenant commences the required performance promptly and thereafter pursues and completes such action diligently and expeditiously;

(c) the filing of a construction lien against the Leased Premises which is not bonded or discharged within thirty (30) days of the date Tenant receives notice that such lien has been filed; and

(d) the failure of Tenant to vacate the Leased Premises upon the expiration of the Term, or the earlier termination thereof pursuant to the other provisions hereof.

15.2 Remedies. Upon the occurrence of an Event of Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below or by applicable law) may do any one or more of the following:

(a) In the event that Tenant vacates the Leased Premises, Landlord shall have the right, at its election, to cancel and terminate this Lease. Under no circumstances shall Tenant be liable for any reletting, brokerage, refurbishment, repair or other costs that may be incurred by Landlord after retaking possession of the Leased Premises.

The commencement or maintenance of any one or more actions shall not bar the Landlord from bringing other or subsequent actions for further accruals pursuant to the provisions of this Subsection. Any balance remaining, however, after full payment and liquidation of the Landlord's accounts as aforesaid, shall be paid to the Tenant from time to time with the right reserved to the Landlord at any time to give notice in writing to the Tenant of Landlord's election to cancel and terminate this Lease and all of the Tenant's obligations thereunder, and upon the giving of such notice and the simultaneous payment by Landlord to Tenant of any credit balance in Tenant's favor that may at the time be owing, it shall constitute a final and effective cancellation and termination of this Lease and the obligations thereof on the part of either party to the other.

(b) Landlord may also pursue such other remedies as may be allowed by law or equity, and all such rights and remedies, whether expressly stated above or whether available at law or in equity, shall be deemed separate and cumulative and no one remedy shall be deemed to be exclusive of any such other remedy.

(c) Notwithstanding anything to the contrary herein, it is agreed that wherever it is provided in this Section that this Lease shall terminate, the same shall be deemed and construed to mean that such termination shall be at the option or election of Landlord only, and that such termination and cancellation shall not take effect unless Landlord elects in writing that it shall.

(d) Tenant acknowledges and agrees that if Tenant defaults in the payment of any money due to Landlord under the terms of this Lease, then from and after the date of such default, all sums due to Landlord hereunder shall bear interest at the Default Rate.

15.3 No Waiver. No act or omission by Landlord shall be deemed to be an acceptance of a surrender of the Leased Premises or a termination of Tenant's liabilities hereunder, unless Landlord shall execute a written release of Tenant. Tenant's liability hereunder shall not be terminated by the execution by Landlord of any new lease for all or any portion of the Leased Premises or the acceptance of rent from any assignee or subtenant.

15.4 Landlord's Default. If Landlord fails to comply with or defaults in the performance of any provision of this Lease, Tenant shall have all rights and remedies available at law or in equity including without limitation, the right (but not the obligation) to cure such non-conformance or default on behalf of Landlord, upon thirty (30) days prior written notice to Landlord. Upon receipt from Tenant of notice of such cure and demand for payment, Landlord shall repay any payment or expenditure made by Tenant. Notwithstanding the foregoing, Tenant shall not be permitted to cure any such non-compliance or default if the same is not reasonably capable of being cured within thirty (30) days and Landlord is diligently attempting to cure such non-compliance or default, as the case may be.

#### 16. LANDLORD'S LIEN.

16.1 Waiver. Landlord hereby waives any statutory or other lien rights to any personal property that may exist at any time on the Leased Premises.

#### 17. LIMITATION ON LIABILITY.

17.1 Limitation on Landlord Liability. Tenant, for itself, its successors and assigns, covenants and agrees that, in the event of any actual or alleged failure, breach or default hereunder by the Landlord, and notwithstanding anything to the contrary contained elsewhere in this Lease, the remedies of Tenant under this Lease shall be solely and exclusively limited to Landlord's interest in the Leased Premises.

17.2 **NO CONSEQUENTIAL DAMAGES.** NEITHER LANDLORD NOR TENANT OR THEIR AFFILIATES, SUBCONTRACTORS, AGENTS, ELECTED OR APPOINTED OFFICIALS, AND/OR EMPLOYEES SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGES OF ANY NATURE HOWSOEVER CAUSED, AND WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), INDEMNITY, STRICT LIABILITY OR ANY OTHER THEORY OF THE LAW.

## 18. LANDLORD OBLIGATIONS.

18.1 Landlord Obligations. Landlord and Tenant shall be excused for the period of any delay in the performance of any of their obligations when the delay is due to any cause or causes beyond Landlord's or Tenant's control which include, without limitation, acts of God, all labor disputes, governmental regulations or controls, civil unrest, war, adverse weather condition, fire or other casualty, inability to obtain any material, or services unless otherwise provided for in this Lease. Except where specifically set forth in this Lease, there shall be no abatement, set-off or deduction of Rent or Additional Rent due under this Lease.

## 19. ASSIGNMENT AND SUBLETTING.

19.1 Prohibited Without Landlord's Consent. Tenant agrees for itself and its permitted successors and assigns in interest hereunder that it will not (a) assign or otherwise transfer this Lease or any of its rights hereunder; (b) sublet the Leased Premises or any part thereof or permit the occupancy or use of the Leased Premises or any part thereof by any person other than Tenant; and/or (c) permit the assignment or other transfer of this Lease or any of Tenant's rights hereunder by operation of law (each of the events referred to in the foregoing clauses (a), (b) and (c) being hereinafter referred to as a "Transfer"), without the prior written consent of Landlord in each instance first obtained, which consent may be withheld in the Landlord's sole and absolute discretion, conditioned or delayed, and any consent given shall not constitute a consent to any subsequent Transfer. No Transfer, regardless of whether Landlord's consent has been granted or withheld, and regardless of whether such assignment or subletting is expressly permitted under this Lease, shall be deemed to release Tenant from any of its obligations hereunder. Notwithstanding the foregoing, Tenant may sublet all or any part of the Leased Premises to any governmental entity affiliated with law enforcement or similar functions or as necessary to provide police service at levels currently provided to the community.

## 20. HOLDING OVER.

20.1 Holding Over. Tenant agrees to vacate the Leased Premises at the end of the Term, and Landlord shall be entitled to the benefit of all summary proceedings to recover possession of the Leased Premises at the end of the Term. If Tenant remains in possession of the Leased Premises after the expiration of the Term, such action shall not renew this Lease by operation of law and nothing herein shall be deemed as a consent by Landlord to Tenant's remaining in the Leased Premises. If Tenant fails to vacate the Leased Premises as required, Landlord may consider Tenant as a "Tenant-at-Will" (i.e. month-to-month tenant) liable for the payment of rent at two hundred percent (200%) of the then market rate (as determined by Landlord) for the first two months of the holdover, two hundred fifty percent (250%) of the then market rate (as determined by Landlord) for the third and fourth months of the holdover, and three hundred percent (300%) of the then market rate (as determined by Landlord) for any period after the fourth month of the holdover. All other covenants of this Lease shall remain in full force and effect.

## 21. SUBORDINATION AND ATTORNMENT.

21.1 Subordination and Attornment. Landlord represents and warrants that there is no mortgage or similar encumbrance on the Leased Premises as of the Commencement Date. This Lease is and shall be subject and subordinate to the liens of all mortgages, deeds of trust and other security instruments recorded on or after the Commencement Date of this Lease which encumber the Building or the Leased Premises or any portion thereof and all ground and other underlying leases from which Landlord's interest is derived (said mortgages, deeds of trust, other security instruments, and ground leases being hereinafter referred to as "Future Mortgages" and the mortgagees, beneficiaries, secured parties, and ground lessors thereunder from time to time being hereinafter called "Future Mortgagees"), and to any and all renewals, extensions or modifications, without any further act of the Tenant. Tenant shall be obligated, however, and hereby agrees that upon Landlord's request, Tenant shall execute and deliver to any Future Mortgagee, Future Mortgagee's form of subordination, non-disturbance and attornment agreement provided that such agreement is commercially reasonable and contains a covenant by said Future Mortgagee that Tenant's rights under this Lease shall not be disturbed so long as Tenant is not in default under this Lease beyond any applicable notice and cure periods. In addition, if requested by Landlord, Tenant shall promptly execute and deliver any certificate or other document confirming subordination as set forth above. Tenant agrees that, if any proceedings are brought for the foreclosure of any of the Mortgages, Tenant, if requested to do so by the purchaser at the foreclosure sale, shall attorn to the purchaser, recognize the purchaser as the landlord under this Lease, and make all payments required hereunder to such new landlord without any deduction or set off of any kind whatsoever. Tenant waives the provisions of any law or regulation, now or hereafter in effect, which may give, or purport to give, Tenant any right to terminate this Lease or to alter the obligations of Tenant hereunder in the event that any such foreclosure or termination or other proceeding is prosecuted or completed.

Notwithstanding anything contained herein to the contrary, any Mortgagee may at any time subordinate the lien of its Mortgages to the operation and effect of this Lease without obtaining the Tenant's consent thereto, by giving the Tenant written notice thereof, in which event this Lease shall be deemed to be senior to such Mortgages without regard to the respective dates of execution and/or recordation of such Mortgages and this Lease and thereafter such Mortgagee shall have the same rights as to this Lease as it would have had were this Lease executed and delivered before the execution of such Mortgages.

## 22. ESTOPPEL CERTIFICATES.

22.1 Estoppel Certificates. Tenant shall, without charge, at any time and from time-to-time, within fifteen (15) days after receipt of request therefor by Landlord, execute, acknowledge and deliver to Landlord a written estoppel certificate, in such form as may be determined by Landlord, certifying to Landlord, Landlord's Mortgagee, any purchaser of Landlord's interest in the Building, or any other person designated by Landlord, as of the date of such estoppel certificate, the following, without limitation: (a) whether Tenant is in possession of the Leased Premises; (b) whether this Lease is in full force and effect; (c) whether there have been any amendments to this Lease, and if so, specifying such amendments; (d) whether there are then existing any set-offs or defenses against the enforcement of any rights hereunder, and if so, specifying such matters in detail; (e) the dates, if any, to which any rent or other charges have been



paid in advance; (f) that Tenant has no knowledge of any then existing defaults of Landlord under this Lease, or if there are such defaults, specifying them in detail; (g) that Tenant has no knowledge of any event having occurred that authorizes the termination of this Lease by Tenant, or if such event has occurred, specifying it in detail; and (h) the address to which notices to Tenant under this Lease should be sent. Any such certificate may be relied upon by the person or entity to whom it is directed or by any other person or entity who could reasonably be expected to rely on it in the normal course of business. PEACEFUL AND QUIET POSSESSION.

22.2 Peaceful and Quiet Possession. Tenant, if and so long as it pays all rents due hereunder and performs and observes the other terms and covenants to be performed and kept by it as provided in this Lease, shall have the peaceable and quiet possession of the Leased Premises during the Term free of any claims of Landlord or anyone lawfully claiming by, through or under Landlord, subject, however, to the terms of this Lease.

## 23. SURRENDER.

23.1 Surrender at Termination. Tenant shall Surrender the Property to Landlord on the Termination Date. On the Termination Date Tenant shall turn over keys, electronic openers, FOB keys and access codes (if any) for the Leased Premises to Landlord. The Leased Premises need not be in the same or similar condition as on the Commencement Date as the parties acknowledge that the Landlord's intention is to demolish the existing improvement on the Leased Premises for future development. Tangible personal property and fixtures exist on the Leased Premises, which include: furniture, fixtures, equipment, in, on, under or over the Leased Premises and including, but not limited to, the elevators, plumbing, air conditioning, heating, ventilating, mechanical, electrical and utility systems, signs and light fixtures, doors, windows, fences, parking lots, walks and walkways, and each and every other type of physical improvement or personal property to the extent owned, in whole or in part, by Tenant, located at, on or affixed to the Leased Premises, regardless of whether such items constitute, are, can or may be construed as realty or personalty under the laws of the State of Florida (the "OPD Improvements"). Tenant may elect, but is not required, to retain possession and ownership of any and all OPD Improvements provided Tenant provides Landlord with a description of the OPD Improvements it elects to retain prior to the Termination Date (the "OPD Retained Improvements") and all such OPD Retained Improvements are removed from the Leased Premises prior to the Termination Date. As of the Termination Date, Tenant shall be deemed to have forfeited any interest it has in the OPD Retained Improvements and SED may remove, destroy or otherwise disturb any or all of the OPD Retained Improvements without any liability.

## 24. LANDLORD'S ACCESS TO LEASED PREMISES.

24.1 Landlord's Access to Leased Premises. Landlord, and any of Landlord's agents may, upon 48 hours prior written notice to Tenant, enter upon and view or inspect the Leased Premises. Due to the use of the Leased Premises, Landlord, and Landlord's agents shall be subject to Tenant's reasonable security procedures, and Tenant may accompany Landlord and its agents during any inspection of the Leased Premises.

25. BROKERS, COMMISSIONS.

25.1 No Brokers Commissions. Landlord and Tenant acknowledge, represent and warrant each to the other that no broker or real estate agent brought about or was involved in the making of this Lease and that no brokerage fee or commission is due to any other party as a result of the execution of this Lease.

26. RECORDATION.

26.1 Recordation. Neither Landlord nor Tenant shall record this Lease or any amendment to this Lease. However, a memorandum of this Lease may be recorded upon request of either party, and the party requesting such recording shall pay all transfer taxes, recording fees and other charges in connection with such recording. At the expiration of the Term or the earlier termination thereof, Tenant agrees to execute a termination of this Lease in recordable form. In the event Tenant does not execute such instrument within ten (10) days after Landlord's request therefor, then Landlord may unilaterally execute an instrument releasing the memorandum of Lease and such instrument shall be effective to so release the memorandum of Lease of record, notwithstanding the fact that such instrument is not executed by Tenant. The terms of this Section 27.1 shall survive termination of this Lease.

27. MISCELLANEOUS.

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

27.2 Applicable Law, Jurisdiction. This Lease shall be given effect and construed by application of the laws of Florida. The parties consent and agree that the exclusive jurisdiction for any litigation arising out of this Lease shall be the courts in and for Orange County, Florida and the parties submit themselves to the jurisdictions of such courts.

27.3 Authority. Tenant represents and warrants that this Lease has been authorized by all necessary actions, is validly executed by an authorized officer or agent of Tenant and that this Lease is binding upon and enforceable against Tenant in accordance with its terms.

If Landlord is a business organization or partnership, the person executing this Lease on behalf of Landlord represents and warrants to Tenant that Landlord is duly organized and validly existing; that this Lease has been authorized by all necessary parties, is validly executed by an authorized officer or agent of Landlord and is binding upon and enforceable against Landlord in accordance with its terms.

27.4 Integration of Agreements. This writing is intended by the parties as a final expression of their agreement and is a complete and exclusive statement of its terms, and all negotiations, considerations and representations between the parties hereto are incorporated herein. No course of prior dealings between the parties or their agents shall be relevant or admissible to supplement, explain, or vary any of the terms of this Lease. Acceptance of, or

acquiescence to, a course of performance rendered under this Lease or any prior agreement between the parties or their agents shall not be relevant or admissible to determine the meaning of any of the terms or covenants of this Lease. Other than as specifically set forth in this Lease, no representations, understandings or agreements have been made or relied upon in the making of this Lease. This Lease can only be modified by a writing signed by each of the parties hereto.

27.5 Third Party Beneficiary. Except as expressly provided elsewhere in this Lease, nothing contained in this Lease shall be construed so as to confer upon any other party the rights of a third party beneficiary.

27.6 Captions; Gender. The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof. As used in this Lease and where the context so requires, the singular shall be deemed to include the plural and the masculine shall be deemed to include the feminine and neuter, and vice versa.

27.7 Successors and Assigns. Subject to the express provisions of this Lease to the contrary, the terms, provisions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

27.8 Notices. All notices, demands and requests required under this Lease shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if sent by United States certified mail, return receipt requested, postage prepaid, or hand delivered (with receipt obtained), or overnight delivery (by a recognized commercial overnight courier service), addressed to Landlord or Tenant, at the Landlord Notice Address and Tenant Notice Address, respectively. Either party may designate a change of address by written notice to the other party, in the manner set forth above. Notice, demand and requests which shall be served by certified mail in the manner aforesaid, shall be deemed to have been received three (3) days after mailing. Notices sent by overnight delivery shall be deemed to have been received the day after sending. Without intending to limit the generality of the foregoing requirement that all notices, demands and requests be in writing, there are certain provisions in this Lease where, for emphasis alone, such requirement is reiterated. In addition, any references in this Lease to "receipt" by any party of any notice, demand or request shall mean the earlier to occur of (i) actual receipt of such notice, demand or request, or (ii) the date that such notice, demand or request shall have been deemed to have been received as set forth in this Section.

Notice and Payment Addresses.

- 1) Tenant Notice  
Address:

City of Orlando  
400 South Orange Avenue  
P.O. Box 4990  
Orlando, FL 32802-4990  
Attn: Laurie Botts

With a required copy to:

City of Orlando  
400 South Orange Avenue  
P.O. Box 4990  
Orlando, FL 32802-4990  
Attn: Mayanne Downs,  
City Attorney

With a required copy to:

Carlton Fields, P.A.  
CNL Center at City Commons,  
Suite 500  
450 South Orange Avenue  
Orlando, FL 32801-3370  
Attn: Daniel L. DeCubellis

2) Landlord Notice and Payment:

Address:

SED Development, LLC  
c/o Orlando Magic, Ltd.  
400 West Church Street  
Orlando, FL 32801  
Attn: Alex Martins, President

With a required copy to:

Baker & Hostetler LLP  
SunTrust Center, Suite 2300  
200 South Orange Avenue  
Orlando, Florida 32801-3432  
Attn: Gregory D. Lee

27.9 Effective Date of this Lease. Unless otherwise expressly provided, all terms, conditions and covenants by Tenant and Landlord contained in this Lease shall be effective as of the date first above written.

27.10 Construction Liens. Landlord's interest in the Leased Premises shall not be subject to liens for improvements made by the Tenant, and Tenant shall have no power or authority to create any lien or permit any lien to attach to the Leased Premises or to the present estate, reversion or other estate of Landlord in the Leased Premises herein demised or on the Building or other improvements thereon as a result of improvements made by Tenant or for any other cause or reason. All materialmen, contractors, artisans, mechanics and laborers and other persons contracting with Tenant with respect to the Leased Premises or any part thereof, or any such party who may avail himself of any lien against realty (whether same shall proceed in law or in equity), are hereby charged with notice that such liens are expressly prohibited and that they must look solely to Tenant to secure payment for any work done or material furnished for improvements by Tenant or for any other purpose during the term of this Lease. Tenant covenants and agrees to transfer any claimed or asserted lien to a bond or such other security as may be permitted by law within ten (10) days of Tenant's receipt of notice of the assertion of any such lien or claim of lien.

In the event Tenant fails to transfer such lien to a bond or other security within such ten (10) day period, then, in addition to its other remedies specified in this Lease, Landlord shall have the right to discharge the lien claimed to bond or other security permitted by law and in any such event, Tenant shall pay all reasonable costs so incurred by Landlord immediately upon demand therefor. Tenant shall advise all persons furnishing designs, labor, materials or services to the Leased Premises of the provisions of this Article.

27.11 Schedules. Each writing or plat referred to herein as being attached hereto as a schedule or exhibit is hereby made a part hereof, with the same full force and effect as if such writing or plat were set forth in the body of this Lease.

27.12 Time of Essence. Time shall be of the essence of this Lease.

27.13 Amendment. This Lease may be amended by and only by an instrument executed and delivered by each party hereto.

27.14 Rent as Separate Covenant. Tenant shall not for any reason withhold or reduce Tenant's required payments of Rent and other charges provided in this Lease, it being expressly understood and agreed by the parties that the payment of Rent and Additional Rent is a covenant by Tenant that is independent of the other covenants of the parties hereunder.

27.15 Attorneys' Fees. Should either party file suit against the other in order to enforce any of its rights under this Lease, then the party which prevails in such suit shall be entitled to collect from the other party all costs of such suit, including reasonable attorneys' fees, court costs and such fees as determined by a court of competent jurisdiction. A party shall be deemed to have prevailed if: (i) it initiated the litigation and substantially obtained the relief it sought, either through a judgment or the losing party's voluntary action before arbitration (after it is scheduled), trial, or judgment (except in the case of formal settlement; the terms of which shall control); (ii) the other party withdraws its action without substantially obtaining the relief it sought; or (iii) it did not initiate the litigation and the judgment is entered for either party, but without substantially granting the relief sought by the other party.

## 28. SIGNAGE.

28.1 Signage. Tenant may retain any and all existing signs on the Leased Premises and may place any additional signs on the Leased Premises as may be permitted by applicable law.

## 29. RADON.

29.1 Radon. As required by section 404.056(8), Florida Statutes, Landlord notifies Tenant as follows: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

30. TENANT'S SOVEREIGN IMMUNITY.

30.1 Tenant's Sovereign Immunity. Tenant is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing in this Agreement shall be construed to extend the liabilities of Tenant beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Tenant's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything which might allow claims otherwise barred by sovereign immunity or operation of law. To the extent permitted by section 768.28, Florida Statutes, Tenant agrees to indemnify and hold Landlord harmless for, from and against any and all losses, claims or damages (including reasonable attorney's fees and costs) incurred by Landlord arising out of Tenant's (including Tenant's agents, employees, and contractors) use and occupancy of the Leased Premises; however, nothing herein shall be deemed a waiver, express or implied of Tenant's sovereign immunity under section 768.28, Florida Statutes.

31. DISCRIMINATION NOT PERMITTED

31.1 Discrimination Not Permitted. Landlord and Tenant for themselves, their successors and assigns covenant and agree that no person shall be excluded from participation in, denied benefits of, or otherwise subjected to unlawful discrimination in the use of the Leased Premises, the construction of any improvements thereon or the furnishing of services therein.

32. PARKING.

32.1 Parking.

(a) Tenant shall have reasonable access to the parking spaces located on the Leased Premises. Except as provided in subparagraph (b), below, Landlord shall have no obligation under this Lease to provide Tenant with any additional parking spaces other than those parking spaces located on the Leased Premises.

(b) From the Commencement Date until thirty (30) days after Landlord provides written notice to Tenant of the date for demolition of the Church Street Garage, Landlord hereby grants to Tenant a license to utilize, at no cost to Tenant, all the parking spaces in the secure portion of the Church Street Garage as it is currently used by the Orlando Police Department ("Tenant Spaces"). Said notice to Tenant shall not be more than ninety (90) days prior to the date of demolition of the Church Street Garage. However, Tenant agrees to meet with Landlord in good faith prior to the Closing and from time to time thereafter to discuss possible reduction or modification in use of the Tenant Spaces to accommodate Landlord's needs associated with redevelopment of the Premises and the adjacent property, subject to public safety and Orlando Police Department requirements.

33. GENERATOR.

33.1 Generator UST. On the Commencement Date, Tenant shall continue responsibility of the existing underground-ground, self-contained fuel tank to power its operating systems in the event of loss of power (collectively, "Generator UST") which is located in the

depicted in Schedule B attached hereto. Tenant shall maintain and operate the Generator UST at Tenant's sole cost and expense, and subject to the following terms and conditions:

- (a) The Generator UST must remain at all times within the Generator Area;
- (b) Tenant shall, at its expense, obtain any municipal, state or federal permits and/or licenses required for its operations and maintenance;
- (c) During the term of the Lease, Tenant shall keep the Generator UST in good condition and repair and allow no waste thereon.

On or before the Termination Date, or as soon as practical thereafter, Tenant shall be responsible for the proper closure of the Generator UST, including completion of Tank Closure Assessments and Reports in compliance with applicable law, and transmittal of the Tank Closure Reports to the Florida Department of Environmental Protection. If a release of petroleum product from the Generator UST is discovered during the closure of the Generator UST in accordance with applicable law, Tenant shall proceed to investigate and remediate the release in order to obtain a Site Rehabilitation Completion Order from the Florida Department of Environmental Protection.

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*Landlord Execution Page*

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their respective seals as of the day and year first above written.

**LANDLORD:**

**SED DEVELOPMENT, LLC,**  
a Delaware limited liability company

By:  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witnesses:

Sign: \_\_\_\_\_

Print Name: \_\_\_\_\_

Sign: \_\_\_\_\_

Print Name: \_\_\_\_\_



*Tenant Execution Page*

**TENANT:**

**CITY OF ORLANDO,**  
a Florida municipal corporation

By: \_\_\_\_\_

Print Name: \_\_\_\_\_  
Mayor/Pro Tem

Attest:

\_\_\_\_\_  
Alana C. Brenner, City Clerk

Witnesses:

Sign: \_\_\_\_\_

Print Name: \_\_\_\_\_

Sign: \_\_\_\_\_

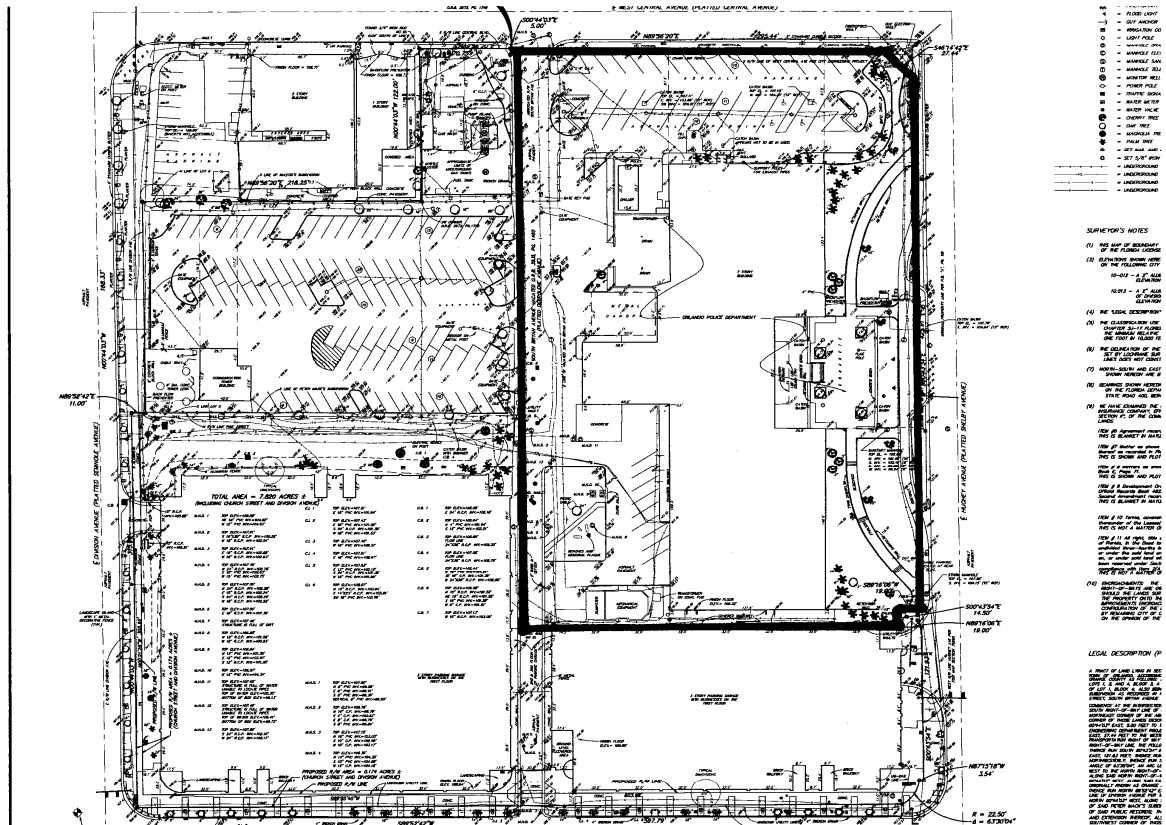
Print Name: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY  
for the use and reliance of the  
City of Orlando, Florida, only.

\_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Chief Assistant City Attorney  
Orlando, Florida

## Depiction of Leased Premises



# Schedule B Sketch of Location of Generator UST

