



COMMISSION AGENDA ITEM
DOCUMENT ROUTING FORM

(2) ✓ 12/27/16
RUSH

Today's Date: 12/19/16

DOCUMENT TITLE: Office Lease Agreement

COMM. MTG. DATE: 12/6/16 CAM #: 16-1381 ITEM #: CM-3 CAM attached: ☐ YES ☒ NO

Routing Origin: CAO Router Name/Ext: Shaniece Louis / Ext. 5036

CIP FUNDED: ☐ YES ☒ NO

Capital Investment / Community Improvement Projects defined as having a life of at least 10 years and a cost of at least \$50,000 and shall mean improvements to real property (land, buildings, or fixtures) that add value and/or extend useful life, including major repairs such as roof replacement, etc. Term "Real Property" include: land, real estate, realty, or real.

2) City Attorney's Office # of originals attached: 2 Approved as to Form: ☒ YES ☐ NO

Date to CCO: 12/19/16 RBD
Initials

3) City Clerk's Office: # of originals: 2 Routed to: Gina Ri/CMO/X5013 Date: 12/22/16

4) City Manager's Office: CMO LOG #: dec 81 Date received from CCO: 12/22/16

Assigned to: L. FELDMAN ☒ S. HAWTHORNE ☐ C. LAGERBLOOM ☐
L. FELDMAN as CRA Executive Director ☐

☐ APPROVED FOR LEE FELDMAN'S SIGNATURE ☐ N/A FOR L. FELDMAN TO SIGN

PER ACM: S. HAWTHORNE _____ (Initial/Date) C. LAGERBLOOM _____
(Initial/Date) ☐ PENDING APPROVAL (See comments below)
Comments/Questions: _____

Forward ___ originals to ☒ Mayor ☐ CCO Date: 12/23/16

5) Mayor/CRA Chairman: Please sign as indicated. Forward 2 originals to CCO for attestation/City seal (as applicable) Date: 12/23/16

INSTRUCTIONS TO CLERK'S OFFICE

City Clerk: Retains 1 original and forwards 1 original(s) to: Shaniece Louis / CAO / Ext. 5036
(Name/Dept/Ext)

Attach ___ certified Reso # _____ ☐ YES ☒ NO Original Route form to CAO

RUSH

2/25/51

1899b

OFFICE LEASE AGREEMENT

THIS OFFICE LEASE AGREEMENT is made as of this 16th day of December 2016 by and between:

KMAC LLC, a Florida limited liability company, whose mailing address is Suite 26, 2900 University Drive, Coral Springs, FL 33065 ("Landlord")

-and-

City of Fort Lauderdale, a Florida municipal corporation whose mailing address is 100 N. Andrews Avenue, Fort Lauderdale, FL 33301. ("Tenant" or "City")

WITNESSETH

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord those premises located at 255 NE 3rd Avenue, Fort Lauderdale, Florida and legally described on **Exhibit "A"** attached hereto (hereinafter referred to as "**Premises**").

1. TERM AND POSSESSION.

(a) **Initial Lease Term.** The term of this Lease shall be for **sixty (60)** full calendar months (or until sooner terminated or extended, as the case may be, as hereinafter provided) (the "**Lease Term**") beginning on the "**Commencement Date**" (as hereinafter defined), except that if the **Commencement Date** is other than the first day of a calendar month, the term of this Lease shall be extended such that it expires on the last day of a calendar month.

(b) The Commencement Date, which in no event will occur prior to the November 1, 2016, shall mean and be defined as the date that Landlord's Work, as hereinafter defined, is substantially completed as evidenced by the issuance of a Certificate of Occupancy. "**Landlord's Work**", which shall be performed at Landlord's sole cost and expense, is described on **Exhibit "B"** to this Lease. After issuance of the Certificate of Occupancy, each party shall, within twenty (20) days after request from the other party, execute and deliver an Amendment to this lease confirming the actual Commencement Date.

(c) If the Commencement Date is other than on the first day of the month, Tenant shall pay proportionate Rent at the same monthly rate set forth herein (also in advance) for such partial month and all other terms and conditions of this Lease shall be in force and effect during such partial month.

(d) For the purposes of this Lease, **Lease Year** shall mean each twelve (12) month period beginning on the Commencement Date and each anniversary of the Commencement Date (or the first day of the succeeding calendar month following the month in which Commencement Date occurs should such date be on any day after the first day of a calendar month), extending until the last day of each twelve (12) full calendar month period thereafter. For example, if the Commencement Date is July 28,

2017, the first Lease Year shall begin on August 1, 2017 and end on July 31, 2018, and each Lease Year thereafter shall commence on August 1 and extend to July 31 of the following year until the end of the term of the Lease.

(e) Tenant shall have two (2) separate and independent rights to extend the term of this Lease for five (5) years each. To exercise each of these options, Tenant (i) must not be in default under the Lease upon the date Tenant's notice of exercise is given to Landlord and on the date the extended term would commence; and (ii) must provide Landlord with written notice of exercise of each Option not less than six (6) months prior to the term then in effect.. Tenant's failure to timely exercise this Option for any reason shall conclusively be declared a waiver of the Option. Once the Tenant has exercised the Option, Tenant may not later rescind or revoke the exercise and shall be bound under the terms of this Lease for the full extended lease term.

2. RENTAL.

(a) **Base Rental:** The building ("Building") located on the Premises consists of 3,482 rentable square feet. Tenant shall, pay to Landlord throughout the Lease Term a Base Annual Rental of **\$24.80** per square foot, which totals **\$86,353.60** payable in equal monthly installments of **\$7,196.13** plus any and all, to the extent required by law, sales, use, transaction, or comparable tax(es) applicable thereto. Said base rental (hereinafter referred to as the "**Base Rental**") shall be subject to adjustment as hereinafter provided in this Lease. Commencing on the first day of the third month of the Lease Term ("Base Rent Commencement Date") any and all such Base Rental, together with all tax(es) thereon to the extent required by law, shall be due and payable in advance on or before the first day of each month during the Lease Term, without demand, deduction or offset at the office of Landlord or to such other person or at such other place as Landlord may designate in writing. If this Lease commences on a day other than the first day of a calendar month, the Base Rental for the fractional month shall be appropriately prorated.

(b) **Late Fee:** Tenant recognizes that late payment of any Rent (as hereinafter defined) or other sum due hereunder from Tenant to Landlord will result in administrative expense to Landlord, the extent of which additional expense is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if Rent or any other payment due hereunder from Tenant to Landlord remains unpaid ten (10) days after the same is due, the amount of such unpaid Rent or other payment shall be increased by a late charge to be paid Landlord by Tenant in an amount six (6.0%) percent per annum of the amount of the delinquent Rent or other payment for the period of delinquency until paid. The amount of the late charge to be paid to Landlord by Tenant for any particular month shall be computed on the aggregate amount of delinquent Rent and other payments, including all accrued late charges then outstanding. Tenant agrees that such amount is a reasonable estimate of the loss and expense to be suffered by Landlord as a result of such late payment by Tenant and may be charged by Landlord to defray such loss and expense. The terms of this paragraph in no way relieve Tenant of the obligation to

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

2
Landlord _____ Tenant _____

pay Rent or other payments on or before the date on which they are due, nor do the terms of this paragraph in any way affect Landlord's remedies pursuant to this Lease in the event said Rent or other payment is unpaid after the date due.

(c) **Sales Tax:** Tenant is a Florida municipal corporation. As such Tenant qualifies for exemption from the payment of sales or use taxes on its Rent. To the extent that Tenant is exempt from the payment of sales or use taxes on its Rent, it shall not be obligated to remit to Landlord sales or use tax on its Rent. However, to the extent required by law, Tenant shall pay to Landlord monthly the equivalent of six percent (6%) of all amounts paid as Rent hereunder, which sum is to be paid to the State of Florida by the Landlord in respect of sales or use taxes. Should such tax rate change under the Florida Sales Tax Statute or other applicable statutes, codes, or regulations. Tenant will pay Landlord the amounts reflective of such changes, to the extent required by law. To the extent required by law, Tenant shall pay Landlord in conjunction with all sums due hereunder, any and all applicable sales, use or other similar tax and any interest or penalties assessed therein ("Sales Tax") simultaneously with such payment.

(d) **Annual Rent Adjustments:** Commencing with the first day of the second year of the Lease Term, in lieu of a Consumer Price Index Escalator Clause, the Base Rent for the second Lease year of the Lease Term and on the first day of the Lease year for each year thereafter (including during any extension of the Lease Term) shall be increased by three (3.0%) over the prior Lease year's Base Rent.

(e) **Utilities and Janitorial Services:** Tenant, at its sole cost and expense, will cause the Premises to be cleaned and generally cared for by its janitor service. At no time shall Tenant change the locks or re-key doors without the Landlord's prior knowledge and written consent. Violation of this provision shall constitute an act of default under this Lease. Tenant shall pay as and when due all charges for utilities servicing the Premises.

(f) **Operating Costs.** (i) In addition to Base Rent and all other charges provided for in the Lease, Tenant, agrees to pay to Landlord as additional rent, all Operating Costs for the Leased Premises. The term "Operating Costs" shall mean any and all expenses incurred by Landlord of whatever nature, kind or description, paid or incurred by the Landlord for the servicing, operation, maintenance and repair of the Leased Premises. The term "Operating Costs" shall not include, except to the extent that such costs are specifically included in Operating Costs as described below, the following: (i) capital expenditures and depreciation of the Building; (ii) any item which, under the Internal Revenue Code of the United States, must be capitalized; provided that if such item is the cost of repair or replacement of an existing improvement, or is incurred to prevent deterioration of an existing improvement, or if the installation of such improvement increases the efficiency of the Leased Premises or reduces other Operating Costs, then the amount allowable as a deduction under the Internal Revenue Code for depreciation or amortization of such item is an Operating Cost; (iii) the cost of maintaining the Building's foundation, and the structural soundness of the exterior walls of the Building (which shall not include windows,

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

3
Landlord _____ Tenant _____

glass or plate glass, doors or special door fronts); (iv) interest and principal payments on mortgages; (v) taxes imposed on Landlord, other than ad valorem taxes, such as income taxes and franchise taxes. By way of example and not by way of limitation, Operating Costs include: (i) salaries, wages and health insurance paid for employees of Landlord engaged in the repair, operation and maintenance of the Leased Premises; (ii) payroll taxes, workman's compensation and related expenses for employees engaged in the repair, operation and maintenance of the Leased Premises; (iii) the costs of all charges for common area utilities, garbage collection and other utilities furnished to the Leased Premises, together with any taxes on such utilities; (iv) the costs of all charges for rent, casualty, flood and liability insurance with respect to the Leased Premises and the maintenance and/or operation thereof; (v) the costs for all supplies, tools, materials, and equipment used exclusively for the maintenance and operation or both of the Leased Premises and sales and other taxes thereon; (vi) repairs and replacements made by Landlord at its expense; (vii) reasonable legal, accounting and other professional fees incurred in connection with the operation, maintenance and management of the Leased Premises; (viii) painting, refurbishing or landscaping any portion of the Leased Premises, which shall include but not be limited to: repainting of Building and maintenance of parking lot, including resealing if necessary, and landscaping, including the replacement of dead trees, grass and miscellaneous vegetation; (ix) cost of licenses and permits pertaining to the Leased Premises; (x) management fees for the management of the Leased Premises which shall not exceed three (3.0%) percent of gross rents received from Tenant, and which in all events shall be comparable to management fees generally charged by building managers for similar properties in the area in which the Building is located; and (xi) real estate taxes and assessments, including ad valorem taxes and special assessments, any expense incurred by Landlord in contesting such taxes or assessments and/or the assessed value of the Leased Premises, which expenses shall be allocated to the tax year to which such expenses relate. If, at any time during the term of this Lease, the methods of taxation prevailing on the date hereof shall be altered any additional or substitute tax or assessment, levy, imposition, or charge shall be deemed to be included within the term "taxes" for purposes hereof. Any provision hereof to the contrary notwithstanding the cost of repairing the roof (including roof membrane and non-structural portions of the roof and [HVAC]) shall be included in Operating Costs; the replacement of the roof and (HVAC), however shall be the Landlord's obligation at Landlord's sole cost and expense. Operating Costs, with the exception of taxes and utilities, to be charged against Tenant shall not increase by more the three (3.0%) from year to year.

(ii) **Payment of Operating Costs.** During the period from the Lease Commencement Date until the first day of the first calendar year thereafter, Tenant, shall pay estimated Operating Costs, in the amount of 5.75 per square foot, which is an estimate of the actual Operating Costs to be incurred during such period. Thereafter, Landlord shall furnish to Tenant prior to the first day of each calendar year, a budget setting forth Landlord's estimate of Operating Costs for the Leased Premises for that calendar year. Tenant shall pay to Landlord concurrently with the payment of Rent, as Additional Rent, an amount equal to one-twelfth (1/12) of annual Operating Costs. If, however, Landlord shall furnish any such estimate subsequent to the commencement of any calendar year during the Term of this Lease, then and until the new estimate is furnished

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

4
Landlord _____ Tenant _____

to Tenant, Tenant shall pay to Landlord concurrently with the payment of Rent, an amount equal to the monthly sum payable during the preceding calendar year. If there shall be any actual increase or decrease from budgeted amounts in Operating Cost during any calendar year, Landlord may furnish to Tenant a revised budget and the Additional Rent shall be adjusted and paid or refunded as the case may be.

(iii) **Adjustment for Actual Operating Costs.** Within one hundred twenty (120) days after the end of each calendar year, Landlord shall furnish to Tenant an operating statement showing actual Operating Costs incurred for that calendar year. If the operating statement shows that the sums paid by Tenant under this Section exceed Tenant's payment of Operating Costs, Tenant shall be entitled to a credit for such excess against payments next to become due to Landlord on account of Tenant's required payment of Operating Costs or during the last Lease year, Landlord will refund such excess to Tenant within thirty (30) days following the expiration of the Term. If the operating statement shows that the sums paid by Tenant were less than Tenant's payment of Operating Costs, Tenant shall pay the amount of the deficiency within thirty (30) days after demand therefor. Each operating statement given by Landlord shall be conclusive and binding upon Tenant unless within thirty (30) days after the receipt thereof, Tenant shall notify Landlord that it disputes the accuracy of such operating statement specifying the particular respects in which the operating statement is claimed to be incorrect. Failure of Landlord to submit the written statement referred to herein shall not waive any rights of Landlord. Tenant's obligation to pay Operating Costs during the Lease term shall survive the expiration or earlier termination of this Lease.

(iv) **Landlord's Responsibility.** Landlord shall, at its expense, maintain in good repair the foundation of the building, and the structural soundness of the exterior walls of the Building. The term "exterior walls" as used herein shall not include windows, glass or plate glass, doors or special store fronts. The foregoing notwithstanding, Tenant shall at its sole cost and expense, repair, replace and pay for any damage or maintenance to the roof, foundation and exterior walls caused by any act or omission of Tenant or Tenant's employees, guests, agents, invitees, suppliers or contractors or by default of Tenant hereunder. Tenant shall immediately give Landlord written notice of any need for maintenance or repairs which Landlord is obligated to cure or provide pursuant to this Section after which Landlord shall have a reasonable opportunity to repair the same. Landlord's liability hereunder shall be limited only to the cost of providing such maintenance or repairs and shall in no event be construed to include any damage, consequential or otherwise that may be sustained by Tenant or any others by reason of such needed maintenance and repairs. Tenant waives all rights to make repairs at the expense of Landlord as provided for in any statute or law in effect or hereafter enacted. Should Landlord determine that the roof or HVAC require replacement, or that the parking area on the Property requires resurfacing (as opposed to re-sealing) then this work shall be performed by Landlord at Landlord's expense.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

5
Landlord _____ Tenant _____

(v) **Tenant's Responsibility.** Tenant shall, at its sole cost and expense, promptly make or cause to be made all needed repairs, replacements, renewals or additions to the Leased Premises (except those portions of the Leased Premises which are the specific responsibility of Landlord pursuant to this Lease) including, but not limited to windows, glass and plate glass, doors and any special store-front, interior walls and finish work, floors and floor coverings, gutters, and plumbing. All such repairs or replacements shall be of quality commensurate with the quality of the Building and shall be constructed and installed to the satisfaction of Landlord and in compliance with all governmental codes or requirements.

(vi) **Tenant's Failure to Maintain.** If Tenant fails, refuses or neglects to perform any maintenance, repairs or replacements required hereunder to the reasonable satisfaction of Landlord within thirty (30) days after written demand by Landlord, Landlord may perform such maintenance, repairs or replacements and Tenant shall pay Landlord's costs within thirty (30) days after presentation of a statement therefor, and shall costs shall be deemed Additional Rent hereunder.

Additional Rent

(g) **Rent Commencement Date:** The term "Rent" as used in this Lease shall mean and refer to Base Rent and other sums payable by Tenant to Landlord pursuant to this Lease. All Rent, with the exception of Base Rent shall commence on the Commencement Date. Base Rent shall commence on the first day of the third month of the Lease Term (the "Rent Commencement Date").

(h) **Payment Without Notice or Demand.** All Rent shall be paid to Landlord without notice or demand, and without counterclaim, offset, deduction, abatement, suspension, deferment, diminution or reduction, by reason of, and the obligations of Tenant under this Lease shall not be affected by, any circumstance or occurrence whatsoever, and Tenant hereby waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or the Leased Premises or any part thereof, or to any abatement, suspensions, deferment, diminution or reduction of the Rent on account of any such circumstances or occurrence.

3. **SECURITY DEPOSIT.** Tenant shall not have the obligation to pay a security deposit.

4. **OCCUPANCY AND USE.**

(a) Tenant shall use and occupy the Premises for the purpose of operating and administering a general office used by the City of Fort Lauderdale Police Department Internal Affairs Department and for no other purpose without the prior written consent of Landlord.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

6
Landlord _____ Tenant _____



(b) Tenant shall not use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purposes or for any business, use or purpose deemed to be disreputable or inconsistent with the operation of a first class office building, nor shall Tenant cause or maintain or permit any nuisance in, on, or about the Premises. Tenant shall not commit or suffer the commission of any waste in, on, or about the Premises. In the event Tenant is not in compliance with this Paragraph 4 at any time during the Lease Term, Landlord may, at its option, (i) correct to the best of its ability the noncompliance, in which case all expenses associated therewith shall be borne by Tenant, or (ii) pursue other remedies available to it under this Lease or at law.

(c) [This sub-paragraph is intentionally deleted.]

5. COMPLIANCE WITH LAWS. Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance, or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall not do or permit anything to be done on or about the Premises or bring or keep anything therein which will in any way increase the rate of any insurance upon the Property or any of its contents or cause a cancellation of said insurance or otherwise affect said insurance in any manner, and Tenant shall at its sole cost and expense promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use, or occupancy of the Premises. Subsequent to Tenant taking possession, in the event Tenant's use of the Premises directly result in the need to alter any common areas of the Building that uniquely pertain to the Premises in order to comply with Americans with Disabilities Act requirements, or other governmental requirements, Tenant shall pay the costs associated with Tenant's proportionate share of the cost of compliance that relate uniquely to the Premises within thirty (30) days of demand by Landlord. All such work to bring the common areas into compliance shall be performed by Landlord.

6. ALTERATIONS. Tenant shall not make or suffer to be made any alterations, additions, or improvements in, on, or to the Premises or any part thereof without the prior written consent of Landlord; and any such alterations, additions, or improvements in, on or to said Premises, except for Tenant's movable furniture and equipment, shall immediately become Landlord's property and, at the end of the term hereof, shall remain on the Premises without compensation to Tenant. In the event Landlord consents to the making of any such alterations, additions, or improvements by Tenant, the same shall be made by Tenant, at Tenant's sole cost and expense, in accordance with plans and specifications approved by Landlord, and any contractor or person selected by Tenant to make the same, and all subcontractors, must first be approved in writing by Landlord which such approval shall not be unreasonably withheld, or, at Landlord's option, the alteration, addition or improvement shall be made by Landlord for Tenant's account and Tenant shall reimburse Landlord for the cost thereof upon demand. Upon the expiration or sooner termination of the term herein provided, Tenant shall upon

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

7
Landlord _____ Tenant _____

demand by Landlord, at Tenant's sole cost and expense, forthwith and with all due diligence remove any or all alterations, additions, or improvements made by or for the account of Tenant which are designated by Landlord to be removed, and Tenant shall forthwith and with all due diligence, at its sole cost and expense, repair and restore the Premises to their original condition.

7. **REPAIR.** By taking possession of the Premises, Tenant accepts the Premises as being in the condition in which Landlord is obligated to deliver them and otherwise in good order, condition and repair. Tenant shall, at all times during the term hereof, as from time to time extended, at Tenant's sole expense, keep the Premises and every part thereof in good order, condition and repair, excepting ordinary wear and tear, damage thereto by fire, earthquake, or act of God. Tenant shall upon the expiration or sooner termination of the term hereof, unless Landlord demands otherwise as in Paragraph 6 hereof provided, surrender to Landlord the Premises and all repairs, changes, alterations, additions and improvements thereto in the same condition as when received, or when first installed, ordinary wear and tear, damage by fire, earthquake or act of God excepted. It is hereby understood and agreed that Landlord has no obligation to alter, remodel, improve, repair, decorate, or paint the Premises or any part thereof, except as set forth in this paragraph and is in Paragraph 1(b) referred to as Landlord's Work.

8. **LIENS.** Tenant shall keep the Premises free from any liens arising out of any work performed, material furnished, or obligations incurred by Tenant. In the event that Tenant shall not, within thirty (30) days following notice by the Landlord of the imposition of any such lien arising out of any work performed, material furnished or obligations incurred by Tenant, cause the same to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by Landlord and all expenses incurred by it in connection herewith shall be considered Additional Rent and shall be payable to Landlord by Tenant on demand and with interest at the rate of six (6.0%) percent per annum; the interest rate so determined is hereinafter called the "**Agreed Interest Rate**". Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord, the Premises, the Building, and any other party having an interest thereto from construction, mechanics and materialmen's liens, and Tenant shall give to Landlord at least ten (10) business days prior written notice of commencement of any construction on the Premises. Landlord and Tenant hereby give notice that no party providing labor, services or materials for the improvement of the Premises for or at the direction of Tenant shall be entitled to a lien against Landlord's interest in the Premises, including Landlord's fee simple title to the Property and the Building but must look instead only to Tenant and Tenant's interest under this Lease to satisfy such claims. Tenant shall not be deemed to be the agent of Landlord, so as to confer upon a laborer bestowing labor upon or within the real property underlying the Premises or upon materialmen who furnish material incorporated in the construction and improvements upon the foregoing, a construction lien pursuant to Chapter 713, Florida Statutes, as same may be amended from time to time, or an equitable lien upon the Landlord's right, title or interest in and to the Premises. These provisions

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

8
Landlord _____ Tenant _____

shall be deemed a notice under Section 713.01 (26) as well as Section 713.10(1) & (2)(b) Florida Statutes, as same may be amended from time to time, of the "non-liability" of the Landlord.

Within the limitations and subject to the conditions contained in § 768.28, Florida Statutes (2016), as same may be amended from time to time, Tenant agrees to indemnify, defend and hold Landlord harmless from and against any damage or loss incurred by Landlord as a result Tenant's failure to perform in accordance with this Paragraph 8.

9. ASSIGNMENT AND SUBLETTING.

(a) Tenant shall not sell, assign, encumber or otherwise transfer by operation of law or otherwise this Lease or any interest herein, sublet the Premises or any portion thereof or suffer any other person to occupy or use the Premises or any portion thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld by Landlord as provided herein, nor shall Tenant permit any lien to be placed on the Tenant's interest by operation of law.

(i) Tenant shall, by written notice, advise Landlord of its desire from and after a stated date (which shall not be less than thirty (30) nor more than ninety (90) days after the date of Tenant's notice) to sublet the Premises or any portion thereof for any part of the term hereof or to assign the Tenant's interest under this Lease.

(ii) Tenant shall supply Landlord with such information, financial statements, verifications and related materials as Landlord may request or desire to evaluate the written request to so sublet or assign; and in such event Landlord shall have the right, to be exercised by giving written notice to Tenant within thirty (30) days after receipt of Tenant's notice and all of the aforesaid materials, to either refuse to consent to the proposed subletting or assignment or to terminate this Lease as to the portion of the Premises described in Tenant's notice and such notice from Landlord shall, if given, terminate this Lease with respect to the portion of the Premises therein described as of the date stated in Tenant's notice.

(iii) Said notice by Tenant shall state the name and address of the proposed subtenant or assignee, and (if a proposed subtenant) Tenant shall deliver to Landlord a true and complete copy of the proposed sublease with said notice.

(iv) If said notice shall specify all of the Premises and Landlord shall give said termination notice with respect thereto, this Lease shall terminate on the date stated in Tenant's notice.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

9
Landlord _____ Tenant _____



(v) If, however, this Lease shall terminate pursuant to the foregoing with respect to less than all of the Premises, the Rent defined and reserved herein above shall be adjusted by Landlord and this Lease as so amended shall continue thereafter in full force and effect.

(vi) If Landlord, upon receiving said notice from Tenant with respect to the subletting or assignment of all or any portion of the Premises, shall not exercise its right to terminate, Tenant hereby agrees that Landlord shall be entitled to unconditionally withhold its consent to any such sublease or assignment if the proposed subtenant or assignee is a prospective tenant for other space within the Building or for space within any other buildings owned and/or managed by Landlord or affiliated entities, if the Building within which the Premises are located is not one hundred percent (100%) leased, or if the proposed subtenant or assignee is not of character, financial credibility and strength, or if such subtenant or assignee's proposed usage of the Premises is not acceptable to Landlord in its sole and absolute discretion.

(vii) Tenant hereby agrees that Landlord may condition its consent to any such sublease or assignment upon the following: (i) any such sublease or assignment must be on the same terms and conditions as are contained in this Lease; and (ii) if the sublease or assignment is at a rental rate greater than the rental rate required in this Lease and such sublease or assignment is approved by Landlord, Tenant agrees to pay to Landlord one-half (1/2) of the amount of rent required in the sublease or assignment in the excess of the rent required under this Lease.

(viii) Tenant shall, at Tenant's own cost and expense, discharge in full any commissions which may be due and owing as a result of any proposed assignment or subletting, whether or not the Lease is terminated pursuant thereto and rented by Landlord to the proposed subtenant or any other tenant. Provided, however, Tenant shall not be liable for any brokerage commissions owed by Landlord for the initial Lease.

(b) Any subletting or assignment hereunder by Tenant shall not result in Tenant being released or discharged from any liability under this Lease that existed prior to the subletting or assignment. As a condition to Landlord's prior written consent as provided for in this paragraph, the assignee or subtenant shall agree in writing to comply with and be bound by all of the terms, covenants, conditions, provisions and agreements of this Lease, and Tenant shall deliver to Landlord promptly after execution, an executed copy of such sublease or assignment and an agreement to said compliance executed by each sublease or assignee.

(c) Landlord's consent to any sale, assignment, encumbrance, subletting, occupation, lien or other transfer shall not release Tenant from any of Tenant's obligations hereunder or be deemed to be a consent to any subsequent occurrence. Any sale, assignment, encumbrance, subletting, occupation, lien or other transfer of this Lease that does not comply with the provisions of this Paragraph 9 shall be void.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

10
Landlord _____ Tenant _____

(d) For purposes of the foregoing, transfer of a controlling interest in any assignee shall be considered an assignment of this Lease.

10. INSURANCE AND INDEMNIFICATION.

(a) Landlord shall not be liable to Tenant and Tenant hereby waives all claims against Landlord for any injury or damage to any person or property in or about the Premises or the Property which result from or are caused by some cause other than Landlord's breach or failure to perform any of the covenants herein.

(b) To the extent of the limitations and subject to the conditions of the legislative waiver of sovereign immunity as set forth in Sec. 768.28, Florida Statutes (2016), as same may be amended from time to time, and no further, Tenant shall hold Landlord harmless from and defend the Landlord against any and all claims or liability for any injury or damage to any person or property whatsoever: (i) occurring in, on or about the Premises or any part thereof, or (ii) occurring in, on or about any facilities within the boundaries of the Property (including without limitation, elevators, stairways, passageways, sidewalks, parking lots or hallways), the use of which Tenant may have in conjunction with other tenants or occupants of the Building, when such injury or damage shall be caused in part or in whole by the act, neglect, fault of, or omission of any duty with respect to the same by Tenant, its agents, servants, employees, or invitees. To the extent of the limitations and subject to the conditions of the legislative waiver of sovereign immunity as set forth in Sec. 768.28, Florida Statutes (2016), as same may be amended from time to time, and no further, Tenant, subject to the extent of the limitations and further subject to the conditions of Sec. 768.28, Florida Statutes (2016) as same may be amended from time to time, further agrees to indemnify, and hold harmless Landlord against and from any and all claims by or on behalf of any work or thing whatsoever done by Tenant in or about or from transactions of Tenant concerning the Premises, and will, subject to the extent of the limitations and further subject to the conditions of Sec. 768.28, Florida Statutes (2016) as same may be amended from time to time, further indemnify and hold Landlord harmless against and from any and all claims arising from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or arising from any act or negligence of Tenant, or any of its agents, contractors, servants, employees, licensees or invitees, and from and against all costs, counsel fees, expenses and liabilities incurred in connection with any of the aforementioned claims or actions, or proceedings brought thereon. Furthermore, in case any action or proceeding be brought against Landlord by reason of any of the aforementioned or liabilities, Tenant agrees to defend such action or proceeding at Tenant's sole expense, provided that Tenant (exercisable by Tenant's Risk Manager) shall retain the right to select counsel of its own choosing. The provisions of this Lease with respect to any claims or liability, occurring prior to such expiration or termination shall survive any such expiration or termination, but no longer than a period of four (4) years from the date of expiration or termination of this Lease.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

11
Landlord _____ Tenant _____

(c) Tenant will carry and maintain during the course of this Lease, at its sole cost and expense, the following types of insurance, in the amounts specified and in the form hereinafter provided for:

(i) "commercial general liability" insurance, including liability from personal injury or property damage in or about the Leased Premises resulting from the occupation, use or operation of the Leased Premises, insuring both Landlord and Tenant, in amounts of not less than Three Million Dollars (\$3,000,000.00) in respect to bodily injury or death to any one person, of not less than Five Million Dollars (\$5,000,000.00) in respect of bodily injury or death to more than one person in one accident, and of not less than Five Hundred Thousand Dollars (\$500,000.00) in respect of property damage.

(ii) during the course of any construction or repair of the improvements on the Leased Premises, Tenant shall acquire and maintain builder's completed value risk insurance against all risks of physical loss, including collapse and transit coverage, during construction of such improvements.

(iii) all risk property insurance insuring Tenant's personal property situated upon or about the Leased Premises, including, but not limited to, office furniture and furnishings, trade fixtures, inventory, vehicles, equipment, and other such items.

(iv) such other insurance on the Leased Premises as Landlord may reasonably require in such amounts as may from time to time be required against insurable casualties.

(v) All policies of insurance provided for in Paragraph 10 shall be in form acceptable to Landlord and shall be issued by insurance companies qualified to do business in Florida and with general policy holder's ratings of not less than XI and a financial rating of AAA as rated in the most current available "Best's" Insurance Reports. Each and every such policy:

(vi) shall be issued in the names of Landlord and Tenant and any other party in interest from time to time designated in writing by notice from Landlord to Tenant;

(vii) shall be for the mutual and joint benefit and protection of Landlord and Tenant and any such other parties in interest;

(viii) shall (or a certificate thereof shall) be delivered to Landlord and any such other parties in interest not later than ten (10) days before delivery of possession of the Leased Premises to Tenant and thereafter within thirty (30) days prior to the expiration of each policy, and, as additional policies shall be procured and maintained, in like manner and to like extent; shall contain a provision that the insurer will give to Landlord and such other parties in interest at

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

12
Landlord _____ Tenant _____

least thirty (30) days' notice in writing in advance of any modification, cancellation, termination or lapse of the insurance;

(x) shall be written as a primary policy which does not contribute to and is not in excess of coverage which Landlord may carry;

(xi) shall contain a provision that Landlord and any such other parties in interest, although named as an additional insured, shall nevertheless be entitled to recover under said policies for any loss occasioned to it or its servants, agents and employees by reason of the negligence of Tenant; and

(xii) shall not provide for deductibles in excess of Five Thousand Dollars (\$5,000.00).

(xiii) Any insurance provided for in this Section Paragraph 10 may be maintained by means of a policy or policies of blanket insurance, covering additional items or locations or insureds, provided, however, that: (i) Landlord and any other parties in interest from time to time designated by Landlord to Tenant shall be named as additional insureds thereunder as their interests may appear; (ii) the coverage afforded Landlord and any such other parties in interest will not be reduced or diminished by reason of the use of such blanket policy of insurance; and (iii) the requirements set forth in this Section are otherwise satisfied.

(xiv) Should Tenant fail to effect, maintain or renew any insurance provided for in this Section or pay the premium therefor, or fail to deliver to Landlord any of such policies or certificates, then Landlord, at its option but without obligation to do so, may procure such insurance and any amounts expended by Landlord to procure such insurance shall be Additional Rent hereunder and shall be repaid by Lessee within ten (10) days following the date on which such expenditure shall have been made by Landlord.

(2) As an alternative to sub-subparagraph (c) above, so long as Tenant is a Florida municipal corporation and is self-insured pursuant to the provision of Sec. 768.28, Florida Statutes. In lieu of purchasing coverage at its own expense as provided in sub-subparagraph (c) above, Tenant may supply Landlord's Property Manager with written verification of liability protection pursuant to its self-insurance program with coverage and limits as set forth in sub-subparagraph (c) above. Such written verification shall be delivered to Landlord by Tenant on or before the Commencement Date.

(3) **Landlord's Insurance.** Landlord will carry and maintain, at Tenant's expense (as an Operating Cost hereunder), the following types of insurance:

(a) casualty insurance insuring the Leased Premises to the extent of its full insurable replacement value against loss or damage by fire or other casualty, with extended coverage and rental loss coverage and coverage against loss or damage by vandalism, malicious mischief, sprinkler leakage

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

and, if available, against other hazards as Landlord may reasonably require from time to time in amounts sufficient to prevent Tenant and Landlord from being a co-insurer under the terms of the applicable policies, but in any event in an amount not less than the then full replacement cost of the Leased Premises without deduction for physical depreciation.

(b) such other insurance on the Leased Premises as Landlord may require in such amounts as may from time to time be required against insurable casualties including, without limitation, plate glass insurance, flood insurance (including surface waters) if the Leased Premises are located in an area identified by the Secretary of Housing and Urban Development or any other official having jurisdiction thereof as having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1963 (or any successor act thereto) or should such insurance be required under the Flood Disaster Protection Act of 1973.

(c) **Triple Net Lease.** This Lease shall be deemed to be a "triple net" lease, it being the express understanding and intent of the Landlord and Tenant that the Rent due hereunder shall be absolutely net to the Landlord. Except as otherwise herein specifically set forth, Tenant shall pay all expenses arising in connection with the Leased Premises, including without limitation, all Operating Costs. All of the foregoing shall be paid or discharged by the Tenant as Additional Rent hereunder, and Tenant hereby agrees to indemnify, defend and save Landlord harmless from and against the non-payment of any Rent hereunder.

(d) **Acceptance of Premises.** Tenant acknowledges that Landlord shall deliver and lease the Leased Premises to Tenant in its "As Is" condition, and that other than as expressly set forth herein, Landlord shall have no duty or obligation to maintain, alter, improve, or repair the Leased Premises. Tenant further acknowledges that Landlord has not made any representations or warranties with respect to the condition of the Leased Premises and neither Landlord nor any assignee of Landlord shall be liable for any latent or patent defect therein. Tenant acknowledges that it has inspected the Leased Premises to its satisfaction and is in all matters familiar with the Leased Premises and its physical and other conditions and characteristics. The taking of possession of the Leased Premises by Tenant shall be conclusive evidence that the Leased Premises were in good and satisfactory condition at the time such possession was taken.

(e) **Contractual limitation on City's damages.** The foregoing indemnification provisions contained in this Paragraph 10 shall be subject to a contractual limitation on the City's liability for damages sounding in tort, but not in contract, and the City shall not be liable to pay a claim or judgment for damages by any one person or entity which exceeds the sum of \$200,000.00 or any claim or judgment for damages, or portions thereof, which, when totaled with other claims or judgments paid by the City arising out of the same incident or occurrence, exceeds the sum of \$300,000.00. This limitation on the City's liability for damages does not apply to actions sounding in contract.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

14
Landlord _____ Tenant _____

11. WAIVER OF SUBROGATION. Each of the Landlord and Tenant hereby releases the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any other perils insured in policies of insurance for any loss or damage to property caused by fault or negligence covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for which such party may be responsible, including any other tenants or occupants of the remainder of the Property; provided however, that this release shall be applicable and in force and effect only to the extent that such release shall be lawful at the time and in any event only with respect to loss or damage occurring during such time as the releaser's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releaser to coverage thereunder and then only to the extent of the insurance proceeds payable under such policies. Each of Landlord and Tenant agrees that it will request its insurance carriers to include in its policies such a clause or endorsement. If extra costs shall be charged therefore, each party shall advise the other thereof and of the amount of the extra cost and the other party, at its election, may pay the same, but shall not be obligated to do so. If such other party fails to pay such extra cost, the release provisions of this paragraph shall be inoperative against such other party to the extent necessary to avoid invalidation of such releaser's insurance.

12. SERVICES AND UTILITIES.

(a) Landlord shall in no event be liable for any intermittent interruption or failure of utility services in, on or to the Premises, and no such intermittent interruption or failure shall constitute a partial or whole constructive eviction or entitle Tenant to abate or set off against the Rent, provided that such intermittent interruption of services does not result from Landlord's negligence and provided, further that Landlord shall cause such intermittent interruption of services to be restored as soon as commercially practicable.

13. ESTOPPEL CERTIFICATE. Tenant agrees to furnish from time to time when requested by Landlord, the holder of any deed of trust or mortgage or the lessor under any ground lease covering all or any part of the Property or the improvements therein or the Premises or any interest of Landlord therein, a certificate signed by Tenant confirming and containing such factual certifications and representations as may be reasonably requested by Landlord, the holder of any deed of trust or mortgage or the lessor under any ground lease covering all or any part of the Project or the improvements herein or the Premises or any interest of Landlord therein, including without limitation:

(a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, and stating the modifications);

(b) that there have been no defaults thereunder by Landlord or Tenant (or if there have been defaults, setting forth the nature thereof),

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

15
Landlord _____ Tenant _____



(c) the date to which the rent and other charges have been paid, if any, and

(d) the amount of the security deposit, if any.

Tenant shall, within thirty (30) days following receipt of said proposed certificate from Landlord, return a fully executed copy of said certificate to Landlord, and Tenant's failure to deliver such statement within such time shall be a default under this Lease. In the event Tenant shall fail to return a fully executed copy of such certificate to Landlord within the foregoing ten (10) day period, then Tenant shall be deemed to have approved and confirmed all of the terms, certifications and representations contained in the certificate sent to Tenant by Landlord, and Landlord, any holder of a mortgage, any lessor under a ground lease and any purchase of the Property may rely upon the accuracy of such certificate.

14. HOLDING OVER. Tenant will, at the termination of this Lease by lapse of time or otherwise, yield up immediate possession to Landlord. If Tenant retains possession of the Premises or any part thereof after such termination, then Landlord may at its option, serve written notice upon Tenant that such holding over constitutes any one of: (i) renewal of this Lease for one year, and from year to year thereafter, or (ii) creation of a month to month tenancy, upon the terms and conditions set forth in this Lease, or (iii) creation of a tenancy at sufferance, in any case upon the terms and conditions set forth in this Lease; provided, however, that the monthly rental [or daily rental under (iii)] shall be equal to one hundred fifty percent (150) percent the Rental being paid monthly to Landlord under this Lease immediately prior to such termination (prorated in the case of (iii) on the basis of a 365 day year for each day Tenant remains in possession). If no such notice is served, then a tenancy at sufferance shall be deemed to be created at the Rent in the preceding sentence. Tenant shall also pay to Landlord all damages sustained by Landlord resulting from a retention of possession by Tenant, including the loss of any proposed subsequent tenant for any portion of the Premises. The provisions of this paragraph shall not constitute a waiver by Landlord of any right of re-entry as herein set forth; nor shall receipt of any rent or any other act in apparent affirmance of the tenancy operate as a waiver of the right to terminate this Lease for a breach of any of the terms, covenants or obligations herein on Tenant's part to be performed.

15. SUBORDINATION AND ATTORNMENT.

(a) Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be and is hereby made junior, inferior, subject and subordinate in all respects and at all times to: (a) all ground leases or underlying leases which may now exist or hereafter be executed affecting the Property, and (b) the lien or interest of any mortgage lien to secure debt which may now exist or hereafter be executed in any amount for which said Property, land ground leases or underlying leases, or Landlord's interest or estate in any of said items is specified as security (any such lease, mortgage or deed being referred to in this Paragraph as a "Mortgage").

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

16
Landlord _____ Tenant _____



Notwithstanding the foregoing, Landlord or the holder of a Mortgage shall have the right to subordinate or cause to be subordinated any Mortgage to this Lease.

(b) In the event that any Mortgage is foreclosed or a conveyance in lieu of foreclosure is made for any reason, or if any underlying lease terminates, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord at the option of such successor in interest. Tenant agrees to execute such non-disturbance and attornment agreements as the holder of any Mortgage may reasonably require, provided such non-disturbance or attornment agreement or both do not amend or revise the underlying terms and conditions of this Lease. Upon a request by Tenant, Landlord shall use reasonable efforts to request the holder of the Mortgage to agree to recognize Tenant's rights under this Lease in the event of a foreclosure or deed in lieu of foreclosure of the Mortgage so long as Tenant is not in default under the terms of this Lease. Tenant covenants and agrees to execute and deliver, upon demand by Landlord and in the form requested by Landlord, provided the form provided by Landlord do not amend or revise the underlying terms and conditions of this Lease, any additional documents evidencing the priority or subordination of this Lease with respect to any Mortgage.

16. RE-ENTRY BY LANDLORD.

(a) Landlord reserves and shall during normal business hours and with a sworn police officer of the Tenant present have the right to peaceably re-enter the Premises to inspect the same, to supply any service to be provided by Landlord to Tenant hereunder, to show said Premises to prospective purchasers, mortgagees or tenants, to post notices of non-responsibility and to alter, improve or repair the Premises and any portion of the Property, without abatement of Rent, and may for that purpose erect, use and maintain scaffolding, pipes, conduits and other necessary structures in and through the Premises where reasonably required by the character of work to be performed, provided that entrance to the Premises shall not be blocked thereby and further provided that the business of Tenant shall not be interfered with unreasonably.

(b) In conjunction with Landlord's exercise of re-entry rights pursuant to this Paragraph, Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors, in, upon and about the Premises, and provided Landlord first exhausts all reasonable efforts to gain entry with one of Tenant's sworn police officers, then Landlord shall have the right to use any and all means which Landlord may deem necessary or proper to open said doors in an emergency where there is the imminent threat to personal injury or property damage, in order to obtain entry to any portion of the Premises, and any entry to the Premises, or portions thereof

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

17

Landlord _____ Tenant _____

obtained by Landlord by any of said means or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or any eviction, actual or constructive, of Tenant from the Premises or any portions thereof.

17. INSOLVENCY OR BANKRUPTCY. The appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment of Tenant for the benefit of creditors, or any section taken or suffered by Tenant under any insolvency, bankruptcy, or reorganization act, shall at Landlord's option, constitute a breach of this Lease by Tenant. Upon the happening of any such event (other than bankruptcy) or at any time thereafter, this Lease shall terminate. In no event shall this Lease be assigned or assignable by operation of law (other than bankruptcy) and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under insolvency or reorganization proceedings, other than bankruptcy.

18. DEFAULT. The following events shall be deemed to be events of default by Tenant under this Lease:

(a) Tenant shall fail to pay when or before due any sum of money becoming due to be paid to Landlord hereunder, whether such sum be any installment of the Rent herein reserved, any other amount treated as additional Rent hereunder, or any other payment or reimbursement to Landlord required herein, including without limitation, any applicable sales, use, transaction or comparable taxes, whether or not treated as additional Rent hereunder, and such failure shall continue for a period of ten (10) days from the date such payment was due; or

(b) Tenant shall abandon any substantial portion of the Premises; or

(c) Subject to the "hold over" provisions of Paragraph 14, Tenant shall fail to vacate the Premises immediately upon termination of this Lease by lapse of time or otherwise, or upon termination of Tenant's right to possession only; or

(d) If, in spite of the provisions hereof, the interest of Tenant shall be levied upon under execution or be attached by process of law or Tenant shall fail to contest diligently the validity of any lien or claimed lien and give sufficient security to Landlord to insure payment thereof or shall fail to satisfy any judgment rendered thereon and have the same released, and such default shall continue for ten (10) days after written notice thereof to Tenant; or

(e) This Lease or the estate of Tenant hereunder shall be transferred to or shall pass to or devolve upon any other person or party in violation of this Lease; or

(f) Tenant shall file a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or shall

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

18

Landlord _____ Tenant _____



voluntarily take advantage of any such law or act by answer or otherwise, or shall be dissolved or shall make an assignment for the benefit of creditors, unless such action will permit Tenant to continue performance of this Lease; or

(g) Involuntary proceedings under any such bankruptcy law or insolvency act or for the dissolution of Tenant shall be instituted against Tenant, or a receiver or trustee shall be appointed of substantially all of the property of Tenant, and such proceeding shall not be dismissed or such receivership or trusteeship vacated within sixty (60) days after such institution or appointment unless such action will permit Tenant to continue performance of this Lease; or

(h) Tenant shall fail to comply with any other term, provision or covenant of this Lease and shall not cure such failure within twenty (20) days (forthwith, if the default involves a hazardous condition) after written notice thereof to Tenant.

19. REMEDIES. Upon the occurrence of any such events of default described in the Paragraph 18 or elsewhere in this Lease, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(a) Landlord may, at its election, terminate this Lease.

(b) Except as set forth in Paragraph 14, upon any termination of this Lease, whether by lapse of time or otherwise, Tenant shall surrender and vacate the Premises immediately, and deliver possession thereof to Landlord and Tenant hereby grants to Landlord full and free license to peaceably enter into and upon the Premises in such event with or without process of law and to peaceably repossess Landlord of the Premises as of Landlord's former estate and to expel or remove Tenant and any others who may be occupying or within the Premises and to remove any and all personal property therefrom, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without incurring any liability for any damage resulting therefrom. Tenant hereby waives any right to claim damage for each peaceable re-entry and expulsion and without relinquishing Landlord's right to Rent or any other right given to Landlord hereunder to operation of law.

(c) Except as set forth in Paragraph 14, upon termination of this Lease, whether by lapse of time or otherwise, Landlord shall be entitled to recover as damages for the loss of its bargain, and not as a penalty, each of the following (i) all Rent, including any amount treated as additional Rent hereunder and other sums due and payable by Tenant on the date of termination, plus (ii) the unamortized cost to Landlord, computed and determined in accordance with generally accepted accounting principles, of any leasing commissions paid by Landlord with respect to this Lease and any tenant improvements installed or paid for by Landlord pursuant to this Lease, plus (iii) the cost of performing any other covenants which would have otherwise been performed by Tenant, plus (iv) any damages in addition thereto,

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

19

Landlord _____ Tenant _____

including reasonable attorneys' fees and court costs awarded to Landlord as the prevailing party in any litigation between Landlord and Tenant.

(d) Landlord may, but need not, relet the Premises or any part thereof for such Rent and upon such terms as Landlord in its sole discretion shall determine (including the right to relet the Premises for a greater or lesser term than that remaining under this Lease, the right to relet the Premises as part of a larger area, and the right to change the character and the use made of the Premises) and Landlord shall not be required to accept any tenant offered by Tenant or to observe any instructions given by Tenant about such reletting. In such case, Landlord may make repairs, alterations and additions in or to the Premises and redecorate the same to the extent Landlord deems necessary or desirable and Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses for reletting including, without limitation, any broker's commission, tenant improvement expenses or allowances in lieu thereof incurred by Landlord. If the consideration collected by Landlord upon any such reletting plus any sums previously collected from Tenant are not sufficient to pay the full amount of all Rent, including any amounts treated as Additional Rent hereunder and other sums reserved in this Lease for the remaining term hereof, together with the costs of repairs, alterations, additions, redecorating and Landlord's expenses of reletting and the collection of the rent accruing therefrom (including attorneys' fees, broker's commissions and tenant improvements or allowances in lieu thereof), Tenant shall pay to Landlord the amount of such deficiency upon demand and Tenant agrees that Landlord may file suit to recover any sums falling due under this section from time to time. In the event that the consideration collected under this subparagraph by Landlord upon any such reletting plus any sums previously collected from Tenant are sufficient to pay the full amount of all Rent, including any amounts treated as Additional Rent hereunder and other sums reserved in this Lease for the remaining term hereof, together with the costs of repairs, alterations, additions, redecorating and Landlord's expenses of reletting and the collection of the rent accruing therefrom (including attorney's fees, broker's commissions and tenant improvements or allowances in lieu thereof) then Tenant shall be discharged from any further liability under this Lease.

(e) Landlord may, at Landlord's option, peaceably enter into and upon the Premises with or without process of law, if Landlord determines in its sole discretion that Tenant is not acting within a commercially reasonable time to maintain, repair or replace anything for which Tenant is responsible hereunder and correct the same, without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without incurring any liability for any damage resulting therefrom and Tenant agrees to reimburse Landlord, on demand, as additional Rent, for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease.

(f) [This subparagraph (f) is intentionally deleted.]

(g) Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or at equity (all such remedies being cumulative), nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

20
Landlord _____ Tenant _____

Rent due to Landlord hereunder or any damage accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. No act or thing done by Landlord or its agents during the term hereby granted shall be deemed a termination of this Lease, nor an acceptance of a surrender of the Premises be valid or effective, unless in writing signed by Landlord. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Landlord's acceptance of the payment of Rent or other payments hereunder after the occurrence of any event of default shall not be construed as a waiver of such default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord in enforcing one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of Landlord's right to enforce any such remedies with respect to such default or any subsequent default. If, on account of any breach or default by Tenant in Tenant's obligations under the terms and conditions of this Lease, it shall become necessary or appropriate for Landlord to employ or consult with an attorney concerning or to enforce or defend any of Landlord's rights or remedies hereunder, Tenant agrees to pay reasonable attorneys' fees so incurred.

(h) WITHOUT LIMITING THE FOREGOING, TO THE EXTENT PERMITTED BY LAW, LANDLORD AND TENANT HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY AND FURTHER STIPULATE THAT VENUE SHALL BE IN THE FEDERAL DISTRICT COURTS FOR SOUTHERN DISTRICT OF FLORIDA OR THE COUNTY AND CIRCUIT COURTS OF THE SEVENTEENTH JUDICIAL CIRCUIT IN AND FOR BROWARD COUNTY, FLORIDA.

20. DAMAGE BY FIRE, ETC.

(a) If the Building, improvements or Premises are rendered partially or wholly untenable by fire or other casualty and if such damage cannot, in Landlord's reasonable estimation, be materially restored within ninety (90) days of such damage, then Landlord may, at its sole option, terminate this Lease as of the date of such fire or casualty. Landlord shall exercise its option provided herein by written notice to Tenant within forty-five (45) days of such fire or other casualty. For purposes hereof, the Building, improvements or Premises shall be deemed "materially restored" if they are in such condition as would not prevent or materially interfere with Tenant's use of the Premises for the purpose for which it was then being used.

(b) If this Lease is not terminated pursuant to this Paragraph 20, then Landlord shall proceed with all due diligence to repair and restore the Building, improvements or Premises, as the case may be (except that Landlord may elect not to rebuild if such damage occurs during the last year of the term of this Lease exclusive of any option which is unexercised at the date of such damage, and further except that Landlord's obligation to repair or restore the Premises in compliance with applicable edition of The Florida Building Code shall be limited to repairing or restoring the same to their condition prior to the

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

21
Landlord _____ Tenant _____



execution of this Lease, and shall not extend to repairing or restoring improvements made to the Premises by or for Tenant, or to repairing or replacing Tenant's furniture, equipment or fixtures). Landlord's obligation to repair and restore the Building, improvements or Premises is conditioned on the proceeds of insurance actually paid to Landlord being sufficient to pay the cost of such restoration and repair.

(c) If this Lease shall be terminated pursuant to this Paragraph 20, the term of this Lease shall end on the date of such damage as if that date had been originally fixed in this Lease for the expiration of the term hereof. If this Lease shall not be terminated by Landlord pursuant to this Paragraph 20 and if the Premises are untenantable in whole or in part following such damage, the Rent payable during the period in which the Premises are untenantable shall be reduced in proportion to the part of the Premises rendered untenantable as compared to the entire Premises.

(d) In no event shall Landlord be required to rebuild, repair or replace any part of the partitions, fixtures, additions or other improvements that may have been placed in or about the Premises by or for Tenant. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or the Premises shall be for the sole benefit of the party carrying such insurance and under its sole control except that Landlord's insurance may be subject to control by the holder or holders of any indebtedness secured by a mortgage lien to secure debt covering any interest of Landlord in the Premises, the Building or the Property.

(e) Notwithstanding anything herein to the contrary, in the event the holder of any indebtedness secured by a mortgage lien to secure debt covering the Premises, the Building or the Property or the ground lessor of the Property requires that any insurance proceeds to be paid to it, then Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within fifteen (15) days after such requirement is made by any such person, whereupon the Lease shall end on the date of such damage as if the date of such damage were the date originally fixed in this Lease for the expiration of the Lease Term.

(f) In the event of any damage or destruction to the Building or the Premises by any peril covered by the provisions of this Paragraph 20, Tenant shall, upon notice from Landlord, remove forthwith, at its sole cost and expense, such portion or all of the personal property belonging to Tenant or its licensees from such portion or all of the Project or the Premises as Landlord shall request and To the extent and subject to the condition of Sec. 768.28, Florida Statutes (2016), as same may be amended from time to time, Tenant hereby indemnifies and holds Landlord harmless from any loss, liability, costs and expenses, including attorneys' fees, arising out of any claim of damage or injury as a result of any alleged failure to properly secure the Premises prior to such removal and/or such removal.

21. CONDEMNATION.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

22

Landlord _____ Tenant _____

(a) If any substantial part of the Property or Building or the Premises should be taken for any public or quasi-public use under governmental law, ordinance or regulation or by right of eminent domain, or by private purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which they are then being used, this Lease shall terminate effective when the physical taking shall occur in the same manner as if the date of such taking were the date originally fixed in this Lease for the expiration of the Lease Term hereof.

(b) If part of the Building or the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof and this Lease is not terminated as provided in subparagraph (a) above, this Lease shall not terminate but the Rent payable hereunder during the unexpired portion of this Lease shall be reduced in proportion to the extent to which the Premises are rendered untenable by such action, and Landlord shall undertake to restore the Building, improvements and Premises to a condition suitable for Tenant's use, as near to the condition thereof immediately prior to such taking as is reasonably feasible under all circumstances. Landlord's obligation to restore the Building and the Premises is subject to the condemnation proceeds actually paid to Landlord, net of amounts paid to any holder of a mortgage lien, or underlying lease, being sufficient to pay the cost of such restoration and repair.

(c) Tenant shall not share in any condemnation award or payment in lieu thereof or in any award for damages resulting from any condemnation, eminent domain or grade change of adjacent streets, the same being hereby assigned to Landlord by Tenant, provided, however, that Tenant may separately claim and receive from the condemning authority, if legally payable, compensation for Tenant's removal and relocation costs and for Tenant's loss of business and/or business interruption.

(d) Notwithstanding anything to the contrary contained in this Paragraph, if the temporary use or occupancy of any part of the Premises shall be taken or appropriated under power of eminent domain during the term of this Lease, this Lease shall be and remain unaffected by such taking or appropriation and Tenant shall continue to pay in full all Rent payable hereunder by Tenant during the term of this Lease; in the event of any such temporary appropriation or taking, Tenant shall be entitled to receive that portion of any award which represents compensation for the use of or occupancy of the Premises during the term of this Lease, and Landlord shall be entitled to receive that portion of any award which represents the cost of restoration of the Premises and the use of or occupancy of the Premises after the end of the term of this Lease.

22. SALE OR TRANSFER BY LANDLORD. In the event of a sale or conveyance by Landlord of the Property, the same shall operate to release Landlord from any future liability upon any of the covenants or conditions, expressed or implied, herein contained in favor of Tenant, and in such event Tenant agrees to look solely to the responsibility of the successor in interest of Landlord in and to this Lease. Tenant agrees to attorn to the purchaser or assignee in any such sale.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

23

Landlord _____ Tenant _____



23. RIGHT OF LANDLORD TO PERFORM. All covenants and agreements to be performed by the Tenant under any of terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent. If Tenant shall fail to pay any sum of money, other than Rent, required to be paid by it hereunder or otherwise fail to perform any of its obligations hereunder, and such failure shall continue for twenty-one (21) days after notice thereof by Landlord, Landlord may, but shall not be obligated so to do, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed as in this Lease provided. All sums so paid by Landlord and all necessary incidental costs together with interest thereon at the Agreed Interest Rate as defined in Paragraph 8 hereof, from the date of such payment by Landlord shall be payable as Additional Rent to Landlord on demand, and Tenant covenants to pay any such sums and Landlord shall have, in addition to any other right or remedy of Landlord, the same rights and remedies in the event of nonpayment thereof by Tenant as in the case of default by Tenant in the payment of Rent.

24. SURRENDER OF PREMISES.

(a) Tenant shall, at least ninety (90) days before the last day of the term or first extended term hereof, give to Landlord a written notice of intention to surrender the Premises on that date, but nothing contained herein or in the failure of Tenant to give such notice shall be construed as an extension of the term hereof or as consent of Landlord in any holding over by Tenant.

(b) At the end of the term or any renewal thereof or other sooner termination of this Lease, Tenant will peaceably deliver up to the Landlord possession of the Premises, together with all improvements or additions upon or belonging to the same, by whomsoever made, in the same condition as received, or first installed, ordinary wear and tear, damage by fire, earthquake, act of God, or the elements alone excepted. Tenant may, upon the termination of this Lease, remove all moveable furniture and equipment belonging to Tenant, at Tenant's sole cost, title to which shall be in the name of Tenant upon such termination, repairing any damage caused by such removal. Personal property not so removed shall be deemed abandoned by Tenant, and title to the same shall thereupon pass to Landlord. Upon written request by Landlord, unless otherwise agreed to in writing by Landlord, Tenant shall remove, at Tenant's sole cost, any or all permanent improvements or additions to the Premises installed by or at the expense of Tenant and all moveable furniture and equipment belonging to Tenant which may be left by Tenant and repair any damage resulting from such removal.

(c) The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of the Landlord, terminate all or any existing subleases or subtenancies, or may at the option of Landlord, operate as an assignment to it of any or all such subleases or subtenancies.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

24
Landlord _____ Tenant _____



25. WAIVER. If either Landlord or Tenant waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. Furthermore, the acceptance of Rent by Landlord shall not constitute a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time Landlord accepted such Rent. Failure by Landlord to enforce any of the terms, covenants or conditions of this Lease for any length of time shall not be deemed to waive or decrease the right of Landlord to insist thereafter upon strict performance by Tenant. Waiver by Landlord of any term, covenant or condition contained in this Lease may only be made by a written document signed by Landlord.

26. NOTICES. Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be hand delivered in person, or at such other address or addresses and to such other person or firm as Landlord or Tenant may from time to time designate by notice as herein provided, or sent by United States mail, registered, prepaid, certified return receipt or by next day commercial courier service to the Tenant at the Premises or to the Landlord at the addresses set forth below:

LANDLORD:

KMAC LLC
Suite 26
2900 University Drive
Coral Springs, Florida 33065
Attn: Charles B. Ladd, Jr.

With a copy to:

Michael A. Schroeder, P.L.
Suite 100, 3837 NW Boca Raton Blvd
Boca Raton, Florida 33431
Attn: Michael A. Schroeder, Esq.

TENANT:

City Manager
City of Fort Lauderdale
100 North Andrews Avenue
Fort Lauderdale, FL 33301

With a copy to:

City Attorney
City of Fort Lauderdale

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

25
Landlord _____ Tenant _____



100 North Andrews Avenue
Fort Lauderdale, FL 33301

Any notice, demand or request which shall be served upon either of the parties in the manner aforesaid shall be deemed sufficiently given for all purposes hereunder (i) at the time such notice, demand or request is hand-delivered in person, or (ii) on the day following the date on which such notice, demand or request is sent to the party at its foregoing address for overnight delivery by a nationally recognized courier service, or (iii) on the third (3rd) day after the mailing of such notice, demand or request through the United States Mail (certified, return receipt requested) in accordance with the preceding portion of this paragraph.

27. CERTAIN RIGHTS RESERVED TO LANDLORD. Landlord reserves and may exercise the following rights without affecting Tenant's obligations hereunder:

(a) To designate or change the name of the Building provided the name of the Building was not morally offensive or would tend to bring discredit upon the City of Fort Lauderdale or any of its departments;

(b) To retain at all times passkeys to the Premises;

(c) Landlord may, during reasonable business hours, enter the Premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Tenant's obligations hereunder.

28. ABANDONMENT. Tenant shall not vacate or abandon the Premises at any time during the term and if Tenant shall abandon, vacate or surrender said Premises or be dispossessed by process or law, or otherwise, any personal property belonging to Tenant and left on the Premises shall, at the option of Landlord, be deemed to be abandoned and title thereto shall thereupon pass to Landlord.

29. SUCCESSORS AND ASSIGNS. Subject to the provisions of Paragraph 9 hereof, the terms, covenants and conditions contained herein shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators and assigns of the parties hereto.

30. ATTORNEY'S FEES. In the event that any action or proceeding is brought to enforce any term, covenant or condition of this Lease on the part of Tenant, the prevailing party shall be entitled to reasonable attorneys' fees and costs whether received before or after trial, on appeal or in conjunction with administrative, post-judgment bankruptcy proceedings. This provision shall survive the expiration or termination of this Lease.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

26
Landlord _____ Tenant _____



31. **CORPORATE AUTHORITY.** If Tenant signs as a corporation, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing corporation, that Tenant has and is qualified to do business in Florida, that the corporation has full right and authority to enter into this Lease and that each and both of the persons signing on behalf of the corporation are authorized to do so. Upon Landlord's request, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord confirming the foregoing covenants and warranties. This paragraph shall not apply to the Tenant, City of Fort Lauderdale.

32. **MORTGAGE APPROVALS.** Any provisions of this Lease requiring the approval or consent of Landlord shall not be deemed to have been unreasonably withheld if the holder of any mortgage lien upon the Premises or any portion thereof shall refuse or withhold its approval or consent thereto.

33. **MISCELLANEOUS.**

(a) The paragraph and subparagraph headings herein are for convenience of reference and shall in no way define, increase, limit or describe the scope or intent of any provision of this Lease. The term "Landlord" in these presents shall include the Landlord, its successors and assigns. In any case where this Lease is signed by more than one person, the obligations hereunder shall be joint and several. The term "Tenant" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations and each of their respective successors, executors, administrators and permitted assigns, according to the context hereof.

(b) Time is of the essence of this Lease and all of its provisions. This Lease shall in all respects be governed by the laws of the State of Florida. This Lease, together with its exhibits, contains all the agreements of the parties hereto, supersedes any previous negotiations and shall bind the parties, their successors and assigns. There have been no representations made by or on behalf of Landlord or understandings made between the parties other than those set forth in this Lease and its exhibits. This Lease may not be modified except by a written instrument executed by the parties hereto.

(c) All obligations of Tenant hereunder not fully performed as of the expiration or earlier termination of the term of this Lease shall survive the expiration or earlier termination of the term hereof.

(d) If any clause, phrase, provision or portion of this Lease or the application thereof to any person or circumstance shall be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Lease or any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances and it is also the intention of the parties to this Lease that in lieu of each such clause, phrase, provision or portion of this Lease that is invalid or unenforceable, there

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

27
Landlord _____ Tenant _____

be added as a part of this Lease contract a clause, phrase, provision or portion as may be possible and be valid and enforceable.

(e) In computing any period of time expressed in day(s) in this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. When the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation.

(f) Whenever a period of time is herein prescribed for action to be taken by Landlord, Landlord shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to causes of any kind whatsoever which are beyond the control of Landlord.

(g) **No Recordation.** Neither this Lease nor any memorandum or short form hereof shall be recorded by Tenant in the Public Records of Broward County, Florida or in any other place, except with the written consent of Landlord. Any attempted recordation by Tenant shall render this Lease null and void and entitle Landlord to the remedies provided for an Event of Default by Tenant.

(h) **Landlord's Consent.** Unless otherwise expressly provided herein, in every instance under this Lease in which the Landlord is called upon to give its consent, such consent may not be unreasonably withheld.

34. LANDLORD'S LIEN. [This Paragraph 34 is intentionally deleted.]

35. QUIET ENJOYMENT. Landlord represents and warrants that it has full right and authority to enter into this Lease and that Tenant, while paying the Rent and performing its other covenants and agreements herein set forth, shall peaceably and quietly have, hold and enjoy the Premises for the term hereof without hindrance or molestation from Landlord subject to the terms and provisions of this Lease. In the event this Lease is a sublease, then Tenant agrees to take the Premises subject to the provisions of the prior leases. Landlord shall not be liable for any interference or disturbance by other tenants or third persons, nor shall Tenant be released from any of the obligations of this Lease because of such interference or disturbance.

36. LANDLORD'S LIABILITY. In no event shall Landlord's liability for any breach of this Lease exceed the amount of Rent then remaining unpaid for the then current term (exclusive of any renewal periods which have not then actually commenced). This provision is not intended to be a measure or agreed amount of Landlord's liability with respect to any particular breach and shall not be utilized by

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /



any court or otherwise for the purpose of determining any liability of Landlord hereunder except only as a maximum amount not to be exceeded in any event. Furthermore, Tenant shall look only to the Landlord's estate and interest in the Property (or to the proceed thereof) for the satisfaction of Tenant's remedies for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default by Landlord under this Lease, and no other property or other assets of Landlord shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease and neither Landlord nor any of the partners comprising any partnership which is the Landlord herein, shall be liable for any deficiency. Nothing contained in this Paragraph shall be construed to permit Tenant to offset against Rents due a successor landlord, a judgment (or other judicial process) requiring the payment of money by reason of any default of a prior landlord, except as otherwise specifically set forth herein.

37. Tenant shall, during the term of this Lease, at its sole cost and expense, comply with all valid laws, ordinances, regulations, orders and requirements of any governmental authority which may be applicable to the Leased Premises or to the use, manner of use or occupancy thereof, whether or not the same shall interfere with the use or occupancy of the Leased Premises arising from: (a) Tenant's use of the Leased Premises; (b) the manner or conduct of Tenant's business or operation of its installations, equipment or other property therein; © any cause or condition created by or at the instance of Tenant; or (d) breach of any of Tenant's obligations hereunder, whether or not such compliance requires work which is structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen; and Tenant shall pay all of the costs, expenses, fines, penalties and damages which may be imposed upon Landlord by reason or arising out of Tenant's failure to fully and promptly comply with and observe the provisions of this Section. Tenant shall give prompt notice to Landlord of any notice it receives of the violation of any law or requirement of any public authority with respect to the Leased Premises or the use or occupation thereof.

Right to Contest. Tenant shall have the right, by appropriate legal proceedings in the name of Tenant or Landlord or both, but at Tenant's sole cost and expense, to contest the validity of any law, ordinance, order, regulation or requirement. If compliance therewith may legally be held in abeyance, Tenant may postpone compliance until final determination under any such proceedings.

38. **NO ESTATE.** This contract shall create the relationship of Landlord and Tenant and no estate shall pass out of Landlord. Tenant has only a usufruct not subject to levy and sale and not assignable by Tenant, except as provided for herein and in compliance herewith.

39. **LEASE EFFECTIVE DATE.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for lease and it is not effective as a lease or otherwise until execution and delivery hereof by both Landlord and Tenant.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

29
Landlord _____ Tenant _____

40. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations printed on or annexed to this Lease and all reasonable modifications thereof and additions thereto from time to time put into effect by Landlord provided however, that no such addition rule or regulation promulgated by Landlord shall be effective as against Tenant until Tenant has received thirty (30) days prior notice thereof; and provided, further, that no such additional rule or regulation promulgated by Landlord shall be effected as against Tenant if the effect of such additional rule or regulation is to require Tenant to take any action that is contrary to the obligations imposed upon it by operation of law as an agency of the City of Fort Lauderdale. Landlord shall not be responsible for the nonperformance by any other tenant or occupant of the Project of any said rules and regulations.

41. HAZARDOUS MATERIALS.

(a) Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Premises, the Building or the Property by Tenant, its agents, employees, contractors or invitees without the prior written consent of Landlord. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material in the Premises, the Building or the Property caused or permitted by Tenant directly or indirectly results in contamination of the Premises, the Building or the Property, or if contamination of the Premises, the Building or the Property by Hazardous Material otherwise occurs for which Tenant is legally liable to Landlord for damage resulting therefrom, then, subject to the limitations and conditions set forth in §768.28, Florida Statutes (2016), as same may be amended from time to time, Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Building or the Property, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Building or the Property, damages arising from any adverse impact on marketing of space, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease Term or Optional Lease Terms as a result of such contamination. This indemnification of Landlord by Tenant includes, without limitation, cost incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water in, on or under the Premises, Building or the Property due to the actions of Tenant, its agents, employees, contractors or invitees.

(b) Without limiting the foregoing, if the presence of any Hazardous Material in or on the Premises, the Project or the Property caused or permitted by Tenant results in any contamination of the Project or the Property, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises, the Project or the Property to the condition existing prior to the introduction of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Project or the Property. Any indemnification

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

30
Landlord _____ Tenant _____



by Tenant within this Paragraph 41, Hazardous Materials, shall be only to the extent of the limitations of the legislative waiver of sovereign immunity as set forth in Sec. 768.28, Florida Statutes and no further. The foregoing shall survive the expiration or earlier termination of the Lease for a period not to exceed four (4) years.

(c) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste listed as such by the Environmental Protection Agency rules or by any other governmental entity or under any applicable local, state or federal law, rule, regulation or order.

(d) **Contractual limitation on City's damages.** The foregoing indemnification provisions contained in this Paragraph 41 shall be subject to a contractual limitation on the City's liability for damages sounding in tort, but not in contract, and the City shall not be liable to pay a claim or judgment for damages by any one person or entity which exceeds the sum of \$200,000.00 or any claim or judgment for damages, or portions thereof, which, when totaled with other claims or judgments paid by the City arising out of the same incident or occurrence, exceeds the sum of \$300,000.00. This limitation on the City's liability for damages does not apply to actions sounding in contract.

42. BROKERAGE. Tenant acknowledges that it has not dealt, consulted or negotiated with any real estate broker, sales person or agent on its behalf other than Kimberly Balkus of CBRE Public Institutions and Education Solutions ("CBRE"). The parties hereby acknowledge that this disclosure was given to each party at the first substantive contact. The two real estate brokers involved in this transaction are CBRE and Murray Fisher & Fisher Bray Real Estate Group, Inc., both of which will be paid by Landlord pursuant to a separate agreement.

43. RADON GAS. Tenant understands and acknowledges that 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 the county public health unit.

44. NOTICE TO MORTGAGEES. If any act or omission of Landlord would give Tenant the right, immediately or after the lapse of a period of time, to terminate this Lease or to claim a partial or total eviction, Tenant shall not exercise such right: (a) until it has given written notice of such act or omission to Landlord and each Superior Mortgagee (the holder of a Mortgage to which this Lease is subject and subordinate) whose name and address shall previously have been furnished to Tenant; and (b) until a reasonable period of remedying such act or omission, such period not exceeding thirty (30) days, shall have elapsed following the giving of such notice and following the time when such Mortgagee shall have become entitled under such Superior Mortgage to remedy the same (which reasonable period shall in no event be less than the period to which Landlord would be entitled under this Lease or otherwise, after similar notice to effect such remedy), provided such Superior Mortgagee

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

31
Landlord _____ Tenant _____

shall, with due diligence, give Tenant notice of intention to, and commence and continue to, remedy such act or omission.

45. PARKING.

(a) Pursuant to all terms, provisions, covenants, and conditions contained herein and in that certain Cross Easement Agreement recorded in Official Records Book 31463, Page 128 of the Public Records of Broward County, Florida (the "Cross Easement Agreement"), a copy of which is attached as **Exhibit C** for the Term of this Lease, Landlord hereby authorizes for use by Tenant all spaces available pursuant to the Cross Easement Agreement on an "as available" "first come-first serve" non-exclusive basis.

(b) Landlord reserves the right to rearrange the configuration of any parking spaces, assign particular spaces to other tenants or occupants of the Building or otherwise change, manage or alter the parking area in any manner whatsoever, so long as the Tenant is not deprived of the non-exclusive use of six (6) spaces in the parking lot as set forth in subparagraph (a) above. Landlord does not assume any responsibility for and shall not be liable for, any damage or loss of any nature whatsoever to, or any theft of automobiles or other vehicles or the contents thereof, or to any personal property located therein while in or about the parking lot.

(c) The overnight parking of vehicles is prohibited without the prior approval of the Landlord, which approval may be withheld at Landlord's sole discretion.

46. ADDENDUM AND EXHIBITS. Additional terms to this Lease, if any, are set forth in the attached Exhibits or in the attached Addendum, which are hereby incorporated herein by reference as follows:

- A. Legal Description of Property
- B. Landlord's Work
- C. Cross Easement Agreement

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

32
Landlord _____ Tenant _____



47. NON-LIABILITY AND INDEMNIFICATION

(a) **Non-Liability of Landlord.** Neither Landlord nor any beneficiary, agent, servant, or employee of Landlord, nor any Superior Mortgagee, shall be liable to Tenant for any loss, injury, or damage to Tenant or to any other person, or to its or their property, irrespective of the cause of such injury, damage or loss, unless caused by or resulting from a contractual breach by the Landlord, its agents, servants or employees, of any of the terms or conditions of this Lease, negligent act or omission of the Landlord, its agents, servants or employees, or the gross negligence of Landlord, its agents, servants or employees in the operation or maintenance of the Leased Premises, subject to the doctrine of comparative negligence in the event of contributory negligence on the part of Tenant or any of its subtenants or licensees or its or their employees, agents or contractors. Tenant recognizes that the Superior Mortgagee will not be liable to Tenant for injury, damage or loss caused by or resulting from the foregoing acts or omissions of the Landlord. Further, neither Landlord, nor any director, officer, agent, servant, or employee of Landlord shall be liable: (a) for any such damage caused by other persons in, upon or about the Leased Premises, or caused by operations in construction of any private, public or quasi-public work; or (b) even if negligent, for consequential damages arising out of any loss of use of the Leased Premises or any equipment or facilities therein by Tenant or any person claiming through or under Tenant.

(b) **Indemnification by Tenant.** Subject to the extent of the limitations and subject to the conditions of the statutory waiver of sovereign immunity set forth in § 768.28, Florida Statutes, Tenant shall indemnify and hold Landlord and all Superior Mortgagees and its and their respective partners, members, directors, officers, shareholders, agents, employees and beneficiaries harmless from and against any and all claims from or in connection with: ; (b) any act, omission or negligence of Tenant or any of its subtenants or licensees or its or their partners, members, directors, officers, agents employees or contractors; (c) and (d) any breach or default by Tenant in the full and prompt payment and performance of Tenant's obligations under this Lease, together, in each instance, with all costs, expenses and liabilities incurred in or in connection with each such claim or action or proceeding brought thereon including, without limitation, all reasonable attorneys' fees and expenses. In the event that any action or proceeding be brought against Landlord and/or Superior Mortgagee and/or its or their partners, members, directors, officers, agents and/or employees by reason of any such claim, Tenant, upon notice from Landlord or such Superior Mortgagee, shall resist and defend such action or proceeding (by counsel reasonably satisfactory to Landlord or such Superior Mortgagee).

(c) **Contractual limitation on City's damages.** The foregoing indemnification provisions contained in this Paragraph 47 shall be subject to a contractual limitation on the City's liability for damages sounding in tort, but not in contract, and the City shall not be liable to pay a claim or judgment for damages by any one person or entity which exceeds the sum of \$200,000.00 or any claim or judgment for damages, or portions thereof, which, when totaled with other claims or judgments paid by

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /



the City arising out of the same incident or occurrence, exceeds the sum of \$300,000.00. This limitation on the City's liability for damages does not apply to actions sounding in contract.

48. Independent Obligations; Force Majeure. The obligations of Tenant hereunder shall not be affected, impaired or excused, nor shall Landlord have any liability whatsoever to Tenant, in the event: (a) Landlord is unable to fulfill, or is delayed in fulfilling any of his obligations under this Lease by reason of strike, other labor trouble, governmental preemption of priorities or other controls in connection with a national or other public emergency or shortages of fuel, supplies, labor or materials, Acts of God or any other cause, whether similar or dissimilar, beyond Landlord's reasonable control; or (b) of any failure or defect in the supply, quantity or character of electricity or water furnished to the Leased Premises, by reason of any requirement, act or omission of the public utility or others serving the Leased Premises with electric energy, steam, oil, gas or water, or for any other reason whether similar or dissimilar, beyond Landlord's reasonable control.

49. SIGNAGE. Tenant shall have the right at its sole cost and expense to install signage on the exterior of the Building subject only to local codes and ordinances.

50. TERMINATION.

Each party has the right to terminate this Lease upon ninety (90) days prior written notice to the other party accompanied by a termination fee in the amount of \$200,000.00 payable to the non-terminating party. The exercise of this right of termination shall not serve to excuse or release either party of their obligations under this Lease which have or will accrue through the effective date of the termination.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first above written.

REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

34
Landlord _____ Tenant _____



WITNESSES:

Traci Scharf

Traci Scharf

Print Name

Joselena L. Menkhuis

Joselena L. Menkhuis

Print Name

(SEAL)

LANDLORD:

KMAC LLC, a Florida limited liability company

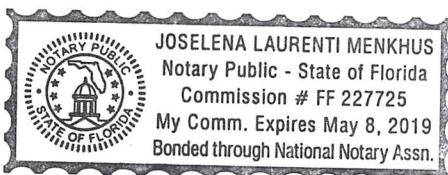
By Charles B. Ladd, Jr.
Charles B. Ladd, Jr., Title Manager

STATE OF FLORIDA:

COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 9th day of December, 2016, by Charles B. Ladd, manager of KMAC, LLC, a Florida limited liability company. He is personally known to me and did not take an oath.

(SEAL)



Joselena Laurenti Menkhuis
Notary Public

Joselena Laurenti Menkhuis
Typed, printed or stamped name of Notary Public

My Commission Expires:

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

35

Landlord _____ Tenant _____

[Handwritten initials]

WITNESSES

Jeannette A. Johnson
Signature

Jeannette A. Johnson
Print name

Gina Rizzuti-Smith
Signature

Gina Rizzuti-Smith
Print name

(CORPORATE SEAL)



AS TO TENNANT:
CITY OF FORT LAUDERDALE

By: [Signature]
John R. "Jack" Seiler, Mayor

By: [Signature]
Lee R. Feldman, City Manager

By: [Signature]
Jeffrey A. Modarelli, City Clerk

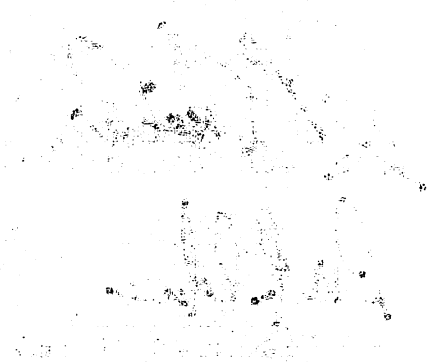
APPROVED AS TO FORM:
Cynthia A. Everett, City Attorney

By: [Signature]
Robert B Duncel
Assistant City Attorney

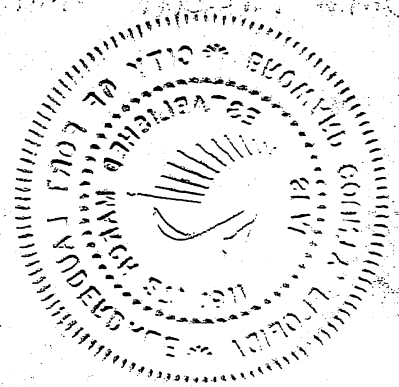
KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

36
Landlord _____ Tenant _____

[Signature]



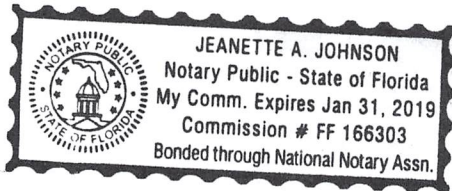
Handwritten notes in the upper right corner, including the words "all the way" and "from the end".



STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 23rd day of December, 2016, by **John P. "Jack" Seiler**, Mayor of the CITY of Fort Lauderdale, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)



Jeanette A. Johnson
Jeanette A. Johnson
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires: 1/31/19

STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 22 day of December, 2016, by **Lee R. Feldman**, City Manager of the CITY of Fort Lauderdale, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)



Lynette LaShawn McIntosh
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF983390
Expires 4/18/2020

Lynette LaShawn McIntosh
Notary Public

Typed, printed or stamped name of Notary Public

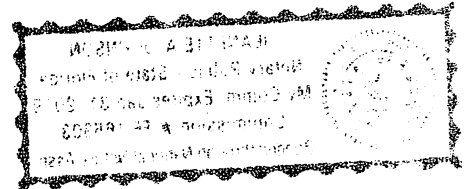
My Commission Expires:

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

37

Landlord _____ Tenant _____

[Handwritten signature]



RECEIVED
U.S. DEPT. OF JUSTICE
APR 21 1941
U.S. DEPT. OF JUSTICE



EXHIBIT "A"
PROPERTY OR PREMISES

"LEGAL DESCRIPTION OF PROPERTY"

A portion of Lots 28, 29, 30 and 31, Block "A", SUBDIVISION FOR FORT LAUDERDALE LAND AND DEVELOPMENT CO., Lots 1, 2, 3, and 4, Block 2 FORT LAUDERDALE, FLORIDA, according to the Plat thereof as recorded in Plat Book 1, Page 57 of the Public Records of Dade County, Florida, more fully described as follows:

Commencing at the Northeast Corner of said Lot 28, Block "A"; thence South 90°00'00" West on the North line of said Block "A", a distance of 15.00 feet to the Point of Beginning; thence continue South 90°00'00" West on the said North line, a distance of 111.00 feet; thence South 00°01'00" West on the West line of said Lot 32, a distance of 63.08 feet; thence North 90°00'00" East, a distance of 44.50 feet; thence South 00°01'00" West, a distance of 15.71 feet; thence North 90°00'00" East, a distance of 66.50 feet; thence North 00°01'00" East on a line 15.00 feet West of and parallel with the East line of said Lot 28, a distance of 78.79 feet to the Point of Beginning.

Said land situate, lying and being in the City of Fort Lauderdale, Broward County, Florida.

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

38
Landlord _____ Tenant _____

EXHIBIT "B

LANDLORD'S WORK

KMAC LLC Office Lease / 255 NE 3rd / Avenue
Tenant: City of Fort Lauderdale /

39
Landlord _____ Tenant _____

255 NE 3rd Avenue Proposed Changes ---Internal Affairs Office

First-Mid Level

- ✓ ○ Garage / Restroom / Kitchen to remain with no changes
- Lobby and conference room remain
 - ✓ • Frost conference room glass window-conference room will serve as meeting room and interview room

Reception Area

- Front open area will remain
 - ✓ • Front desk and tall file cabinet (approximately 10 drawers located adjacent to the reception desk) shall remain.
 - ✓ • All other built-ins throughout reception area to be removed

Second Level

- First Office Area passed Reception (right)-Two Sargent's Offices
 - ✓ • All open area will remain
 - ✓ • Horizontal wall shelves will remain
 - ✓ • All remaining built-ins to be removed
- Second Office Area (right)-Two Sargent's Offices (small balcony)
 - ✓ • Half wall will remain
 - ✓ • All built-ins to be removed
- Third Office Area (left)
 - ✓ • Half wall will become full height wall with a door
 - ✓ • Bull pen in front office area-remove all built-ins
 - ✓ • HR to be located in the back-wall off and add locking door

Third Level

- Major's office and File room
 - ✓ • Wall off top of stairs
 - ✓ • Install interior locking door and wall up Major's office (right side)
 - ✓ • Install locking door for file room (adjacent to HVAC closet) (last room on right)

✓ All HVAC (ductwork installation; relocation) and Life Safety (fire sprinklers/fire alarm) to be updated in accordance with proposed plan changes; Fiber optic connectivity installation if not in the building. ✓

✓

255 NE 3rd Avenue Proposed Changes ---Internal Affairs Office

First-Mid Level

- ✓ ○ Garage / Restroom / Kitchen to remain with no changes
- Lobby and conference room remain
 - ✓ • Frost conference room glass window-conference room will serve as meeting room and interview room

Reception Area

- Front open area will remain
 - ✓ • Front desk and tall file cabinet (approximately 10 drawers located adjacent to the reception desk) shall remain.
 - ✓ • All other built-ins throughout reception area to be removed

Second Level

- First Office Area passed Reception (right)-Two Sargent's Offices
 - ✓ • All open area will remain
 - ✓ • Horizontal wall shelves will remain
 - ✓ • All remaining built-ins to be removed
- Second Office Area (right)-Two Sargent's Offices (small balcony)
 - ✓ • Half wall will remain
 - ✓ • All built-ins to be removed
- Third Office Area (left)
 - ✓ • Half wall will become full height wall with a door
 - ✓ • Bull pen in front office area-remove all built-ins
 - ✓ • HR to be located in the back-wall off and add locking door

Third Level

- Major's office and File room
 - ✓ • Wall off top of stairs
 - ✓ • Install interior locking door and wall up Major's office (right side)
 - ✓ • Install locking door for file room (adjacent to HVAC closet) (last room on right)

✓ All HVAC (ductwork installation; relocation) and Life Safety (fire sprinklers/fire alarm) to be updated in accordance with proposed plan changes; Fiber optic connectivity installation if not in the building. ✓

4

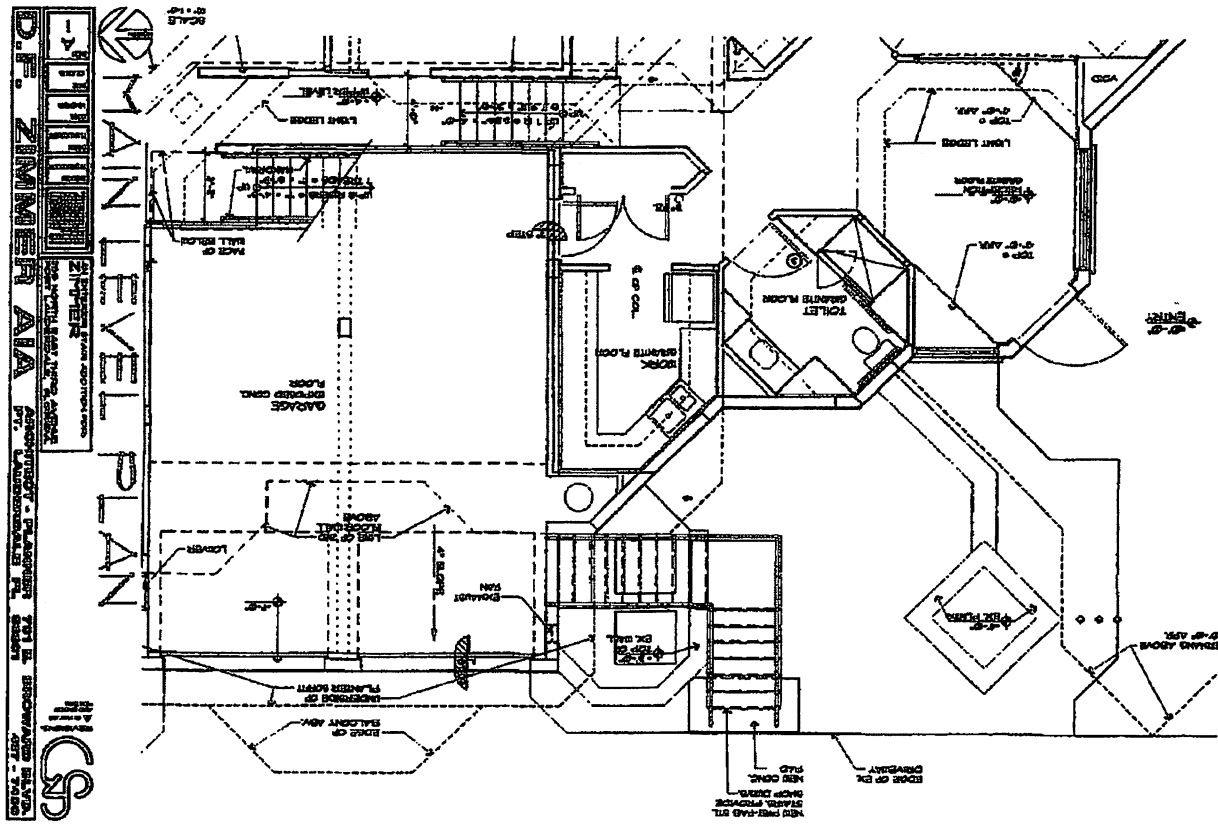


EXHIBIT C
CROSS EASEMENT AGREEMENT

KMAC LLC Office Lease / 255 NE 3rd /Avenue
Tenant: City of Fort Lauderdale /

40
Landlord _____ Tenant _____

INSTR # 100951421
OR BK 31463 PG 0127
RECORDED 04/09/2001 04:10 PM
COMMISSION
BROWARD COUNTY
DEPUTY CLERK 1927

DOCUMENT COVER PAGE

Document Title: CROSS EASEMENT AGREEMENT

Executed By: DONALD F. ZIMMER and JUDITH W. ZIMMER, his
wife

And

BOKA, L.L.C.

Brief Legal Description: See Exhibits Attached Hereto

w/c Tri-County

THIS DOCUMENT PREPARED BY & RETURN TO:

→ Patrick G. Kelley, Esq.
KELLEY, HERMAN & SMITH
1401 E. Broward Blvd.
Suite 206
Fort Lauderdale, FL 33301

CROSS EASEMENT AGREEMENT

THIS CROSS EASEMENT AGREEMENT made this 5th day of April, 2001, by and between DONALD F. ZIMMER and JUDITH W. ZIMMER, his wife, party of the first part, (hereinafter called "Zimmer"), and BOKA, L.L.C., party of the second part, (hereinafter called "BOKA"), for and in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

WITNESSETH:

WHEREAS, Zimmer is the owner of certain real property described in Exhibit "A" attached hereto, (hereinafter called "Tract A"); and

WHEREAS, BOKA is the owner of certain real property described in Exhibit "B" attached hereto, (hereinafter called "Tract B"); and

WHEREAS, the property described in Exhibits "A" and "B" attached hereto are contiguous; and

WHEREAS, Zimmer and BOKA desire to create, confirm, and ratify reciprocal easements and agreements in regard to the parking areas and passageways over, upon and across each said properties.

NOW, THEREFORE, for and in consideration of the grants and the mutual covenants, promises and agreements herein contained, and the sum of One (\$1.00) Dollar, and other good and valuable consideration each to the other in hand paid, receipt and sufficiency is hereby acknowledged, it is agreed by and between the parties as follows:

1. Zimmer, their successor and assigns and all tenants and licensees of Tract A, or any part thereof, and their business invitees, licensees, and employees shall have the right to use, free of charge, the areas of Tract B which shall be created and paved as parking lots, entranceways, exits, and walks as areas for the usual and customary uses to which entrances, exits, driveways, and walks are put, in common with BOKA, its successors and assigns, and all of its business invitees, licensees, and employees, and any tenants or licenses of Tract B, or any part thereof.

2. BOKA, its successors and assigns and all tenants and licensees of Tract B, or any part thereof, and their business invitees, licensees, and employees shall have the right to use, free of charge, the areas of Tract A which shall be created and paved as parking lots, entranceways, exits, and walks as areas for the usual and customary uses in which entrances, exits, driveways, and walks are put, in common with Zimmer, its successors and assigns and all of its business invitees, licensees, and employees, and any tenants or licensees of Tract A, or any part thereof.

3. Each party hereby grants, bargains, sells, and conveys to the other party, its successors, and assigns, a perpetual, nonexclusive easement in gross for the driving and parking of vehicles on and over, and for pedestrian travel on and over such portions of each of the said Tracts which are to be paved for such purposes; said easements to encumber and be a limitation upon the use of each of the Tracts and shall run perpetually and bind the owner of the respective Tracts, their successors, assigns, tenants, lessees, mortgagees, agents, employees, customers, guests, invitees, and occupants of buildings situate upon or thereafter constructed upon the respective Tracts.

4. BOKA and all tenants and licensees of Tract B, or any part thereof, shall have a right-of-way at all times in common with the owner of Tract A, and all tenants and licensees of Tract A, or any part thereof, for motor vehicle traffic and pedestrian travel over a strip of land within Tract A of not less than 20 feet wide on the western portion thereof, the location of such right-of-way may be varied from time to time by Zimmer, their successors or assigns, in Tract A so long as it provides access to the parking area on the west side of Tract B and access to Northeast 3rd Street from Tract B, and so long as the requirements as to the minimum width shall be complied with.

5. Zimmer, and all tenants and licensees of Tract A, or any part thereof, shall have a right-of-way at all times in common with the owner of Tract B, and all tenants and licensees of Tract B, or any part thereof, for motor vehicle traffic and pedestrian travel over a strip of land within Tract B of not less than 20 feet wide on the western portions thereof, the location of such right-of-way may be varied from time to time by BOKA, so long as it provides access to the parking area and access to the alley abutting Tract B from Tract A, and so long as the requirements as to the minimum width shall be complied with.

6. Each party shall maintain and keep in good repair the parking areas and rights-of-way situated on its premises, and it shall keep such areas and rights-of-way stripped and clear of rubbish and obstructions of every nature, and shall provide adequate drainage and lighting thereon. The parking areas and rights-of-way on both premises shall meet at equal grades and no obstructions shall be erected or permitted upon either premises which will in any way interfere with the rights granted in this agreement.

7. Each party shall maintain at all times insurance against claims for personal injury or property damage in an amount not less than that required by the first mortgagee of each tract, if each tract is mortgaged, and if not, \$500,000.00/\$1,000,000.00/\$50,000.00 with respect to one injury, with respect to property damage. All such policies shall name the owners, if applicable, of both tracts, and their respective mortgagees, as insureds.

8. This Agreement shall be binding upon and shall enure to the benefit of Zimmer and BOKA, their respective successors and assigns, and all agreements herein contained shall be considered covenants running with the land.

9. Whenever a transfer of ownership of either parcel takes place, liability of the transferor for breach of covenant occurring thereafter automatically terminates.

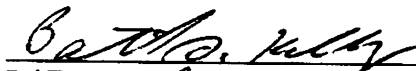
10. Either party may enforce this instrument by appropriate action, and should he prevail in such litigation, he shall recover as part of his costs a reasonable attorneys' fee.


11. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a commercially usable right of enjoyment of the parties is carried out.


IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.


Signed, sealed and delivered in


BOKA, L.L.C., a Florida limited liability Company



Print name: Patrick B. Kelley

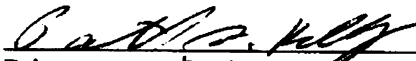
By: 
Kimberly P. Leitz, Managing Member

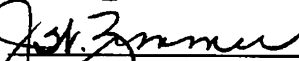

Print name: CAROL A. CARLSEN

By: 
Robert R. Leitz, Managing Member
Leitz


Print name: CAROL A. CARLSEN


Donald F. Zimmer


Print name: Patrick B. Kelley


Judith W. Zimmer

Address of BOKA, L.L.C. is 2424 Castilla Isle, Fort Lauderdale, FL 33301
Address of Zimmers is 2717 NE 16th Street, Fort Lauderdale, FL 33304

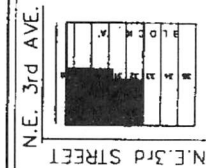
McLAUGHLIN ENGINEERING COMPANY

ENGINEERING - SURVEYOR
400 N.E. 3rd AVE.
FORT LAUDERDALE, FLORIDA

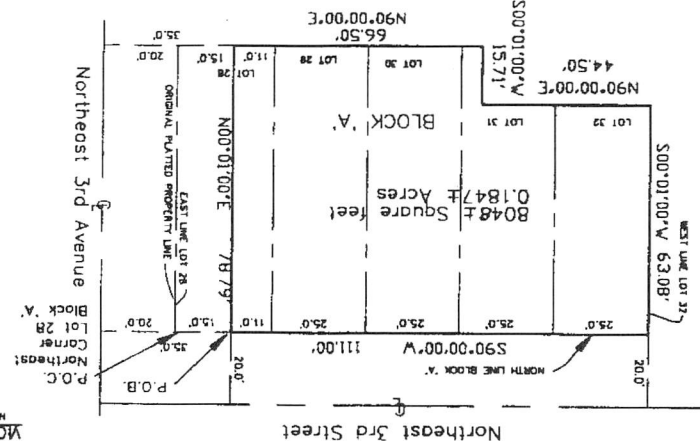


PHONE: (954) 763-7611

FAX: (954) 763-7615



NEIGHBORHOOD MAP



Legend
Hatched - McLaughlin Corp.
Dotted - Division
W/- - Wall
O/- - Offset
C/- - Center
M - Measured
P - Plot
C.B.S. - Concrete Block, Stone

Scale 1"=30'
Indicates Marker

SKETCH AND DESCRIPTION (NORTH PARCEL)

A portion of Lots 28, 29, 30 and 31, Block 'A', Subdivision for Fort Lauderdale, and Development Co., Lots 1, 2, 3, and 4, Block 2, Fort Lauderdale, Florida, more fully described as follows:
Commencing at the Northeast Corner of Block 'A', thence South 90° 00' 00" West on the North line of said Block 'A', a distance of 15.00 feet to the Point of Beginning; thence continue South 90° 00' 00" West on the said North line, a distance of 11.00 feet; thence South 00° 01' 00" East, on the West line of said Lot 32, a distance of 63.08 feet; thence North 80° 00' 00" East, a distance of 44.50 feet; thence South 00° 01' 00" West, on a line 15.00 feet West of and parallel with the East line of said Lot 28, a distance of 78.79 feet to the Point of Beginning.

Said land situate lying and being in the City of Fort Lauderdale, Broward County, Florida.

CERTIFICATION:

We hereby certify that this sketch meets the minimum technical standards as set forth by the Florida Board of Professional Land Surveyors in Chapter 61G17-6, Florida Administrative Code, pursuant to Section 4/2.027, 1999.
Date of Fort Lauderdale, Florida, this 28th day of December
Revised 01/01/00

McLAUGHLIN ENGINEERING CO.

Carl E. Albreksten
Registered Land Surveyor No. 4185
State of Florida

"NOT VALID UNLESS SEALED WITH AN EMBOSSED SURVEYOR'S SEAL"

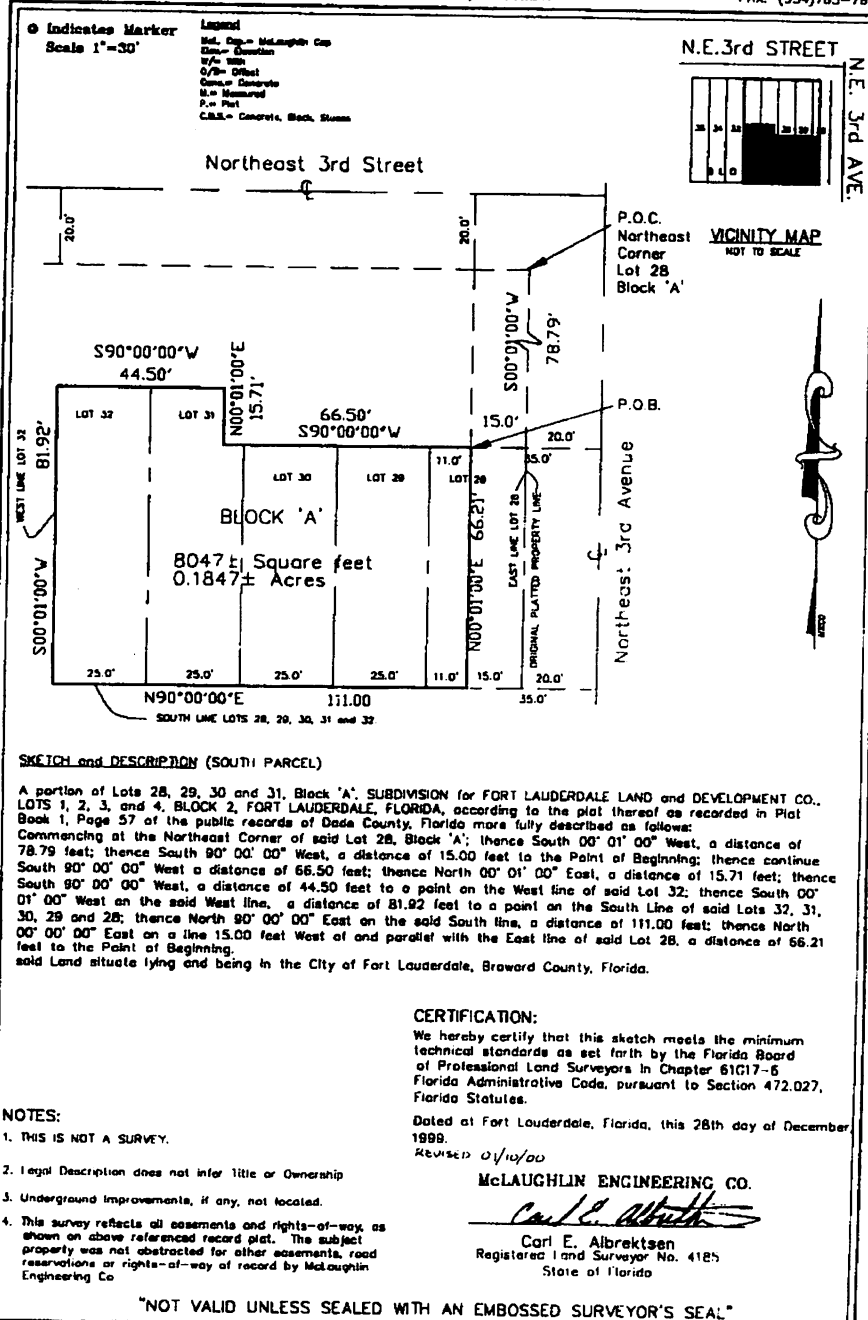
- NOTES:
1. THIS IS NOT A SURVEY.
 2. Legal Description does not infer Title or Ownership.
 3. Underground Improvements, if any, not located.
 4. This survey reflects all easements and rights-of-way, as shown on above referenced record plat. The subject property was not abstracted for other easements, road reservations or rights-of-way of record by McLaughlin Engineering Co.

FIELD BOOK NO. N/A
JOB ORDER NO. 1293

DRAWN BY: J.A.W.
CHECKED BY:

PHONE: (954)763-7611

FAX: (954)763-7615



FIELD BOOK NO. N/A Ref Desk 1 5-11-12
JOB ORDER NO. 1 2073

DRAWN BY: D.A.M.
CHECKED BY:

Ex. 2