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Chase Deuschle
Vice President

January 19, 2017

Lee Feldman
City Manager
100 N. Andrews Ave.
7th Floor
Fort Lauderdale, FL 33301
LFeldman@fortlauderdale.gov

RE: Letter of Intent to Lease NE 10th Street, Dania Beach, FL known as Dania Farms

Dear Mr. Feldman:

I am pleased to present, on behalf of D & B Ventures this Letter of Intent to lease the property known as Dania Farms ("Property"). The proposed Tenant has resided within the City of Fort Lauderdale for over 50 years, has operated a storage business servicing south Florida for over 20 years, and looks forward to continuing to service the businesses and residents of Fort Lauderdale and Dania Beach. The Tenant/resident has observed growing density within the City and increasing demands at its current storage facility likely due to the conversion of marinas and storage sites to multi-family complexes or industrial facilities. This storage site will help to address this demand and provide an amenity for residents and businesses who have difficulty finding locations to store their recreational possessions and/or equipment for their businesses. The Tenant looks forward to the possibility of offering this amenity to Fort Lauderdale and proposes the following terms.

1. **LANDLORD:** City of Fort Lauderdale
2. **TENANT:** D & B Ventures and/or assigns.
3. **PROPERTY:** Approximately 9.88 acres of land located on the south side of Taylor Road/NE 10th Street, Dania Beach, FL 33004 known as "Dania Farms".

Tax ID number: 5042-34-00-0030
4. **USE:** Tenant intends to use the Property for the storage and/or parking of vehicles, trucks, trailers, boats, recreational vehicles and equipment. Tenant anticipates that the proposed use will benefit the Fort Lauderdale International Airport, Port Everglades, and any surrounding businesses and residents.
5. **COMMENCEMENT:** The earlier of the completion of the Tenant Improvements or three (3) years following execution of the Lease. Tenant shall commence the approval process and site planning within 30 days following execution of the Lease and shall use its best efforts to complete the improvements as soon as reasonably possible.
6. **TERM:** Ten (10) years (120 months).
7. **OPTION TERMS:** Four (4) options to extend the term each for a period of ten (10) years.
8. **DEPOSITS:** 10% of the first year's rent as deposited with the bid and applicable to the rent.

9. **BASE RENT:** 150,000.00 per year NNN. The rent shall increase based on CPI, which increases shall commence after year 5 and increasing every 5 years thereafter (including renewal option terms).
10. **OPERATING EXPENSES:** Tenant shall be responsible for the taxes, insurance, and any costs associated with maintaining the Property with the exception of the maintenance of the power lines owned by Florida Power & Light. Said improvements shall be maintained by Florida Power & Light.
11. **LEASEHOLD IMPROVEMENTS:** "As is" except that Tenant may sell or remove any existing agriculture on the Property and shall retain the right to construct any improvements it deems necessary for its proposed use. The Tenant has obtained a preliminary construction estimate from a local engineering firm in the amount of \$773,000.
12. **CONTINGENCIES:** This lease shall be contingent on approval of Tenant's Site Plan and Intended Use from the City of Dania Beach and any additional approvals that may be necessary to operate on the Property, including but not limited to approval from Florida Power & Light. Should the Tenant fail to receive any necessary approvals, Tenant will retain the right to terminate this lease.
13. **SUBLEASE AND ASSIGNMENT:** Due to the nature of the proposed use and this ground Lease, Tenant shall retain the right to sublease all or any portion of this Property without Landlord's prior consent.
14. **HOLD OVER** The initial three (3) months of holdover following the expiration of the lease term will be equal to the last month's rental obligation. Thereafter, each month of holdover will be at 150% of the last months rental obligation. Tenant shall not be liable for any damages either direct or consequential related to holdover.
15. **DUAL AGENCY:** Buyer and Seller acknowledge and consent to the fact that CBRE, Inc. represents both Tenant and Landlord, which constitutes dual representation.
16. **BROKER COMMISSION:** Tenant agrees to pay the commission per the City's agreement with CBRE.

This Letter is non-binding on either party until fully executed lease documents are exchanged by both parties and is further subject to final review and approval by Tenant's legal counsel and officers.

Sincerely,



Chase Deuschle
CBRE, Inc.