

Lease

BASIC LEASE PROVISIONS

RETAIL CENTER: All property real, personal or mixed, owned by Landlord as of this date, at the site in Pinellas County, Florida as shown on **Exhibit “A”** (the “**Retail Center**”), of which Tenant’s Premises are a part.

LANDLORD: Water’s Edge Commercial Group, LLC, a Florida Limited Liability Company

ADDRESS: 331 Cleveland Street No. 2502
Clearwater, FL 33755

TENANT: City of Clearwater Community Redevelopment Agency

TRADE NAME: CRA

ADDRESS: 112 South Osceola Ave.
Clearwater, Florida 33756

CONTACT: Seth Taylor, CRA Director

TELEPHONE: (727) 562-4072

GUARANTOR: N/A

ADDRESS: N/A

TELEPHONE: N/A

PREMISES: The approximate location of the premises is shown on **Exhibit “A”**. 331 Cleveland Street No. C (a/k/a commercial space A), Clearwater, Florida 33755.

AREA: Approximately 1,998 square feet

EFFECTIVE DATE: The date on which the last of the Landlord or Tenant executes this Lease.

LEASE TERM: Six (6) months from June 1, 2017.

EXPIRATION: November 30, 2017, with an option to renew Lease for two (2) additional six (6) month terms.

**RENT
COMMENCEMENT
DATE:** June 1, 2017 (“**Rent Commencement Date**”)

**MINIMUM BASE RENT
PER ANNUM:** \$15,984.00 + 7% Sales Tax

The Minimum Base Rent for square footage base rent (the “Minimum Base Rent” or “**SFT Base Rent**”) per rentable square foot for the Premises annualized will be \$8.00 per SFT including 7 % sales tax. The term of the lease is 6 months, with prorated Minimum Base Rent, of \$8,551.44 for the term for the amount of \$1, 425.24 per month inclusive of sales tax. The first term will be automatically renewed for an additional six (6) month term unless cancelled in writing by Tenant or Landlord at least thirty days (30) before expiration of the initial term. The rent for the first renewal lease term will be as follows: Minimum Base Rent amount of \$1, 425.24 per month. The second term will be automatically renewed for an additional six (6) months, under the same terms unless cancelled in writing by the Tenant or Landlord at least thirty (30) days before expiration of the first renewal lease term. There shall be no prepayment penalty if Tenant chooses to pay rent in advance.

Rent shall be due on the 1st day of each month and shall be considered late if not paid by the 7th day of each month. Late payments will be assessed a \$45.00 late fee plus an additional \$5.00 per day for each day past the 15th day of each month. Rent shall be paid directly to Landlord via direct deposit or check.

TENANT'S USE:

Subject to the restrictions set forth herein, Tenant shall be permitted to use the Premises only for the following purposes: City/CRA exhibit space, office and meeting space, art studio, art classes and demonstrations, art gallery and/or art related event space. The Tenants use is further subject to the Declaration of Condominium and the Rules and regulations of the Condominium Association and the Landlord, from time to time. Landland warrants that the proposed uses are permitted under the Declaration of Condominium and the Rules and regulations of the Condominium Association and that any consent or permissions required have been obtained by Landlord.

SECURITY DEPOSIT:

Tenant shall pay to Landlord a fully-refundable "Security Deposit" in the amount of Two Thousand and No/100 Dollars (\$2,000.00), which shall be paid upon execution of this Lease. The Security Deposit shall be held by Landlord until a Certificate of Occupancy is issued for Tenant's business. The Security Deposit shall be held by Landlord as a Tenant's Security Deposit until termination of the Lease period as hereinafter set forth. If Tenant shall default in any fashion under this Lease, Tenant shall forfeit to Landlord the balance of any Security Deposit.

**AMOUNT PAYABLE
UPON EXECUTION
OF LEASE:**

\$ 2,000.00 SECURITY DEPOSIT + 1 month rent of \$1,425.24

LEASE

THIS LEASE, made as of this 1ST day of June, 2017 by and between, **WATER'S EDGE COMMERCIAL GROUP, LLC**, a Florida limited liability company, or its successors or assigns, hereinafter called "**Landlord**", and **CITY OF CLEARWATER COMMUNITY RE-DEVELOPMENT AGENCY**, hereinafter collectively called "**Tenant**".

W I T N E S S E T H:

Landlord hereby leases to Tenant, upon the terms and conditions hereinafter set forth, the building space to be constructed (hereinafter called "**Premises**") as shown on **Exhibit "A"** attached. The Premises shall consist of approximately Two Thousand (2000) square feet. The Premises is located in Pinellas County, Florida.

1. **CONSTRUCTION.** All improvements in the Premises or elsewhere in this Lease, as shown on **Exhibit "B"** including, but not limited to any additional plumbing, electrical systems and equipment, or improvements required to be completed for the operation of Tenant's business, will be installed by Landlord at Landlord's cost and expense. All such improvements shall be performed: (a) at the sole cost of Landlord; (b) by contractors, subcontractors and workmen previously approved in writing by Landlord; (c) in a good and workmanlike manner; (d) in accordance with the drawings and specifications previously approved in writing by Landlord; (e) in accordance with all applicable Federal, State, County and Municipal laws, regulations, codes and permits ("**Applicable Laws**"); (f) subject to the reasonable regulations, supervision, control and inspection of Landlord. If any work which is required to be performed by Tenant pursuant to the terms of this Lease is actually performed by the Landlord on behalf of Tenant, then Tenant shall be required to pay Landlord, within thirty (30) days of receipt of invoices from Landlord, as additional rent, an amount equal to the costs of Landlord performing such work, together with an administration fee equal to fifteen percent (15%) of such costs. Tenant shall be solely responsible to procure and pay for the approvals, licenses, building permits, certificates of occupancy, and additional impact fees relating to Tenant's use of the Premises that are in excess of those fees that are assessed for a standard retail operation in the Premises, and all licenses and other governmental approvals required to occupy the Premises or operate its business. Notwithstanding anything contained herein to the contrary, neither Tenant nor Tenant's contractor shall perform any work which includes exterior excavation (roof penetration, asphalt penetration, etc.) or which affects any other portion of the Retail Center. Rather, only Landlord's contractors shall perform such work after the Landlord has consented in writing to such work being performed and approved the plans for such work in writing. Such work shall be completed at Tenant's sole cost and expense and shall be paid by Tenant to Landlord's contractor prior to the commencement of such work. Once Tenant has received the prior written consent of Landlord to such work and plans, Tenant may contact Landlord's contractor to schedule such work. For the purposes of this Lease and in addition to the aforesaid, the term "**Applicable Laws**" shall include without limitation the Americans With Disabilities Act as amended or modified from time-to-time, and all regulations promulgated thereunder and all laws regulating the storage, use, transfer and/or disposal of Hazardous Materials (described below).

2. **TERM.** See "Basic Lease Provisions" which are incorporated herein.

3. **HOLDOVER.** In the event Tenant remains in possession of the Premises after the expiration date or sooner termination of this Lease and without the execution of a new Lease, Tenant shall be deemed a Tenant at-will from month-to-month, subject to all the conditions of this Lease except for rent. The parties recognize and agree that the damage to Landlord resulting from any failure by Tenant to timely surrender possession of the Premises will be substantial, will exceed the amount of the monthly installments of the rent payable under the Lease, and will be impossible to measure accurately. Tenant therefore agrees that if possession of the Premises is not surrendered to Landlord upon the expiration date or sooner termination of the Lease, in addition to any other rights or remedies Landlord may have under the Lease or at law, Tenant shall pay to Landlord, without demand therefore as liquidated damages, for each month and for each portion of any month during which Tenant holds over in the Premises after the expiration date or sooner termination of this Lease, a sum equal to two (2) times the aggregate of that portion of the minimum Base Rent and additional rent that was payable under this Lease during the last month of the term. Nothing herein contained shall be deemed to permit Tenant to retain possession of the Premises after the expiration date or sooner termination of the Lease. Tenant shall defend, indemnify, and hold Landlord harmless from any and all liabilities, loss, cost and expense of every kind suffered by Landlord as a result of Tenant's holding over. The provisions of this Section shall survive the expiration date or sooner termination of the Lease.

4. **BASE RENT (MINIMUM RENT).** See "Basic Lease Provisions", which are incorporated herein.

5. **ADDITIONAL RENT.** N/A

6. **SECURITY DEPOSIT.** See "Basic Lease Provisions", which are incorporated herein.

7. **COVENANT TO PAY RENT.** Tenant shall pay the Base Rent and taxes thereon, as herein provided to Landlord at Landlord's address herein or at such other place as Landlord may designate in writing without demand and without counterclaim, deduction or set-off. If any monthly rent payment is not paid within fifteen (15) days after its due date, Tenant also agrees to pay with said monthly rent payment as additional rent, without demand from Landlord, an amount equal to Forty Five and No/100 Dollars (\$45.00) plus Five and No/100 Dollars (\$5.00) for each day rent is late beyond the 15th day.

8. **POSSESSION.** Tenant hereby accepts the Premises in "Vanilla Box/Shell" with the improvements as provided in Exhibits A and B, on commencement of this Lease. The taking of possession of the Premises by Tenant shall constitute completed acceptance of the Premises in their "AS IS" condition, and a waiver of any obligation of Landlord to make further improvements to the Premises. Tenant agrees to execute an estoppel letter or letter of acceptance at the time Tenant takes possession, if so requested. Tenant further agrees to furnish Landlord, at the time of possession, with certificates of insurance giving proof of Tenant's compliance with the insurance requirements of this Lease.

9. **USE OF THE PREMISES.** The Premises may be used and occupied only for the purposes set forth in the Basic Lease Provisions above, and for no other use or purpose. Landlord acknowledges that the Premises may be occupied and used by CRA, City and Profes-

sional Association of Visual Artists (PAVA). In connection with Tenant's occupancy and use of the Premises, Tenant shall also comply strictly with all Applicable Laws. In the event of any breach or violation of the terms of this Section by Tenant, following written notice from Landlord, Tenant shall immediately cease and desist from such breach or violation.

10. **CARE OF THE PREMISES.** Tenant shall commit no act of waste and shall take good care of the Premises and the fixtures and appurtenances therein, and shall maintain and repair the Premises so that the Premises are at all times compliant with all Applicable Laws. Tenant shall keep the Premises in clean and sightly, first class condition.

11. **MAINTENANCE AND REPAIRS.** Tenant shall repair any damage to the Premises caused by Tenant or by any of Tenant's employees, agents, customers, invitees, or licensees. Tenant shall maintain the interior of the Premises and all walls, doors, windows, heating, cooling, interior plumbing, and mechanical equipment and plate glass, and Landlord agrees, whenever possible, to extend to the Tenant the benefit of any enforceable manufacturer's warranties on such equipment. If Tenant refuses or neglects to make repairs and/or refuses to maintain the Premises or any part thereof in a manner reasonably satisfactory to Landlord, then Landlord shall have the right, upon giving Tenant fifteen (15) days written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. In such event, such work shall be paid for by Tenant, to Landlord, within ten (10) days of receipt of an invoice for such repairs and/or maintenance.

Landlord shall, unless paid by the Condominium Association, at its expense, maintain in good condition and repair, the roof, foundation, structural supports, underground or otherwise concealed plumbing and concealed HVAC to the point of entry to the Premises, exterior walls (excluding store front, doors, window glass, and plate glass), exterior painting, exposed and exterior electrical systems to the point of entry to the Premises, and the sewer lines serving the Premises. Landlord shall not in any way be liable to Tenant for failure to make repairs as herein specifically required unless Tenant has previously notified Landlord in writing of the need for such repairs and Landlord has failed to commence and complete said repairs within a reasonable period of time following receipt of such notification.

12. **REMOVAL OF PROPERTY.** All improvements made by Tenant to the Premises which are so attached to the Premises that they cannot be removed without causing material injury to the Premises shall become the property of Landlord upon installation. No later than the last day of the term, Tenant, at Tenant's expense, shall remove all of the Tenant's personal property and those improvements made by Tenant which have not become the property of Landlord, including trade fixtures, cabinet work, moveable paneling, partitions, and the like, repair all injury done by or in connection with the installation or removal of such property and improvements, and surrender the Premises in as good condition as they were at the beginning of the term, reasonable wear, and damage by fire, the elements, casualty, or other cause not due to the misuse or neglect by Tenant or Tenant's agents, employees, visitors, customers, invitees or licensees, excepted. All property of Tenant remaining on the Premises after the last day of the term of this Lease shall be conclusively deemed abandoned and may be removed and disposed of by Landlord, and Tenant shall reimburse Landlord for the cost of such removal.

13. **ALTERATIONS.** Without Landlord's prior written consent, Tenant shall not make any structural or exterior alterations or additions upon said Premises, including any changes to signage which has been previously approved by Landlord pursuant to the terms of this Lease, provided, however, that Tenant shall have the right to make non-structural interior alterations and repairs by first obtaining written consent of Landlord. In connection with such work, Tenant shall obtain all required permits and governmental approvals, and Tenant shall comply with all Applicable Laws.

14. **HAZARDOUS ACTIVITIES, WASTE, ABANDONMENT.** Tenant shall not do or suffer anything to be done on the Premises that will increase the rate of fire insurance for any portion of the Retail Center. Tenant shall not permit the accumulation of waste or refuse matter on the Premises or anywhere in or near the building. Tenant shall not, without first obtaining the written consent of Landlord, abandon the Premises or allow the Premises to become vacant or deserted.

Throughout the term of this Lease, Tenant shall prevent the presence, use, generation, release, discharge, storage, disposal, or transportation of any Hazardous Materials (as hereinafter defined) on, under, in, above, to or from the Premises, other than in strict compliance with all Applicable Laws. For the purpose of this provision, the term "**Hazardous Materials**" shall mean and refer to any waste materials, or other substances of any kind or character that are or become regulated as hazardous or toxic waste or substances, or which require special handling or treatment, under any applicable local, state or federal law, rule, regulation or order. Tenant shall indemnify, defend, and hold Landlord harmless from and against: (a) any loss, cost, expense, claim, damage, injury or liability arising out of any investigation, monitoring, clean-up, containment, removal, storage, or restoration work (herein referred to as "**Remedial Work**") required by, or incurred by Landlord or any other person or party in a reasonable belief that such Remedial Work is required by any applicable federal, state, or local law, rule, regulation, or order, or by any governmental agency, authority, or political subdivision having jurisdiction over the Premises; and (b) any claims of third parties for loss, injury, expense, or damage arising out of the presence, release, or discharge of any Hazardous Materials on, under, in, above, to or from the Premises, to the extent that such matters arise from the actions or omissions of Tenant or Tenant's employees, agents, contractors, subcontractors, suppliers, visitors, customers, invitees or licensees. In the event any Remedial Work is so required under Applicable Laws. Tenant shall promptly perform or cause to be performed such Remedial Work in compliance with such law, rule, regulation, or order. In the event Tenant shall fail to commence the Remedial Work in a timely fashion, or shall fail to prosecute diligently the Remedial Work to completion, such failure shall constitute an event of default on the part of the Tenant under the terms of this Lease, and Landlord, in addition to any other rights or remedies afforded it hereunder, may, but shall not be obligated to, cause the Remedial Work to be performed, and Tenant shall promptly reimburse Landlord for the cost and expense thereof upon demand. The indemnification and other covenants contained in this Section shall survive the termination of this Lease.

15. **RULES AND REGULATIONS.** Tenant shall observe and comply with such reasonable rules and regulations as Landlord or the Water's Edge Condominium Association (the "Condominium Association" or "HOA") may from time to time prescribe, on written notice to Tenant, for the safety, care, and cleanliness of the building and the comfort, quiet and

convenience of other occupants of the building and/or grounds and parking regulations set forth by Landlord.

16. **CONTROL OF EXTERIOR APPEARANCE.** The exclusive right is reserved by the Landlord and HOA to control the exterior appearance of the entire Retail Center, including, but not limited to all signs, decoration, lettering and advertising visible from the exterior of the building (including those on the interior or on windows or doors), shades, awnings, window coverings, exterior or interior lights, antennae, canopies, or anything whatsoever affecting the visual appearance of the building. Tenant will not place or cause to be placed or maintain any item of any kind on or in any of the Premises affecting the exterior appearance of the building or common areas without first obtaining Landlord's written approval and consent. Tenant further agrees to maintain any said items as may be approved in good condition and repair at all times.

17. **UTILITY SERVICES.** Tenant shall timely pay for all utilities, trash collection and similar services which may be furnished to or used in or about the Premises and Tenant shall keep the same free and clear of any lien or encumbrance of any kind whatsoever relating to such services. Landlord shall cause all utilities to be separately metered to the Premises.

18. **DAMAGE.** Landlord shall have the option to terminate the Lease if all or a substantial portion of the Premises or Retail Center is damaged by fire or casualty. This option may be exercised by Landlord upon giving notice of cancellation to Tenant within ninety (90) days following the occurrence of the damage. If the Premises or Retail Center are damaged or destroyed by fire or casualty, and Landlord does not elect to terminate the Lease, to the extent that there are available to Landlord sufficient proceeds from insurance to restore the Premises, Landlord shall proceed with reasonable diligence to restore the same to its former condition. Tenant agrees that during any period of reconstruction or repair of the Premises, it will continue the operation of its business within the Premises to the extent practicable. During the period from the occurrence of the casualty until Landlord's repairs are completed, the minimum Base Rent shall be reduced by the Landlord to such extent as may be fair and reasonable in relation to the level of damage and disrepair suffered by the Premises and the Tenant's ability to conduct its business from the Premises. However, there shall be no abatement of the other charges provided herein.

19. **WAIVER OF SUBROGATION.** Landlord and Tenant hereby waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises, or its contents, or to other portions of the Retail Center, arising from risk generally covered by fire and extended coverage insurance policies then in use in the state where the Retail Center is situated; and the parties each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, will use reasonable efforts to obtain an endorsement waiving any right of subrogation from their respective insurance companies, if such endorsement is requested. Landlord shall not be liable for any damage to or destruction of any of Tenant's goods, merchandise, fixtures or property caused by fire or any other cause whatsoever.

20. **REMEDIES OF LANDLORD.** If Tenant shall default in payment of the rent reserved herein, or in the payment of any other monies due hereunder, or any part of same on

the date that monies shall become due, then Landlord may proceed with any and all remedies available at law. If Tenant shall default in the observance of any of the other terms, covenants, and conditions of this Lease, or if the Premises shall be abandoned, deserted, or closed for business for more than ten (10) consecutive days or fifteen (15) days in a month, or if Tenant shall sublet the Premises or assign this Lease except as herein provided; or if Tenant shall make an assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or be adjudicated as bankrupt by any court and such adjudication shall not be vacated within thirty (30) days or Tenant takes the benefit of any insolvency act, or Tenant becomes dissolved voluntarily or involuntarily or has a receiver of Tenant's property appointed in any proceeding other than bankruptcy proceedings and such appointment shall not be vacated within thirty (30) days after it has been made, THEN, upon the happening of any one or more of the defaults or events specified above in this Lease, the term hereof shall, at the option and election of the Landlord, wholly cease and terminate and thereupon, or at any time thereafter, Landlord may re-enter said Premises and have possession of the same and/or may recover possession thereof by summary proceedings or otherwise, but Tenant shall remain liable to Landlord.

In the event of any one or more of the defaults set out above, all payments of Base Rent, additional rent or of any other monies due from Tenant during the term of this Lease, or any extension thereof, shall, at the option of Landlord, become immediately due and payable in full. In such event, Landlord may re-enter the Premises without being liable to Tenant in any respect for the prosecution of such rights, and Landlord may repair or alter the Premises in such manner as Landlord may deem necessary or advisable to re-let the Premises. Landlord shall also have the right to re-let said Premises and to collect any deficiency in re-letting in addition to any reasonable expenses incurred; however, the Tenant's obligation to pay Base Rent, additional rent and other sums due hereunder shall survive the termination of the Lease. The election by Landlord of any single remedy shall not preclude the exercise of any other remedies at law or in equity, whether or not such other remedies are mentioned in this Lease. Landlord shall not, in any event, be obligated or required to institute any measures or to take any actions to attempt to mitigate Landlord's damages arising from Tenant's default.

21. **LITIGATION, COURT COSTS, ATTORNEYS' FEES.** In the event that at any time either Landlord or Tenant shall institute any action or proceedings against the other relating to the provisions of this Lease or any default hereunder, then and in that event, the prevailing party in such action or proceeding shall be entitled to recover from the other party its reasonable costs, expenses and attorneys' fees which shall be deemed to have accrued on the commencement of the proceeding or counterclaim brought by either of them against the other on any matters whatsoever arising under this Lease. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of Florida.

22. **ASSIGNMENT AND SUBLETTING.** Tenant may not assign or encumber its interest in this Lease or the Premises and may not sublease the Premises in whole or in part, without prior written permission of Landlord, in Landlord's sole and absolute discretion. In connection with Landlord's consideration of any proposed assignment or sublease, Landlord may consider any factors deemed relevant to Landlord, including without limitation the perceived financial ability of the proposed assignee or subtenant to comply with the financial and/or use covenants herein contained and the reputation in the business community of the proposed assignee or subtenant. Consent by Landlord to one or more assignments or subletting

shall not operate as a waiver of Landlord's rights as to any subsequent assignments and subletting. Notwithstanding any such permitted assignment or subletting, Tenant shall remain primarily responsible to Landlord for the payment of Base Rent and additional rent and performance of all covenants, terms and conditions hereof on Tenant's part to be performed. However, Notwithstanding anything herein to the contrary, Landlord specifically acknowledges that the Premises may be occupied and used by the City, PAVA and the CRA as provided in this agreement without further approval of Landlord.

23. **SUBORDINATION AND ATTORNMENT.** This Lease and all of Tenant's rights hereunder shall be subject and subordinate to all mortgages that may now or hereafter be granted by Landlord on the real property of which the Premises form a part, and also to all renewals, modifications, consolidations, and replacements of such mortgages. Although no instrument or act on the part of Tenant shall be necessary to effectuate such subordination, Tenant will nevertheless execute and deliver such further documentation of this subordination as may be desired by the holders of such mortgages. Tenant hereby appoints Landlord attorney-in-fact, irrevocably, to execute and deliver any such instrument to Tenant. In the event of any transfer of the ownership of the Premises whether voluntary or involuntary by foreclosure, bankruptcy, sale, or otherwise, Tenant shall, at the option of the transferee of said ownership, attorn said transferee to the same extent as if said transferee were the initial Landlord under the Lease.

24. **MECHANICS' LIENS.** Tenant shall, within ten (10) days after notice from Landlord, discharge or bond off any mechanics' or similar liens for materials or labor claimed to have been furnished to the Premises on Tenant's behalf. All contractors, subcontractors, materialmen, and any other persons now or hereafter furnishing any labor, services, materials, supplies or equipment to or on behalf of the Tenant with respect to the Premises are hereby placed on notice that they must look exclusively to the Tenant for payment of the same and that Landlord shall not be subject to or liable for any labor, services, materials, supplies, machinery, fixtures, or equipment furnished to or supplied to Tenant. Tenant shall have no authority to subject Landlord's interest to any such claims or liens and no such lien for any of the foregoing shall attach to or affect the interest of Landlord in the Premises.

25. **NOTICE.**

As to Landlord:

**WATER'S EDGE COMMERCIAL
GROUP, LLC**
331 Cleveland Avenue, No. 2502
Clearwater, Florida 33755
Attention: Daniels Ikajevs
Tel. (727) 424-2321

As to Tenant:

**CITY OF CLEARWATER COMMUNITY
REDEVELOPMENT AGENCY**

112 South Osceola Ave.

Clearwater, FL 33755

Attention: Seth Taylor, CRA Director

Tel. (727) 562-4072

Any notice which is to be given to either party hereunder shall be deemed sufficiently given if hand-delivered to the Premises or sent by certified or registered mail, postage prepaid, or by means of an overnight delivery service (i.e. Federal Express, Airborne) to such party at its address appearing above in writing. Any notice given to Tenant shall also be given to any assignee or sub-tenant and all notices to an assignee or sub-tenant or Tenant shall also be sent to Tenant.

26. **RIGHT TO INSPECT AND REPAIR.** Landlord may, but shall not be obligated to enter the Premises at any reasonable time, on reasonable notice to Tenant (except that no notice need be given in the case of emergency), for the purpose of inspecting the Premises, to make such repairs, replacements, or additions in, to, on, and about the Premises or the building as Landlord deems necessary or desirable, or to exercise Landlord's other rights hereunder.

27. **CONSTRUCTIVE EVICTION.** Tenant shall not be entitled to claim a constructive eviction for any cause unless Tenant shall have first notified Landlord in writing of the condition or conditions giving rise to such claim, and if the complaint be justified, unless Landlord shall have failed within a reasonable time (in no event less than thirty (30) days) after receipt of such notice to remedy such conditions. Tenant shall also serve notice of Landlord's default to the holder of the first mortgage or deed of trust on the Premises. The holder of the first mortgage or deed of trust shall also have the right, but not the obligation, to cure the default within such period.

28. **CONDEMNATION.** From and after the Rent Commencement Date, Tenant shall have the following rights in the event of a taking of the entire Retail Center or any part thereof, by reason of any exercise of the power of eminent domain, including any transfer in lieu thereof:

(a) **Total Permanent.** In the event of a taking of the entire Premises or, in the sole discretion of Tenant, so substantial portion as would render the balance of the Premises not suitable for Tenant's Uses, this Lease shall terminate upon the date that possession is surrendered to the condemning authority, at which time all rights and obligations between the parties shall cease and Base Rent and other charges payable by Tenant under this Lease shall be apportioned. The taking of any portion of the Building, fifteen percent (15%) or more of the then existing parking area, or the loss or change of any the rights of access or ingress and egress as then established, shall be at Tenant's sole discretion, but not exclusively considered, such a substantial taking as would render the use of the Premises not suitable for Tenant's then current uses. In any of the foregoing events of taking, Tenant has the exclusive right to claim such award as may be allowed for loss of its business, personal property, trade fixtures, equip-

ment and relocation expenses, provided and to the extent such claim does not diminish or adversely affect Landlord's award.

(b) Partial Permanent. In the event of a taking of less than the entire Premises or, in the sole discretion of Tenant, less than a substantial portion as would render the balance of the Premises not suitable for Tenant's Uses, Tenant shall be entitled to a reduction of Base Rent an amount equal to the prorated rent per foot of the Premises taken. In consideration of such reduction, Tenant waives any claim for damage to or loss of its leasehold estate, all of such award being payable to Landlord, who shall use so much thereof as may be necessary to restore the Premises as nearly as possible to its condition immediately prior to the taking. Tenant shall have the option to perform such restoration and Landlord shall, upon Tenant's election, provide the whole of such award or such portion thereof as may be necessary for Tenant to accomplish the restoration. Should such award be insufficient to accomplish the restoration, such additional costs shall be paid by Landlord.

(c) General. Should Landlord and Tenant be unable to agree as to the division of any singular award or the amount of any reduction of Base Rent and other charges payable by Tenant under this Lease, such dispute shall be submitted for resolution to the court exercising jurisdiction of the condemnation proceedings, each party bearing its respective costs for such determination. Landlord represents and warrants that at the Rent Commencement Date, it has no actual or constructive knowledge of any proposed condemnation, road or access or visibility changes including, but not limited to, turn restrictions, barriers or medians, overpasses, underpasses or bypasses, that would affect the Retail Center or the Premises.

29. INSURANCE.

(a) Tenant's Insurance. At all times after the date of delivery of possession of the Premises to Tenant, Tenant, at Tenant's sole cost and expense, shall maintain in full force and effect the following insurance, which insurance shall be with companies licensed to do business in the State of Florida:

(i) A Commercial General Liability Insurance Policy applying to the use and occupancy of the Premises and the business operated at the Premises; such coverage shall have a minimum combined single limit of liability of at least One Million Dollars (\$1,000,000) and a general aggregate limit of at least One Million Dollars (\$1,000,000), and the policy shall [a] be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, [b] name as an additional insured, Landlord (and, at Landlord's request, any mortgagee), [c] by its terms, be cancelable or materially altered only with at least thirty (30) days prior written notice to Landlord (and any such mortgagee); and [d] shall be endorsed to provide that the insurance shall be primary to and not contributory to any similar insurance carried by Landlord and shall contain a severability of interest clause.

(ii) An all risks property and casualty insurance policy, written at the full replacement cost value and with replacement cost endorsement, covering the Premises and all of Tenant's personal property in the Premises (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Lease), the plate glass in or surrounding the Premises and all Tenant improvements and the Leasehold Improvements installed in the Premises by or on behalf of Tenant; providing protection against perils included within the standard all-risk form of fire and extended coverage insurance policy, together with insurance against sprinkler damage, if applicable (but Landlord makes no representation that the Premises is equipped with a sprinkler system), vandalism and malicious mischief.

(b) Policy Requirements. Each policy required hereunder shall contain a covenant that should such policies be cancelled, assigned or materially changed during the policy period, the insurer will mail a notice thereof to Landlord, Landlord's lender and any other parties required to receive such notice, at least thirty (30) days in advance. All insurance policies required to be maintained under this Lease shall be procured from insurance companies rated at (A-/IX) or better by the then current edition of Best's Insurance Reports published by A.M. Best Co. and licensed to do business in the state in which the Premises are located. Prior to Tenant's possession of any portion of the Premises, Tenant shall furnish to Landlord the policies or certificates of insurance showing the insurance referred to in this Section 29 to be in full force and effect naming Landlord as additional insured and certificate holder. No such policy shall be cancelable except after thirty (30) days written notice to Landlord. Tenant shall, prior to the expiration of any such policy, furnish Landlord, any mortgagee and any third party required to receive notices of insurance, with renewals or "binders" thereof together with evidence of the payment of premiums therefore, or Landlord may order such insurance and charge the cost thereof to Tenant, which amount shall be paid by Tenant upon demand. The insurance, as to the interest of Lender therein, shall not be invalidated by any act or neglect of Landlord or Tenant or any owner of the Premises, nor by any foreclosure or any other proceedings or notices thereof relating to the Premises, nor by any change in the title or ownership of the Premises nor by occupancy of the Premises for purposes more hazardous than are permitted by such policy. It shall be the responsibility of Tenant not to violate nor knowingly permit to be violated any condition of the policies required under this Lease. Neither the issuance of any such insurance policy nor the minimum limits specified in this Section 29 shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease.

(c) Deductibles. Subject to the requirements of any insurance required herein, the property insurance specified herein shall have a deductible no greater than Five Thousand Dollars (\$5,000.00). All liability insurance specified herein shall have a deductible no greater than Five Thousand Dollars (\$5,000.00). Tenant shall be liable for any deductible amount. The policies of insurance required to be carried by Tenant shall be primary and not in excess of any other insurance available to Landlord.

(d) Personal Property, Risk of Damage. Tenant agrees that all personal property of every kind or description, including, without limitation, inventory, furniture, furnishings, and trade fixtures, which may at any time be in the Premises shall be at Tenant's sole risk, or at the risk of those by, through or under Tenant, and Landlord shall not be liable for, and shall be held harmless by Tenant against, all losses, liability, and expenses (including but not limited to subrogation claims by Tenant's insurance carrier) for any damage to said property or for any loss suffered by the business or property of Tenant arising from any cause whatsoever including but not limited to bursting, overflowing or leaking of water, sewer or steam pipes or from the heating or plumbing fixtures or equipment, or from the electric wiring or from gas, fumes or odors.

(e) No Impairment of Coverage; Coverage Increases. Tenant shall not carry any stock of goods or do anything in or about the Premises that will impair or invalidate the obligation of any policy of insurance on or in reference to the Premises or the Building. Landlord shall have the right to reasonably require that the amount or types of insurance coverage required of Tenant hereunder be adjusted upon the commencement of each option period and from time to time to reflect insurance customarily required by prudent landlords for similar properties in the metropolitan area in which the Premises are located.

(f) Landlord's Insurance. Landlord agrees to provide and keep in force during the Term of this Lease the following insurance coverage from an insurance company or companies authorized to do business in the state in which the Property is located: commercial general liability insurance, including contractual liability coverage with combined single limited coverage of not less than One Million and/100 Dollars (\$1,000,000.00) for injury to persons or property and loss of life or property in or about the Premises arising out of any one occurrence. Such insurance shall be endorsed to provide that the insurance shall be primary to and not contributory to any similar insurance carried by Tenant and shall contain a severability of interest clause.

30. INDEMNITY. Tenant covenants that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Tenant or any other person during the term of this Lease, from any cause whatsoever, by reason of the use, occupancy, and enjoyment of the Premises by Tenant or any person thereon or holding under said Tenant, and that Tenant will indemnify and save harmless Landlord from all liability whatsoever on account of any such real or claimed damage or injury and from all liens, claims, demands, lawsuits, actions and regulatory or administrative actions arising out of the use of the Premises and its facilities or any repairs or alterations which Tenant may make upon said Premises, but Tenant shall not be liable for damage or injury occasioned by the gross negligence of Landlord or Landlord's designated agents, servants, or employees. Such indemnity shall include without limitation Landlord's reasonable attorney's fees and investigation costs and all other reasonable costs, expenses, and liabilities incurred by Landlord defending against or responding to any indemnified matter.

31. LANDLORD'S RIGHT TO CANCEL. Should the operation of Tenant's business be or become or attract customers whose conduct is offensive or in any way threatening to the Landlord, the other tenants in the Retail Center, or the customers of the other tenants, the

Landlord may, at Landlord's option, cancel and terminate this Lease, if Tenant fails to stop such offensive or threatening activities within thirty (30) days after written notice thereof to Tenant.

32. **INTERRUPTION OF UTILITIES.** Landlord shall not be liable for any interruption whatsoever in utility services not furnished by it, nor for interruptions in utility services furnished by it which are due to fire, accident, strike, acts of God, or other cause beyond the control of Landlord, or in order to make alterations, repairs or improvements to the Premises.

33. **PERSONAL PROPERTY TAXES.** Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in the Premises. If any such taxes are levied against Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property improvements and trade fixtures placed by Tenant in the Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable hereunder as determined by Landlord.

34. **NO WAIVER. One** or more waivers of any covenant, term or condition of this Lease by either party shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

35. **FORCE MAJEUR.** 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 of any such period of time, any delays due to strikes, riots, Acts of God, actual and significant shortages of labor or materials, war, governmental moratoria or any other cause of any kind whatsoever which are beyond the reasonable control of Landlord.

36. **ESTOPPEL CERTIFICATE.** Tenant agrees at any time, and from time to time, upon not less than fourteen (14) days prior notice by Landlord, to execute, acknowledge and deliver to Landlord, a statement in writing addressed to Landlord certifying the following: (a) that this Lease or any sublease is unmodified and in full force and effect (or, if there have been modifications, that they are in full force and effect as modified and stating the modifications), stating the dates to which the Base Rent, additional rent and other charges have been paid; (b) Tenant has accepted possession of the Premises and is presently occupying the Premises; (c) stating whether or not to the best knowledge of the signer of such certificate, there exists any default by Landlord in the performance of any covenant, agreement, term, provision or condition contained in this Lease, and if so, specifying each such default, it being intended that any such statement may be relied upon by Landlord, by any holder or prospective holder of any mortgage affecting the Retail Center or by any purchaser of the Retail Center; and, (d) any other information reasonably requested by a prospective purchaser, mortgagee or tenant of the Retail Center. For the purposes of this Lease, the terms "mortgage" and "deed of trust" shall have the same meaning, and the term "mortgagee" shall include the holder/beneficiary/lender under any deed of trust.

37. **RELATIONSHIP BETWEEN PARTIES.** Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties, it being understood and agreed that neither the method of computation of rent, nor any other provision contained herein, nor any acts of the parties shall be deemed to create any relationship between the parties other than the relationship of Landlord and Tenant.

38. **INTERPRETATION.** If any provisions of the Lease are contrary to the law of the State of Florida, each provision shall be deemed stricken herefrom and the balance of this Lease shall remain in full force. If there is more than one (1) Tenant or Landlord, they shall be bound jointly and severally. The terms “**Landlord**” and “**Tenant**” and any pronoun referring thereto shall be deemed to include their respective heirs, executors, administrators, successors and assigns without regard to gender or number wherever the context so permits. The captions to each article are used for convenience only and are not to be considered a part of this Lease nor used in interpreting it.

39. **RECORDING.** Upon the request of either party hereto, the other party shall join in the execution of a notice or so-called “short form” of this Lease which shall be in proper form for recording and sufficient to give record notice of the lease interest created herein and such other pertinent information as Landlord deems necessary for public recordation, including, but not limited to notice of the “no lien” provisions of Section 24. In addition, after the Rent Commencement Date, and upon the request of either party, the other party will execute an instrument in recordable form setting forth such Rent Commencement Date. The requesting party shall pay the costs of any such recording.

40. **AUTHORITY TO EXECUTE.** Landlord and Tenant do each hereby respectively represent to the other that, subject only to the reservations expressly set forth herein, it has the capacity and authority to enter into this Lease. Landlord owns the property described in **Exhibit “A”** attached, or will own same prior to the date on which the Premises are delivered to Tenant.

41. **NO OTHER REPRESENTATIONS.** No representations or promises shall be binding on the parties hereto except those representations and promises contained herein or in some future writing signed by the party making such representations or promises.

42. **PARKING.** There is no parking provided as part of this Lease.

43. **TENANT SIGNS.** Tenant, at its sole cost and expense and within thirty (30) days following Tenant’s opening for business, shall be required to erect a sign advertising its business upon the front exterior wall of the Premises. Such sign shall be situated in the area designated by Landlord, which shall be the area wherein Landlord provides the wiring for Tenant’s connection of such sign. Such sign shall comply in all respects with applicable permits, codes, laws and regulations, and with Landlord’s and HOA’s sign criteria and Tenant’s sign shall not be installed until it has been approved in all respects by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed by Landlord.

44. **TIME IS OF THE ESSENCE.** Time is of the essence of this Lease and every provision thereof.

45. **SET-UP DEBRIS.** All Tenant's moving and setting up waste and trash shall not be discharged into Landlord's trash containers and shall be disposed of separately by Tenant at Tenant's cost and expense.

46. **OPTION TO RENEW.** See "**Basic Lease Provisions**", which are incorporated herein.

51. **ENTIRE AGREEMENT.** The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by both parties. The following Exhibits, if any, and the Rules and Regulations have been made a part of the Lease before the parties execution hereof.

52. **NO OFFER.** This Lease is submitted to Tenant on the understanding that it will not be considered an offer and will not bind Landlord in any way until: (a) Tenant has duly executed and delivered duplicate originals to Landlord; and (b) Landlord has executed and delivered one of such originals to Tenant.

53. **REAL ESTATE BROKER.** Tenant warrants and represents that there is no real estate broker except for Hybridge Realty (representing Landlord) has been involved in this Lease, and neither Landlord nor Tenant has had any dealings with any other real estate broker or salesman in connection with this Lease. Landlord has agreed to pay to Hybridge Realty, a real estate commission in connection with the consummation of this Lease.

54. **GUARANTY.** N/A

55. **LANDLORD ASSIGNMENT.** Landlord shall have the right to transfer, assign and convey, in whole or in part, any or all of the right, title and interest to the Retail Center, provided, such transferee or assignee shall be bound by the terms, covenants and agreements herein contained, and shall expressly assume and agree to perform the covenants and agreements of Landlord herein contained and such assignment shall not be effective until notice of such assignment or transfer together with an executed copy of such assignment or transfer instrument is received by Tenant.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

AGREED TO AND ACCEPTED BY:

WITNESSES:

Print Name: _____

Print Name: _____

WITNESSES:

Print Name: _____

Print Name: _____

LANDLORD:

**WATER’S EDGE COMMERCIAL GROUP,
LLC.,** a Florida limited liability company

By: _____
Daniels Ikajevs, Managing Member

TENANT:

**CITY OF CLEARWATER COMMUNITY
REDEVELOPMENT AGENCY,**

By: _____
Seth Taylor, CRA Director

EXHIBIT “A”

PREMISES

EXHIBIT “B”

PREMISES