

LEASE AGREEMENT

by and between

CITY OF BELLE ISLE, FLORIDA

as LANDLORD

and

CORNERSTONE CHARTER ACADEMY, INC.as

TENANT

Property Address:

**5903 Randolph Avenue, Belle Isle, FL
32809**

LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease") is made and entered into as of the ____ day of _____, 20__ by and between City of Belle Isle, FLORIDA, a Florida municipal corporation ("Landlord, or City") whose mailing address is 1600 Nela Avenue, Belle Isle, Florida 32809 and **CORNERSTONE CHARTER ACADEMY, INC.**, a Florida not-for-profit corporation ("Tenant") whose mailing address is 5903 Randolph Avenue, Belle Isle, Florida 32809.

WITNESSETH:

WHEREAS, Landlord is the fee simple owner of certain real property as more specifically described in Exhibit "A" attached hereto and by this reference made a part hereof, including the tenements, hereditaments, improvements, fixtures, furniture, equipment, appurtenances, rights, easement and rights-of-way incident thereto (collectively, the "Premises");

WHEREAS, as of the date of this Lease, Tenant currently operates two charter schools known as Cornerstone Charter Academy, for up to 900 students in grades K-8, and Cornerstone Charter High School, for up to 800 students in grades 9-12, (collectively, the "Charter Schools") on the Premises;

WHEREAS, Tenant has determined and hereby determines that it is in the best interests of Tenant to lease from the Landlord the entire Premises consistent with the terms of this Lease;

WHEREAS, the Landlord desires to lease the Leased Premises to Tenant and Tenant desires to lease the Leased Premises from the Landlord for the Permitted Use (as hereinafter defined) and pursuant to and in accordance with the terms and conditions more specifically set forth herein;

NOW WHEREFORE, for and in consideration of the terms, covenants, and conditions hereof, and other good and valuable consideration the adequacy, receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I **DEFINITIONS**

Section 1.1. Definitions. Except as otherwise defined herein, capitalized words and phrases shall have the meanings specified below and other capitalized words and phrases in this Lease have the meanings ascribed to them unless the context clearly requires otherwise:

"Annual Financial Statements" means the annual audited financial statements, which must be prepared and submitted as separate statements for (i) the Cornerstone Charter Academy and (ii) the Cornerstone Charter High School, each of which must be prepared in accordance with Generally Accepted Accounting Principles by a Certified Public Accountant, relating to the Charter Schools' operations and including, without limitation, statements in reasonable detail of financial condition as of the end of such Charter School Fiscal Year and income and expenses for such Charter School Fiscal Year.

"Buildings" means all buildings and other structures now existing or later constructed on the Premises and includes, without limitation, the charter school facilities located on the Premises as of the date of this Lease.

"Charter Contracts" shall mean the charter contracts granted to the Tenant by the School Board pursuant to Section 1002.33, Florida Statutes, for the operation of the Charter Schools, as such contracts may be in place and effective from time to time, including all amendments, extensions and renewals thereof.

"Charter School Fiscal Year" has the meaning set forth in the Charter.

"Charter School Law" means Section 1002.33, Florida Statutes and other applicable provisions of law relating to charter schools.

"Charter School Revenues" means all amounts payable to Tenant by the School Board or the Florida Department of Education under the Charter Contracts including, but not limited to (i) Charter School capital outlay funds distributed to Tenant pursuant to Sections 1002.33(19), 1013.62, 1013.71, 1013.72, 1013.735, 1013.737, Florida Statutes, and any successor statutes or similar funding sources, and (ii) Charter School operating funds distributed to Tenant pursuant to Section 1002.33(17), Florida Statutes and any successor statutes or similar funding sources.

"Days Cash on Hand" means the amount determined by dividing (a) the amount of the Tenant's cash and unrestricted available funds on any June 30 by (b) the quotient obtained by dividing Operating Expenses as shown on the most recent Annual Financial Statements by 365.

"Debt Service Coverage Ratio" means, for any Charter School Fiscal Year, the ratio obtained by dividing the Net Income Available for Debt Service for such Charter School Fiscal Year by the Maximum Annual Debt Service.

"Equipment" means all furniture, machinery, fixtures and equipment now owned or hereafter acquired by Landlord for use at any portion of the Premises (excluding such matters temporarily provided by Landlord for temporary use on the Premises), including without limitation all items of tangible personal property and fixtures used or usable in connection with the Buildings, and any item of furniture, machinery, fixtures, equipment or other tangible personal property or fixtures acquired in substitution or replacement thereof.

"Indebtedness" means all indebtedness of the Tenant for borrowed moneys, no matter how created, whether or not such indebtedness is assumed by the Tenant, including any leases required to be capitalized in accordance with Generally Accepted Accounting Principles, installment purchase obligations and guaranties.

"Independent Consultant" means an Independent management consultant or Certified Public Accountant experienced in the management and operations of charter schools in the State of Florida.

"Lease Revenues" mean Rent payable by the Tenant to the Landlord pursuant to this

Lease.

"Leased Property" means the Premises, the Equipment, and the Buildings, and (d) any additions or alterations thereto which are permitted herein.

"Lease Term" means the Term of the Lease as defined in § 4.1 *infra*, and the anniversary for each year of the lease during the term shall be on the the month and day of the Effective Date.

"Lien" means any mortgage or pledge of, security interest in, or lien or encumbrance on, any property that secures any Indebtedness or other obligation of the Tenant.

"Maximum Annual Debt Service" means, as of any date of calculation, the highest principal and interest payment requirements (net of any Debt Service Reserve Fund balance required to be applied to the payment of principal in the year of final maturity of any Series of Bonds) with respect to all Indebtedness for the current and any succeeding Charter School Fiscal Year.

"Operating Expenses" means all expenses of the Tenant reasonably required in the operation and maintenance of the Leased Property and the Charter Schools, consistent with generally accepted accounting principles, and including, the following items, without intending to limit the generality of the foregoing:

(a) Expenses for operation (including all utilities and fees payable under management and/or operating agreements, including the Management Agreements), maintenance, repair, insurance and inspection;

(b) Costs and expenses for reasonable and necessary professional, engineering, architectural, legal, financial, auditing and consulting services;

(c) All taxes or contributions or payments in lieu thereof, assessments and charges, including, without intending to limit the generality of the foregoing, income, profits, sales, use, property, franchise, and excise taxes;

(d) Obligations under contracts for supplies, services and pensions and other employee benefits;

(e) Purchases of merchandise and other inventory items; and

(f) Lease payments including, but not limited to equipment, provided, however, the term "Operating Expenses" may not be construed to include depreciation or other non-cash expenses.

"School Board" means the School Board of Orange County, Florida.

ARTICLE II
TENANT REPRESENTATIONS

Section 2.1. Representations by the Tenant. The Tenant represents and covenants that: (a)

(a) It is duly organized and existing as a Florida not-for-profit corporation and is in good standing under the laws of the State, it will maintain, extend and renew its corporate existence under the laws of the State, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted.

(b) The Tenant has been duly authorized to execute the Tenant Documents and consummate all of the transactions contemplated thereby, and the execution, delivery, and performance of the Tenant Documents will not conflict with or constitute a breach of or default by the Tenant under any other instrument or agreement to which the Tenant is a party or by which its property is bound.

(c) The Tenant's execution, delivery, and performance of the Tenant Documents shall not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over the Tenant.

(d) There are no pending or, to the Tenant's knowledge, threatened actions, suits, or proceedings of any type whatsoever affecting the Tenant, the Tenant's property, or the Tenant's ability to execute, deliver, and perform with respect to any of the Tenant's Documents.

(e) The Leased Property financed or refinanced with proceeds of the Bonds is comprised of land, buildings, facilities, equipment and/or other items for the Charter Schools.

(f) Neither the representations of the Tenant contained in the Tenant Documents nor any oral or written statement, furnished by or on behalf of the Tenant to the Landlord or the Underwriter in connection with the issuance of the Bonds and the transactions contemplated hereby, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein not misleading. There are no facts that the Tenant has not disclosed to the Landlord and the Underwriter in writing that the Tenant believes materially and adversely affect or in the future may (so far as the Tenant can now reasonably foresee) materially and adversely affect the properties, business, prospects, profits, or condition (financial or otherwise) of the Tenant, or the ability of the Tenant to perform its obligations under the Tenant Documents or any documents or transactions contemplated hereby or thereby.

(g) The Tenant's federal employer identification number is 27-2154495.

(h) The Tenant shall comply fully and in all respects with the Charter School Law and the Charter Contracts and will take all reasonable action to maintain, extend, and renew the Charter Contracts so long as any amounts under this Lease are due and payable. Tenant will, within 5 days, notify Landlord regarding any Charter renewals or changes to the Charter.

(i) The Tenant has obtained, or will obtain before they are required, all necessary approvals of and licenses, permits, consents, and franchises from federal, State, county, municipal, or other governmental authorities having jurisdiction over the Leased Property to

operate the Leased Property as charter schools, and to enter into, execute, and perform its obligations under this Lease and the other Tenant Documents.

(j) There has been no material adverse change in the financial condition, results of operations, or business affairs of the Tenant or the feasibility or physical condition of the Leased Property or the Charter Schools subsequent to the date of the Limited Offering Memorandum.

(k) The Tenant (i) understands the nature of the structure of the transactions related to the financing and refinancing of the Leased Property; (ii) is familiar with all the provisions of the documents and instruments related to such financing to which the Tenant or the Landlord is a party or of which the Tenant is a beneficiary; (iii) understands the risk inherent in such transactions, including, without limitation, the risk of loss of the Leased Property; and (iv) has not relied on the Landlord or the Underwriter for any guidance or expertise in analyzing the financial consequences of such financing transactions.

(l) Tenant has entered into this Lease based on its own full investigation, including third party acting for the Tenant, of all facts relating to, and conditions underlying, the Leased Premises and its development and use of the Leased Premises, including environmental conditions, and that it has solely relied on its own investigation, or that of the third party.

(m) There is no completed, pending or, to Tenant's knowledge, threatened bankruptcy, reorganization, receivership, insolvency or like proceeding, whether voluntary or involuntary, affecting Tenant.

ARTICLE III
DEMISING CLAUSE

Section 3.1 Demising Clause. Landlord hereby demises and leases the Leased Property to Tenant and Tenant hereby leases the Leased Property from Landlord, in accordance with the provisions of this Lease, to have and to hold for the Term (as defined herein).

ARTICLE IV
TERM, SURRENDER

Section 4.1 Term. The term of this Lease shall commence on the Effective Date (as hereinafter defined) and end on the date that is twenty-two (22) years thereafter unless sooner terminated in accordance with the terms and conditions hereof (the “**Termination Date**”). The period from the Effective Date through the Termination Date shall be referred to herein as the “**Term.**” unless earlier terminated pursuant to Section 4.2 below.

Section 4.2. Termination of Term. The Term shall terminate upon the earliest of any of the following events:

- (a) The occurrence of an Event of Default and termination of the Term by the Landlord under Article XIV of this Lease;
- (b) The end of the Term;

Section 4.3. Lease Void - Conditions. To the extent that the parties have entered into this Lease in order to secure additional Bond financing for the Tenant, this Lease is contingent upon the acquisition of such financing and shall become null and void if the Tenant fails to secure such financing within _____ days of executing this Lease Agreement, and the prior lease will be reinstated as previously agreed to by and executed between the parties. To the extent that the Tenant must make certain amendments to its bylaws, procedures, or other internal policies in order to meet the terms and conditions of this Lease, such amendments must be made within thirty (30) days of execution of this Lease; otherwise, this lease will become null and void, and the prior lease will be reinstated as previously agreed to by and executed between the parties.

Section 4.4. End of Term. Upon the expiration or earlier termination of the Term, Tenant shall surrender the Leased Property in the same order and condition in which it was in on the Commencement Date, ordinary wear and tear excepted. All alterations, additions or improvements and fixtures made to the Premises made by either party shall remain upon and be surrendered with the Premises as a part thereof except that Tenant shall have the right to remove all of Tenant’s movable trade fixtures, furniture, furnishings and equipment not permanently attached to the Improvements or Premises and any of such property deemed by law to be the property of the School Board. All damage and injury to the Premises caused by such removal shall be repaired by Tenant at Tenant's sole expense. If such property of Tenant is not removed by Tenant prior to the expiration or termination of the Term, the same shall, at Landlord's option, become the property of Landlord. The Tenant will pay to the Landlord an amount equal to \$350,000.00) as security for any damages not repaired by the Tenant. If Tenant fully complies with all terms of the Lease, Landlord will return the Security Deposit within 20 days after termination/expiration of the Leased Premises to Tenant. If Tenant does not fully comply with the terms of the Lease, Landlord may use Security Deposit to pay amounts owed by Tenant, including damages and such charges shall be deemed additional rent.

Section 4.5 Holdover Tenancy. If Tenant does hold over following the expiration or earlier termination of this Lease without Landlord’s express or implied consent, the Base Rent payable during such holding over shall be as follows: (i) for the first thirty (30) days, one hundred twenty-five percent (125%) of the Base Rent in effect immediately preceding such holding over,

(ii) for the next sixty (60) days, one hundred fifty percent (150%) of the Base Rent in effect immediately preceding such holding over, and (iii) thereafter, two hundred percent (200%) of the Base Rent in effect immediately preceding such holding over. The foregoing sentence shall not imply any right to holdover, nor shall it limit Landlord's right to collect its damages including reasonable legal fees, lost profits and consequential damages, in the event of a holdover.

Section 4.6 Covenant not to Purchase. Tenant agrees during and throughout the term of this Lease not to purchase any property located within a 5 mile radius of the Leased Property so as not to compete with the City for the acquisition of property to be used for municipal or educational purposes. If the City acquires any property located within such 5 mile radius and the City does not intend to use such property for its own purposes, the Tenant will be provided with the option to lease such additional property from the City at a price and subject to such terms and conditions as may be negotiated between such parties at such time.

ARTICLE V
RENT

Section 5.1 Rent Payment Period. The "Annual Rent" (as defined below) shall be paid in equal monthly installments beginning October 1st of each of the consecutive 12-month periods during the Term. The Annual Rent due from Tenant to Landlord shall generally pay for consecutive 12-month periods during the Term (i.e. October 1st to September 30th). Notwithstanding the foregoing, the first 12 monthly installments that Tenant begins paying on _____, 20__ shall pay be prorated commencing on the Lease Term Effective Date and ending September 30, 20__.

Section 5.2 Absolute Net Lease. It is intended that the Annual Rent shall be an absolutely net return to Landlord throughout the Term of this Lease, free of any expense, charge, or other deduction whatsoever with respect to the Premises or Landlord's interest therein, or the ownership, leasing, operation, management, maintenance, repair, use or occupation thereof. This Lease is an "absolute lease" and Tenant's obligations arising or accruing during the Term to pay all Annual Rent, additional rent and all other payments hereunder required to be made by Tenant shall be absolute and unconditional and Tenant shall pay all such amounts without notice, demand, counterclaim, set-off, deduction or defense and without abatement, suspension, deferment, diminution or reduction (except as otherwise expressly provided in this Lease), free from any charges, assessments, impositions, expenses or deductions of any and every kind or nature whatsoever. All costs, expenses and obligations of every kind and nature whatsoever relating to the Property and the appurtenances thereto and the use, maintenance and occupancy thereof which may arise or become due and payable with respect to the Term (whether or not the same shall become payable during such Term or thereafter) or for any period prior to the expiration of the Term shall be paid by Tenant (except as otherwise expressly provided in this Lease). Tenant assumes the sole responsibility for the condition, use, operation, maintenance, underletting and management of the Premises, and Landlord shall have no responsibility in respect thereof and shall have no liability for damage to Tenant's personality or any subtenant of Tenant on any account or for any reason whatsoever. Except as otherwise expressly provided for in this Lease, this Lease shall not terminate, nor shall Tenant have any right to terminate, rescind or void this Lease or to be released or discharged from any obligations or liabilities hereunder for any reason, including, without limitation: (i) any damage to or destruction of the Premises; (ii) any restriction, deprivation (including eviction) or prevention of, or any interference with, any use or the occupancy of the Premises; (iii) any condemnation, requisition or other taking or sale of the use, occupancy or title of or to the Premises; (iv) any action, omission or breach on the part of Landlord under this Lease or under any other agreement between Landlord and Tenant; or (v) the inadequacy or failure of the description of the Premises to demise and let to Tenant the property intended to be leased hereby. Tenant will remain obligated under this Lease in accordance with its terms, and will not take any action to terminate, rescind or void this Lease as a result of any bankruptcy, insolvency, reorganization, liquidation, dissolution or other proceeding affecting Landlord or any assignee of Landlord, or any action with respect to this Lease which may be taken by any receiver, trustee or liquidator or by any court.

Section 5.3 Annual Rental Amount. The tenant will pay an annual minimum rent of \$500 per student of actual enrollment (not estimated), not to ever be less than \$737,500 annually, less any rent credit earned pursuant to Section 5.7. Rent Credits *infra*.

Section 5.4 Rent Adjustments: Rent will increase on an annual basis based upon the annual increase of the Consumer Price Index for all Urban Consumers (CPI-U) as measured from the beginning of the last anniversary of the lease to the month preceding the current anniversary of the lease, or upon the percentage increase in State and federal funding per pupil that the Tenant has received or will receive for the next year of tenancy, whichever is greater. Rent increases will become effective each year on the anniversary of the Lease Term. In no event will Rent be decreased except as may be decreased through lease credits granted pursuant to § 5.7 Rent Credits *infra*. In determining the percentage increase in State funding received by the Tenant per pupil, the parties agree to refer to the latest Every Student Succeeds Act (ESSA) per-pupil expenditure report as published by the Florida Department of Education as such pertains to Orange County, Florida. Such percentage increase will be measured by the percentage increase in per pupil state and federal funding to eligible schools throughout Orange County, Florida.

Section 5.5 Additional Rent. All sums, liabilities, obligations, and other amounts which Tenant is required to pay or discharge pursuant to this Lease, including taxes (if any) and insurance premiums, in addition to Annual Rent, together with any finance charge, late fees, or other sums which may be added for late payment thereof, shall constitute “**Additional Rent**” hereunder. The Annual Rent, Additional Rent, and any other sums required to be paid by Tenant to Landlord hereunder are collectively referred to as the “**Rent**”. All Rent shall be paid without deduction, offset, prior notice, or demand as directed pursuant to this Lease.

Section 5.6 Late Charges and Default Interest. If any installment of Rent is not paid within ten (10) business days after its due date, then such arrearage shall (i) bear 5% interest from the due date for amounts past due to the Landlord until paid in full; (ii) include a reasonable administrative charge to cover the costs of processing and handling delinquent debts, but not in excess of \$100.00; and (iii) include an assessment of an additional 5% penalty charge on any portion of a debt that is more than 90 days past due.

Section 5.7 Rent Credits: Notwithstanding anything to the contrary, the Landlord will provide tenant with an incentive to enroll Belle Isle students to better serve the local population of the City of Belle Isle in the form of rent credits. Rent Credits will be based on the number of Belle Isle Students enrolled at the beginning of the school year as a percentage of the total student enrollment as follows:

BI Student Population increase to 30% of the total student population:	10% rent credit
BI Student Population increase to 40% of the total student population:	15% rent credit
BI Student Population increase to 50% of the total student population:	20% rent credit

Enrollment records, including verification of student home addresses, will be subject to audit in order to confirm that the Tenant qualifies for the credits allowed pursuant to this section. If such enrollment records are not disclosed to the Landlord, then the Landlord reserves the right to revoke any rent credits granted pursuant to this section and will be entitled to repayment of same from the Tenant.

Section 5.8. Payments.

(a) Rent shall be paid from Charter School Revenues, provided, however, that nothing in this Lease shall be construed as prohibiting the Tenant from making any payment hereunder from other legally available revenues of the Tenant to the extent Charter School Revenues are insufficient therefore.

(b) All Rent payable by Tenant shall be made without defense, counterclaim or set-off by reason of any dispute between the Tenant and the Landlord, or for any other reason whatsoever (any such defenses or rights to set-off being absolutely waived by the parties hereto).

Section 5.9. Taxes and Assessments. Tenant shall pay and discharge, punctually as and when the same shall become due and payable, each and every item of expense, of every kind and nature whatsoever relating to the ownership, use, maintenance, operation, or occupancy of the Property, or for the payment of which Landlord is, or shall or may be or become, liable by reason of any rights or interest of Landlord in or under this Lease, including all real estate taxes, personal property taxes, privilege taxes, excise taxes, business and occupation taxes, gross sales taxes, including any sales tax imposed on the rental payments hereunder or under a sublease, occupational license taxes, water charges, sewer charges, assessments of any nature and all other governmental impositions and charges of every kind and nature whatsoever (collectively, the “**Taxes,**” and individually, a “**Tax**”), when the same shall be due and payable without penalty or interest. It is the intention of the parties hereto that, insofar as the same may lawfully be done, Landlord shall be, except as specifically provided for herein, free from all expenses in any way related to the Premises and the use, maintenance, or occupancy thereof.

Section 5.10. Pledge By Tenant. In order to secure the payment in full of the Bonds and payment of all sums due or to become due under this Lease, including advances which may be made in the future, and to secure the performance by the Tenant of all the covenants expressed or implied by this Lease (a) the Tenant hereby grants, bargains, sells, conveys and mortgages unto the Landlord, to the extent permitted by law and subject to any and all Permitted Encumbrances, all of the Tenant's interest in the Leased Property and the facilities, buildings, fixtures, equipment, personal property of every kind in connection therewith, and other improvements located or to be constructed thereon, and any fixtures or appurtenances now or hereafter erected thereon; together with all rents and leases, profits, royalties, mineral rights, geothermal resources, oil and gas rights and profits, easements and access rights, now owned or hereafter acquired by, used by or belonging to the Tenant, or in any way connected with the Leased Property, all of which are declared to be a part of said Leased Property, and all of the Tenant's rights, privileges, benefits, hereditaments and appurtenances in any way belonging, incidental or appertaining to the Leased Property, subject to Permitted Encumbrances, and (b) the Tenant hereby pledges and grants to the Landlord, to the extent permitted by law and subject to any and all Permitted Encumbrances, a present security interest, within the meaning of the Florida Uniform Commercial Code in the Charter School Revenues, whether now owned or hereafter acquired, and including the products and proceeds of the same.

The foregoing provisions of this Section 5.10 constitute an absolute and unconditional present assignment of the Charter School Revenues, subject however to the conditional permission hereby given to the Tenant to collect and use Charter School Revenues so long as no Event of Default under this Lease shall have occurred and be continuing, upon which Event of Default that permission shall automatically terminate; provided that the existence or exercise of any privilege of the Tenant granted pursuant to that permission shall not be construed and shall not operate to subordinate the assignment made or the security interest granted in this Section 5.4, in whole or in part, to any subsequent assignment made or security interest granted by the Tenant. The assignment, security interest, and agreement to pay shall not inhibit, and this Lease allows (except as otherwise herein provided), the sale or other transfer of such Charter School Revenues for Tenant expenditures, provided that an Event of Default will not have occurred and be continuing or occur on account of such sale or transfer.

ARTICLE VI
USE AND MAINTENANCE OF PREMISES

Section 6.1 Permitted Use. The Leased Premises shall be used for the purposes of the maintenance, repair, and operation of a Charter School as defined in and governed by § 1002.33, Florida Statutes (2020), as may be amended or transferred, which will consist of an elementary school (prekindergarten through fifth grade); a middle school (sixth through eighth grade); and high school (ninth through twelfth grade) currently consisting of eight (8) buildings and related ancillary facilities and improvements (collectively, sometimes herein referred to as the “**School**”), for purposes reasonably related thereto (e.g., pre- or post-school parent-teacher meetings, club or association meetings) and for no other purpose (all the foregoing collectively hereinafter referred to as, the “**Permitted Use**”). Notwithstanding the foregoing, Tenant hereby grants the Landlord the right to use the Leased Premises, including, without limitation, the School facilities, during non-school hours, for any purpose, including, without limitation, for government services, to the extent that such use does not interfere with Tenant’s after-hour school activities (“**City Use of the Schools**”).

- a. Tenant agrees that, unless and to the extent that it shall obtain Landlord’s prior approval (which may be withheld in Landlord’s absolute discretion), it will not use the Premises, nor will it suffer or permit the same to be used, for any purpose that (i) is not permitted under applicable zoning regulations, or (ii) would void insurance policies required to be carried by Tenant pursuant to the terms of this Lease, or (iii) would cause material, permanent damage to the structural components of the Building, or (iv) would violate the Permitted Encumbrances, or (v) would violate Tenant’s obligations regarding the storage of Hazardous Materials pursuant to Section 6.1.c below and Article XII, or (vi) would involve the storage or sale of gasoline (in no event, however, shall the terms of this Section 6.1 or any other provision of this Lease prohibit Tenant from installing, maintaining, or operating one or more stand-by emergency generators or gas-operated maintenance equipment on the Property, provided that such activities are conducted in compliance with all applicable Legal Requirements, as defined below, Hazardous Materials Laws (as defined in Section 6.1.c below and Article XII below) and only reasonably necessary amounts of fuel are stored at the Property). Tenant shall not seek, make, consent to or acquiesce in any change in the zoning of the Property.
- b. Tenant shall, throughout the Term hereof, promptly comply or cause compliance with all laws and ordinances and the orders, rules, regulations, and requirements (“**Legal Requirements**”) of all federal, state, county and municipal governments which may be applicable to the Premises, foreseen or unforeseen, ordinary as well as extraordinary, even if the same shall require structural or extraordinary repairs, alterations or additions. Tenant accepts the Premises in the actual condition in which the same are as of the Commencement Date. If the use of the Property becomes a non-conforming use, Tenant shall not permit such use to be discontinued or abandoned. Tenant shall comply and have sole responsibility for complying with the provisions of the Americans with Disabilities Act as now promulgated or as amended after the date hereof and any similar type of legislation, federal, state or local or other legislation hereinafter promulgated or hereinafter amended by any governmental authority applicable to the Premises. Tenant and Guarantor each is (i) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control,

Department of the Treasury (“OFAC”) and/or on any other similar list and is in compliance with OFAC, (ii) not an entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (iii) not an “Embargoed Person”, (iv) in compliance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and the rules and regulations promulgated thereunder. None of the funds or assets of Tenant or Guarantor constitute property of, or are beneficially owned, directly or indirectly, by any person, entity or government that is an Embargoed Person and no Embargoed Person has any interest in Tenant.

- c. Without limiting the foregoing, Tenant hereby acknowledges and agrees that it shall not use or permit the use of the Leased Premises for any of the following activities: (a) any use that is unlawful or inherently dangerous or that constitutes waste, unreasonable annoyance, or a nuisance; (b) activities involving the storage, treatment, transportation, disposal, or manufacture of Toxic or Hazardous Materials (as hereinafter defined) (excepting normal cleaning supplies, pesticides, glues, and paints kept and used in reasonable and customary quantities; (c) activities that the City determines adversely affect the health, safety, morals, welfare, and morale; or (d) partisan political activities.

Section 6.2. Delivery of Premises. Tenant has inspected all portions of the Leased Property and agrees (a) to accept possession of the Leased Property in its "as is" and where is" condition existing on the Commencement Date (Exhibit C), (b) that neither Landlord nor Landlord's agents have made any representations or warranties with respect to the Leased Property except as expressly set forth herein, and (c) Landlord has no obligation to perform any work, supply any materials, incur any expense or make any improvements to the Premises to prepare the Premises for Tenant's occupancy. Tenant's occupancy of any portion of the Premises shall be conclusive evidence, as against Tenant, that Tenant has accepted possession of all portions of the Leased Property in its then current condition and that all portions of the Leased Property were in a good and satisfactory condition at the time such possession was taken.

Section 6.3 Maintenance and Repair. Tenant shall, throughout the Term hereof and at no expense whatsoever to Landlord, take good care of the Premises and the Building and other Improvements and structural components thereof now or hereafter erected thereon and shall not do or suffer any waste with respect thereto, and Tenant shall promptly make all repairs, interior and exterior, structural and non-structural, ordinary as well as extraordinary, foreseen as well as unforeseen, necessary to keep the Building and other Improvements (including, without limitation, the roof, mechanical, plumbing, electrical, and other Building systems) in good and lawful order and in at least as good condition as such premises are in on the Commencement Date but subject to reasonable wear and tear. When used in this Article, the term “repairs” shall include replacements, capital improvements or renewals when necessary. Tenant shall keep and maintain all portions of the Premises, in a clean and orderly condition, free of accumulation of water, dirt, rubbish, snow and ice, and Tenant shall not permit or suffer any overloading of the floors of the Building. Landlord shall not be responsible for the cost of any alterations of or repairs to the Premises of any nature whatsoever, structural or otherwise, whether or not now in the contemplation of the parties. To the extent not prohibited by law, Tenant hereby waives and

releases all rights now or hereinafter conferred by statute or otherwise which would have the effect of limiting or modifying any of the provisions of this Section 6.3. In addition, the provisions of this Section 6.3 are subject to the limitations imposed by Article VII below.

Regardless of the foregoing, if the Landlord determines that the Tenant has failed or is failing to comply with the foregoing paragraph, the Landlord may provide the Tenant with written notice of such failure, whereupon, the Tenant will have ten (10) days to respond to the Landlord in writing indicating what corrective actions the Tenant will undertake and initiate corrective action in good faith. If the Landlord does not receive a timely response to such notice, deems the corrective action indicated by the Tenant as being insufficient to address the non-compliance, or otherwise determines that the Tenant is not prosecuting cure of the conditions in good faith, the Landlord may access the property as permitted pursuant to § 6.5. Landlord's Right of Access *infra* and effect whatever repairs, alterations, or additions the Landlord deems necessary or desirable to restore and/or preclude further wasting or deterioration of the Leased Property or portions thereof in good and lawful order. Upon completion such repairs, alterations, or additions, the Landlord shall invoice the Tenant and the Tenant will be liable to the Landlord for the total cost and expense to the Landlord of such repairs, alterations, or additions, including the costs of any procurement, solicitations, materials, work, or labor for same.

Where exigent circumstances require the Landlord's immediate attention to repair or otherwise preclude severe damage to the Leased Property, Landlord may disregard notice to the Tenant and immediately enter the Leased Property to remedy or mitigate the issue(s). Exigent circumstances include, but are not limited to, releases of hazardous or toxic materials, fires, severe storm damage, and other situations in which immediate action may be required to comply with state and federal laws or to otherwise mitigate or preclude impending catastrophic loss or damage to the Leased Property.

Section 6.4. Cleaning: Refuse and Rubbish Removal. Tenant, at Tenant's sole cost and expense, shall (a) keep all of the Leased Property in a clean condition, (b) cause the Premises and the Buildings to be treated for pests with such frequency and in such manner as to prevent the existence of vermin or other infestation, and (c) cause Tenant's garbage and other refuse to be removed from the Premises in a timely manner and, until removed, kept in a neat and orderly condition.

Section 6.5. Landlord's Right of Access. Landlord and any other party designated by Landlord shall have the right to enter the Premises at all reasonable times (a) to examine the Leased Property, (b) to show all or any portion of the Premises to prospective Tenants, subtenants or licensees and (c) to make such repairs, alterations, or additions to all or any portion of the Leased Property as may be deemed necessary or desirable by the Landlord to remedy instances of discovered neglect and/or severe damage to the Leased Property or to preclude wasting, deterioration, or further damage to the Leased Property, (i) as Landlord may deem necessary or appropriate or (ii) which Landlord may elect to perform following Tenant's failure to perform. Notwithstanding the provisions of this Section, whenever, pursuant to the terms of this Lease, Landlord is permitted or obligated to enter the Leased Property, whether for purpose of making repairs, exhibiting the same to prospective tenants, or for any other purpose, such entry shall be on the following terms and conditions: (a) upon at least three (3) business days prior written notice to Tenant (except in an emergency), (b) during regular

business hours, (c) in such a manner so as to minimize interference with the conduct of Tenant's business; provided, that Tenant shall have the right to reschedule the visit to a reasonable time if the visit would interfere with Tenant's business, and (d) Landlord's and Tenant's access to the Leased Property is subject to compliance with all applicable background screening requirements of state and federal law. Notwithstanding anything herein to the contrary, at any time that all or any portion of the Leased Property is not being used for school-related purposes (such as after Charter School hours, weekends, etc.), the Landlord shall have the right to enter and occupy the Premises, or such portion thereof, including, without limitation, the right to sublease or license the use of same for any lawful purpose. Landlord shall provide Tenant advance notice of such use to ensure the availability of all or any portion of the Leased Property. Landlord shall not use or allow the use or occupancy of the Leased Property for any unlawful purpose nor shall Landlord do or permit any act or thing at the Leased Property which would constitute a public or private nuisance or waste.

Section 6.6. Compliance with Law. Tenant agrees, at its own expense, to comply with all laws, orders and regulations of federal, state and municipal authorities and with any lawful direction of any public officer which shall impose any duty upon Tenant with respect to its use of the Leased Property or the occupancy of all of the portions of the Leased Property (collectively, the "Legal Requirements"). Landlord shall comply with and shall not cause the Leased Property or any portions thereof to violate any Legal Requirements.

ARTICLE VII
ALTERATIONS AND IMPROVEMENTS

Section 7.1 Tenant Improvements.

a. *Generally.* Prior to any improvements or alterations and any repairs beyond preservation and maintenance of existing operating conditions to the School, Tenant must submit plans and designs for any proposed improvements, alterations or changes to the Leased Premises for the Landlord’s review and evaluation. After completion of the review and evaluation process and in accordance with all applicable laws, a “**Notice to Proceed**” with all applicable conditions will be issued by the Landlord to Tenant. The Notice to Proceed will not be unreasonably conditioned, delayed or withheld. Such improvements or alterations to be constructed by Tenant after its receipt of the Notice to Proceed (the “**New Improvements,**” together with the improvements existing as of the Effective Date are collectively referred to herein as the “**Improvements**” or the “**School**”) must comply with all Applicable Laws (as hereinafter defined) and City requirements.

Committed Improvements. To the extent that the parties have entered into this Lease Agreement for the purpose of facilitating Tenant’s acquisition of additional Bond funds, Tenant hereby commits to commencing the improvement projects listed and described in Exhibit _____ attached hereto and incorporated herein, to which the amounts indicated therein must be applied. Tenant further covenants to initiate such improvements within 5 years of the Effective Date of this Lease Agreement.

Add subsections

7.1

- a. Add New Bond funds tied to tenant improvements – attach exhibit.
- b. Council agrees to size and location. Council will be the applicant. Refer to Use Agreement.
- c. Written approval by P&Z of site plan 180 days

Placeholder – covenants to build following improvements per schedule, identify projects with dates (May need to have the framework from CCA-?)

Note: CCA has an entire site plan proposed – does not include the BOA building)

Contingent on approval of financing.

Section 7.2. Tenant Installation of Machinery, Tenant Equipment and Removable.

During the Term, the Tenant shall have the right at its sole cost and expense, to install such of its own machinery and equipment (“**Tenant Equipment**”), to make improvements, and to attach such removable fixtures including but not limited to Tenant Equipment in, on, below or upon the Leased Premises as may be necessary for its use of the Leased Premises pursuant to this Lease; and to remove such machinery, Tenant Equipment, minor improvements, and removable fixtures at any time prior to the expiration or earlier termination by the Tenant of this Lease. In the event of termination of this Lease by the Landlord, the Tenant shall have a reasonable period of time following the effective termination date to remove such property, including the Tenant Equipment. The installation of Tenant Equipment shall be done in accordance with Applicable Laws, including the National Electrical Code, the Florida Building Codes (current edition) and other codes that directly relate to the construction, installation, operation and maintenance of communication equipment. If codes differ, the more stringent code shall apply.

Section 7.3. Improvements. Except as expressly permitted in this Lease, Tenant will not make any alteration, addition or improvements or install any fixtures (collectively "Alterations") in or to any portion of the interior or exterior of the Leased Property without first obtaining the prior written consent of Landlord. Tenant shall cause all Alterations permitted by Landlord to be made by qualified, licensed and insured contractors and conform to all Legal Requirements. Notwithstanding the foregoing, Tenant shall be permitted to make Alterations to the Leased Property that do not affect the structural integrity of the Buildings without the consent of the Landlord.

Section 7.4. Covenant Against Liens. Tenant shall not suffer or permit any liens to stand against the Premises or any part thereof by reason of any work, labor, services or materials done for, or supplied to, or claimed to have been done for, or supplied to, Tenant or anyone holding the Premises or any part thereof by, through or under Tenant. If any such lien shall at any time be filed against the Premises, Tenant shall cause the same to be discharged of record within thirty (30) days after the date of filing the same, by either payment, deposit or bond. If Tenant shall fail to discharge any such lien within such period, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, procure the discharge of the same. Any amount reasonably paid or deposited by Landlord for any of the aforesaid purposes, including all legal and other expenses of Landlord, including counsel fees, in defending or commencing any such action or in or about procuring the discharge of such lien, with all necessary disbursements in connection therewith, together with interest thereon at the Interest Rate, shall become due and payable forthwith by Tenant to Landlord.

Section 7.5 Notices Nothing in this Lease may be construed as constituting the consent or request of Landlord, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, materialman, architect, surveyor or engineer for the performance of any labor or the furnishing of any materials or services for or in connection with the Premises. Notice is hereby given that Landlord shall not be liable for any labor or material or services furnished or to be furnished to Tenant upon credit, and that no mechanic's or other lien for such labor, materials or services shall attach to or affect the fee or reversionary or other estate or interest of Landlord in the Premises or this Lease. Tenant shall post and keep posted at the Premises during the course of any Alterations such written notices as are necessary to effect the terms of this Section 7.4 or are otherwise necessary in Landlord's reasonable opinion to prevent any claim from attaching to the fee or reversionary or other estate or interest of Landlord in the Premises or in this Lease pursuant to Florida Statutes 713.

Section 7.6 Payment and Performance Bonds. Prior to commencement of construction on the Leased Premises, which the Landlord, in its discretion, reasonably considers material or substantial, and as a condition to obtaining a Notice to Proceed, Tenant shall provide to the Landlord one or more bonds obtained by the general contractor of Tenant or its subtenant (and not from any subcontractor of that general contractor) ensuring payment and performance of that general contractor's obligations under the prime construction contract directly between that general contractor and the Tenant with respect to the construction covered by the Notice to Proceed to be issued pursuant to this Lease. Each of the bonds must: (i) be issued by a Qualified Surety (as hereinafter defined); (ii) be in a form satisfactory to the Landlord and run in favor of the Landlord; (iii) be in the amount of the total cost of constructing the portion of the Improvement covered by such Notice to Proceed, as such cost is stipulated in the construction contract between

the Tenant and its general contractor; (iv) guarantee the performance of the contract for the construction of such Improvement in accordance with final construction plans and specs that have been approved by the City Manager (or his duly authorized representative); and (v) provide that the Landlord is an obligee on such bonds as its interests may appear. A “**Qualified Surety**” is a corporate surety or insurer authorized to do business, and to issue bonds for construction payment and performance, in the State of Florida and possessing a rating of A/VIII or better in A.M. Best’s Insurance Reports.

Section 7.7. Quiet Enjoyment; Defense of Title. Landlord covenants and warrants that, except as provided herein, and so long as no Event of Default (as hereinafter defined) has occurred or is continuing, Tenant shall and will peacefully and quietly have, hold and enjoy the Leased Property for the Term subject to the terms and conditions of this Lease. Except for matters of record on the date hereof, and except for Permitted Encumbrances, Landlord does hereby fully warrant the title to the Leased Property and every part thereof and will defend the same against the lawful claims of all persons whomsoever.

ARTICLE VIII
DESTRUCTION AND CONDEMNATION

Section 8.1. Destruction of Premises. If any of the Buildings are totally or partially damaged or destroyed from any cause, Tenant shall give prompt notice to Landlord, and the damage shall be repaired by Landlord, at its expense but through the use of any proceeds from policies of insurance maintained by Tenant, to substantially the condition that existed prior to the damage. None of the Tenant's obligations to make payments of the Rent shall be abated in whole or in part during any period of repair or restoration. Notwithstanding the foregoing, if any of the Buildings are totally damaged or are rendered wholly untenable, or if any of the Buildings are so damaged that substantial alteration, demolition, or reconstruction is required, then in either of such events Landlord may, not later than 60 days following the date of the damage, give Tenant a notice terminating this Lease with respect to the Leased Property upon which such of the Buildings is located. If this Lease is so terminated, (a) the Term with respect to such portion of the Leased Property shall expire upon the date set forth in Landlord's notice, which shall not be less than 30 days after such notice is given, and Tenant shall vacate such portion of the Leased Property and surrender the same to Landlord no later than the date set forth in the notice, (b) all proceeds of policies of insurances maintained by Tenant with respect to such portion of the Leased Property shall become the property of Landlord and (c) this Lease shall remain in effect and unchanged with respect to of the remainder of the Leased Property and the Leased Property associated therewith. Additionally, in the event that any of the Buildings are totally or partially destroyed or condemned within the last six (6) months of the then current Term, then Tenant shall have the right, at its sole discretion, to deliver to Landlord any insurance proceeds received by or payable to Tenant with respect thereto and terminate this Lease with respect to such portion of the Leased Property. In such event, the Lease shall be terminated with respect to such portion of the Leased Property as of the date the insurance proceeds are delivered to Landlord.

Section 8.2. Eminent Domain. In the event any of the properties that make up the Leased Property are totally condemned by any body having the power of eminent domain, this Lease shall terminate with respect to such property on the date of vesting of title in such proceedings and the entire proceeds from such condemnation award shall become the property of Landlord without deduction. In the event any of the properties that make up the Leased Property are partially condemned by any political body having the power of eminent domain, the entire proceeds from such condemnation award shall be allocated to Landlord without deduction. Nothing in this Section shall give Tenant a right of termination.

Section 8.3. Cooperation of Landlord. Landlord and Tenant shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy maintained by Tenant and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Leased Property or any portion thereof. In no event shall Tenant voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding, or action relating to any construction contract for any portion of the Leased Property without the written consent of the

ARTICLE IX **UTILITIES**

Section 9.1. Utilities. Tenant shall place in its name and shall pay or cause to be paid all charges for gas, electricity, light, heat, power, water, sewer, all communication services, trash collection and all other utility services used, rendered or supplied to or in connection with the Leased Property during the Term. Landlord shall not be liable in any way to Tenant for any failure, defect or interruption of, or change in the supply, character and/or quantity of any utility service furnished to the Leased Property for any reason except if attributable to the gross negligence or willful misconduct of Landlord, nor shall there be any allowance to Tenant for a diminution of rental value, nor shall the same constitute an actual or constructive eviction of Tenant, in whole or in part, or relieve Tenant from any of its Lease obligations. Tenant hereby acknowledges and agrees that the Landlord shall not have any obligation or liability for the provision of utility services (including, without limitation, electric, gas, communications, potable water, and wastewater) to the Leased Premises or the School. Tenant shall be solely responsible for designing, permitting, and constructing all infrastructure and systems necessary for utility service connections and delivery to the Leased Premises and for obtaining such utility services from available local providers. Tenant shall be responsible for any impact fees, or connection, or tap fees for connection of utilities to the Leased Premises. Without limiting the forgoing, the Landlord may but is not required to, via written agreement pursuant to an in accordance with all the terms, conditions, and requirements of applicable laws provide Tenant with utility services on a reimbursable basis.

ARTICLE X
TRANSPORTATION

Section 10.1 Access and Transportation Improvements. Tenant shall, at its sole cost and expense, operate, repair and maintain all pedestrian and vehicular access and transportation improvements (e.g., sidewalks, bus loops, parent drop off loop, etc.) on the Leased Premises. Tenant, its employees, representatives, contractors, agents, licensees and invitees shall have ingress/egress access to the Leased Premises as determined by the Tenant to the subject property as depicted on **Exhibit A** attached hereto and incorporated herein by this reference (the “**Access Areas**”). The Landlord shall not be responsible nor incur any cost or expense for providing transportation or bussing services for the Tenant or the Leased Premises or for the benefit of the Tenant’s operations thereon. In the event Tenant provides bus or transportation services to its students, Tenant shall do so at its sole cost and expense, and shall ensure that any such bus or transport servicing students outside the Leased Premises access the Leased Premises via the Access Areas.

ARTICLE XI
GENERAL LIABILITY AND INSURANCE

Section 11.1 Waiver. Except as otherwise provided in this Lease or resulting from a breach of this Lease by Landlord, Tenant and its officers, members, partners, agents, employees, subtenants, licensees, invitees and contractors, and all persons claiming by and through them hereby waive, release and knowingly and voluntarily assume the risk of all liabilities, claims, damages (including consequential damages), losses, penalties, litigation, demands, causes of action (whether in tort or contract, in law or at equity or otherwise), suits, proceedings, judgments, and other expenses (including attorneys' and experts' fees and expenses) against the Landlord and its employees, contractors and subcontractors arising from bodily injury or death or damage to the property of any person and damage to the property of any person occurring in or at the Leased Premises or arising from the exercise of the rights granted to Tenant or performance of any obligation required by or for the Tenant under this Lease, including: (i) any interruption or stoppage of any utility services; (ii) business interruption or loss of use of the Leased Premises; (iii) any latent or patent defect in the Lease Premises; (iv) interference with Tenant's business, loss of occupancy or quiet enjoyment; and (v) any other loss resulting from the proper exercise by the Landlord of any right or the performance of any obligation under this Lease. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the Landlord (City), which immunity is hereby reserved to the Landlord (City). This covenant in this Section 11.1 shall survive the expiration or earlier termination of this Lease.

Section 11.2. No City Liability. Except as otherwise provided in this Lease, the City shall not be responsible for damage to property or injuries or death to persons that may arise from, or be attributable or incident to, the condition or state or repair of the Leased Premises, or the use and occupation of the Leased Premises, or for damages to the property of the Tenant, or injuries or death of the Tenant's officers, agents, servants, employees, or others who may be on the Leased Premises at their invitation or the invitation of any one of them. It is the intent of the Parties that the Tenant will, to the extent permitted by law, hold harmless the City for any loss or damage arising out of the use of the Leased Premises.

Section 11.3. Tenant Liability. Except as otherwise provided in this Lease, and the extent permitted by law, Tenant assumes all risks of loss or damage to property and injury or death to persons by reason of, or incident to, the possession and/or use of the Leased Premises by the Tenant, the Tenant's officers, agents, servants, employees, or others (excluding those employees or agents of the Landlord (City) who are on the Leased Premises for the purpose of performing official duties) who may be on the Leased Premises at their invitation or the invitation of any one of them (the "Tenant Parties"), or the activities conducted by or on behalf of the Tenant Parties under this Lease. The Tenant expressly waives all claims against the Landlord (City) for any such loss, damage, bodily injury, or death caused by, or occurring as a consequence of, such possession and/or use of the Leased Premises by the Tenant Parties, or the conduct of activities or the performance of responsibilities under this Lease. Upon the request of the Landlord (City), Tenant agrees to request the execution of hold harmless agreements from the Tenant's employees, students, contractors, vendors, officers, agents, servants, or other invitees, known by Tenant to be and remain in attendance on the Leased Premises for the entire period of daily school operations; this does not include persons or entities who may be on the Leased Premises for periods of less than the entire period of daily school operations. Such

agreements will be provided by the Landlord (City) for Tenant's use. If upon request of the Landlord (City) to obtain such agreements and upon request of Tenant to execute such agreements, any individual refuses to execute such agreement, the Landlord (City) will not hold Tenant in violation of the terms of this Lease, nor, because of such refusal alone, deny the person or entity access to the Leased Premises; however, the Tenant will notify the Landlord (City) of the persons and/or entities refusing to sign the agreements. Nothing herein shall require Tenant to coerce or encourage parties to execute these agreements.

Section 11.4. Insurance. Upon the Effective Date and throughout the Term of this Lease, Tenant shall, at a minimum and, at its sole cost and expense, obtain and maintain in force during the Term of this Lease, the types of insurances with such coverage and in such form as specified in Exhibit B attached hereto and incorporated herein by this reference (collectively, the "**Required Insurances,**" **Exhibit B**). All Required Insurance to be maintained hereunder shall, unless otherwise expressly stated herein, be primary and not contributory with respect to any other insurance any insured may possess (including any self-insured retention or deductible).

Section 11.5. Insurance Requirements. All insurance required to be carried pursuant to the terms of this Lease (a) must contain a provision that (i) the policy shall be non-cancellable and/or no material change in coverage shall be made thereto unless Landlord shall have received 30 days' prior notice of the same, by certified mail, return receipt requested, and (ii) Tenant or such third party provider shall be solely responsible for the payment of all premiums under such policies and, if applicable, Landlord shall have no obligation for the payment thereof, and (b) must be effected under valid and enforceable policies issued by either the Florida Municipal Insurance Trust or by reputable and independent insurers permitted to do business in the State of Florida and rated in Best's Insurance Guide, or any successor thereto (or if there be none, an organization having a national reputation) as having an AM Best's Rating of "A-" and a "Financial Size Category" of at least "VII" or, if such ratings are not then in effect, the equivalent thereof or such other financial rating as an Independent Consultant may at any time consider appropriate.

Section 11.6. Delivery of Policies. On or prior to the Commencement Date, Tenant shall deliver to Landlord appropriate policies of insurance required to be carried by each party pursuant to this Article and Exhibit . Evidence of each renewal or replacement of a policy shall be delivered by Tenant to Landlord at least 10 days prior to the expiration of such policy.

ARTICLE XII

ENVIRONMENTAL

Section 12.1. Maintenance of Premises. Tenant, at Tenant's expense, shall maintain the Premises in compliance with, and shall not cause or permit the Premises, through the acts of Tenant, to be in violation of, any federal, state, county and municipal laws, ordinances, or regulations including, without limitation, those relating to Hazardous Materials, air and water quality, waste disposal, zoning, building, occupational safety and health, industrial hygiene, or to the environmental conditions on, under, or about the Property, including, but not limited to, soil and groundwater conditions ("Environmental Laws"). Landlord, to the extent it has access and at Landlord's expense, shall maintain the Premises in compliance with, and shall not cause or permit the Premises, through the acts of the Landlord or any subtenant, licensee or other user of Landlord, to be in violation of any Environmental Laws. During the Term of this Lease and in exercising the rights granted herein or carrying out actions contemplated hereby, Tenant shall be responsible for compliance, at its sole cost and expense, with all Environmental Laws applicable to Tenant's use of the Leased Premises. As used herein, "**Environmental Laws**" shall mean all applicable statutes, regulations, requirements, rules, guidelines, codes, policies, orders, decrees, approvals, plans, authorizations, and similar items, and all amendments thereto, and all applicable judicial, administrative and regulatory decrees, judgments, and orders, of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, the State of Florida and its political subdivisions, relating to the protection or regulation of human health, the environment or natural resources, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") (42 U.S.C. §§ 9601 et seq.); Resource Conservation and Recovery Act ("RCRA"); the Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.); the Clean Air Act (42 U.S.C. §§ 7401 et seq.); the Emergency Planning and Community Right to Know Act (42 U.S.C. §§ 1101 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.); the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.); the Occupational Safety and Health Act (29 U.S.C. §§ 655 et seq.); the Construction Safety Act (40 U.S.C. §§ 333 et seq.); the National Environmental Policy Act (42 U.S.C. §§ 4321 et seq.); the Endangered Species Act (16 U.S.C. §§ 1531 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §§ 136 et seq.); the Solid Waste Disposal Act (42 U.S.C. §§ 6901 et seq.); National Environmental Policy Act, Executive Order 11990 Protection of Wetlands; Executive Order 11988 Floodplain Protection; and all applicable state statutes and City ordinances applicable to the Leased Premises and the use thereof and operations thereupon as may be amended from time to time during the Term of this Lease. The Environmental Laws shall also include: (a) all requirements pertaining to reporting, warnings, licensing, permitting, investigation, remediation and removal of emissions, discharges, releases, or threatened releases of Toxic or Hazardous Wastes, Substances or Materials (each as defined by federal law), whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, land or any other environmental media, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Toxic or Hazardous Wastes, Substances or Materials, and (b) all requirements pertaining to the health and safety of employees or the public. Tenant shall not store, treat, or dispose of any Hazardous Substances on the Leased Premises. As used herein, "**Hazardous Substances**" are defined as any contaminant, toxic or hazardous waste, or any other substance the removal of which is required or the use of which is restricted, prohibited or penalized under any Environmental Laws, including, without limitation, asbestos or petroleum products. Further, during the Term of this Lease, neither party to this Lease nor any agent or

party acting at the direction or with the consent of either party hereto shall use, store, handle or dispose of by any means any Hazardous Substances at the Leased Premises, except that Tenant may be entitled to use, store, handle or dispose of Hazardous Substances of the type and in the quantities typically used by companies performing similar services in accordance with all applicable Environmental Laws, if consented to and approved in writing by the Landlord. Except as otherwise expressly provided in this Lease,

Section 12.2. Use of Hazardous Materials. Neither Tenant nor Landlord shall, in violation of any Environmental Laws, use, generate, manufacture, store, or dispose of, on, under, or about the Leased Property or transport to or from the Leased Property any flammable explosives, radioactive materials, including, without limitation, any substances defined as, or included in the definition of, "hazardous substances", "hazardous wastes", or "hazardous materials" under any applicable Environmental Laws ("Hazardous Materials").

Section 12.3. Environmental Liens. Neither Tenant nor Landlord shall create or suffer to exist with respect to the Leased Property, or permit any of its agents to create or suffer to exist any lien, security interest or other charge or encumbrance of any kind, including without limitation, any lien imposed pursuant to section 107(f) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. section 9607(1)) or any similar Environmental Law.

Section 12.4. Responsibility. Landlord Tenant assumes all responsibility for and indemnifies and holds Landlord and its employees and contractors harmless from and against any and all debts, obligations, liabilities, fines, penalties, suits, claims, demands, damages, losses, and/or expenses (including reasonable attorneys' and experts' fees and expenses) in any way related to, connected with, or arising out of, Tenant's failure to comply with any Environmental Laws or Tenant's release of any hazardous substances or environmental condition including pollution of air, water, land or groundwater, resulting from the negligent, reckless, willful, wanton or unlawful acts or omissions by Tenant, its officers, agents, employees, contractors, subcontractors or any subtenants or licensees, or their respective invitees, giving rise to Landlord liability, civil or criminal, or other responsibility under Environmental Laws. Landlord shall be solely responsible for, and to the extent permitted by law shall indemnify and hold harmless the the Tenant, their partners, employees, agents, successors, and assigns from and against any loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable to Landlord's (or any subtenant, licensee or user of Landlord) use, generation, storage, release, threatened release, discharge, disposal of Hazardous Materials on, under, or about the Leased Property. The foregoing indemnities shall survive the termination or expiration of this Lease.

ARTICLE XIII
COVENANTS OF THE TENANT

Section 13.1. Books, Records and Annual Reports.

(a) The Tenant shall keep proper books of record and account for each of the Charter Schools with full, true and correct entries of all of its dealings substantially in accordance with practices generally used for public school accounting in which complete and correct entries shall be made of its transactions relating to the Charter Schools, and which, together with all other books and records of the Tenant, including, without limitation, insurance policies, relating to the Charter Schools, shall at all times be subject during regular business hours to the inspection of the public. The operational manager of the school (currently Academica Central Florida, LLC) shall keep physical copies of all books, records, and annual reports at the Cornerstone Administrative Offices located at 5903 Randolph Avenue, Belle Isle, FL 32809 if the operational manager's main office is not physically located within Orange County. Tenant and Tenant's representatives will comply with Chapter 119, Public Records, of the Florida State Statutes. (b)

To ensure transparency, Annual Financial Statements, as well as monthly financial reports (including revenues, expenses, and fund balances) must be conspicuously published on the school website and made available to the public within five (5) business days after the closing of the books for each respective reporting period.

Section 13.2. Consolidation, Merger, Sale or Conveyance. The Tenant agrees that during the term of this Lease it will (i) maintain its corporate existence, (ii) will maintain no less than 33% of voting seats on the Board appointed by the Belle Isle City Council, which seats will be deemed automatically confirmed regardless of confirmation from the Board, (iii) will continue to be a not-for-profit corporation duly qualified to do business in the State, or (iv) will not change the control structure of its governing board, merge, or consolidate with, or sell or convey, except as provided herein, all or substantially all of its interest in the corporation to, any Person unless the Tenant first acquires the written consent of the Landlord to such transaction and the Landlord (City) agrees to put the question to a referendum vote of the registered voters of the City of Belle Isle. All costs associated with the referendum will be paid by the Tenant. If the referendum passes, the acquirer of the interest the corporation with which it shall be consolidated or the resulting corporation in the case of a merger:

(a) shall assume in writing the performance and observance of all covenants and conditions of this Lease;

(b) shall provide the Landlord with an Opinion of Counsel to the Tenant (which may be rendered in reliance upon the Opinion of Counsel to such other corporation), stating that none of the other entities that are a party to such consolidation, merger or transfer has any pending litigation other than that arising in the ordinary course of business, or has any pending litigation that might reasonably result in a substantial adverse judgment. For the purposes of the preceding sentence, the term "substantial adverse judgment" shall mean a judgment in an amount that exceeds the insurance or reserves therefor by a sum that is more than 2 percent of the aggregate net worth of the resulting, surviving or transferee corporation immediately after the consummation of such consolidation, merger or transfer and after giving effect thereto;

(c) shall deliver to the Landlord within 30 days of the close of such transaction, copies

of all documents executed in connection therewith, one document of which shall include an Opinion of Counsel that all conditions herein have been satisfied and that all liabilities and obligations of the Tenant under the Tenant Documents shall become obligations of the new entity; provided, however, the Tenant shall not be released from same;

(d) shall continue to maintain no less than 33% of voting seats on the Board appointed by the City Council which seats will be deemed automatically confirmed regardless of confirmation from the Board.

(e) in the case of a consolidation, merger, sale or conveyance, shall provide evidence to the Landlord (i) the entity can continue to operate the Charter Schools as charter schools in accordance with the Charter School Law and that the entity is entitled to receive the Charter School Revenues, (ii) the Debt Service Coverage Ratio for the last Charter School Fiscal Year for which Audited Annual Financial Statements are available, after giving effect to the proposed consolidation, merger, sale or conveyance, would have been at least 1.20 and (iii) and that any rating on the Bonds will not be lowered, suspended or withdrawn.

(f) shall continue ,within 5-days after the end of month, to send to the City Clerk monthly financial reports as required of the Tenant and board agendas at least five (5) days in advance of Tenant's board meetings.

Section 13.3. Further Assurances. The Landlord and the Tenant agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Lease.

Section 13.4. Financial Statements; Reports; Annual Certificate; Rate Covenant.

(a) Financial Reports, Enrollment Reports and Charter Compliance Reporting. The Tenant shall provide to the Landlord as soon as is practicable, and published on the Tenant's website within five (5) business days as soon as such is available or as otherwise specified herein, the following information: (A) the amount of money that the Tenant will receive from the State (which may consist of copies of Florida Department of Education forms showing amounts due to the Tenant); (B) a copy of the Tenant's annual budget, certified by the Tenant, on or before September 15 of each Charter School Fiscal Year, commencing September 15, 2021; (C) on or before March 15 and September 15 of each Charter School Fiscal Year, commencing March 15, 2021, a copy of the semi-annual budget for such semi-annual period and a statement comparing actual expenditures to budgeted expenditures for the immediately preceding semi-annual period, (D) enrollment numbers including the ratio of Belle Isle students to total enrollment for each Charter School; (E) copies of any written complaint notifications from the School Board, along with the Tenant's responses thereto, within ten days of receiving such complaint notifications and responding thereto; (F) notices of any meetings in which the Tenant is before the School Board for issues of non-compliance along with the minutes of such meetings and any responses provided by the Tenant; and (G) copies of those annual financial disclosures required to be completed and filed by the charter school board members pursuant to § 1002.33(26), Florida Statutes (2021), or, if the legislature no longer requires such disclosures or reduces the

requirements for such disclosures, financial disclosures in the same form and detail as previously required by § 1002.33(26) as such statute existed in 2021. In addition to the foregoing, the Tenant shall provide to the City the Tenant's Board meeting agendas not less than five (5) days before each meeting and provide the City with monthly financial reports within ten (10) days following the close of each such month.

(b) **Annual Compliance Certificate.** The Tenant will deliver to the Landlord within 90 days after the end of each Charter School Fiscal Year a certificate executed by an Authorized Representative of the Tenant stating that:

(i) A review of the activities of the Tenant during such Charter School Fiscal Year and of performance hereunder has been made under his or her supervision; and

(ii) He or she is familiar with the provisions of this Lease, and to the best of his or her knowledge, based on such review and familiarity, the Tenant has fulfilled all of its obligations hereunder and thereunder throughout the Charter School Fiscal Year, and there have been no defaults under this Lease or, if there has been a default in the fulfillment of any such obligation in such Charter School Fiscal Year, specifying each such default known to him or her and the nature and status thereof and the actions taken or being taken to correct such default.

(c) **Debt Service Coverage Ratio.** Within 30 days of the completion of the Annual Financial Statements, commencing with the Annual Financial Statements for the Charter School Fiscal Year ending June 30, 2021, the Tenant will deliver to the Landlord evidence of the Debt Service Coverage Ratio, which evidence may be in the form of a certificate of a Certified Public Accountant or included in the notes to the Annual Financial Statements. The Tenant covenants to maintain a Debt Service Coverage Ratio for each Charter School Fiscal Year, commencing with the Charter School Fiscal Year ending June 30, 2021, of at least 1.20. If any such Debt Service Coverage Ratio is below 1.20, the Tenant covenants to retain and, at its expense, within one hundred fifty (150) days of the end of such Charter School Fiscal Year, an Independent Consultant to submit a written report and make recommendations (a copy of such report and recommendations shall be filed with the Landlord), within ninety (90) days such Independent Consultant is retained, with respect to revenues or other financial matters of the Tenant which are relevant to increasing the Debt Service Coverage Ratio to at least 1.20. The Tenant agrees to use all commercially reasonable efforts to adopt and follow the recommendations of the Independent Consultant (excepting the instance when an Opinion of Counsel, addressed to the Landlord, is obtained excusing such actions by the Tenant as violative of applicable law). So long as the Tenant engages an Independent Consultant and uses commercially reasonable efforts to follow the Independent Consultant's recommendations as provided above, the Tenant will be deemed to have complied with its covenants hereunder; provided, however, that notwithstanding the foregoing, it shall be a default hereunder regardless of the engagement of an Independent Consultant if the Debt Service Coverage Ratio is below 1.00 for any Charter School Fiscal Year.

(d) **Contracts to Comply with Tax Covenants.** Any contract entered into between the Tenant or Landlord and any Independent Consultant pursuant to this Section must meet the requirements of the Tax Certificate and the Code.

(e) **Additional Documents Upon Request.** The Tenant will provide the Landlord with

any of the documents specified in this Section in a timely manner upon request.

(f) Failure to Comply with Disclosure Requirements; Remedies. Where the Tenant (including any successor entity thereto or assignee thereof) has failed to timely comply with any of the disclosure or publication requirements of or requests for information, documents, or other records pursuant to this Article XIII, the parties acknowledge that termination of this Lease Agreement may be a harsh remedy to induce the production of such disclosures and therefore agree that the Landlord may impose an additional \$500 in rent per document or disclosure for each day that any such disclosure, publication, or submission remains tardy or overdue. If no specific time is set for a disclosure or other document to be provided, published, or submitted to the City or the public, such time shall be five (5) business days following a written request from the City for the purposes of this paragraph. Landlord further reserves the right to initiate an action for injunctive or other equitable relief to compel the Tenant to provide any such disclosures, documents, information, or other records, in which, in addition to being awarded access to such items, Landlord may also recover its reasonable attorneys' fees and costs expended in pursuing access to such disclosures, information, and records. This remedy is cumulative and in addition to any other remedies that may be available to the Landlord at law, including, but not limited to, any action pursuant to Chapter 119, Florida Statutes, as may be applicable.

Section 13.5. Authority of Authorized Representative of the Tenant. Whenever under the provisions of this Lease the approval of the Tenant is required, or the Landlord is required to take some action at the request of the Tenant, such approval or such request shall be made by the Authorized Representative of the Tenant unless otherwise specified in this Lease. The Landlord shall be authorized to act on any such approval or request and the Tenant shall have no complaint against the Landlord as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions of this Lease by an Authorized Representative of the Tenant shall be on behalf of the Tenant and shall not result in any personal liability of such Authorized Representative.

Section 13.6. Authority of Authorized Representatives.

(a) Whenever under the provisions of this Lease the approval of the Landlord is required, or the Tenant is required to take some action at the request of the Landlord, such approval or such request shall be made by the Authorized Representative of the Landlord unless otherwise specified in this Lease. The Tenant shall be authorized to act on any such approval or request and the Landlord shall have no complaint against the Tenant as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions of this Lease by an Authorized Representative of the Landlord shall be on behalf of the Landlord and shall not result in any personal liability of such Authorized Representative.

(b) Whenever under the provisions of this Lease the consent or approval of the Landlord is required, or the Tenant is required to take some action at the request of the Landlord, such approval or such request shall be made by the Authorized Representative of the Landlord unless otherwise specified in this Lease. The Tenant shall be authorized to act on any such approval, consent or request and the Landlord shall have no complaint against the Tenant as a result of any such action taken in accordance with such approval, consent or

request. The execution of any document or certificate required under the provisions of this Lease by an Authorized Representative of the Landlord shall be on behalf of the Landlord and shall not result in any personal liability of such Authorized Representative.

Section 13.7. Licenses and Qualifications. The Tenant will do, or cause to be done, all things necessary to obtain, renew and secure all permits, licenses and other governmental approvals and to comply, or cause its Tenants to comply, with such permits, licenses and other governmental approvals necessary for the uninterrupted and continued operation of its Charter Schools as charter schools under the Charter School Law and any applicable Charter Contracts.

Section 13.8. Right to Inspect. Following reasonable notice to the Tenant, at any and all reasonable times during business hours, the Landlord and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect the Charter Schools and the Leased Property, including all books and records of the Tenant (excluding records the confidentiality of which may be protected by law), and to make such copies and memoranda from and with regard thereto as may be desired; provided, however, that they shall maintain these books and records in confidence unless required by applicable law to do otherwise and it is necessary to distribute the information to some other third party under applicable law.

Section 13.9. Nonsectarian Use. The Tenant agrees that it will be nonsectarian in its programs, admission policies and employment practices and all other operations. The Tenant will also comply with all applicable state and federal laws concerning discrimination of any form against any person on the basis of race, color, religion, sex, gender identity, pregnancy, age, sexual orientation, marital or parental status, national or ethnic origin, citizenship, disability, genetic information, military or veteran status, or any other legally protected status.

Section 13.10. Days Cash on Hand. On each June 30, commencing June 30, 2021, the Tenant shall have a balance of cash and unrestricted available funds on hand in an amount at least equal to 45 Days Cash on Hand. Within 30 days of the completion of the Annual Financial Statements, the Tenant will deliver to the Landlord evidence of the Days Cash on Hand as of such June 30, which evidence may be in the form of a certificate of a Certified Public Accountant or included in the notes to the Annual Financial Statements.

a. If the balance of cash and unrestricted available funds on hand is less than an amount at least equal to 45 Days Cash on Hand, the Tenant covenants to retain and, at its expense, within one hundred fifty (150) days of the end of such Charter School Fiscal Year, an Independent Consultant to submit a written report and make recommendations (a copy of such report and recommendations shall be filed with the Landlord), within ninety (90) days such Independent Consultant is retained, with respect to revenues or other financial matters of the Tenant which are relevant to increasing cash and unrestricted available funds on hand to at least 45 Days Cash on Hand. The Tenant agrees to use all commercially reasonable efforts to adopt and follow the recommendations of the Independent Consultant (excepting the instance when an Opinion of Counsel, addressed to the Landlord, is obtained excusing such actions by the Tenant as violative of applicable law). So long as the Tenant engages an Independent Consultant and uses commercially reasonable efforts to follow the Independent Consultant's recommendations as provided above, the Tenant will be deemed to have complied with its covenant hereunder.

Section 13.11. Transfer of Assets. Other than payments and Transfers contemplated by this Lease, the Tenant agrees that it will not Transfer Charter School Revenues, other than in the ordinary course of Tenant's business, or other assets of the Tenant.

Section 13.12. Renewals and Extensions of Charter Contracts. Under the provisions of Florida Statutes §1002.33(7)(b), Tenant has the right to apply to the School Board for an extension to the term of its Charter Contracts. Tenant hereby agrees to take all reasonable and necessary actions, in good faith, to obtain renewals of the Charter Contracts until such time as all amounts due hereunder are indefeasibly paid and satisfied in full.

Section 13.13. Liens. The Tenant covenants that, except as specifically provided in this Lease, it shall not create, assume, incur or suffer to be created, assumed or incurred any Lien (other than Permitted Encumbrances).

Section 13.14. Procurement and Solicitation. In procuring goods and services, the Tenant agrees that it shall adopt and utilize the same competitive solicitation procedures and processes as are adopted by or otherwise imposed upon the Landlord by state and local law. In addition to the foregoing, Tenant shall require that all ethics rules applicable to the competitive solicitation processes of the Landlord apply to its solicitation processes and that bidders, respondents, and proposers are required to execute an Affidavit of Non-Collusion in a form approved by the City.

ARTICLE XIV
DEFAULT

Section 14.1. Events of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" hereunder:

(a) Failure of Tenant to make any cash payment of Rent (inclusive of Additional Rent) required to be made in cash or any other monetary payment required to be made by Tenant hereunder when due, which failure is not remedied within ten (10) days after written notice of such failure is provided to Tenant ("**Notice of Default**").

(b) Failure of Tenant to keep, observe, or perform any term, condition, or provision of this Lease, which failure is not remedied within (30) days after receiving Notice of Default, provided, however, if the failure cannot reasonably be cured within thirty (30) days, the Tenant shall not be in default so long as Tenant commences to cure the default within such thirty (30) day period and thereafter diligently and in good faith proceeds to cure the default within a reasonable time thereafter not to exceed ninety (90) days following receipt of the Notice of Default from Landlord.

(c) Tenant files a voluntary petition in bankruptcy or insolvency, or is adjudicated bankrupt or insolvent, or files any petition or answer seeking any reorganization, liquidation, dissolution or similar relief under any present or future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or makes an assignment for the benefit of creditors or seeks or consents to or acquiesces in the appointment of any trustee, receiver, liquidator or other similar official for Tenant or for all or any part of Tenant's property.

(d) Making of any offer or giving of any gratuities in the form of entertainment, gifts, or otherwise, by the Tenant, or any agent or representative of the Tenant, to any officer or employee of the Government with a view toward procuring an agreement or procuring favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such agreement.

(e) If the Leased Property or more than fifty percent (50%) of the area of the Buildings shall become vacated, deserted or abandoned (and the fact that any of Tenant's property remains in the Leased Property shall not be evidence that Tenant has not vacated, deserted or abandoned the Leased Property) for more than thirty (30) days after notice by Landlord to Tenant of such vacation, desertion or abandonment. Without limitation, holidays, school breaks, including summer breaks, do not constitute vacation, desertion or abandonment.

(f) The dissolution or liquidation of the Tenant, or failure by the Tenant to promptly contest and have lifted any execution, garnishment, or attachment of such consequence as will impair its ability to meet its obligations with respect to the operation of the Charter Schools or to make any payments under this Lease. The phrase "dissolution or liquidation of the Tenant," as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Tenant resulting either from a merger or consolidation of the Tenant into or with another domestic corporation or a dissolution or liquidation of the Tenant following a transfer of all or substantially all of its assets under the conditions permitting such actions contained in Section 13.3 hereof.

(g) Any representation or warranty made by the Tenant herein or made by the Tenant in any statement or certificate furnished by the Tenant either required hereby or in connection with the execution and delivery of this Lease and the sale and the issuance of the Bonds, shall prove to have been untrue in any material respect as of the date of the issuance or making thereof.

(h) Judgment for the payment of money in excess of \$100,000 (which is not covered by insurance) is rendered by any court or other governmental body against the Tenant, and the Tenant does not discharge same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof within 60 days from the date of entry thereof, and within said 60-day period or such longer period during which execution of such judgment shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal while providing such reserves therefor as may be required under Generally Accepted Accounting Principles.

(i) The placement of any lien upon the Leased Premises, by Tenant or by Tenant's contractors, sub-contractors, agents, representatives, or employees in connection with Tenant's exercise of the rights granted herein, which is not otherwise expressly permitted by this Lease and the failure to cause such lien to be bonded off or otherwise discharged within sixty (60) days

(j) The termination of either Charter Contract either by its terms or for any other reason.

Section 14.2. Remedies and Termination.

(a) Remedies. Upon an Event of Default and upon the expiration of any applicable cure period provided for in this Lease, the Landlord may in its sole and absolute discretion pursue any remedies as may be available to the Landlord at law or in equity.

(b) Termination.

a. Upon an Event of Default and upon the expiration of any applicable cure period provided for in this Lease, the Landlord may terminate the Lease and re-enter and repossess the Leased Premises and expel or remove Tenant and any other person who may be occupying said Leased Premises, or any part thereof, without being liable for prosecution or any claim of damage therefor.

The Landlord shall have the right to recover all unpaid Rent and other payments earned by Landlord prior to the date of termination of the Lease or date of repossession of the Leased Premises (whichever is earlier), and all of the Landlord's damages, costs and expenses incurred, including reasonable attorneys' fees (including paralegal fees and expert fees), arising or resulting from the Event of Default, including costs and expenses in connection with repossession of the Leased Premises, the recovery of sums due under this Lease, and re-letting the Leased Premises, which costs and expenses shall be immediately due the Landlord from Tenant. Unless expressly provided otherwise herein, no action taken by the Landlord pursuant to this Section 14.2 shall be deemed to terminate this Lease unless written notice of termination, (a "**Notice of Termination**") is given by the Landlord to Tenant.

The rights and remedies herein conferred upon or reserved to Landlord shall not be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute. In addition to other remedies provided in this Lease, Landlord shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation, or attempted or threatened violation, of any of the covenants, agreements, conditions or provisions of this Lease, or to a decree compelling performance of any of the covenants, agreements, conditions or provisions of this Lease, or to any other remedy allowed to Landlord at law or in equity.

Section 14.3 No Waiver. No waiver of any covenant or condition or the breach of any covenant or condition of this Lease shall constitute a waiver of any subsequent breach of such covenant or condition or justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof. The acceptance of Rent or other payments from Tenant by the Landlord at any time when Tenant is in default under this Lease shall not be construed as a waiver of such default or of Landlord's right to exercise any remedy arising out of such default, nor shall any waiver of indulgence granted by the Landlord to Tenant be taken as an estoppel against the Landlord, it being expressly understood that the Landlord may at any time thereafter, if such default continues, exercise any such remedy in the manner herein provided or as otherwise provided by law or in equity.

Section 14.4 Surrender of Leased Premises. Upon expiration or earlier termination of this Lease, Tenant shall vacate and surrender the Leased Premises to the Landlord pursuant to and in accordance with the terms and conditions of this Section. The terms and conditions of this Section, inclusive of all subsections and sub-subsections, shall survive expiration or earlier termination of this Lease.

- a. Retention of Improvements. The Landlord, in its discretion, may retain all or any part of the Improvements upon the expiration or earlier termination of this Lease. The Landlord may exercise the aforementioned right by providing written notice of the same to Tenant two (2) years prior to the Expiration Date or in the Landlord's Notice of Termination. Tenant shall execute any and all documentation necessary to convey all right title and interest in said Improvements to be so retained by the Landlord.
- b. Demolition and Removal of Improvements. In the event the Landlord does not exercise its right to retain the Improvements, then within one hundred eighty (180) days after the Expiration Date or termination date of this Lease (the "**Removal Period**"), Tenant shall demolish and/or remove, any and all the improvements placed, constructed or installed on the Leased Premises by or for the benefit of Tenant and any and all improvements placed, constructed or installed on the Installation (outside the Leased Premises) by Tenant or for the benefit of Tenant and Tenant shall restore the Leased Premises and the Access Area(s) to a condition substantially similar to the condition they existed in on the Lease Effective Date; reasonable wear and tear excepted. Notwithstanding the foregoing or anything to the contrary in this Lease, the Landlord may, in its sole discretion, require Tenant to remove all improvements from the Leased Premises, whether or not existing as of the Effective Date, and restore the Leased Premises to the condition that existed before the construction of improvements on the Leased Premises, whether such construction was performed by Tenant or a predecessor of Tenant in the operation of school(s) on the Leased

Premises. If the Tenant shall fail comply with the requirements of this section, then, at the option of the Landlord, the Improvements shall either become the property of the Landlord without compensation or cost to the Landlord, or the Landlord may cause it to be removed and the Leased Premises and Access Area(s) to be so restored at the expense of the Tenant, and no claim for damages against the Landlord or its officers, employees, or agents shall be created by or made on account of such removal and restoration work. Tenant's surrender of the Improvements shall not be deemed to be a payment of rent in lieu of any Rent due under this Lease.

- c. Demolition Reserve Account. To secure performance of the Tenant's requirement to demolish and remove all Improvements and restore the Leased Premises and the Access Area(s), Tenant shall, no later than two (2) years prior to the Expiration Date or no later than thirty (30) days after receipt of a Notice of Termination from the Landlord or any delivery of notice of termination by Tenant to the Landlord pursuant to this Lease, establish an escrow account into which Tenant shall deposit all funds necessary and required to comply with the requirements of this Section (the "**Demolition Reserve Account**"). The Demolition Reserve Account shall be established at a national banking institution or commercial escrow holder approved by the Landlord. The amount of funds deposited into the Demolition Reserve Account shall be established by a written estimate issued by a qualified construction and demolition expert approved by the Landlord, to be reviewed and approved by the Landlord, for all costs of demolishing and removing all Improvements on the Leased Premises and the Access Area(s) and restoring the Leased Premises and Access Area(s) to a condition substantially similar to the condition they were in on the Effective Date, reasonable wear and tear excepted (the "**Demolition Cost Estimate**"). The Demolition Reserve Account shall be established by written escrow agreement mutually agreed and entered into by the Tenant and the Landlord (the "**Demolition Reserve Account Escrow Agreement**"). The Demolition Reserve Account Escrow Agreement shall provide that funds in the Demolition Reserve Account shall be used solely to fulfill Tenant's obligations under this Section and provide that all disbursements from the Demolition Reserve Account shall be made upon Tenant's written direction to the escrow holder with the consent of the Landlord, provided that upon the occurrence of an Event of Default and the expiration of any applicable cure period provided for in this Lease, all disbursements from the Demolition Reserve Account shall be made solely upon the Landlord's written direction to the escrow agent without the consent of Tenant, or any other person. The Demolition Reserve Account Escrow Agreement shall provide that Tenant grants to the Landlord a continuing first lien security interest in and to all of Tenant's right, title, and interest in the Demolition Reserve Account, as well as all funds held, or designated for deposit in the Demolition Reserve Account, whether then owned, existing, or thereafter acquired, and regardless of where located, as security solely for the performance of Tenant's obligations under paragraph (a) of this Section and not as security for any other obligation of Tenant to Landlord. Tenant shall not grant or allow any other security interests in, liens to, or encumbrances on the Demolition Reserve Account or the funds in it. Tenant shall deliver to the Landlord for filing one or more financing statements, as necessary, in connection with the Demolition Reserve Account in the form reasonably required by the Landlord to properly perfect its security interest in the Demolition Reserve Account, and shall keep the lien secured by such statements perfected at all times during the existence of the Demolition Reserve Account in accordance with the laws of the State of Florida. Tenant shall deliver to the Landlord, within ten (10) days after

filing, the original and any amendments to, and continuations of, any financing statement. Except as otherwise expressly provided in the Demolition Reserve Account Escrow Agreement, Tenant shall be solely liable to the escrow agent for the fees and expenses related to the Demolition Reserve Account.

- d. Closeout Reports. To demonstrate Tenant's compliance with obligations and requirements of this Lease, Tenant shall, at its sole cost and expense, provide a Final Physical Condition Report and the EBS Reports (each as herein after defined and collectively referred to as, the "**Closeout Reports**"). In the event that the Closeout Reports identify a physical or environmental condition on or at the Leased Premises and/or the Access Area(s) arising or due to the actions or inactions of Tenant, its employees, agents, contractors, licensees, or invitees or otherwise their use and occupancy of the Leased Premises, Tenant shall (at its sole cost and expense) promptly undertake and pursue diligently to completion any remedial measures required by the Landlord or any Landlord authority having jurisdiction.
- i. No later than sixty (60) days prior to the later of: (a) the Expiration Date or earlier termination date of this Lease, or (b) the expiration of the Removal Period, if the Landlord does not exercise its right to retain any or all the Improvements, Tenant shall prepare a final physical condition report setting for the physical appearance and condition of the Leased Premises as of the Expiration Date of this Lease or the expiration of the Removal Period, whichever is later, to be mutually agreed to and signed by the Parties (the "**Final Physical Condition Report**"). The Landlord may compare the Final Physical Condition Report to the Initial Condition Report to identify changes regarding the physical condition of the Leased Premises and the Access Area(s) during the Term of this Lease.
- ii. No later than sixty (60) days prior to the latter of: (a) the Expiration Date or earlier termination date of this Lease, or (b) the expiration of the Removal Period, if the Landlord does not exercise its right to retain any or all the Improvements, Tenant shall commence a Phase I Environmental Baseline Survey ("**Phase I EBS**") in accordance with any standards recognized or required by the Landlord at the time. If the Phase I EBS reveals any areas of environmental concern that were not based upon matters disclosed in the Landlord's Environmental Documents and which, in the Landlord's reasonable discretion, warrant further investigation, Tenant shall, at its sole cost and expense, commence a Phase II Environmental Baseline Survey ("**Phase II EBS**") in accordance with the reasonable instructions and standards recognized or required by the Landlord at the time, including sampling and analysis of soil and groundwater, necessary to determine whether or not contamination has occurred. Copies of the Phase I EBS and the Phase II EBS and any other supplemental EBS reports made pursuant to this Section (collectively, the "**EBS reports**") shall be certified to be for the benefit of the Landlord by the duly authorized, licensed, and qualified environmental consultant performing or creating the EBS reports. The Landlord may compare the EBS Reports to the Environmental Documents to identify any environmental conditions which may have occurred on the Leased Premises and the Access Area(s) during the Term of this Lease.

Section 14.5. No Recourse. Tenant shall look solely to Charter School revenues for satisfaction of any remedy it may have against Landlord and shall not look to any other assets of

Landlord or of any other person, firm or corporation. There shall be absolutely no personal liability on the part of any present or future council member, officer, agent, employee, or representative of the Landlord, or the like, or any of its successors or assigns, with respect to any obligation of Landlord hereunder.

Section 14.6. No Money Damages. Wherever in this Lease Landlord's consent or approval is required, if Landlord refuses to grant such consent or approval, regardless of whether Landlord expressly agreed that such consent or approval would not be unreasonably withheld, Tenant may not make, and Tenant hereby waives, any claim for money damages (including any claim by way of set-off, counterclaim or defense) based upon Tenant's claim or assertion that Landlord unreasonably withheld or delayed its consent or approval. Tenant's sole remedy shall be an action or proceeding to enforce such provision, by specific performance, injunction or declaratory judgment. In no event shall Landlord be liable for, and Tenant hereby waives any claim for, any indirect, consequential or punitive damages, including loss of profits or business opportunity, arising under or in connection with this Lease, even if due to the gross negligence or willful misconduct of Landlord or its members, officers, agents or employees.

Section 14.7. Landlord's Defaults. Upon a default by Landlord under this Lease, Tenant shall have all rights and remedies available under the law or in equity, but specifically excluding rights of setoff or abatement as to Charter School Revenues and Rent.

Section 14.8. Waiver of Trial by Jury. LANDLORD AND TENANT AND THEIR ASSIGNS, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTERS IN ANY WAY ARISING OUT OF OR CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S OR LANDLORD'S USE OR OCCUPANCY OF THE LEASED PROPERTY, OR THE ENFORCEMENT OF ANY REMEDY HEREUNDER.

Section 14.9. Costs and Attorneys' Fees. If either party shall bring an action to recover any sum due hereunder, or for any breach hereunder, the prevailing party shall be entitled to receive all of its costs and reasonable attorneys' fees from the non-prevailing party.

Section 14.10. Indemnification. To the extent permitted by law, and as limited by Section 768.28, Florida Statutes, Tenant covenants and agrees, at its sole cost and expense, to indemnify and hold harmless the Landlord-Related Parties (as defined in this Section 6.1 below) and Mortgagee against and from any and all loss, cost, damage, or claims by or on behalf of any person, firm, or corporation (a) from the conduct or from management of or from any work or thing whatsoever done in or about the Premises during the Term hereof, (b) from the operation, management, maintenance, repair, use, or occupation of the Premises, and the condition of any building or other Improvements on the Premises, (c) 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, and (d) from any act, whether or not negligent, by Tenant, or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever occurring during the Term hereof in or about the Premises. In case any action or proceeding be brought against the Landlord-Related Parties by reason of any such claim Tenant, upon notice from the Landlord-Related Parties, covenants to resist or defend such action or proceedings by counsel chosen by Tenant, but reasonably satisfactory to Landlord. As used in this

Lease, the term “**Landlord-Related Parties**” shall mean, collectively, Landlord and the Landlord’s shareholders, directors, officers, partners, members, employees, representatives, agents, and their successors and assigns.

Section 14.11. Waiver. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of any amounts by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by either party hereto, unless such waiver be in writing by that party.

Section 14.12. Force Majeure. Except as otherwise expressly provided in this Lease, any prevention, delay or stoppage caused by fire, earthquake, explosion, flood, hurricane, the elements, or any other similar cause beyond the reasonable control of the party from whom performance is required, or any of their contractors; acts of God or the public enemy; actions, restrictions, limitations or interference of governmental authorities or agents; war, invasion, insurrection, rebellion; riots; strikes or lockouts, or inability to obtain necessary materials, goods, equipment, services, utilities or labor shall excuse the performance of such party for a period equal to the duration of such prevention, delay or stoppage; provided, however that (i) in no event shall financial incapability excuse the performance of either party, (ii) the terms of this Section 14.12 shall in no event excuse Tenant’s obligation to timely pay Annual Rent and the other sums owing under this Lease.

Section 14.13 Waiver of Claims for Defects. Tenant further covenants and agrees that Landlord shall not be liable to Tenant, or any one claiming by, through or under Tenant, for any defect in the Premises, or any buildings, building components, fixtures, apparatuses and personal property located thereon latent or otherwise for any injury, loss or damage to any persons or to the Premises, or to any property of Tenant, or of any other person, contained in or upon the Premises, caused by or arising or resulting from such defect.

ARTICLE XV

GOVERNMENT RIGHTS

Section 15.1 Government Rights Not Impaired. Nothing contained in this Lease shall be construed to diminish, limit, or restrict the reasonable exercise of any right, prerogative, or authority of the City over the Leased Premises relating to the security or the health, welfare, safety, or security of persons on the Leased Premises, as established in law, regulation, or ordinances.

Section 15.2 Government Continued Right of Entry. In addition to the City's Use of the Schools as set forth in Section 6.1, subject to the terms and upon the conditions set forth in this Section, any agency of the City, its officers, agents, employees, and contractors, may enter upon the Leased Premises, at all times for any purposes not inconsistent with Tenant's quiet use and enjoyment of them under this Lease, including, but not limited to, the purpose of inspection and ensuring that the terms and conditions of this Lease are being met. The City shall have the right to enter the Leased Premises at any time during business hours (9:00 am to 5:00 pm, Monday through Friday) upon at least twenty four (24) hours advance written notice to Tenant. Notwithstanding the foregoing, however, in the event of a declared emergency, the City may enter the Leased Premises at any time. Further, the City acknowledges and agrees that any entry upon the Leased Premises by the City, its employees, agents, contractors or representatives shall be at their sole risk, and in no event shall Tenant be liable to the City or any such person for any personal injury, loss of life or property damage resulting from or occasioned by their entry onto the Leased Premises, except and to the extent arising from or caused by the negligent or willful acts of Tenant.

Section 15.3 Permanent Removal and Disbarment. Without limiting the foregoing, and notwithstanding anything contained in this Lease to the contrary, the City and Tenant have the right at all times to order the permanent removal and disbarment of anyone from the Leased Premises if either determines, in its sole discretion, that the continued presence on the leased Premises of that person represents a threat to the security of the Leased Premises, poses a threat to the health, welfare, safety, or security of persons on the Leased Premises, or compromises the Leased Premises in any way.

Section 15.4 Sovereign Immunity. Landlord expressly retains all rights, benefits and immunities of sovereign immunity in accordance with Section 768.28, Florida Statutes. Regardless of anything set forth in any part or section of this Lease Agreement to the contrary, nothing in this Lease may be deemed as a waiver of immunity or limits of liability of the City beyond any statutory limited waiver of immunity or limits of liability that may have been or may be adopted by the Florida Legislature, and the cap on the amount and liability of the City for damages, regardless of the number or nature of claims in tort, equity, or contract, may not exceed the dollar amount set by the legislature for tort. Nothing in this agreement may inure to the benefit of any third party for the purpose of allowing any claim against the Landlord, which claim would otherwise be barred under the doctrine of sovereign immunity or by operation of law.

ARTICLE XVI

MISCELLANEOUS

Section 16.1 Recitals. The recitals made in this Lease are true and correct and are hereby incorporated by this reference.

Section 16.2 Effective Date. The “**Effective Date**” of this Lease shall be the last date upon which a Party executes this Lease as shown on the signature pages hereto.

Section 16.3 Brokers. Each of the parties represents and warrants there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease and each of the parties agrees to indemnify and hold harmless the other from any and all liabilities, costs and expenses (including attorneys' fees) arising from such claim made by or through the indemnifying party.

Section 16.4. Assignment and Subletting. Tenant shall not transfer, assign, or sublet this Lease, in whole or in part, or any of its rights or obligations hereunder, without the written consent of the Landlord. Any transfer, assignment or sublease which is not in strict compliance with the terms and conditions of this Section shall be void ab initio, and shall be of no force and effect whatsoever. So long as an Event of Default has occurred and is continuing, Tenant shall not have the right to assign, mortgage, pledge, encumber, or otherwise transfer this Lease or any portion thereof, whether by operation of law or otherwise, and shall not sublet (or underlet), or permit the Leased Property or any part thereof to be used or occupied by others (whether for desk space, mailing privileges or otherwise), without first obtaining the prior written consent of Landlord in the Landlord's sole discretion and that the Tenant may assign, or otherwise transfer this Lease as permitted by the Landlord so long as the rent from the assignee or other transferee equals or exceeds fair market rent at that time. Any assignment, sublease, mortgage, pledge, encumbrance or transfer in contravention of the provisions of this Section shall be void. The consent by Landlord to any assignment, sublease, mortgage, pledge, encumbrance or transfer shall not be construed as a waiver or release of Tenant from any and all liability for the performance of all covenants and obligations to be performed by Tenant under this Lease, nor shall the collection or acceptance of rent from any assignee, transferee or tenant constitute a waiver or release of Tenant from any of its liabilities or obligations under this Lease.

Section 16.5. Prohibition on Transfer of Real Property. Tenant shall not permit any sale, conveyance, assignment, transfer, mortgage or lease any or all of their interest in the Leased Property for the duration of the Term.

Section 16.6 Leasehold Encumbrances/Financing of Improvements. Tenant shall not encumber any leasehold estate nor its interest in the Improvements under any circumstances, whether by the execution and delivery of a mortgage, deed of trust or collateral assignment of lease.

Section 16.7. Applicable Law. The laws of the State of Florida shall govern the validity, performance and enforcement of this Lease. Venue for any and all claims brought hereunder or in connection herewith shall be in Orange County, Florida. At all times during the Term of this Lease, with respect to all actions taken hereunder and in exercising the rights and privileges granted hereby, Tenant shall comply with and require all of its officers, employees, agents,

suppliers, contractors, licensees and invitees to comply with all applicable federal, state, and local laws, rules, regulations, requirements, ordinances, policies, directives and instructions including the Environmental Laws (collectively, the “**Applicable Laws**”), as may be in effect or modified from time to time during the Term of this Lease.

Section 16.8. Estoppels. Within seven (7) days following request from Landlord, Tenant shall deliver to Landlord a written statement executed and acknowledged by Tenant, in form satisfactory to Landlord, (a) stating the Effective Date and the expiration date of the Term and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which the Rent has been paid, (c) stating whether or not, to the best of Tenant's knowledge, Landlord is in default under this Lease, and, if Tenant asserts that Landlord is in default, setting forth the specific nature of any such defaults, (d) stating whether Landlord has failed to complete any work required to be performed by Landlord under this Lease, (e) stating whether there are any sums payable to Tenant by Landlord under this Lease, (f) stating the amount of any security deposit under this Lease, (g) stating whether there are any subleases or assignments affecting the Leased Property, (h) stating the address of Tenant to which all notices and communications under this Lease shall be sent, and (i) responding to any other matters reasonably requested by Landlord. Tenant acknowledges that any statement delivered pursuant to this Section may be relied upon by any purchaser or owner of the Leased Property.

Section 16.9 Bankruptcy. If any voluntary or involuntary petition is filed under the United States Bankruptcy Code by or against Tenant (other than an involuntary petition filed by or joined in by the City), Tenant shall not assert, or request any other party to assert, that the automatic stay under the Bankruptcy Code operates to stay or otherwise affect the City’s ability to enforce any rights it has under any agreement between the Parties, or any other rights that the City has, whether now or hereafter acquired, against any party responsible for the debts or obligations of Tenant under such agreements. Tenant shall not seek a supplemental stay or any other relief, whether injunctive or otherwise, pursuant to the Bankruptcy Code, to stay or otherwise affect the City’s ability to enforce any of its rights under such agreements against any party responsible for the debts or obligations of the Tenant. The covenants in this Section are material in inducing the City to enter into this Lease and Tenant agrees that no grounds exist for equitable relief that will bar or impede the exercise by the City of its rights and remedies under such agreements against Tenant or any party responsible for the debts or obligations of Tenant. If any part of Tenant’s interest in the Leased Premises or the Improvements becomes the property of any bankruptcy estate or subject to any state or federal insolvency proceeding, the City shall immediately become entitled, in addition to all other relief to which the City may be entitled under law or any agreement between the Parties, to obtain (i) an order from the Bankruptcy Court or other appropriate court granting immediate relief from the automatic stay pursuant to the Bankruptcy Code to permit the City to pursue its rights and remedies at law and in equity under applicable state law, and (ii) an order from the Bankruptcy Court prohibiting Tenant’s use of all “cash collateral,” as defined under the Bankruptcy Code. In connection with such Bankruptcy Court orders, Tenant shall not assert in any pleading or petition filed in any court proceeding that the City lacks sufficient grounds for relief from the automatic stay. Tenant agrees that any bankruptcy petition or other action taken by Tenant to stay, condition, or prevent the City from exercising its rights or remedies under this Lease or any other agreement between the Parties shall be deemed bad faith. If any voluntary or involuntary petition is filed under the

Bankruptcy Code by or against Tenant (other than an involuntary petition filed by or joined in by the City), Tenant shall notify the City of such filing within ten (10) business days after receiving notice. If any part of Tenant's interest in the Leased Premises or Improvements becomes the property of any bankruptcy estate or subject to any state or federal insolvency proceeding, Tenant shall notify the Government of such proceeding within ten (10) business days after receiving notice of the proceeding.

Section 16.10. Memorandum of Lease. Tenant shall not be permitted to record a copy of this Lease on the Public Records of Orange County, Florida. Tenant shall be permitted to record a memorandum of this Lease on such Public Records setting forth the name of the parties, identifying this Lease and setting forth the expiration date and renewal options.

Section 16.11. Survival. All obligations and liabilities of Landlord or Tenant to the other which accrued before the expiration or other termination of this Lease, and all such obligations and liabilities which by their nature or under the circumstances can only be, or by the provisions of this Lease may be, performed after such expiration or other termination, shall survive the expiration or other termination of this Lease. Without limiting the generality of the foregoing, the rights and obligations of the parties with respect to any indemnity under this Lease, and with respect to Base Rent and any other amounts payable under this Lease, shall survive the expiration or other termination of this Lease.

Section 16.12. Interpretations. This Lease shall not be construed more strictly against one party than against the other merely because it may have been prepared by counsel for one of the parties, it being recognized that both parties have contributed substantially and materially to its preparation.

Section 16.13. Disputes. If a dispute regarding this Lease arises, the Parties agree to use their best efforts to resolve the dispute through negotiations and any alternative dispute resolution (ADR) methods they deem to be appropriate and are mutually agreeable. The City's obligation to make any payment arising out of an agreement resolving a dispute under this Lease is contingent upon the availability of funds for such payment. Under no circumstances will the failure of the City to appropriate sufficient funds to meet obligations hereunder constitute a default or require payment or penalty of any kind under this Lease. If the Parties are unable to resolve the dispute following unassisted negotiations and/or the ADR proceeding, the complaining party may take any additional actions it may deem necessary to resolve the dispute.

Section 16.14 Notices. All notices, demands and communications hereunder to Tenant or Landlord must be in writing and shall be served or given by hand-delivery, by certified United States Mail, return receipt requested, or by a nationally recognized overnight delivery service making receipted deliveries to the addresses first above appearing or to such other addresses as are hereinafter designated by either party to the other.

Section 16.15. Relationship of Parties. The relationship between the parties hereto shall be solely as set forth herein, and neither party shall be deemed the employee, agent, partner or joint venturer of the other, nor shall it cause any Party to be responsible in any way for the debts and obligations of the other.

Section 16.16. Third Party Beneficiary. Landlord and Tenant are the only parties to

this Lease. Nothing in the Lease provides any benefit or right, directly or indirectly, to third parties. The Parties agree to reasonably cooperate in opposing any attempt by any third person or entity to claim any benefit, protection, release, or other consideration under the Lease.

Section 16.17. Severability. Each and every covenant and agreement contained in this Lease shall for all purposes be construed to be a separate and independent covenant and agreement, and the breach of any covenant or agreement contained herein by either party shall in no way or manner discharge or relieve the other party from its obligation to perform each and every covenant and agreement herein. The invalidity or unenforceability of any provision of this Lease shall not affect or impair any other provision.

Section 16.18 Headings. Headings contained in this Lease are for convenience and reference only and in no way define, describe, extend, or limit the scope or content of this Lease nor the intent of any provision hereof.

Section 16.19 Press Releases. The Parties share a common desire to present favorable public information regarding the Lease and their association with it. To that end, the Parties shall cooperate with each other in connection with the issuance of such press releases and shall not issue any press release regarding the Lease without the prior consent of the other, which consent shall not be unreasonably withheld or delayed.

Section 16.20 Anti-Discrimination. Tenant shall comply with Federal laws, rules and regulations prohibiting discrimination any form against any person on the basis of race, color, religion, sex, gender identity, pregnancy, age, sexual orientation, marital or parental status, national or ethnic origin, citizenship, disability, genetic information, military or veteran status, or any other legally protected status. Tenant shall further maintain the Leased Property and provide its programs and services in accordance with the applicable provisions of the Americans with Disabilities Act, including Titles I, II, and III, and including any regulations, design standards, or rules promulgated or adopted pursuant thereto. Tenant further agrees to indemnify, defend, and hold harmless the Landlord from and against any claims, sanctions, penalties, or other costs, including attorneys' fees and costs, made or assessed against the Landlord arising from the Tenant's failure to comply with the requirements of this paragraph, including the Tenant's failure to provide accessible programs or facilities as required by the ADA.

Section 16.21 Time is of the Essence. Time is of the essence with respect to this Lease.

Section 16.22 Anti-Kickback Procedures. Tenant shall have in place and follow reasonable procedures designed to prevent and detect, in its own business operations, any of the following activities in connection with this Lease or any agreement relating to this Lease: (i) persons providing or attempting to provide or offering to provide any kickback; or (ii) persons soliciting, accepting, or attempting to accept any kickback. When it has reasonable grounds to believe that any of the activities described in this Section may have occurred, Tenant or Landlord shall promptly report in writing such activities to the State Attorney General, State Ethics Commission and/or FDLE. Tenant shall cooperate fully with any federal or state agency investigating such activities.

Section 16.23 Binding Effect and Beneficiaries. The provisions of this Lease shall inure to the benefit and be binding upon the Parties hereto and their respective successors and assigns. Notwithstanding the foregoing, this Lease shall not be assignable except as expressly provided herein. This Lease is entered into for the sole benefit and protection of the Parties hereto and no other person or entity shall have any right of action under this Lease.

Section 16.24 No Individual Liability of City Officials. No covenant or commitment contained in this Lease shall be deemed to be the covenant or commitment of any individual officer, agent, employee, or representative of City, in his or her individual capacity and none of such persons shall be subject to any personal liability or accountability by reason of the execution of this Lease, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise.

Section 16.25 Immunities and Defenses. Nothing in this Lease shall be construed to waive any immunity from or defense to claims which Landlord or Tenant may enjoy under federal law, including the Federal Tort Claims Act, or under state law, including the Florida Tort Claims Act.

Section 16.26 Counterparts. This Lease may be executed in multiple counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument. Facsimile and electronic copies of this Lease, bearing the parties' respective signatures, shall be enforceable as originals.

Section 16.27 Interpretation. This Lease was jointly negotiated and jointly drafted by the Parties with the advice or their respective legal counsel, and it shall not be interpreted or construed in favor or against either Party on the grounds that said Party drafted the Lease. The language of this Lease shall be construed as a whole according to its fair and logical meaning and not strictly for or against any of the Parties.

Section 16.28 Notices and Consents. Any and all notices or other communications required or permitted to be given under this Lease shall be in writing and either (i) personally delivered, in which case notice shall be deemed delivered upon receipt, (ii) sent by facsimile, in which case notice shall be deemed delivered upon the sender's receipt of confirmation of transmission of such facsimile notice produced by the sender's facsimile machine, (iii) sent by any nationally recognized overnight courier service with provisions for proof of delivery, in which case notice shall be deemed delivered on the next business day after the sender deposits the same with such delivery service, or (iv) sent by United States Mail, postage prepaid, certified mail, return receipt requested, in which case notice shall be deemed delivered on the date of delivery as shown on the return receipt or the date of the addressee's refusal to accept delivery as indicated by the United States Postal Service, and in any case such notices or other communication shall be addressed to the following addresses:

Landlord: City of Belle Isle
ATTN: City Manager
1600 Nela Avenue
Belle Isle, FL 32809

Tenant: Cornerstone Charter Academy
ATTN: Chair, Board of Directors
5903 Randolph Avenue
Belle Isle, FL 32809

Section 16.28 Entire Agreement; Amendments.

(a) This Lease constitutes the entire agreement of the Parties and no representations, inducements, promises, or agreements, oral or otherwise, not embodied herein shall be of any force or effect. Any change, amendment, or modification to this Lease shall not be binding upon the Parties unless it is in writing and execute by the Parties hereto.

(b) This Lease shall not be amended, modified, altered, or changed in any way, nor may any provision contained herein be waived, except by written agreement executed by the Parties hereto. Except as expressly permitted by the terms of this Lease, no modification, alteration or amendment shall be made to this Lease which adversely affects the rights of the Landlord to exercise their rights and any remedies with respect to this Lease upon the exercise of an Event of Default (as defined herein).

[SIGNATURE PAGE TO FOLLOW]

EXHIBIT A

Legal Description

PARCEL A

Lot I and the East 10 feet of Lot 2 of J.G. TYNER'S SUBDIVISION, according to the Plat thereof, as recorded in Plat Book F, Page 44, of the Public Records of Orange County, Florida.

TOGETHER WITH North Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL B

The West 58 feet of Lot 2 and East 3 feet of Lot 3, of J.G. TYNER'S SUBDIVISION, of a part of North 391.8 feet of Lot 9, HARNEY'S HOMESTEAD, according to the Plat thereof, filed for record August 19, 1912, in Plat Book F, Page 44, Public Records of Orange County, Florida.

TOGETHER WITH North Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL C

Lot 3, LESS the East 3 feet thereof, of J.G. TYNER'S SUBDIVISION of a part of the North 391.8 feet of Lot 9, HARNEY'S HOMESTEAD, according to the Plat thereof, filed for record August 19, 1992, in Plat Book F, Page 44, Public Records of Orange County, Florida.

TOGETHER WITH North Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL D

Lot 4 of J.G. TYNER'S SUBDIVISION of a part of North 391.8 feet of Lot 9, of HARNEY'S HOMESTEAD, according to the Plat thereof, filed for record in Plat Book F, Page 44, Public Records of Orange County, Florida.

TOGETHER WITH North Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL E

Lots Seven (7) and Eight (8) and West Twenty Feet (20) of Lot Nine (9) of J.G. TYNER'S SUBDIVISION, according to the Plat thereof, as recorded in Plat Book F, Page 44, Public Records of Orange County, Florida.

TOGETHER WITH South Half of vacated alley way lying North of said Lots 7 and 8 and the South Half of vacated alley way lying North of said West 20 feet of said Lot 9 as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL F

Lot 9 (LESS West 20 feet), J.G. TYNER'S SUBDIVISION, according to the Plat thereof, recorded in Plat Book F, Page 44, Public Records of Orange County, Florida.

TOGETHER WITH South Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

PARCEL G

Lots 10, 11, 12 and 13, of J.G. TYNER'S SUBDIVISION of a part of North 391.8 feet of Lot 9, HARNEY'S HOMESTEAD, according to the Map or Plat of said HARNEY'S on record; the Plat of J.G. TYNER'S SUBDIVISION, being recorded in Plat Book F, Page 44, Public Records of Orange County, Florida.

ALSO, beginning at the Northwest corner of Lot 13, of J.G. TYNER'S SUBDIVISION, of a part of the North 391.8 feet of Lot 9, of HARNEY'S HOMESTEAD, according to the Map or Plat of said HARNEY'S HOMESTEAD on record, run North 29.8 feet; thence run East 100 feet; thence run South 29.8 feet; thence run West 100 feet to the POINT OF BEGINNING. Said land being located in Section 24, Township 23 South, Range 29 East, Orange County, Florida.

TOGETHER WITH South Half of vacated alley way as described in Resolution recorded in Official Records Book 3723, Pages 2582 through 2584, Public Records of Orange County, Florida.

AND

Extension of said 15 foot alley Easterly through a portion of Lot 9 of HARNEY'S HOMESTEAD, more particularly described as follows:

North 15 feet of the South 44.8 feet of the North 217.8 feet of the East 100 feet of said Lot 9, together with any other interest of party of the first part in and to that part of said Lot 9, lying North of Lot 13, of J.G. TYNER'S SUBDIVISION, (Plat Book F, Page 44), recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL H

The North 173 feet of the East 100 feet of Lot 9 of HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida. ALSO DESCRIBED AS:

Begin at a stone at the Northeast corner of land formerly belonging to C.J. SWEET AT PINE CASTLE, FLORIDA, situated in Section 24, Township 23 South, Range 29 East, run South 173 feet; thence West 100 feet; thence North 173 feet; thence East 100 feet to the POINT OF BEGINNING.

AND

PARCEL J-3

Lot 9 of the HARNEY HOMESTEAD, as recorded in Plat "C", Page 53, of the Public Records of Orange County, Florida, LESS the Easterly 228.47 feet AND LESS the North 391.8 feet AND LESS the West 224.28 feet thereof; AND LESS road right-of-way on the South and being more particularly described as follows:

Commence at the Southwest corner of Lot 9 of the HARNEY HOMESTEAD, as recorded in Plat Book "C", Page 53, of the Public Records of Orange County, Florida; thence run North 89 degrees 57 minutes 29 seconds East along the North right-of-way line of Wallace Street as shown and depicted on the plat of KEEN-CASTLE, as recorded in Plat Book "P", Page I, of said public records, a distance of 224.28 feet to the POINT OF BEGINNING; thence North 00 degrees 04 minutes 16 seconds East along the East line of the West 224.28 feet of said Lot 9, a distance of 224.70 feet to a point on the South right-of-way line of Fairlane Avenue; thence along said South line North 89 degrees 58 minutes 20 seconds East, a distance of 47.00 feet; thence leaving said South line South 00 degrees 18 minutes 56 seconds East, a distance of 224.67 feet to a point on the North right-of-way line of Wallace Street; thence along said North line South 89 degrees 57 minutes 29 seconds West, a distance of 47.00 feet to the POINT OF BEGINNING.

AND

PARCEL K-1:

North 126 feet of the South 243.7 feet of East 50 feet of West 198.5 feet of Lot 10, Subdivision of the HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, of the Public Records of Orange County, Florida.

AND

PARCEL K-2:

The North 100 feet of the South 200 feet of the West 148.5 feet of Lot 10, SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K-3:

Begin at the Northwest corner of Lot 10, run East 145.0 feet along the North line of Lot 10, thence run South 00 degrees 07 minutes 04 seconds East 105.5 feet, thence run South 89 degrees 59 minutes 34 seconds East 3.5 feet more or less, to the Northwest corner of the above described Parcel K-1, thence South 00 degrees 07 minutes 04 seconds East 43.5 feet more or less, to the Northeast corner of the above described Parcel K-2, thence run North 89 degrees 59 minutes 34 seconds West along the North line of Parcel K-2, 148.5 feet more or less, to the Northwest corner of Parcel K-2, thence North 00 degrees 07 minutes 04 seconds West 149.0 feet more or less, to the POINT OF BEGINNING, all within the SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

From the Northwest corner of Lot 10, run East 145.0 feet along the North line of Lot 10; thence run South 00 degrees 02 minutes 36 seconds West 105.5 feet to the POINT OF BEGINNING; thence run East 3.5 feet to the Northwest corner of the above described Parcel K-1, thence South 00 degrees 02 minutes 36 seconds West 43.5 feet to the Northeast corner of the above described Parcel K-2, thence run West along the North line of Parcel K-2, 148.5 feet to the Northwest corner of Parcel K-2, thence North 00 degrees 02 minutes 36 seconds East 24.53 feet; thence South 89 degrees 13 minutes 04 seconds East 145.01 feet; thence North 00 degrees 02 minutes 36 seconds East 21.15 feet to the POINT OF BEGINNING, all within the SUBDIVISION OF HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K-4:

A portion of Lot 10, SUBDIVISION OF HARNEY HOMESTEAD, as recorded in Plat Book C, Page 53, of the Public Records of Orange County, Florida, being more particularly described as follows:

Commence at the Northwest corner of said Lot 10; thence due East 145.00 feet along the North line of said Lot 10 for a POINT OF BEGINNING; thence continue along said North line, due East 53.50 feet to the intersection of said North line and the Northerly prolongation of the East line of the North 126 feet of the South 243.7 feet of the East 50.00 feet of the West 198.50 feet of

said Lot 10; thence along said East line, South 00 degrees 08 minutes 50 seconds West 105.50 feet to the Northeast corner of the North 126 feet of the South 243.7 feet of the East 50.00 feet of the West 198.50 feet of said Lot 10; thence from said point, due West 53.50 feet; thence North 00 degrees 08 minutes 50 seconds East 105.50 feet to the POINT OF BEGINNING.

AND

PARCEL K-5

The West 110 feet of South 50 feet of Lot 8, SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K6:

Lot 8, LESS the West 110 feet of South 50 feet of Lot 8, SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K7

The West 119.83 feet of the North 150 feet of Lot 7, SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K-8:

The West 120 feet of the South 145 feet of Lot 7, SUBDIVISION OF THE HARNEY HOMESTEAD, according to the Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL K-9

The East 75 feet of the West 194.83 feet of the North 150 feet of Lot 7, HARNEY HOMESTEAD, according to the Map or Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL 10:

The East 75 feet of the West 269.83 feet of the North 150 feet of Lot 7, HARNEY HOMESTEAD, according to the Map or Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida.

AND

PARCEL 11

Begin 763 feet East and 250 feet North of the Southwest corner of Lot 10, HARNEY HOMESTEAD, as per Plat thereof, recorded in Plat Book C, Page 53, Public Records of Orange County, Florida, run North 251.51 feet, West 348 feet, South 251.5 feet, East 348 feet to PLACE OF BEGINNING.

Less and except therefrom, that portion thereof conveyed by Pine Castle Methodist Church, Inc., a Florida corporation, to Charles E. Maull, Jr. and June L. Maull, by Quit Claim Deed recorded August 21, 2003 in Official Records Book 7061, Page 4692, Public Records of Orange County, Florida, more particularly described as follows:

A portion of Lot 7, Subdivision of HARNEY HOMESTEAD, Plat Book "C", Page 53, Public Records of Orange County, Florida, being more particularly described as follows:

Begin at the Southeast corner of the East 75 feet of the West 269.83 feet of the North 150 feet of said Lot 7; thence East 197.48 feet along the South line of the North 150 feet of said Lot 7 to a point on the East line of lands described in Official Records Book 6253, Page 6532, Public Records of Orange County, Florida; thence South 00 degrees 28 minutes 01 seconds East 11.10 feet along said East line; thence North 89 degrees 42 minutes 36 seconds West 197.60 feet to a point on a Southerly projection of the East line of the East 75 feet of the West 269.83 feet of the North 150 feet of said Lot 7; thence North 00 degrees 08 minutes 50 seconds East 10.10 feet along said southerly projection to the POINT OF BEGINNING.

AND PARCEL

K12:

Beginning 465 feet East of the Southwest corner of Lot 10, HARNEY HOMESTEAD, in Section 24, Township 23 South, Range 29 East, as per Plat thereof, as recorded in Plat Book C, Page 53, Public Records of Orange County, Florida, run East 298 feet, North 250 feet, West 298 feet, and South 250 feet to the POINT OF BEGINNING.

AND Former Bank of America Parcel

Being that property located within the City of Belle Isle, Orange County, Florida, more particularly described as follows:

Lot 9 of HARNEY HOMESTEAD, as recorded in Plat Book C, Page 53, of the Public Records of Orange County, Florida, less the East 100 feet thereof; less the North 391.8 feet thereof; less portions of road right of way on the North, bounded by Fairlane Avenue, and on the South, bounded by East Wallace Street, as the same may have been conveyed to or taken by the City of Belle Isle or Orange County, Florida for road widening purposes.

LESS AND EXCEPT:

That part of Lot 9 conveyed to the State of Florida by Special Warranty Deed recorded in Official Records Book 779, Page 14, of the Official Records of Orange County, Florida, being described as follows:

That part of: Lot 9, Harney Homestead Subdivision, as shown in Plat Book "C", Page 53, said public records, LESS the North 391.8 feet of said Lot 9; lying within 30 feet Easterly of the survey line of State Road 527, Section 75040, said survey line being described as follows:

Begin on the Easterly extension of the North line of Lot 18, John Keen's Subdivision, Plat Book "H", Page 11, public records, Orange County, Florida, at a point 31.16 feet East of the Northeast corner of said Lot 18, and run thence North 0°15'17" West, 579.36 feet to the center of Section 24, Township 23 South, Range 29 East;

ALSO, the East 30 feet of the West 60 feet of the South 30 feet of the North 421.8 feet of said Lot 9, Harney Homestead;

ALSO, that part of said Lot 9, Harney Homestead, lying within 30 feet Northerly of a line described as follows:

Commence on the Easterly extension of the North line of Lot 18, John Keen's Subdivision, Plat Book "H", Page 11, Public Records, Orange County, Florida, at a point 31.16 feet East of the Northeast Corner of said Lot 18, and run thence North 0°15'17" West 33.70 feet for a POINT OF BEGINNING; From said Point of Beginning run South 89°42'47" East, 60 feet;

The lands herein described contain .172 acre (7499 square feet), more or less, exclusive of area in existing roads.

FURTHER LESS AND EXCEPT

That part conveyed to Pine Castle Methodist Church, Inc. by Special Warranty Deed recorded in Official Records Book 8382, Page 274, of the Official Records of Orange County, Florida, being described as follows:

Commence at the Southwest corner of Lot 9 of the HARNEY HOMESTEAD, as recorded in Plat Book "C", Page 53, of the public records of Orange County, Florida, thence run North 89 deg 57 min 29 sec East along the North right-of-way line of Wallace Street as shown and depicted on the plat of KEEN- CASTLE, as recorded in Plat Book "P", Page 1, of said public records, a distance of 224.28 feet to the POINT OF BEGINNING; thence North 00 deg 04 min 16 sec East along the East line of the West 224.28 feet of said Lot 9, a distance of 224.70 feet to a point on the South right-of-way line of Fairlane Avenue; thence along said South line North 89 deg 58 min 20 sec East, a distance of 173.95 feet; thence leaving said South line South 00 deg 18 min 56 sec East along the West line of the East 100.00 feet of said Lot 9, a distance of 224.65 feet to a point on the North right-of-way line of Wallace Street; thence along said North line South 89 deg 57 min 29 sec West, a distance of 175.47 feet to the POINT OF BEGINNING.

Address (as shown in Tax Records): 6300 Hansel Ave., Orlando, FL 32809

Address (actual): 6003 Hansel Ave., Belle Isle, FL Orange County Tax Parcel No. 24-23-29-3400-00-094

Additional Space:

A. Pine Castel Methodist Church, 942 Fairlane Avenue (TAX ID: 24-23-29-3400-00-093) and commonly known as "Oasis" Property.

The east 100 fl. of Lot 9 (less the North 391.8 ft. thereof), Harney Homestead, Plat Book C, Page 53, Public Records of Orange County, Florida. with a total land area of 50,658 sqft (+/-) | 1.16 acres (+/-)

B. Parcel 2. 1106 E. Wallace Street. Orlando. Orange County. Florida. Tax parcel #24-23-29-3400-00-170

Begin at a stake 60 feet east of the northwest corner of Lot 16, Harney Homestead, recorded in Plat Book C, Page 53, Public Records of Orange County, Florida, said stake being on the south line of Wallace Street, then run east along said lot line 100 feet to a stake, thence south 110.60 feet to a stake, thence west 100 feet to a stake, thence north 110.60 feet to point of beginning.

C. City Of Belle Isle Charter Schools Inc, 5929 Hansel Ave (TAX ID: 24-23-29-8820-00-050)
commonly known as the “former Texaco Property”

J G TYNERS SUB F/44 LOTS 5 & 6 (LESS W 10 FT OF LOT 6 FOR R/W PER OR 802/595)
21,799 sqft (+/-) | 0.50 acres (+/-)

EXHIBIT B

INSURANCE

Insurance	Coverages	Other Requirements
Worker's Compensation	Statutory	Waiver of subrogation in favor of City. No "alternative" forms of coverage permitted without City approval.
Employers' Liability	\$1,000,000 each accident for bodily injury by accident, \$1,000,000 each employee for bodily injury by disease.	Waiver of subrogation in favor of City.
General Liability	\$2,000,000 per occurrence \$2,000,000 general aggregate \$1,000,000 products/completed operations aggregate limit \$2,000,000 personal and advertising injury \$100,000 damaged to rented premises \$10,000 medical expense limit	<ol style="list-style-type: none">1. Coverage shall be written on a "per occurrence" insurance form.2. Coverage shall include contractual liability, independent contractors' liability, products and completed operations liability, and personal injury liability.3. Coverage shall be primary and non-contributory.4. City shall be named as "Additional Insured".5. Separation of Insured language shall not be modified.6. Waiver of subrogation in favor of City.7. General Aggregate and Products/Completed Operations Aggregate limits apply on a "per location" basis.8. No exclusion of liability assumed under contract.

Insurance	Coverages	Other Requirements
Business Automobile Liability	\$1,000,000 combined single limit per accident	<p>City shall be named as “Additional Insured.”</p> <p>Waiver of subrogation in favor of City.</p> <p>Coverage includes bodily injury (including death) and property damage arising out of ownership, maintenance, or use of Tenant’s owned, hired and non-owned private passenger or commercial vehicles, including other equipment required to be licensed for road use.</p>
Excess/Umbrella Liability Insurance	\$10,000,000 each occurrence / \$5,000,000 aggregate	<ol style="list-style-type: none"> 1. Coverage shall be written on an “occurrence” insurance form. 2. City shall be named as “Additional Insured.” 3. Waiver of subrogation in favor of City. 4. Coverage shall apply to excess claims to Employers’ Liability, General Liability, Automobile Liability, and, if required under Article XI, Errors & Omissions Liability and Environmental Impairment/ Pollution Legal Liability insurance coverages.
Property	Replacement Cost Value	<ol style="list-style-type: none"> 1. Coverage shall be for Special (“All-Risks”) perils or causes of loss. 2. Coverage shall be for Tenant’s business personal property, improvements and betterments, equipment and tools. 3. No coinsurance. 4. City shall be named as Additional Insured and Loss Payee. 5. Waiver of Subrogation in favor of City. 6. Ordinance and Law coverage.

Insurance	Coverages	Other Requirements
Property - Extra Expense	Extra Expense (including all ongoing expenses) of not less than six (6) months.	<ol style="list-style-type: none"> 1. Actual Loss Sustained valuation coverage. 2. Extended Period of Indemnity of at least one hundred eighty (180) days. 3. City shall be named as Additional Insured and Loss Payee. 4. Waiver of subrogation in favor of City. 5. Coverage of losses arising from interruption of utilities outside any Leased Premises.
Property – Builders’ Risk	Replacement Cost Value of any improvements made on the Leased Premises during the Term of the Lease.	<ol style="list-style-type: none"> 1. Coverage shall be for Special (“All-Risks”) perils or causes of loss. 2. Coverage shall be for any improvements made during the Term of the Lease. 3. No coinsurance. 4. City shall be named as Additional Insured and Loss Payee. 6. Waiver of Subrogation in favor of City.

EXHIBIT C

“Initial Physical Condition Report”

As of (Date)

This is to confirm that the Tenant of the Leased Premises, which consists of approximately ___ acres, described in Exhibit A and is familiar with the condition and characteristics of the Leased Premises and agrees, except as otherwise expressly provided in the Lease of Property, to accept the Leased Premises in “as-is, where-is” condition, without any representation or warranty by the Landlord or City concerning the condition of the Leased Premises and without obligation on the part of the Landlord or City to make any alterations, repairs, additions, or improvements to the Leased Premises all in accordance with and subject to the terms of the aforementioned Lease of Property. The Leased Premises have been continuously used for a charter school since (date). Except as otherwise defined in this Acknowledgement, the terms used herein shall have the same meanings as set forth in the Leased Property.