

Business Lease

THIS LEASE, entered into the ____ day of _____, 201__ (the Effective Date”), by and between the Margate Community Redevelopment Agency, hereinafter called "Lessor" or "Landlord", and the City of Margate, hereinafter called "Lessee" or "Tenant".

WITNESSETH:

Upon the terms and conditions set forth herein, Lessor does lease and Rent unto Lessee, and Lessee does take as tenant under this Lease, a portion of the Premises located at 6280 West Atlantic Boulevard, Margate, Florida 33063, and consisting of approximately one thousand one hundred and thirty-six (1,136) square feet (as shown on Exhibit “A”), hereinafter called "Premises", to be used by Lessee as offices for the Margate Economic Development Department, and for no other purpose, which Premises is hereinafter called "Building". The term of this Lease (“Term”) is 5 years, to wit: from _____ thru _____, inclusive by this Lease and no other. The Lease may be renewed for additional terms as stipulated and mutually agreed upon by both parties.

IN CONSIDERATION of the terms and covenants hereinafter set out, the parties hereto covenant and agree as follows:

1. RENTS: Commencing on _____, Lessee agrees to pay Lessor, or to Lessor's Agent, at Lessor's office located at 6280 West Atlantic Blvd., Margate, FL 33063, or any other location hereinafter designated by Lessor or its assignee, Rent for said Premises without notice, deduction or set-offs, in the amount equal to \$13,632.00 per year for a total of \$68,160.00 for the 5-Year Lease Term. In addition to the monthly rent of \$1,136.00, Lessee agrees to pay on a monthly basis 50% of the estimated costs for common area maintenance and utilities (said share estimated at \$16,250.00). Total monthly payments including rent, maintenance and utilities will be \$2,490.00, payable on the first day of every month beginning _____, 2016, and monthly thereafter throughout the Term. Rent and additional Rent and any and all other sums due and payable to Landlord in connection with Tenant’s use and occupancy of the Premises shall be considered Rent and referred to herein as “Rent”.

Termination Right: Upon no less than twelve (12) months written notice (the “Termination Notice”), the Lessor or Lessee may terminate the Lease with no penalty to either party. Termination Notice must be delivered in accordance with the notice provision of this Lease and must provide a date certain for the termination of this Lease, provided that the date certain is not less than 12 months from the date of delivery of the Termination Notice. Upon Tenant properly terminating and vacating the Premises, this Lease shall be terminated and of no further force and effect, except for obligations that specifically survive termination/expiration. Tenant and Landlord agree to sign a Termination of Lease as prepared by Landlord in connection with this termination right exercised by either party.

2. COMMON AREA MAINTENANCE: Landlord and Tenant agree that Tenant's share of CAM is 0.00%. Lessee shall be responsible for a fifty percent (50%) share of all utility charges attributed to its operations, including but not limited to phone, water, electric and cable

services and routine maintenance costs, including but not limited to janitorial, landscaping, trash removal and pest control services. As provided in Section 1 of this Lease, an estimate of the proportionate share shall be included in the monthly installments. At the end of each Lease year, the actual bills paid for utilities and maintenance costs shall be totaled, and any amount owed to the CRA by the City shall be paid within ninety (90) days of the receipt of an invoice, or if a refund is due to the City, it shall be paid by the CRA within thirty (30) days of the end of the Lease year.

3. **LICENSES:** The Tenant shall promptly execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the federal, state and city government and of any and all their departments and bureaus applicable to Tenant's use and occupancy of the Premises.

4. **DELINQUENT PAYMENTS:** Any Rent payment, including utility and maintenance fees or other required payments, which are not received in full by the 7th day of the month will be considered past due and will be charged 5% interest, compounded monthly, as a late fee. Tenant further agrees that the late charge imposed is fair and reasonable, complies with all laws, regulations and statutes, and constitutes an agreement between Landlord and Tenant as to the estimated compensation for costs and administrative expenses incurred by Landlord due to the late payment of Rent by Tenant. Tenant further agrees that the late charge assessed may be treated by Landlord as additional Rent owed by Tenant. Any payment not honored by the bank will be charged a minimum of \$50.00 or the maximum amount allowed by law, whichever is greater. If Lessee ever presents to Lessor a payment which is not honored by the bank, Lessor will only accept a certified check or cashier's check for all future payments.

5. **POSSESSION:**

a. Lessor shall not be liable for failure to deliver possession of the Premises at the specified time, other than to the extent of a pro rata abatement of Rent from the date of the commencement of this Lease to the day possession is delivered to Lessee.

b. Lessee acknowledges receipt from Lessor in good working order and condition, all doors, lights, electrical and plumbing fixtures, if applicable. By occupying the Premises, Tenant shall be deemed to have accepted the Premises and to have acknowledged that the Premises is in acceptable condition as required by this Lease.

6. **DAMAGE TO PROPERTY:**

a. Lessee is and shall be responsible and liable for any damages done to the Premises, the Building, the Building parking lot, and sidewalks surrounding the Building, or to any property of Lessor or other tenants of the Building caused by Lessee's acts or omissions, or those of Lessee's employees, agents, customers or other persons who are on the Building property due to Lessee's tenancy.

b. Before vacating the Premises, in accordance with Lessee's rights to do so under this Lease, Lessee shall coordinate with Lessor, 30 days in advance, to surrender to Lessor all keys and return the Premises undamaged and unsoiled to Lessor. Prior to vacating the

Premises, the Premises shall be cleaned, at Tenant's expense, including all flooring, rooms, walls, fixtures, windows and plumbing fixtures.

7. SUBLEASE/ASSIGNING: Lessee shall not have the right to sublet or assign the Premises or any part thereof, or permit others to occupy same, nor to transfer this Lease without the written consent of Lessor, which consent may be withheld in total and absolute discretion of Lessor. Change of Lessee partnership, LLC or other entity, purchase or transfer of entity to a different stockholder, partner or principal shall be an assignment pursuant to this Section. Any Lessee violation of this provision shall be, at Landlord's option, void and of no force or effect.

8. SUBORDINATION: Tenant agrees that it does hereby subordinate its rights hereunder to the lien of any mortgage, ground lease, or any other method of financing or refinancing now or hereafter placed against the land and/or the Premises and/or any or all of the buildings now or hereafter built or to be built in the Building by Landlord. Tenant further agrees that it shall attorn to any such lender (or purchaser at foreclosure) or ground lessor upon such lender's or ground lessor's succession (or the succession of any purchaser at the sale of all or any part of the Building on a foreclosure or deed in lieu of foreclosure) to Landlord's interest hereunder, whether by means of foreclosure, deed in lieu of foreclosure or otherwise. This Section shall be self-operative and no further instrument of subordination or attornment shall be required. Tenant further agrees that within ten (10) days of a request therefor, that it will enter into and execute all documents which any mortgagee or any ground lessor may reasonably request Tenant to enter into and execute, including but not limited to a subordination, an attornment agreement, and/or a new lease for the remainder of the Term hereof on the terms and conditions set forth herein.

9. DISTURBANCES/DISRUPTION: Lessee shall make every effort to eliminate and not allow any disturbance or disruption to any other tenants, tenant's agents, employees, customers or any other persons due to Lessee's business, Lessee's agents, employees, customers or any other persons. Should Lessee ever be contacted in writing by Lessor regarding any such disturbances or disruptions, Lessee shall have three (3) business days to remedy any and all alleged disturbances or disruptions implied, at Lessee's sole financial cost. Should Lessee fail to remedy any alleged disturbances or disruptions to the full satisfaction of the Lessor, Lessor may, at Lessor's option, remedy such allegations at the Lessee's expense and may seek all actions applicable for default of this Lease. The second occasion of such disturbance or disruption, as described above, shall be cause for termination of this Lease.

10. RE-ENTRY: Should Lessee at any time while this Lease is in force, abandon or vacate the Premises, or if an execution or other process be levied upon the interest of Lessee affecting Lessor's rights hereunder, or if Lessee be adjudicated bankrupt, Lessor may at Lessor's option re-enter and take possession of the Premises and terminate this Lease, subject to all the rights, covenant and agreements herein set out.

11. PERMITTED USES AND PROHIBITED PURPOSES: The Premises shall be used as governmental office space, and the Premises shall be used for no other purposes, unless agreed to by the parties to this Lease in writing. Tenant will be fully compliant with all applicable governing law and rules and regulations as to Tenant's business.

12. **PARKING:** The parking lot is to be shared by the Landlord and the Lessee, and both parties agree to cooperate with each other on its use.

13. **COMMON AREAS:** Lessee shall have access to and shared use of common areas in the Building including hallways and rest rooms, main conference room, reception area and break room.

14. **CONDITION OF PREMISES:** Lessee has examined the Premises, is satisfied with the physical condition, and by taking possession, acknowledges and agrees that the Premises is in good order and repair.

15. Lessor shall be responsible for the costs to repair, maintain and replace major systems and components of the Building, including but not limited to heating, air conditioning, electrical, plumbing and sewer systems, doors, landscaping and parking area, windows and broken and cracked glass which may become necessary during the Term or any extended Term of this Lease.

16. **IMPROVEMENTS:** Lessee shall not perform or contract out any improvements for the property without the written consent of the Lessor, which consent may be withheld in Landlord's sole and absolute discretion.

17. **LESSEE SHALL NOT CAUSE LIENS:** Nothing in this Lease shall grant or confer unto the Lessee the right to lien, mortgage or encumber in any way the real property of the Lessor or any improvement thereon, nor subject said property to any encumbrance; the Lessee has no right whatsoever to lien, mortgage or encumber the real property of the Lessor, or the improvements thereon; the Lessee alone shall be liable and responsible for labor or material furnished to the Premises by order of the Lessee or its agents or subcontractors, and construction liens are expressly prohibited under this Lease.

Tenant shall keep the Premises and any improvements thereon at all times during the Term free of construction liens and other liens of like nature and at all times shall fully protect and hold Landlord harmless against all such liens or claims and against all attorney's fees and other costs and expenses arising out of or as a result of any such lien or claim. Under Section 713.10, Florida Statutes, the interests of Landlord in the Premises, the Building or the improvements thereon shall not be subject to liens for any improvements made by or on behalf of the Tenant and no one acting by, through or under the Tenant may file any lien against the Premises or the Building. All parties with whom Tenant may deal are put on notice that Tenant has no power to subject Landlord's interest to any mechanics' or materialmen's lien of any kind or character, and all such persons so dealing with Tenant must look solely to the credit of Tenant, and not to Landlord's interest or assets. Tenant shall provide written notice to each contractor, subcontractor, materialman, mechanic and laborer performing work in the premises of the foregoing. A copy of such notice shall be sent to Landlord. Tenant shall provide Landlord with Notice of Termination of any Notice of Commencement filed by any contractor or subcontractor. Landlord may record a memorandum of this Lease in the public records. In the event a lien is filed against Landlord's interest in the Premises, Landlord, at its option, may pay all or any part

of such lien or claim, and any such payments, together with interest thereon at the rate of 18% per annum from the time of such payment by Landlord until repayment by Tenant, shall be paid by Tenant as additional Rent upon demand, and if not so paid, shall continue to bear interest at the aforesaid rate until paid in full.

18. COMPLIANCE: Lessee agrees to uphold and abide by all ADA regulations as they may affect the Premises. Lessee holds Lessor harmless for any and all claims against Lessor for non-compliance due to the action or inaction of the Lessee. Lessee must fully comply with any and all written directives from Lessor in order to create and maintain ADA compliance within the Premises.

19. DESTRUCTION OF PREMISES, OR CONDEMNATION, ETC:

a. In the event the Premises are totally destroyed by fire, rain, wind or other causes beyond the control of Lessor, taken by eminent domain, or conveyed under threat thereof, then this Lease shall cease and terminate as of the date of such destruction or taking. Any award for any taking by condemnation or taking under eminent domain or threat thereof shall be the sole property of Lessor. The Lessee shall have no interest in any award.

b. If the Premises are damaged by fire, rain, wind or other natural disaster/casualty, and are rendered temporarily unfit for use, the Lessor may, at its option, restore the Premises and this Lease shall remain in full force and effect. During the term of such restoration, the Rent shall be abated in proration to that portion of the Premises which is unfit. If Lessor determines that it shall not repair or restore the Premises, it shall notify the Lessee within 30 days after date of such damage and this Lease shall be terminated as of the date of such damage. Notwithstanding anything herein to the contrary, if the Premises are damaged by fire, rain, wind or other natural disaster or casualty and rendered temporarily unfit for use, Lessee shall have a period of 30 days after the date of such damage to elect, in writing, to terminate this Lease.

20. INSPECTIONS & REPAIRS:

a. Lessor and Lessor's authorized agents shall have the right to enter or inspect in order to repair or alter or to show the Premises to prospective tenants or purchasers. Lessor may make such repairs and alterations of the Premises as may be deemed necessary by Lessor at times determined by Lessor. Repairs deemed as emergencies by the Lessor will be done knowing that time is of the utmost importance.

b. If Lessee shall vacate or abandon the Premises, Lessor may, but not be obligated to, then enter same for inspection, to clean, decorate, or renovate, which shall not affect or abate Rent or other charges due hereunder or affect any terms hereof.

21. ALTERATIONS/DEMOLITION: Lessor and Lessee agree and understand that in the event the Lessor decides to remodel, alter, or demolish all or any part of the Premises or the Building, the Lessee agrees to vacate the Premises and this Lease shall terminate and be of no further force and effect, provided that Lessor gives Lessee 30 days advance written notice of Lessor's termination for remodel, alteration or demolition.

22. **INSURANCE AND INDEMNIFICATION:** Tenant shall indemnify and save harmless from and against all claims of whatever nature arising from any act, omission or negligence of Tenant or Tenant's contractors, licensees, invitees, agents, servants, or employees, or arising from any accident, injury, or damage whatsoever caused to any person, or to the property of any person, or from any violation of applicable law. This indemnity and hold harmless agreement shall include indemnity against all costs, expenses and liabilities incurred in or in connection with any such claim or proceeding brought thereon and the defense thereof and shall survive the expiration or earlier termination of this Lease. Throughout the Lease Term, Tenant shall, at its sole cost and expense, maintain in full force and effect the following types and amounts of insurance coverage:

a. . Liability Insurance. Tenant shall provide and keep in full force and effect a policy or policies of Commercial General liability and property damage insurance with each providing coverage against liability for personal injury, death and property damage having a combined single limit of not less than Three Hundred Thousand Dollars (\$300,000.00) with respect to injuries, deaths or damage in any one occurrence. Said insurance and any and all other liability insurance maintained by Tenant in excess of or in addition to that required hereunder shall include, without limitation, protection for and in addition, Tenant shall name as an additional insured the Landlord and any lender or ground landlord hereafter holding any interest in the Building, the effect of which will insure such parties in respect of any and all loss or liability resulting from personal injury, death or property damage arising or occurring upon, or in connection with, or by reason of the use and occupancy of the Premises or the operation of the business conducted by Tenant at the Premises. Landlord reserves the right to specify higher liability limits or additional insurance coverage from time to time to meet reasonably anticipated loss exposure, or to reflect changes in the value of the Premises.

b. Workers' Compensation Insurance. Tenant shall provide and keep in full force and effect commercially insured or self insured workers' compensation insurance, in a form and with coverage limits not less than as prescribed by the laws of the State of Florida, and employers' liability insurance in an amount equal to the minimum amount required by law.

c. Property Damage Insurance. Landlord shall provide and keep in full force and effect a policy covering loss occasioned by fire, windstorm, theft, vandalism, malicious mischief, sprinkler leakage, water damage, flood and other hazards and/or casualties, including special extended coverage, in an amount adequate to cover the replacement cost of any and all interior improvements made by Landlord or Tenant in the Premises including plate glass, trade fixtures, inventory, personal property whether affixed or non-affixed to the Premises, and all other contents located in the Premises from time to time.

23. **DEFAULT:** Should Lessee fail to perform any of the covenants under this Lease, the Lessor shall have the right to immediately accelerate all Rents due under this Lease after written notice to Lessee of said default and reasonable time of five (5) business days to cure said default.

24. EVENTS OF DEFAULT

The occurrence of any of the following shall constitute an event of default by Tenant ("Event of Default"):

a. Failure of Tenant to pay when due any installment of Rent or any other sum required to be paid by Tenant when due.

b. Tenant's failure to perform any covenants or conditions of this Lease within five (5) days after written notice and demand.

c. Discontinuance by Tenant of the conduct of its business in the Premises beyond a twenty (20) day period or abandonment of the Premises by Tenant.

d. The filing of any Petition for Bankruptcy under the United States Bankruptcy Code or the filing of an Assignment for Benefits of Creditors under Chapter 727, Florida Statutes.

e. In the event Tenant is in default under this Lease, Landlord may elect, in addition to any and all remedies provided by Florida law, any or all of the following remedies, which are cumulative:

i. Termination of Lease. By written notice to Tenant, designate a date upon which the Lease shall terminate ("Termination Date"), and thereupon, on the Termination Date, this Lease and all rights of Tenant hereunder shall terminate. Such termination by Landlord shall not affect the obligations of Tenant arising under the Lease prior to the Termination Date or the other remedies of Landlord provided in this Lease.

ii. Termination of Tenant's Possession. Landlord may elect to terminate Tenant's possessory rights, without terminating the Lease, and upon such election, Tenant and any sub-tenants, licensees or assignees of Tenant shall surrender the Premises to Landlord, and Landlord, at any time after such termination may, without further notice, re-enter and repossess the Premises without being liable for any prosecution or damages, and no person claiming through or under Tenant or by virtue of any statute or of any order of any court shall be entitled to possession of the Premises. At any time or from time to time after any such termination of Tenant's possession, Landlord may but shall have no duty to attempt to relet the Premises or any part thereof, in the name of Landlord or otherwise, for such term or terms and on such conditions as Landlord, in its sole discretion, may determine, and may collect and receive the rents therefore.

The termination of Tenant's possession of the Premises shall not relieve Tenant of its liability and obligations under this Lease, including the obligation to pay Rent, and such liability and obligations shall survive any such termination. If Landlord at its option shall relet the Premises during said period, Landlord shall credit Tenant with the net rents received by Landlord from such reletting, such net rents to be determined by first deducting from the gross rents, as and when received by Landlord, the expenses incurred or paid by Landlord in

terminating this Lease and in securing possession thereof, as well as the expenses of reletting, including without limitation the alteration and preparation of the Premises for replacement tenants, brokers' commissions, any tenant concession or improvement allowance provided for any replacement tenants, attorneys' fees and all other expenses properly chargeable against the Premises and the rental therefrom. Tenant shall have no entitlement to any rents received by Landlord from a third party which is in excess of Tenant's remaining Rent obligation to Landlord.

b. Landlord may, whether this Lease or Tenant's possession of the Premises is terminated or not, recover damages from the Tenant in accordance with either of the following provisions:

i. Acceleration. The present value of the entire amount of the Rent, inclusive of Base Rent and Additional Rent, which would become due and payable during the remainder of the Term of this Lease; or

ii. Sums equal to the Rent which would have been payable by Tenant in accordance with the Lease, payable upon the due dates as set forth in the Lease through the expiration of this Lease.

c. Tenant waives any right of redemption to which it is otherwise entitled. Tenant further agrees not to interpose any counterclaim whatsoever in any action brought by Landlord which seeks possession of the Premises. **Tenant hereby waives any right to trial by jury in any action or proceeding brought by either Landlord or Tenant in any respect whatsoever arising out of this Lease or in any way connected with the parties' Landlord/Tenant relationship and/or Tenant's use and occupancy of the Premises.**

d. If Tenant defaults in the performance of any of the terms, provisions, covenants and conditions of this Lease and by reason thereof the Landlord employs the services of an attorney to enforce performance of the covenants, or to perform any service based upon the Event of Default, then in any of said events the Landlord shall be entitled to reasonable attorneys' fees and all expenses and costs incurred by the Landlord pertaining thereto and in enforcement of any remedy. Such fees and costs shall include but not be limited to fees and costs related to pretrial, trial, appellate, judicial and administrative proceedings and bankruptcy and insolvency proceedings.

26. TAXES: The Tenant shall be responsible for all personal property taxes assessed upon the Premises and upon any property located within the Premises.

27. ATTORNEYS FEES: In any action or proceeding to enforce this Lease, including any appeals or post judgment proceedings, the Lessor shall be entitled to recover from the other party all reasonable attorney's fees, court costs, filing fees, publication costs and other expenses incurred by the Lessor in connection therewith.

25. OF NOTICE: Lessee agrees to waive notice pursuant to Section 83.20 of the Florida Statutes, if it has not vacated the Premises as provided by this Agreement.

26. RENEWAL OPTION: No renewal option is extended at this time.

27. NOTICES: All notices and demands authorized or required to be given to Lessee or Lessor may be served upon Lessee or Lessor in person or by regular mail addressed at the Premises for Lessee or attached to the front door of Premises for Lessee. The parties designate the following as the respective place for giving of notice, to wit:

For Lessee: City of Margate
Office of the City Manager
5790 Margate Blvd.
Margate FL 33063

For Lessor: Margate Community Redevelopment Agency
Executive Director
6280 West Atlantic Blvd.
Margate, Florida 33063

28. SURRENDER AND HOLDING OVER: Tenant, upon expiration or termination of this Lease, either by lapse of time or otherwise, agrees peaceably to surrender to Landlord the Premises in "broom clean" condition and in good repair. Should Tenant hold over and remain in possession of the Premises at the expiration of any Term, Tenant shall, by virtue of this paragraph, become a tenant-at-sufferance and shall pay Landlord twice the Rent per month of the last monthly installment of Rent above provided to be paid. Nothing herein shall be deemed to permit Tenant to retain possession of the Premises after the expiration of or earlier termination of this Lease. Tenant will pay to Landlord, upon request, all damages that Landlord may suffer on account of Tenant's failure to surrender possession of the Premises as required under this Lease upon the expiration or termination of this Lease and will indemnify Landlord against all liabilities, costs and expenses (including all reasonable attorneys' fees and costs) arising out of Tenant's delay in so delivering possession, including claims of any succeeding tenant.

29. COMPLETE AGREEMENT: No oral agreements, statements, representations, understandings or promises, from any source, or terms or provisions have been made and all terms and conditions are hereinafter set out.

LESSEE:

Witness to Lessee

Witness to Lessee

By: _____

Title: _____

LESSOR:

**Margate Community Redevelopment
Agency**

Witness to Lessor

Witness to Lessor

By: _____

Title: _____