



DATE: Thursday – March 3, 2022

TIME: 1:00 P.M.

LOCATION: Airport Administration Building | 355 Golden Knights Blvd | Titusville, FL 32780

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### **SPECIAL MEETING AGENDA**

- A. Call to Order
- B. Pledge of Allegiance
- C. Approval of Agenda
- D. Action Items
  - a. Approval of Space Coast Innovation Park, LLC Ground Lease Agreement
  - b. Six Month Progress Review – Director of Airports
- E. Authority Members Report
- F. Public Comments
- G. Adjournment

**ABSTRACT OF NON-AERONAUTICAL GROUND LEASE  
AND DEVELOPMENT AGREEMENT**

**AIRPORT:** Space Coast Regional Airport (TIX)

**TENANT:** Space Coast Innovation Park, LLC

**LANDLORD:** Titusville-Cocoa Airport Authority

**LEASED PREMISES:** Phase 1- approx. 50 acres of non-aeronautical land  
(exact size subject to final site plan)

**LEASE TERM  
(PHASE 1):** Fifty (50) years with two (2) renewal options of ten (10) years each

**LEASE RENT- PHASE 1:** 12% of FMV, subject to CPI annual adjustments with a floor of 2.5% and a ceiling of 3.5% commencing as follows, and a FMV adjustment on renewal option if exercised:  
Twenty (20%) percent on the earlier of the date Tenant receives a Certificate of Occupancy for approximately 20% of the Phase 1 Property or August 1, 2024;  
Additional twenty (20%) percent on the earlier of the date Tenant receives a Certificate of Occupancy for approximately forty (40%) percent of Phase 1 or August 1, 2024;  
Additional twenty (20%) percent on the earlier of the date Tenant receives Certificates of Occupancy for approximately sixty (60%) percent of Phase 1 or August 1, 2025;  
Additional twenty (20%) percent of Tenant's total obligation to pay base rent on the earlier of the date Tenant receives Certificates of Occupancy for approximately eighty (80%) percent of the Phase 1 Property or August 1, 2025;  
Additional twenty (20%) percent on the earlier of the date Tenant receives Certificates of Occupancy allowing lawful use for approximately one hundred (100%) percent of the Phase 1 Property or no later than August 1, 2025

**ESTIMATED  
IMPROVMENTS TO BE  
CONSTRUCTED  
BY TENANT PHASE 1:** Over 600,000 sq. ft. of new construction buildings and related Infrastructure (see attached preliminary site plan)

**OPTION PREMISES:** Phase 2- approx. 50 acres of non-aeronautical land  
(exact size subject to final site plan)

**OPTION TERM:** Three (3) years

<b>OPTION FEE:</b>	30% of FMV of Phase 2
<b>ROFR PREMISES:</b>	Phase 3- approx. 350 acres of non-aeronautical land (exact size subject to final site plan)
<b>ROFR TERM:</b>	Six (6) years, but if Phase 2 Option exercised, Tenant has the right to convert ROFR on Phase 3 to a 3 year Option on the Phase 3 area
<b>ROFR CONSIDERATION:</b>	While still a ROFR, consideration for ROFR shall be the studies/reports for the site conducted by Tenant on Phase 3 which shall be assignable to Authority. If and upon conversion to an Option, Option Fee would be calculate din the same manner as Phase 2 Option Fee (i.e. 30% of FMV of involved Phase 3 Premises)
<b>RENT FOR PHASE 2 &amp; PHASE 3:</b>	12% of FMV and commenced in a staggered fashion similar to Phase 1 above
<b>LEASE TERM FOR PHASE 2 &amp; 3 (IF EXERCISED):</b>	<p>Phase 2 would run concurrently with Phase 1- i.e. Fifty (50) years with two (2) renewal options of ten (10) years each</p> <p>Phase 3 would be fifty (50) years with two (2) renewal options of ten (10) years each, under a stand alone lease commencing on exercise</p>
<b>MAJOR DEVELOPMENT MILESTONES FOR <u>PHASE 1:</u></b>	<p>Pre-development studies to commence by June 2, 2022 and be completed by June 30, 2023;</p> <p>Master infrastructure design and construction to commence by June 2, 2022 and be completed by June 1, 2024;</p> <p>Phase 1 Property mass grading, clearing, development and permitting to commence by April 27, 2023 and be completed by May 8, 2024;</p> <p>Construction and issuance of the first Certificates of Occupancy to be completed by June 30, 2024 and the final CO to be received by October 21, 2025.</p> <p>Tenant may request from Authority in writing a reasonable extension of time to complete any of the foregoing tasks as long as any such extension was necessitated or otherwise related to delays beyond Tenant’s reasonable control.</p>
<b>PRELIMINARY SITE PLAN AND DEVELOPMENT</b>	

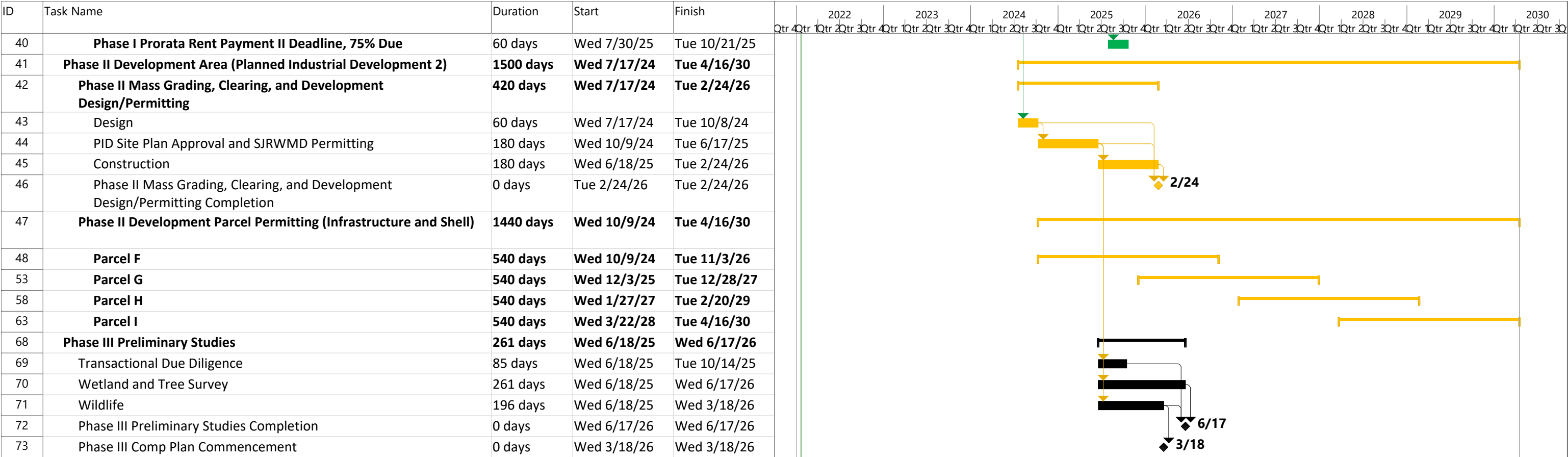
**SCHEDULE:**

Attached as Appendix “2” to the draft Lease, and attached hereto

**AUTHORITY  
IMPROVEMENT  
OBLIGATIONS:**

Attached as Appendix “1” to the draft Lease





**TITUSVILLE-COCOA AIRPORT AUTHORITY**  
***AND***  
**SPACE COAST INNOVATION PARK, LLC**

**NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT**

***AT THE***  
**SPACE COAST REGIONAL AIRPORT (TIX)**

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## **NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT**

THIS NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT (hereinafter referred to as the “Lease” or “Agreement”), made and entered into on the Commencement Date (defined below), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, having an office and place of business at Space Coast Regional Airport (TIX) (the “Airport”), 355 Golden Knights Blvd., Titusville, FL 32780 (the “Authority”), and SPACE COAST INNOVATION PARK, LLC, a Florida limited liability company with its principal place of business located at 355 Golden Knights Blvd., Suite #3, Titusville, Florida 32780 (the “Tenant” and together with the Authority, the “Parties”).

### **WITNESSETH THAT:**

WHEREAS, Authority has the exclusive right, power and authority to lease certain Property (as herein defined) located in the County of Brevard, State of Florida; and,

WHEREAS, Authority desires to lease to Tenant, and Tenant desires to lease from Authority, the Property upon the terms and conditions hereinafter set forth; and

WHEREAS, in addition to the payment of rent and other consideration by Tenant to Authority for said lease, Tenant also intends to construct certain improvements on and to the Property as set forth herein, which Authority recognizes provides a substantial benefit to Authority and further material consideration for the Authority to enter into this Agreement.

NOW, THEREFORE, in consideration of the promises, covenants, terms and conditions herein set forth, the Parties have agreed and do agree as follows:

### **ARTICLE 1** **LEASE AGREEMENT, TERM, OPTIONS AND RENTAL**

#### **SECTION 101. PROPERTY.**

A. Subject to the terms and conditions set forth hereinafter, Authority leases hereby to Tenant and Tenant rents hereby from Authority the property described on [Exhibit A-1](#) attached hereto (the "Phase 1 Property"), consisting of approximately fifty (50.00) acres, subject to a final survey and legal description, together with any and all rights of way necessary to permit ingress to and egress from the Phase 1 Property as required by Tenant’s site plan (preliminary version attached as [Exhibit B-1](#)) for construction of the Improvements (as provided herein) and development of the Property. The Authority represents that the Phase 1 Property does not currently have access to all utilities (including, without limitation, water, sewer, telecommunications, natural gas, and electricity) but Authority represents that Authority shall at its sole cost and expense, bring such necessary, adequate and

customary utilities to the Phase 1 Property according to the proposed schedule set forth as Appendix “1” so that Tenant can develop and use the Phase 1 Property for the purposes stated in this Agreement. Tenant’s preliminary site plan for the Phase 1 Property is attached as [Exhibit B-1](#) and by or before February 1, 2023, or such additional time as agreed by the parties in writing, a copy of Tenant's as submitted for building permit approval site plan for the Phase 1 Property will be substituted for the preliminary site plan as [Exhibit B-1](#) hereto without the need for further amendment ("Phase 1 Site Plan") and shall thereafter be incorporated herein by reference.

B. Subject to the provisions of [Subsection 101.1](#) and [Article 24](#), below, Authority grants a 3-year exclusive option to Tenant to lease the property described on [Exhibit A-2](#) attached hereto (the "Phase 2 Property," and the 3-year option to lease the Phase 2 Property, the “Phase 2 Property Option”), consisting of approximately fifty (50.00) acres, subject to a final survey and legal description of the final developable acreage, together with any and all rights of way necessary to permit ingress to and egress from the Phase 2 Property as required by Tenant’s site plan for construction of the Improvements (as provided herein) and development of the Phase 2 Property, said preliminary site plan attached hereto as [Exhibit B-1](#) as set forth below.

C. The Authority represents that the Phase 2 Property does not currently have access to all utilities (including, without limitation, water, sewer, telecommunications, natural gas, and electricity) but Authority represents that Authority shall at its sole cost and expense, bring such necessary and adequate utilities to the Phase 2 Property according to the proposed schedule set forth as Appendix “1” so that Tenant can develop and use the Phase 2 Property for the purpose stated in this Agreement. Tenant’s preliminary site plan for the Phase 2 Property is attached as [Exhibit B-1](#). As soon as reasonably possible after Tenant provides the Phase 2 Property Option Notice, a copy of Tenant's as submitted for building permit approval site plan will be substituted for the preliminary site plan as a revised [Exhibit B-1](#) hereto without the need for further amendment ("Phase 2 Site Plan") and shall thereafter be incorporated herein by reference.

D. Subject to the provisions of [Subsection 101.2](#) and [Article 24](#), below, Authority grants to Tenant a six (6) year right of first refusal for the property described on [Exhibit A-3](#) attached hereto (the "Phase 3 Property" and the 6-year right of first refusal on the Phase 3 Property, the “Phase 3 Property ROFR”), consisting of approximately three hundred fifty (350) acres, subject to a final survey and legal description to determine the final developable acreage, together with any and all rights of way necessary to permit ingress to and egress from the Phase 3 Property as required by Tenant’s site plan for construction of the Improvements (as submitted for permits to construct) and development of the Phase 3 Property.

E. For any property leased by Tenant pursuant to this Lease (the “Leased Property(ies)”), including the Phase 1 Property, Tenant together with its officers, directors, employees, agents, assigns, subtenants, guests, invitees, customers, suppliers, contractors, and subcontractors, shall have the right of ingress to and egress from the Leased Property(ies) over Airport roadways, including without limitation the use of the public access and non-licensed vehicular roadways, expressly subject to the Rules and Regulations as may be established by Authority, a current copy of which is attached as [Exhibit F](#), with respect to such use and subject to law (provided that Tenant will not be deemed to have violated any new rule or regulation unless the Authority has at least thirty (30) days prior written notice of such change to Tenant).

G. The Parties however acknowledge that the Leased Property(ies) are non-aeronautical in nature and outside the perimeter of TIX and therefore any Rules and Regulations or Minimum Standards, as defined herein, that reasonably apply only to aeronautical properties and/or areas shall not apply to the Leased Property(ies).

**Subsection 101.1 Exclusive Option – Phase 2 Property.** For a period of three (3) consecutive years beginning on the Commencement Date of this Agreement and terminating upon (the “Phase 2 Property Option Period”): (i) an exercise of the Phase 2 Property Option in accordance with the terms of this Lease; (ii) the expiration of the Phase 2 Property Option Period; (iii) a written termination of the Phase 2 Option issued by Tenant in Tenant’s sole discretion to the Authority; or (iv) the termination of this Lease, whichever first occurs, Tenant shall have a sole and exclusive option to lease the Phase 2 Property as depicted on [Exhibit A-2](#).

In consideration for the Phase 2 Property Option, Tenant shall pay Authority a non-refundable option fee equal to thirty percent (30%) of the Phase 2 Property annual base rent for each year of the Phase 2 Property Option Period (the “Phase 2 Property Option Fee”) for the privilege of the Phase 2 Property Option, which shall be fully earned by Authority when due. The Phase 2 Property Option Fee shall be due as follows: (a) within ninety (90) days of the Commencement Date of this Lease, Tenant shall owe the Authority the Phase 2 Property Option Fee for the first year of the Phase 2 Property Option Period, payment of which however shall be deferred and to be paid in full by Tenant along with the second year Phase 2 Property Option Period payment as set forth in subsection (b) subject to the application of any Phase 2 Option Credits as defined below, if any; (b) within ninety (90) days of the first anniversary of the Commencement Date of this Lease, Tenant shall pay to Authority the Phase 2 Property Option Fee for the second year of the Phase 2 Property Option Period in full (conditioned on Tenant not having previously terminated the Phase 2 Property Option), along with and in addition to the first year Phase 2 Property Option Period payment less any Phase 2 Option Credits as defined below (which first year Phase 2 Property Option Fee shall be due regardless of whether Tenant previously terminated the Phase 2 Property Option); (c) conditioned on Tenant not having previously terminated the Phase 2 Property Option, within ninety



(90) days of the second anniversary of the Commencement Date of this Lease, Tenant shall pay to Authority the Phase 2 Property Option Fee for the third year of the Phase 2 Property Option Period in full. Should Tenant exercise the Phase 2 Property Option in accordance with the requirements of this Lease, Tenant shall not be responsible for payment of any future payments of the Phase 2 Property Option Fee which would otherwise be due under this subsection. In the event Tenant exercises the Phase 2 Property Option during an Option Year for which Tenant has already paid the annual payment for that Phase 2 Option Property Option year, then in that event the Phase 2 Property Option Fee for the Option year in question shall be pro-rated on a per diem annualized basis and any portion attributable to the remainder of the Option Year (i.e. after Option exercise) shall be applied as a credit to the Rent otherwise due for the Phase 2 Property when due. The parties agree said Phase 2 Property Option Fee shall constitute sufficient consideration for the Phase 2 Property Option and shall be in addition to the other consideration for the Option otherwise provided in this Lease in terms of the Lease obligations of the Tenant hereunder generally.

Furthermore, the Parties acknowledge that in the event Tenant terminates the Phase 2 Property Option during the first year of the Phase 2 Property Option, the Tenant shall be entitled to an offsetting credit against the first year Phase 2 Option Fee otherwise owed by Tenant hereunder equal to the amount of fees and costs directly expended by Tenant in payment to third parties (as proven by Tenant to the Authority's reasonable satisfaction), for the commencement, of, work in progress on and/or completion of any site plan, engineering, architectural or other site related professional work related to the Phase 2 Property but only to the extent such work is actually assigned to the Authority by the Tenant ("Phase 2 Option Credits").

**Subsection 101.2 Right of First Refusal – Phase 3 Property.** For a period of six (6) consecutive years beginning on the Commencement Date of this Agreement (the "Phase 3 Property ROFR Period"), unless earlier terminated pursuant to [Article 24](#) hereof or by written and mutual agreement of the parties, Authority hereby grants to Tenant the right of first refusal to lease the Phase 3 Property identified on [Exhibit A-3](#) attached hereto (the "Phase 3 Property ROFR"). Authority acknowledges that Tenant's obligations as set forth in this Lease, including without limitation Tenant's obligations to develop improvements to the Leased Property(ies), constitute sufficient consideration for the Phase 3 Property ROFR such that no additional consideration for the Phase 3 Property ROFR is required. As further consideration, Tenant agrees that Tenant will commence its initial site due diligence, assessments, environmental studies and/or reports for the Phase 3 Property as determined by Tenant no later than sixty (60) days after the third anniversary of the Commencement Date of this Lease and to the extent reasonably possible will assign same to the Authority in the event Tenant for any or no reason decides not to lease the Phase 3

Property hereunder. Tenant shall have the right to market its interests in the Phase 3 Property in accord with the terms of this Lease and as set forth herein, including without limitation Article 22, below

During the Phase 3 Property ROFR Period, and so long as the Authority has not issued a pending Phase 3 Property ROFR Notice as defined below, Tenant shall have the non-exclusive right in Tenant's discretion to lease all of the Phase 3 Property upon written notice to the Authority as set forth herein. Tenant shall then provide the Authority written notice of its potential desire to lease the Phase 3 Property and include a written Fair Market Value Request as to the Phase 3 Property, as set forth in **Section 102.2**. Once such notice has been issued by the Tenant, the provisions of this Section shall apply and the provisions set forth below as to a third party offer shall not apply during the pendency of the FMV process. Within thirty (30) days of the final FMV being determined, the Tenant must either issue a notice of its intent to lease the Phase 3 Property or decline to lease the Phase 3 Property, in which event the ROFR as to the Phase 3 Property shall remain but Tenant will be deemed to have thereafter waived any right to trigger on Tenant's own accord the leasing of the Phase 3 Property outside of a ROFR. In the event Tenant issues a notice of its intent to lease the Phase 3 Property, the parties shall execute a lease upon the same or similar terms and conditions as set forth in this Lease as to the Phase 3 Property only, including an initial term of fifty (50) years commencing on execution of the Phase 3 lease and two (2) twenty (20) year options to extend the initial term thereafter. The Phase 3 lease shall also include, inter alia, the same method as to the calculation of Rent as set forth in this Lease including the rate of 12% of FMV and subsequent escalations as set forth below.

As to the ROFR for the Phase 3 Property otherwise, Authority shall provide written notice to Tenant of its intent to lease any of the Phase 3 Property and afford Tenant the opportunity to lease the same portion of the Phase 3 Property on the same substantive terms and conditions, including without limitation extent of monetary investment in developing improvements on the subject portion of the Phase 3 Property, as any third party that may be interested in leasing some or all of the Phase 3 Property based on a bona fide letter of intent (the "Phase 3 Property ROFR Notice"). Notwithstanding the foregoing, the parties agree that to the extent any third party expressing an interest in leasing the Phase 3 Property has been made aware of the Phase 3 Property through the marketing efforts of the Tenant ("Marketed Third Party"), the Tenant shall have the right to still exercise Tenant's right to lease the Phase 3 Property as set forth above on the terms set forth above and the provisions of this ROFR section shall in that event not apply to such offer unless Tenant declines to exercise its right to lease at that time.

For any offers outside of a Marketed Third Party, Tenant shall have forty-five (45) days after receipt of the Phase 3 Property ROFR Notice (the "Phase 3 Property ROFR Offer Period") to determine whether to accept those terms, exercise the Phase 3 Property ROFR as to that portion of the Phase 3 Property identified in the subject Phase 3 Property ROFR Notice and lease that portion of the Phase 3 Property identified in the subject Phase 3 Property

ROFR Notice under a separate lease as to the Phase 3 Property. Should Tenant elect to do so, Tenant must deliver clear, written notice to Authority during the Phase 3 Property ROFR Offer Period of its exercise of its Phase 3 Property ROFR as to the portion of the Phase 3 Property, including its entirety as applicable, identified in the Authority's Phase 3 Property ROFR Notice. Should Tenant elect not to do so and the Phase 3 Property ROFR Offer Period expires without Tenant providing written notice of exercise or should Tenant notify Authority in writing that it is not exercising its Phase 3 Property ROFR for that portion of the Phase 3 Property identified in the Phase 3 Property ROFR Notice, then Authority may lease that portion of the Phase 3 Property identified in the Phase 3 Property ROFR Notice to the offering third party without recourse by Tenant. In that event, Tenant shall retain the Phase 3 Property ROFR for the remainder of the Phase 3 Property, if any, not leased to the offering third party pursuant to the terms hereof for the remainder of the Phase 3 Property ROFR Period.

Additionally, should Authority be unable to lease a portion of the Phase 3 Property identified in a Phase 3 Property ROFR Notice to the offering third party (where Tenant has not exercised its Phase 3 Property ROFR as to such portion of the Phase 3 Property), then Tenant shall retain the Phase 3 Property ROFR over said portion of the Phase 3 Property as if no offer had been made until such time as the next offer is made to Authority, at which time the above process shall be repeated. This paragraph shall not apply if Tenant's wrongful acts cause the inability of Authority to lease property to third parties pursuant to the terms hereof.

## **SECTION 102. TERM AND RENEWAL OPTIONS.**

**Subsection 102.1. Term of Lease.** The date this Agreement is signed by all parties hereto is the "Commencement Date". The initial term of this Agreement shall be for a period of fifty (50) years from the Commencement Date, plus any partial month in which the Commencement Date occurs if the Commencement Date is not the first day of a month, unless earlier terminated or unless extended as set forth herein.

**Subsection 102.2. Renewal Options to Extend Term.** Authority does hereby grant to Tenant the right, privilege and option to extend the term of this Lease for two (2) additional terms of twenty (20) years each (each an "Option to Extend" or "Option Period"), upon the terms and conditions as herein contained; provided (i) written notice to Authority of Tenant's intention to exercise said option is given by Tenant at least one-hundred twenty (120) days prior to the expiration of the then-current term ("Tenant's Option Deadline") but not more than one (1) year prior to the expiration of the then-current term, (ii) Tenant shall not be in material default under the terms of this Lease beyond any applicable cure period at the time of such notice, and (iii) that this Lease is then in effect. Whenever reference is made herein to the "term" or "Term" of this Lease, it shall include the initial term described in **Subsection 102.1** above and the renewal terms described in this **Subsection 102.2**, if validly exercised.

No earlier than eighteen (18) months prior to each of Tenant's Option Deadlines, Tenant shall, in its sole discretion, deliver to Authority written notice that it wishes to evaluate its Option to Extend and requesting Authority's estimate of the FMV (as defined below) of the Leased Property(ies) to be used to establish rent for the Leased Property(ies) for the upcoming Option Period (the "Written FMV Request"). Within sixty (60) days of Authority's receipt of the Written FMV Request from Tenant, Authority shall provide to Tenant Authority's estimate of the fair market value ("FMV") of the Leased Property(ies) for the upcoming Option Period (the "Notice of Fair Market Value Rent") to enable Tenant to determine whether or not to elect its Option to Extend by the Tenant's Option Deadline. The FMV shall be obtained by a non-employee appraiser who is a member of the American Institute of Real Estate Appraiser ("M.A.I.") with reasonable experience (i.e., not less than ten years) appraising non-aeronautical use of real property at public-use airports (the "Appraiser"). For each of the Leased Property(ies), the initial annual base rent for the upcoming Option Period shall be equal to twelve percent (12%) of the FMV of that/those Leased Property(ies) (the "Updated Rent"), with the FMV to be determined as set forth below.

In the event Authority fails to provide the Notice of Fair Market Value Rent for the Property within the sixty (60) day period provided above, then Tenant may at its sole cost and expense obtain its own appraisal of FMV for the Leased Property(ies) performed by an Appraiser and within sixty (60) days after the deadline for the Authority to have provided the Notice of Fair Market Value Rent for the Leased Property(ies) shall provide a Notice of Fair Market Value Rent to Authority.

Upon receipt of the Notice of Fair Market Value Rent, if the receiving party accepts the FMV contained within the Notice of Fair Market Value Rent or fails to object to the FMV contained within the Notice of Fair Market Value Rent within sixty (60) days of receipt of the Notice of Fair Market Value Rent, the FMV identified in the Notice of Fair Market Value Rent shall conclusively establish the FMV for the Leased Property(ies) for the upcoming Option Period. However, nothing in this paragraph shall operate as Tenant's exercise of one or both of its Options to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

Upon receipt of the Notice of Fair Market Value Rent, if the receiving party disagrees with the Notice of Fair Market Value Rent, the receiving party shall provide written notice of each objection, within sixty (60) days of receipt of the Notice of Fair Market Value, including a statement of what the receiving party believes the FMV should be for the Leased Property(ies) for the upcoming Option Period and an appraisal from a non-employee appraiser who is an M.A.I. member with reasonable experience (i.e., not less than ten years) appraising non-aeronautical use of

real property at public-use airports supporting that statement. If the receiving party delivers a timely objection, then upon the other party's receipt of the objection, the parties shall, for a period of thirty (30) days (the "Negotiation Period"), negotiate in good faith to agree on the FMV of the Leased Property(ies) for the upcoming Option Period. If the parties agree, said agreed-upon FMV for the Leased Property(ies) shall establish the rental value of the Leased Property(ies) for the upcoming Option Period. However, nothing in this paragraph shall operate as Tenant's exercise of one or both of its Option to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

If the parties are unable to agree on the FMV of the Leased Property(ies) for the upcoming Option Period prior to the end of the Negotiation Period, then the parties' respective appraisers shall cooperate to mutually select a third appraiser ("Deciding Appraiser"), and each party shall submit its respective proposed FMV and appraisal(s) to the Deciding Appraiser, who will conclusively determine the FMV of the Leased Property(ies) using "baseball style arbitration." Once the Deciding Appraiser has been selected, then, as soon thereafter as practical but in any case within ten (10) days, each party will submit a proposed FMV for the Leased Property(ies) to the Deciding Appraiser for a determination as to the FMV thereof, and the Deciding Appraiser must select one of the FMV allocations proposed by the parties and may not choose or determine his/her own allocation of FMV. All costs and/or fees of the Deciding Appraiser shall be borne equally by the parties. The determination by the Deciding Appraiser shall be rendered in writing to both Authority and Tenant and shall be final and binding on them. The FMV for the Leased Property(ies) established through "baseball style arbitration" shall establish the rental value of the Leased Property(ies) for the upcoming Option Period, subject to Tenant's exercise of one or both of its Option to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

If Tenant exercises its Option to Extend and the Option Period commences before the FMV for the Leased Property(ies) can be established, Tenant shall continue to pay to Authority monthly the same monthly rent and amounts due under the Lease for the last full month immediately preceding commencement of the Option Period. Once the FMV and, thus, the rent due Authority from Tenant for the Leased Property(ies) during the Option Period is determined as set forth herein, Authority shall provide a "true up" calculation to Tenant going back to the commencement of the Option Period through the date FMV is established (the "True Up Period"). If Tenant paid more than monthly FMV for the Leased Property(ies) during the True Up Period, then Tenant shall receive a credit toward its next monthly rent payment(s) and continue receiving a credit until the credit is used up. If Tenant paid less than monthly FMV for the Leased Property(ies) during the True Up Period, then Tenant shall pay to Authority the difference between what it actually paid and the FMV for the Leased Property(ies) for the entire True Up Period.

within thirty (30) days of Authority providing written notice of the amount due or within some other time as agreed to by the parties in writing.

### **SECTION 103. USE OF PROPERTY.**

**Subsection 103.1. Improvements to the Property.** Authority acknowledges hereby that Tenant is leasing the Phase 1 Property and, if applicable, the Phase 2 Property and/or Phase 3 Property (Phase 3 Property under a separate lease if exercised as set forth above) generally for the purpose of constructing and maintaining improvements on the Leased Property(ies) to sublease said improvements to one or more third parties subject to the terms of this Agreement, and that in order to utilize the Leased Property(ies) for this purpose, it will be necessary to construct at a minimum buildings and other improvements (collectively, “Improvements”) upon the Leased Property(ies) and to make alterations and renovations thereto at Tenant's sole cost and expense, unless otherwise addressed in this Lease. As it pertains to the Phase 1 Property, the Improvements are preliminarily as set forth on [Appendix “2”](#) and [Exhibit B-1](#), subject to the final site plan. Tenant agrees that its construction of the Improvements is an integral and material part of this Agreement and Authority’s assent to lease the Leased Property(ies) to Tenant. Tenant agrees to comply with all applicable rules, laws, regulations and requirements pertaining to its construction of the Improvements and the use of the Leased Property(ies) which were provided in advance to Tenant, including, but not limited to, applicable building codes and zoning ordinances of state and local governments. Other improvements to be constructed on the Leased Property(ies) of structural or exterior nature, including landscaping design, shall be subject to additional approval by Authority, provided, however, Authority's approval shall not be unreasonably withheld, delayed or conditioned. Tenant hereby agrees to indemnify and to save Authority harmless from any and all costs and/or expenses of any kind relating to construction of the Improvements to the extent arising by, through, or under Tenant, except to the extent arising from the obligations that are the responsibility of Authority at law or under this Agreement or within Authority’s control, and, further, except to the extent such costs and/or expenses arise from Authority’s, or its agents’, tenants’ or contractors’ acts or omissions, interference, negligence or willful misconduct.

For purposes of this Lease, the term “Construction Period” shall mean the period from the Commencement Date (as defined in [Subsection 102.1](#) above) until the Rent Commencement Date (as defined in [Subsection 104.1](#) below). Tenant, subject to approval by Authority, which approval shall not be unreasonably withheld, delayed or conditioned, shall upon obtaining any and all necessary government permits and/or approvals have the right to change, alter, raze or add to any Improvements, or any part thereof, now existing or change, alter or add to any Improvements, or any part thereof hereafter erected, constructed or installed on the Leased Property(ies) and remove the personal property (the “Personalty”) installed or placed by Tenant in, on, or about the Improvements on the Leased

Property(ies), assuming Tenant is not in monetary default of this Agreement. Authority acknowledges and agrees that title to all future Improvements and Personalty shall not be in Authority but is and shall remain in Tenant during the term of this Agreement.

**Subsection 103.2. Delivery and Acceptance of the Property.** Tenant will use all reasonable efforts to submit for the appropriate building permits, licenses, and other approvals necessary to construct the Improvements from all appropriate governmental authorities having or asserting jurisdiction over the Property. In the event that (a) Tenant is unable to or does not obtain within the time allotted by **Subsection 103.3**, below, such building permits, licenses, and other approvals necessary to construct and maintain the Improvements on the Phase 1 Property from all appropriate governmental authorities having or asserting jurisdiction over the Property, or (b) Tenant is unable to or does not obtain within the time allotted by **Subsection 103.3**, below, Authority's approval of the plans and specifications for the Improvements and landscaping design therefore on terms and conditions acceptable to Tenant, then at the sole option of Tenant, Tenant shall have the right to terminate this Lease within thirty (30) days of the expiration of the allotted time periods, in which event neither party shall have any further obligation to the other hereunder, and payments previously made by Tenant to Authority, if any, shall be refunded to the extent they were not to reimburse Authority for out-of-pocket expenses. Tenant may request approval from Authority to extend any of the time periods allotted in **Subsection 103.3**, below, and Authority agrees that it will not unreasonably withhold, condition or delay its consent to extend said periods, and further, Authority shall provide such support and assistance as Tenant reasonably requests in connection with obtaining any license, permit or other approval necessary to construct the Improvements and use and occupy the Leased Property(ies) as contemplated by Tenant, provided that Authority shall not be required to expend any money or incur any costs and/or expenses in assisting Tenant unless the expenditures and costs were contemplated or required by Authority to be incurred or paid under other provisions of this Lease, under **Appendix "1"** or such costs are de minimis. Authority does not and cannot guarantee the successful or timely issuance of said approvals, grants, permits, or authorizations.

**Subsection 103.3. Phasing Construction of Improvements and Time Periods.** As it pertains to the Phase 1 Property, Authority and Tenant agree that it is in the parties' best interest that the development of Improvements and attendant milestones related thereto be phased for the Phase 1 Property. As reflected on Tenant's preliminary site plan for the Phase 1 Property (**Exhibit B-1**), and as set forth on **Appendix "2"**, Tenant shall complete the following tasks as to the Phase 1 Property pursuant to the identified, corresponding timeframe: (i) Pre-development studies to commence by June 2, 2022 and be completed by June 30, 2023; (ii) Master infrastructure design and construction to commence by June 2, 2022 and be completed by June 1, 2024; (iii) Phase



1 Property mass grading, clearing, development and permitting to commence by April 27, 2023 and be completed by May 8, 2024; (iv) construction and issuance of the first Certificates of Occupancy to be completed by June 30, 2024. Tenant may request from Authority in writing a reasonable extension of time to complete any of the foregoing tasks as long as any such extension was necessitated or otherwise related to delays beyond Tenant's reasonable control, and Authority's consent to any such reasonable extension request shall not be unreasonably withheld, conditioned or delayed. Furthermore, the parties agree that the foregoing deadlines are a material part of this Lease.

Without regard to any other provisions of this Lease, any property improvement that is the responsibility of Authority in relation to the Phase 1 Property as set forth on [Appendix "1,"](#) including without limitation extension of utilities to the boundary thereof, shall be timely completed to permit Tenant to meet the task deadlines set forth above for the Phase 1 Property without causing delay to Tenant.

Additionally, should Tenant lease the Phase 2 Property and/or Phase 3 Property pursuant to the terms of this Lease, the parties agree development of Improvements by Tenant on those properties shall be subject sub-phasing and deadlines similar to the terms set forth in this [Subsection 103.3](#) but reasonably applied to the Improvements to be constructed by Tenant on each property. Likewise, Authority's completion of those property improvements to the Phase 2 Property and/or the Phase 3 Property that are its responsibility under this Lease shall be phased such that Authority shall complete such property improvements without causing delay to Tenant in the completion of its development tasks as to the applicable Phase Property.

**Subsection 103.4. Compliance with Section 255.05, Florida Statutes/No Lien.** Authority and Tenant acknowledge that as a result of Authority's reversionary interest in any improvements to the Property at the end of the term of the Lease, including without limitation the Improvements, as set forth in this Agreement, no individual or entity is entitled to a construction lien on the same as provided in chapter 713, Florida Statutes. Accordingly, Tenant shall be required at its sole cost and expense to comply with the provisions of section 255.05, Florida Statutes (2021), as may be amended from time to time.

## **SECTION 104. BASE RENT AND ADJUSTMENTS.**

**Subsection 104.1. Base Rent.** Annual base rent due Authority from Tenant shall be calculated and paid as set forth below commencing on the Rent Commencement Date (as hereinafter defined):

A. The initial annual base rent for the Phase 1 Property shall be equal to twelve percent (12%) of the FMV of the Phase 1 Property as established pursuant to the same procedure set forth in [Subsection 102.2](#), above, for determining Updated Rent. Said initial annual base rent shall then be adjusted or re-calculated as set forth in this



Lease. As used in this Lease, the term “base rent” shall mean the rent due and payable from Tenant to Authority for real property not including taxes, fees, expenses, utilities or other charges related to said real property. The parties further agree that the FMV of the Phase 2 Option Property shall be determined in the same manner as set forth in Section 102.2 above and shall be completed simultaneously with the determination of the FMV for the Phase 1 Property.

B. Tenant’s obligation to pay base rent to Authority hereunder is expressly subject to the rent credits as set forth in **Subsection 104.5**, and this Lease if any.

C. Base rent for the Phase 1 Property shall commence as follows (“Rent Commencement Date”): (i) twenty (20%) percent of Tenant’s total obligation to pay base rent for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for approximately 20% of the Phase 1 Property or August 1, 2024; (ii) an additional twenty (20%) percent of Tenant’s total obligation to pay base rent (cumulatively for a total with (i) of 40%) for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives a Certificates of Occupancy allowing lawful use for approximately forty (40%) percent of Phase 1 or August 1, 2024; (iii) an additional twenty (20%) percent of Tenant’s total obligation to pay base rent (cumulatively for a total with (i) and (ii) of 60%) for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives Certificates of Occupancy allowing lawful use for approximately sixty (60%) percent of Phase 1 or August 1, 2025; (iv) an additional twenty (20%) percent of Tenant’s total obligation to pay base rent (cumulatively for a total with (i), (ii) and (iii) of 80%) for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives Certificates of Occupancy allowing lawful use for approximately eighty (80%) percent of the Phase 1 Property or August 1, 2025; and (v) an additional twenty (20%) percent of Tenant’s total obligation to pay base rent (cumulatively for a total with (i), (ii), (iii) and (iv) of 100%) for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives Certificates of Occupancy allowing lawful use for approximately one hundred (100%) percent of the Phase 1 Property or no later than August 1, 2025. Subject to the foregoing but for the avoidance of doubt, full base rent for the Phase 1 Property shall commence and be due and owing from Tenant to Authority no later than August 1, 2025.

Each date Tenant’s obligation to pay base rent to Authority commences as set forth above shall be a “Rent Commencement Date” or collectively, the “Rent Commencement Dates.”

D. If Tenant leases the Phase 2 Property and/or the Phase 3 Property, then in that event the same methodology (calculation of FMV as set forth in **Subsection 102.2**) shall be utilized to calculate and commence the Phase 2 Property base rent and/or the Phase 3 Property base rent (as applicable) subject to rent credits as set forth in **Subsection 104.5** and the Lease, if any. In addition, phased rent commencement dates for portions of the Phase 2

Property and/or the Phase 3 Property if leased by Tenant shall be similar in duration to those set forth for the Phase 1 Property, above, should Tenant's investment in each property likewise be proportionately similar (taking into account acreage of the leased property) to its investment in the Phase 1 Property. Given the much larger size of the Phase 3 Property, however, the percentage of rent owed for each phase shall be broken into smaller portions and phased out from commencement to 100% in a longer overall duration if the Phase 3 Property ultimately leased by Tenant, if any, is materially larger in size than the Phase 1 Property or the Phase 2 Property.

E. Tenant's obligation to pay base rent to Authority hereunder, as adjusted from time to time pursuant to the terms of the Agreement, shall continue from the applicable Rent Commencement Date(s) through expiration or sooner termination hereof, unless expressly set forth herein. As soon as reasonably possible after each Rent Commencement Date, the parties shall insert such Rent Commencement Date on [Exhibit D](#) as then revised and annexed to this Agreement and execute the same; however, no delay in executing [Exhibit D](#) hereto shall affect Tenant's obligation to pay rent as set forth above.

F. In addition to the base rent, as may be adjusted from time to time pursuant to the terms of the Agreement, Tenant shall pay to Authority as additional rent any sales tax which may be due under applicable state law on all base rent and any other sums payable hereunder, if applicable, at the rate prescribed by Florida or local law from time to time. Authority agrees to remit such sales tax, if applicable, to the State of Florida or other legal authority as required by law.

**Subsection 104.2. Service Fee for Off-Site Drainage Service.** Although Tenant's current anticipated site plan for the Phase 1 Property does not require off-property drainage or stormwater management, Tenant shall have the right in its discretion to utilize off-property drainage and/or stormwater storage or management constructed by the Authority in accordance with [Appendix "1,"](#) and Tenant shall be obligated to pay Authority an Off-Site Drainage Fee commensurate with such fees charged by Authority to similarly situated tenants for off-site drainage and/or stormwater management or storage, including the benefit of all discounts for such use and repeated use as available and/or may be provided to other tenants at TIX. If Tenant pays Off-Site Drainage Fees under this [Subsection 104.2](#), that charge will be adjusted as set forth below in [Subsection 104.3](#).

**Subsection 104.3. Annual Rent Adjustments.** Each year on the anniversary of the Commencement Date of the Lease and commencing on the first Commencement Date anniversary occurring after the Rent Commencement Dates for the Phase 1 Property have occurred (the "Rent Adjustment Date(s)"), all rent and other Phase 1 Property-related payments and charges due Authority from Tenant as set forth in this [Section 104](#) of this Agreement shall increase by the greater of: (a) any increase in the Consumer Price Index ("CPI") (All urban consumers 1982= 100; all items) based on a twelve (12) month period ending ninety (90) days prior to the

anniversary date of the Commencement Date, or (b) two and one half percent (2.5%) of the then-current amount, but in no event shall the increase exceed three and one half (3.5%) percent over and above the immediate-prior year's rent and Premises-related payments and charges. The increases set forth in this **Subsection 104.3** shall also apply to the Phase 2 Property and/or the Phase 3 Property if leased by Tenant pursuant to the terms of this Lease and shall increase for each year on the anniversary of the calculation of the applicable FMV as initially determined for the Phase 2 Property and/or Phase 3 Property.

**Subsection 104.4. Additional Rent.** The term "Additional Rent" shall mean any monetary obligation of Tenant under this Agreement other than Base Rent.

**Subsection 104.5. Rent Credits for Completion of Authority Improvements.** Within forty-five (45) days of final site plan approval for the Phase 1 Property or such other deadline agreed upon by the parties in writing, Authority and Tenant shall agree on the items to be included in the a land development cost budget (the "Land Development Cost Budget"), which shall reflect the estimated costs to prepare the Phase 1 Property for development, including internal infrastructure within the Phase 1 Property and which shall also include all professional costs related to the site plan, including without limitation engineering, architectural and legal fees. However, the Land Development Cost Budget shall not include any costs or expenses for vertical improvement or construction. The Land Development Cost Budget shall be revised if and as necessary at receipt of the Certificate of Occupancy for the initially constructed building(s) on the Phase 1 Property to reflect the actual costs incurred and expended by Tenant. To the extent any of the tasks or items identified in the Land Development Cost Budget were the Authority's financial responsibility pursuant to this Lease as set forth on **Appendix "1,"** and to the extent Tenant in Tenant's sole discretion notified the Authority that it would be completing same on the Authority's behalf in order to mitigate any delays in completion, Tenant shall be entitled to a credit for such costs incurred by Tenant against any sums owed by Tenant to the Authority as and for base rent under this Lease (the "Rent Credits"). The amount of Rent Credits available to Tenant pursuant to this paragraph shall equal to the amount actually expended by Tenant for the completion of tasks or items identified in the Land Development Cost Budget that were the Authority's financial responsibility pursuant to this Lease. Tenant shall provide all reasonable documentation to Authority upon request to support or otherwise justify the Rent Credits Tenant claims.

In addition to the above, and if any portion of the Rent Credits due Tenant pursuant to the foregoing paragraph have not yet been applied, any unapplied remaining Rent Credits may also be applied as a credit toward any sums Tenant owes Authority for the Phase 2 Property Option Fee as well as any base rent due and owing

Authority for the Phase 2 Property. Selection of the sums due and owing to Authority to be offset by Rent Credits pursuant to this paragraph shall be in the Authority's discretion.

If Tenant leases the Phase 2 Property and/or Phase 3 Property pursuant to this Lease, the parties shall cooperate to prepare a written land development cost budget similar to the Land Development Cost Budget identified above for the Phase 2 Property and/or the Phase 3 Property, and any land development cost budget agreed upon by the parties in writing for a property shall be entitled to the same treatment as set forth above, namely that Tenant shall be entitled to rent credits equal to the amount Tenant actually expends on tasks and items in any such land development cost budget(s) that are the Authority's financial responsibility under this Lease or under any separate written agreement enumerating the same for the Phase 2 Property and/or the Phase 3 Property but that the parties agree in writing shall be completed by Tenant, which may also be assigned in the land development cost budget(s).

## **ARTICLE 2**

### **AUTHORITY AND TENANT OBLIGATIONS**

**SECTION 201. COMPLIANCE WITH ALL LAWS.** Tenant agrees that it will substantially observe and comply with all laws, ordinances, orders and regulations applicable to the business operated by Tenant on the Leased Property(ies). Authority warrants and represents that on the Commencement Date, the Phase 1 Property is in compliance with all applicable laws, rules, ordinances, orders, and regulations, including, without limitation, laws regarding hazardous wastes.

**SECTION 202. REPAIRS, ALTERATIONS AND MAINTENANCE.** Authority shall not be obligated to maintain the Leased Property(ies) or the Improvements thereon during the Lease Term unless such maintenance is required as a result of the negligence or wrongful acts or omissions of Authority or its officers, directors, employees, agents, assigns, tenants, subtenants, guests, invitees, suppliers, contractors, or subcontractors. Tenant shall maintain the Leased Property(ies) and the Improvements thereon in good, clean and neat condition at its own cost and expense and shall ensure that all regular maintenance and repairs normally and customarily performed by commercial tenants are performed by Tenant on and for the Leased Property(ies) and all Improvements thereon. Furthermore, Tenant agrees, at its sole cost and expense, to maintain all of the Improvements, including any parking and service areas, and utilities on and/or servicing the Leased Property(ies) in a good state of repair.

Authority acknowledges and agrees that it shall be solely responsible to maintain in good order all runways, taxiways taxilanes, ramps, ground run-up enclosures and run-up areas, the compass rose and all other

areas of the airfield shared in common with others at the Airport and as currently existing adjacent to or near the Leased Property(ies) at its sole cost and expense.

Additionally and without regard to any other term of this Lease, at the expiration or earlier termination of this Lease pursuant to the terms hereof, Tenant shall have thirty (30) days to have conducted on the Leased Property(ies) at Tenant's sole cost and expense a Phase 1 Environmental Site Assessment for each of the Leased Property(ies) and shall provide the final, written reports and assessments stemming from said Phase 1 Environmental Site Assessment(s) to Authority within five (5) business days of Tenant's receipt thereof.

**SECTION 203. UTILITIES AND SITE ACCESS.** The Authority shall provide necessary, adequate and customary utilities to the boundary of the Leased Property(ies) in accordance with the Authority's improvement schedule set forth on [Appendix "1"](#) at the Authority's sole cost and expense. The parties acknowledge that the capacity and availability of public and private utilities is not guaranteed by Authority to the extent it has no control over the same. Further, Authority cannot guarantee approvals for road entrances, traffic island crossovers, signalization, turning lanes, or acceleration lanes, etc. In the event a critical utility (potable water, sewer, electricity, natural gas and/or telecommunications) or adequate transportation access (as required and determined by Tenant in its sole, reasonable discretion) cannot be made available to the Phase 1 Property such that Tenant cannot complete the Improvements set forth in [Exhibit B-1](#) hereto, Tenant may terminate this Lease without prejudice.

Unless otherwise stated in the Lease, Tenant shall be responsible for any improvements within the Leased Property(ies) boundaries necessary for internal site access.

Tenant shall have the right to grant any easements, rights of way, and licenses required by any public or quasi-public utility company with respect to the construction, operation and use of the Improvements and Personalty. Authority shall execute any instruments which any such public or quasi-public utility companies may reasonably request or require from Authority; provided, however, that in each case such easement, right of way or license: (i) does not materially impair the value, utility and remaining useful life of the Leased Property(ies), (ii) is reasonably necessary in connection with the construction, operation or use of the Improvements and Personalty, and (iii) does not cause the Leased Property(ies) or any portion thereof to fail to comply with all material requirements of law.

**SECTION 204. UTILITY CHARGES.** Tenant shall be responsible for charges for electricity, water, sewer, telecommunications, solid waste, heat, janitor service or any other utility or service consumed in connection with the occupancy of the Leased Property(ies) by Tenant and/or any third party permitted to occupy any such property(ies) by Tenant.

**SECTION 205. ADDITIONAL TENANT OBLIGATIONS.** The City of Titusville will determine if the Improvements are of sufficient size to require a transportation concurrency study and/or other traffic access studies. Tenant is responsible for all studies and costs associated with this requirement, as well as the assessments and improvements required by the City of Titusville. In addition, Tenant is responsible for all transportation, utility and other impact fees associated with this project related solely to Tenant's improvements levied by the City of Titusville and/or Brevard County, and Tenant shall be solely entitled to the benefit of any credits provided by such governmental entities related thereto.

A representative of Tenant shall appear at the Authority's regularly scheduled Board of Directors meeting at least once every three (3) months to provide updates to the Authority's Board of Directors on the progress of development and construction of the Leased Property(ies). This provision shall not apply during an periods of time when Tenant is not actively developing and/or constructing improvements upon any of the Leased Property(ies).

**SECTION 206. FAILURE OF TENANT TO COMMENCE OR COMPLETE CONSTRUCTION.**

A. In the event Tenant does not commence with construction of the Improvements (defined as beginning physical work on the Property) within the time allotted in **Subsection 103.3** for any reason not directly caused by Authority or its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, which period will be extended due to Force Majeure (defined below), then in that event, Authority may terminate this Agreement. In order to effectuate termination, Authority shall provide a notice of non-monetary default in the manner provided under **Article 6** provided, however, that Tenant shall have sixty (60) days to cure this notice of default. Provided Tenant does not cure within this notice period and Authority terminates the Lease, Tenant shall reimburse to Authority all direct and reasonable costs Authority has paid with respect to this Lease, including but not limited to, costs related to site appraisal, boundary survey, environment studies, legal, preliminary engineering, permitting and site planning with a credit provided in favor of Tenant to the extent Tenant has expended actual funds in accord with the Land Development Budget and such expenditures have either reasonably increased the value of the Property and/or result in reports, assessments or studies that are assignable and are assigned by the Tenant to the Authority.

B. In the event Tenant fails to complete any Improvement identified in this Lease, including without limitation in the exhibits attached hereto, by the date specified in **Subsection 103.3** or by the date of any extensions granted by Authority, the Authority shall deliver written notice to Tenant of said failure to complete construction of said improvements within the allotted time period and notice of its intent to terminate this Agreement ("Notice of Intent to Terminate") effective one hundred twenty (120) calendar days after the delivery of the Notice of Intent

to Terminate to Tenant. Tenant shall then have the right to complete the construction of said improvements during the one hundred twenty (120) calendar days period or may otherwise request a good faith extension of the time to complete said improvements providing the reason for said extension. The parties understand that significant investment will be made by the Tenant to the Leased Property(ies) and any requests for an extension of the time to complete the improvements should be allowed, provided Tenant provides reasonable assurance of how the improvements will be completed. Should Tenant fail to respond to the Notice of Intent to Terminate or fail to take any actions to complete construction of the improvements within the allotted time, then Authority shall have the right to terminate this Agreement by written notice to Tenant given any time after the expiration of the 120-day period without obligation of Authority to pay Tenant any compensation for work performed and funds expended prior to such termination.

**SECTION 207. ADDITIONAL COVENANTS, WARRANTIES AND REPRESENTATIONS OF AUTHORITY.** Authority warrants and represents that there are (i) no mortgages, liens or encumbrances, (ii) no covenants or restrictions, and (iii) no agreements with third parties, which may prevent or impair Authority from performing any of its covenants under this Lease.

**SECTION 208. SIGNS.** Tenant shall have the right to erect and maintain such sign or signs on the Property and Improvements as may be permitted by applicable law, ordinances and codes, and Tenant shall have the right to expressly name its facilities as Tenant deems appropriate and allowed under applicable law. The Authority shall build a monument sign at the Authority's sole expense as set forth on [Appendix "1"](#) in a location to be mutually agreeable to both parties.

### **ARTICLE 3** **TAXES**

**SECTION 301. AD VALOREM TAXES.** If applicable, Tenant shall pay all ad valorem taxes levied or assessed against the Leased Property(ies) by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Leased Property(ies) pursuant to this Lease, whether the billing is addressed to Authority or Tenant, together with all taxes levied against any stock of merchandise, furniture, furnishings, equipment and other property located in, on or upon the Leased Property(ies), including without limitation the Improvements, if applicable. Tenant shall have the right to contest the validity or amount of any ad valorem tax imposed against the Leased Property(ies) and the Improvements at Tenant's sole cost and expense. Upon adjudication (including all appeals) of such contest, Tenant shall pay all court costs, interest, penalties and other expenses related to the appeal.



**SECTION 302. SOLID WASTE FEES.** If applicable, Tenant shall pay all solid waste fees assessed against the Leased Property(ies) by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Leased Property(ies) pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 303. STORM WATER FEES.** Tenant shall pay all storm water fees assessed against the Leased Property(ies) by the appropriate governmental authorities (excluding the Authority for the purposes of this **Section 303**) as a result of Tenant's occupancy or use of the Leased Property(ies) pursuant to this Lease.

**SECTION 304. EMERGENCY AMBULANCE FEES .** If applicable, Tenant shall pay all emergency ambulance fees assessed against the Leased Property(ies) by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Leased Property(ies) pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 305. OTHER TAXES AND FEES.** If applicable, Tenant shall pay any and all lawful and reasonable tax, fee, or assessment that may be levied by third parties as a result of Tenant's occupancy and use of and/or interest in the Leased Property(ies) pursuant to this Lease and not known at this time.

**SECTION 306. BILL RECEIVED BY AUTHORITY.** For the purposes of **Sections 301-305**, above, should a billing be addressed to the Authority that Authority believes is the responsibility of Tenant, Authority shall provide the bill to the Tenant promptly. Should Authority not provide the billing to Tenant within an appropriate time such that Tenant may contest the amount or pay timely, Authority shall be responsible for all losses suffered by Tenant as a result of Authority's tardiness in providing the billing to Tenant. Further, Tenant shall have the right to contest the validity or amount of any ad valorem tax, assessment or fee imposed against the Leased Property(ies) and/or the Improvements at Tenant's sole cost and expense.

#### **ARTICLE 4** **INSURANCE AND INDEMNITY**

**SECTION 401. LIABILITY INSURANCE.** In addition to such insurances as may be required by law, Tenant shall maintain, without lapse or material change, for so long as it occupies the Phase 1 Property and/or the Improvements thereon, the following insurance:

(A) Commercial General Liability Insurance, including Contractual Liability, to cover Tenant's personal property, Improvements and operations in an amount not less than \$5,000,000.00 combined-limit, per-occurrence for bodily injury and property damage. Authority must be shown as an additional insured with respect to this coverage. Coverages shall be for each occurrence or an annual policy aggregate of no less than twice the amount of coverage required for each occurrence. A combination of umbrella or excess liability insurance may



be combined with such commercial general liability insurance to arrive at such annual policy aggregate amount. In the event that Tenant's available coverage falls below the per occurrence amount shown above, Tenant shall secure a new certificate of insurance evidencing the required coverage. Tenant acknowledges that Authority reserves the right not to accept policies with deductibles in excess of \$50,000.00.

(B) Automobile Liability Insurance covering all owned, non-owned and hired vehicles (including ground or mobile equipment) used by Tenant in connection with its operations under this Lease in an amount not less than:

(1) \$5,000,000.00 combined single-limit, per-occurrence for bodily injury and property damage covering all vehicles used by Tenant in connection with its business operation; and

(2) \$5,000,000.00 combined single-limit, per-occurrence for bodily injury and property damage covering such vehicles when being used by Tenant off of the Airport.

(C) A policy of insurance, if applicable, such as a Pollution Legal Liability (PLL) policy if compliant herewith, in a coverage amount not less than \$1,000,000.00 single-limit, per-occurrence intended to provide coverage for environmental risks, including without limitation hazardous materials (whether known or unknown), spill or seepage of pollutants or other hazardous materials or waste, negligent or otherwise improper disposal of waste and other risks related to Tenant's use of the Phase 1 Property. The Authority shall be named in the policy as an additional insured.

(D) The insurance coverages required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operations of Tenant under this Agreement. All insurance policies required pursuant to the terms of this Agreement shall be issued by companies approved to do business under the laws of the State of Florida. Such companies must be rated no less than "B" as to management, and no less than "V" as to strength, in accordance with the latest edition of "Best's Insurance Guide," published by A.M. Best Company, Inc., or its equivalent, subject to approval of Authority.

## **SECTION 402. PROPERTY INSURANCE.**

(A) Builders Risk and Hazard Insurance: Tenant, at its sole cost and expense throughout the term of this Lease shall keep the Improvements insured on an "All Risk" basis in an amount not less than 100% of the full replacement value of the Improvements against loss or damage (in excess of a reasonable per occurrence deductible amount, which shall be the responsibility of Tenant) by fire, lightning, tornado, hurricane, windstorm, hail, flood, explosion, riot, riot attending strike, civil commotion, vandalism and malicious mischief, water leakage or seepage, sprinklers and sprinkler leakage, aircraft, vehicles and smoke, or any other casualty to the extent such coverage is commercially available at commercially reasonable rates. The full replacement value of

the Improvements shall be established as of the Commencement Date of this Lease and shall be established at intervals of not more than three (3) years thereafter by the firm and professional property evaluators used by Authority for establishing replacement values for Authority property or any other firm and/or individual chosen by Authority in the reasonable exercise of its discretion. Any deficiency in the amount of the proceeds from such property insurance resulting from a failure by Tenant to properly establish the full replacement value of the Improvements shall be the sole responsibility of Tenant, and Tenant shall be liable therefor. In addition, subject to the rights of any Tenant note or mortgage/prior lien holder, Authority shall be shown on the policies as a loss payee as its interest appears and as required pursuant to this Agreement.

(1) Damage or Destruction and Restoration of the Improvements: In case of substantial damage to or destruction of all or a portion of the Improvements, Tenant shall give prompt notice thereof to Authority, and Tenant shall promptly commence and complete with due diligence (subject only to Force Majeure and insurance adjustment and receipt of insurance proceeds), the restoration of the damaged or destroyed portion of the Improvements as nearly as reasonably practicable to the value and condition thereof immediately prior to such damage or destruction. In the event of such damage or destruction, the proceeds of all property insurance policies shall be used to restore the facility to make it function for the uses permitted under this Lease. Tenant shall receive reimbursement from the proceeds of all applicable property insurance policies it has procured in restoring the Improvements to their pre-loss condition as set forth in this paragraph to the extent determined by Tenant, and Tenant shall be obligated to provide any additional monies necessary for such restoration as determined by Tenant. Notwithstanding the foregoing, Tenant's obligation to rebuild shall be expressly contingent on the availability of sufficient insurance proceeds including availability of such proceeds being made available from any lender of Tenant.

(2) Damage or Destruction Near End of Agreement: Within the last five (5) years of the initial Lease term or the last five (5) years of any Option Period, in case of damage to or destruction of all or a portion of the Improvements, Tenant shall have the right within thirty (30) days of the damage to give notice to Authority ("Notice of Damage Termination") of the loss and elect not to restore the Phase 1 Property, but rather to assign all applicable proceeds of all property insurance policies to the Authority to the extent the proceeds are applicable to Improvements (and not Personalty) and terminate the Agreement effective one hundred twenty (120) days after the Notice of Damage Termination is sent to the Authority.

(B) Business Interruption Insurance: Tenant at its sole cost and expense throughout the term of this Lease and any extension hereof shall maintain business interruption insurance, at a minimum, in an amount

sufficient to continue making all payments hereunder and maintaining the insurance required hereunder during the rebuilding period as a result of damage to the Improvements.

**SECTION 403. INSURANCE CERTIFICATES.** Prior to the commencement of operations hereunder and annually thereafter, Tenant shall furnish or cause to be furnished certificates of insurance to Authority which certificates shall clearly indicate that:

- (A) Tenant has obtained insurance in the types, amounts and classifications as required for compliance with this Lease;
- (B) The policy cancellation notification provisions specify at least thirty (30) days advance written notice of cancellation to Authority, provided, however, only ten (10) days' notice of cancellation shall be required if due to failure to pay premiums;
- (C) Authority is named as an additional insured with respect to Tenant's commercial general liability policies;
- (D) Authority is named as a loss payee with respect to Tenant's builders risk and property insurance policies; and
- (E) On said insurance certificates, liability coverage shall include contractual liability and notification of cancellation.

**SECTION 404. ADDITIONAL INSURANCE.** The parties acknowledge that should the industry standards for insurance coverages being required for comparable properties and uses exceed the minimum insurance amounts set forth in this Lease, the parties will negotiate in good faith to reasonably review such requirements amend this **Article 4** as mutually agreed.

**SECTION 405. COMPLIANCE.** Compliance with the requirements of this **Article 4** shall not relieve Tenant of its liability under any other portion of this Lease or any other agreement between Authority and Tenant, and Tenant's obligations to Authority hereunder are not limited to available insurance proceeds unless otherwise provided in the Lease.

**SECTION 406. RIGHT TO EXAMINE.** Authority reserves the right, upon reasonable notice to Tenant, to examine true copies of applicable portions of policies of insurance (including but not limited to binders, amendments, exclusions, riders and applications) to determine the true extent of coverage. Tenant agrees to permit such inspection.

**SECTION 407. PERSONAL PROPERTY.** Any personal property of Tenant or of others placed in or on the Leased Property(ies), Improvements and anywhere else at Authority-owned property(ies) shall be at the

sole risk of Tenant or the owners thereof, and Authority shall not be liable for any loss or damage thereto, except to the extent such loss or damage was caused by the negligence or wrongful acts or omissions of the Authority officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, as limited or otherwise affected by section 768.28, Florida Statutes.

**SECTION 408. INDEMNITY.** Each party (the “Indemnifying Party”) shall indemnify and hold harmless the other party and/or its officers, directors, employees, agents and assigns, (the “Indemnified Party”) from any and all liability, losses or damages, including reasonable attorneys’ fees and costs of defense, that Indemnified Party incurs or may incur as a result of claims, demands, suits, causes of action or proceedings of any kind or nature arising out of, relating to or resulting from the negligence or wrongful acts and/or omissions of the Indemnifying Party and/or its officers, directors, employees, agents or assigns. The Indemnifying Party shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or action of any kind or nature in the name of Indemnified Party, where applicable, including appellate proceedings, and shall pay costs, judgments and reasonable attorney’s fees which may issue thereon. The Indemnifying Party expressly understands and agrees that any insurance protection required by this Lease or otherwise provided by such Indemnifying Party shall in no way limit its responsibility to indemnify, keep and save harmless and defend the Indemnifying Party and/or its officers, directors, employees, agents or assigns as herein provided. The obligation of Indemnifying party hereunder shall survive the termination of this Lease. The Indemnifying Party's obligation to indemnify the Indemnified Party hereunder shall in no way affect, abridge or amend an Indemnifying Party’s right to assert governmental or sovereign immunity as to any claims, other than those by the parties or their respective permitted transferees and assignees, including without limitation the immunity afforded under section 768.28, Florida Statutes.

## **ARTICLE 5**

### **PREVENTION OF USE OF THE PROPERTY**

If, after the Commencement Date, Tenant is precluded or prevented from constructing or operating the Improvements on the Phase 1 Property as contemplated by Tenant by reason of any change in any zoning law, zoning ordinance or zoning regulation of any public authority having jurisdiction over the Phase 1 Property other than the Authority, and such prohibition shall continue for a period of at least ninety (90) days, then Tenant may terminate this Lease by giving to Authority not less than thirty (30) days prior written notice of termination. Tenant shall also have the right to contest such change in use and /or to seek reimbursement from the applicable governing authority instituting the change through eminent domain or similar action for any land development costs actually incurred by Tenant prior to such change. This provision shall not apply once construction is physically commenced on the Phase

1 Property in which event other provisions of the Lease shall apply, such as Force Majeure and Eminent Domain. To the extent applicable the provisions of this Section will also apply to the Phase 2 Property and/or Phase 3 Property.

## **ARTICLE 6**

### **DEFAULT BY TENANT**

**SECTION 601. EVENT OF DEFAULT.** As used in this Lease, the term "event of default" shall mean any of the following:

(A) Any failure to pay any sums due Authority under this Lease, including without limitation base rent and Additional Rent, where such failure to pay is not cured within sixty (60) days following written notice to Tenant by Authority;

(B) Other than for non-payment of sums due Authority, the failure of the Tenant, after receipt of written demand from Authority specifying the nature of the default, to fulfill any duty or obligation imposed on Tenant by this Lease within seventy five (75) days of said written demand unless a different cure period is specifically provided elsewhere in this Lease or, if such default cannot be cured within seventy five (75) days, to commence to remedy or correct such default and to diligently pursue cure of such default throughout the seventy five (75) day cure period and diligently thereafter through complete cure;

(C) The appointment of a receiver for Tenant, Tenant filing a petition seeking bankruptcy protection of any kind, the assignment by the Tenant for the benefit of creditors and/or the participation by the Tenant in any other insolvency proceeding, except if such appointment, order, assignment or proceeding is stayed, dismissed or vacated within ninety (90) days of the commencement thereof; or

(D) The taking of the leasehold interest of the Tenant hereunder pursuant to an execution on a judgment.

**SECTION 602. DELINQUENT PAYMENTS.** If any rent payment, including any Additional Rent, due to Authority pursuant to this Lease is not paid (the "Delinquent Payment") within fifteen (15) days of the date the same is due, the Delinquent Payment shall bear interest at the rate of three percent (3%) per annum (the "Interest Rate") until the date the same is paid in full to Authority. If the Delinquent Payment is not paid by Tenant within sixty (60) days following notice of monetary default from Authority to Tenant, then the Delinquent Payment shall thereafter bear interest at the maximum allowable rate under Florida law ("Default Interest Rate") until the date the same is paid in full to Authority.

**SECTION 603. AUTHORITY'S REMEDY UPON DEFAULT.** Upon the happening of any event of default beyond any applicable cure period(s), the Authority may, at its option, terminate this Lease and obtain possession of the Phase 1 Property from Tenant through any lawful means and without prejudice to any other

remedy available to Authority, provided however, that as a prerequisite to Authority's termination of this Lease or of Tenant's right of possession of the Phase 1 Property (unless otherwise addressed elsewhere in this Lease as to a specific event of default), the Authority shall deliver written notice to Tenant of said event of default and notice of Authority's intent to terminate this Lease ("Notice of Intent to Terminate") effective one hundred twenty (120) calendar days after the delivery of the Notice of Intent to Terminate to Tenant and any leasehold mortgagee ("Final Cure Period"). Tenant and any leasehold mortgagee shall then have the right to cure the event of default during the Final Cure Period. Should Tenant (or any leasehold mortgagee) not cure the event of default within the Final Cure Period, unless Authority consents in writing or a longer cure period is provided elsewhere in this Lease as to a specific event of default, the Lease shall be terminated.

## **ARTICLE 7**

### **DEFAULT BY AUTHORITY**

Authority shall be in default if Authority fails to perform any of its covenants, agreements or other obligations under this Lease, and such failure continues for a period of seventy-five (75) days after receipt by Authority of written notice from Tenant of such failure, or, in the event of an emergency, reasonably promptly after written notice. Should Authority default, Tenant shall have the right (but not the obligation) to take such actions and to expend such monies as are reasonably necessary to correct the Authority's failure to perform if and only if: (1) the Authority fails to commence and continue to cure the default within the 75-day cure period, or (2) the Authority provides written notice to Tenant that it cannot cure its alleged failure to perform. In such event, Tenant may expend such sums as are reasonably necessary to cure Authority's default, and no approval of the reasonable sums by the Authority is necessary. Tenant shall be entitled to offset the cost to cure, plus an administrative fee of five percent (5%) of such costs incurred by or on behalf of Tenant, against its next monthly rent payment(s) and continue applying the offset as a credit until the credit is used up. The foregoing rights of self-help and set-off shall be in addition to, not in lieu of, any rights and remedies which Tenant has at law, in equity or under this Lease.

## **ARTICLE 8**

### **REAL ESTATE COMMISSION**

Authority and Tenant covenant and warrant one each to the other that it has not authorized any person, firm or corporation as a real estate agent or broker to deal on behalf of Authority with Tenant or Tenant with Authority. The provisions of this **Article 8** are subject to the indemnifications of **Subsection 408**, above.

**ARTICLE 9**  
**IDENTITY OF INTEREST**

The execution of this Lease or the performance of any act pursuant to the provisions hereof shall not be deemed or construed to have the effect of creating between Authority and Tenant the relationship of principal and agent or of a partnership or of a joint venture, and the relationship between them shall be and remain only that of landlord and tenant.

**ARTICLE 10**  
**NOTICES AND REPORTS**

Any notice, report, statement, approval, consent, designation, demand or request to be given or any option or election to be exercised by a party in writing under the provisions of this Agreement shall be delivered by hand, sent by U.S. Mail, postage prepaid, by registered or certified mail, return receipt requested, or by nationally recognized overnight delivery service, e.g., FedEx or UPS, addressed to the respective parties at the respective addresses set forth below, and shall be deemed delivered upon actual receipt or upon the date shown on the proof of dispatch if delivery is refused or unclaimed:

Authority:	Director of Airports Titusville-Cocoa Airport Authority 355 Golden Knights Blvd. Titusville, FL 32780
Tenant:	Space Coast Innovation Park, LLC 355 Golden Knight Blvd., Suite #3 Titusville, Florida 32780 Attention: _____
With a required copy to:	WhiteBird, PLLC 2101 Waverly Place, Ste. 100 Melbourne, FL 32901 Attention: Adam M. Bird, Esq.
and	Allyson D. Goodwin, Esq. Saavedra Goodwin 888 S.E. 3 <sup>rd</sup> Ave. Suite 500 Fort Lauderdale, Florida 33316

Provided, however, that either party may designate a different address from time to time by giving to the other party notice in writing of the change. Any payments to Authority under this Agreement shall be made by Tenant at Authority's address provided in this **Article 10** hereinabove.

Notwithstanding foregoing, the parties agree that routine reports, approvals, and consents provided in the ordinary course of business may be delivered electronically provided that any report, approval or consent that adversely impacts the material rights or obligations of a party under this Lease shall additionally be delivered by one of the other methods specified in this **Article 10**.

#### **ARTICLE 11** **MEMORANDUM OF LEASE**

Either party may file a Memorandum of this Lease with the Brevard County Property Appraiser's Office or have the same recorded by the Brevard County Clerk of Court at the recording party's expense.

#### **ARTICLE 12** **ENTRY OF AUTHORITY**

Authority may enter the Leased Property(ies), except as set forth hereinbelow, during Tenant's normal business hours with reasonable advance notice (not less than three (3) business days, except in emergencies constituting an immediate threat to life or property) and subject to Tenant's reasonable security rules and regulations as follows:

- (A) To inspect or protect the Leased Property(ies);
- (B) To determine whether Tenant is complying (as required under this Lease) with the applicable laws, orders or regulations of any lawful authority having jurisdiction over the Leased Property(ies) or any business conducted therein; or
- (C) To show the Leased Property(ies) to prospective tenants or buyers during the last six (6) months of the Term of this Lease.

In exercising its entry rights under this Article, Authority shall use all reasonable efforts to not disturb Tenant's conduct of business and use of the Leased Property(ies) and/or that of any of Tenant's subtenants.

#### **ARTICLE 13** **LEASE EXPIRATION**

At the expiration of the Lease, all improvements erected on the Leased Property(ies), including without limitation the Improvements, shall become the sole property of Authority, and Tenant hereby knowingly and voluntarily waives any claims related to the same, including without limitation claims for unjust enrichment or any other legal or equitable relief seeking value of any kind for such Improvements. Any and all trade fixtures, signs,



moveable equipment, and other personal property placed on the Leased Property(ies) by Tenant in which Tenant (or its lenders) has (have) legal or equitable title shall remain Tenant's sole property, and Tenant shall have the right to remove the same within ten (10) business days after expiration of the Lease, provided any damages caused by such removal are repaired by Tenant at the time of removal and provided, further, that Tenant is not in material default of the Lease. In the event Tenant is not in material default of the Lease and fails to remove all of its personal property within ten (10) business days after expiration of the Lease, the Authority will provide written notice to Tenant and an opportunity to remove personal property from the Leased Property(ies) within thirty (30) days of Tenant's receipt of the notice. Should Tenant fail to remove the personal property after the thirty (30) days of receipt of the notice, said failure to remove shall be deemed to be an abandonment of the property. In the event of such abandonment, Authority shall have the right to remove and sell or dispose of the personal property without any liability to the Tenant which obligation shall survive the expiration of or termination of the Term of this Lease. All monies received from any sale or disposal of the personal property by Authority shall first be used to reimburse Authority for any expenses incurred including without limitation reasonable attorney's fees and costs of all kind and nature and any expenses related to removal, storage and/or sale of said personal property, and the balance remaining after setting off any sums still owed by Tenant to Authority shall be remitted to the Tenant.

#### **ARTICLE 14** **QUIET ENJOYMENT**

Subject to the provisions of this Lease, Authority covenants that Tenant, on paying all sums due hereunder and fully and timely performing the covenants of this Lease on its part to be performed within applicable notice and cure periods set forth in the Lease, shall and may peaceably and quietly have, hold, and enjoy the Phase 1 Property for the Term of this Lease. Authority represents that it has authority to execute this Lease, that it has obtained all necessary governmental authorizations or approvals to execute this Lease and that this Lease constitutes a valid and binding obligation of Authority, enforceable against Authority in accordance with its terms.

#### **ARTICLE 15** **GOPHER TORTOISE AND OTHER PROTECTED SPECIES RELOCATION**

In accordance with the schedule for Tenant's Improvements as set forth on [Appendix 2](#), or such other times as the parties may agree in writing, Tenant shall obtain all required permits or licenses and shall relocate any gopher tortoises found on the Phase 1 Property to appropriate and legal gopher tortoise preserve(s) or such other location as may comply with all applicable law. Tenant shall pay the cost of such relocation. If any other species of plants or animals are identified on the Phase 1 Property at any time that have been listed as endangered, threatened, of special concern or protected in any respect pursuant to any applicable federal, state or local laws or regulations, the removal

of or mitigation for which has any impact upon the construction of the Improvements or Tenant's use and occupancy, Authority and Tenant shall cooperate to expedite the removal or mitigation of such condition by Tenant at Tenant's sole cost and expense; any performance deadlines of either party effected by such condition shall be extended. Proper permits for the removal and relocation of any animal or plant, if required, shall be obtained by Tenant from the applicable governmental authority and removal and relocation of such animals or plants shall be performed in accordance with state statute or the regulations of all applicable government authorities.

## **ARTICLE 16**

### **AIRPORT SECURITY**

Tenant shall comply with applicable Authority security access control, to include, but not limited to, all doors and gates that access the Airport Operations Area (AOA) if applicable to the Leased Property(ies). Any changes or modifications regarding access will need prior written approval from the Airport Security Coordinator (ASC) or his/her designee. Tenant shall comply with all reasonable security directives as outlined in the Airport Security Program (ASP) and should direct any questions or concerns about Authority security matters to the ASC. Any of Tenant's employees who may be required to have access to the AOA must comply with Authority badging requirements. As long as Tenant takes appropriate steps to train, monitor and discipline its employees, agents, contractors and subcontractors concerning the Authority's security requirements, Tenant shall not be in default of this Lease for violations of the Authority's security requirements by its employees, agents, contractors and subcontractors.

Additionally, Authority recognizes and acknowledges that Tenant will be enacting and enforcing its own security protocols necessary for Tenant's operation of its business on the Phase 1 Property and consents to the same to the extent they are not in conflict with existing Airport security protocol.

## **ARTICLE 17**

### **RULES AND REGULATIONS**

The current Rules and Regulations for the Authority are attached as [Exhibit F](#) (the "Rules and Regulations"). From time to time Authority may adopt and amend the Rules and Regulations with respect to the occupancy and use of the Leased Property(ies) and Authority owned property; provided that if any change in the Authority's Rules or Regulations drives additional cost to Tenant, Tenant either shall be afforded a waiver from such new or amended Rules and Regulations or an equitable adjustment shall be made in Tenant's rent to offset the additional costs of complying with such new or amended Rules and Regulations. Tenant shall observe and obey such Rules and Regulations and shall require its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, and subcontractors to observe and obey the same (provided that Tenant

will not be deemed to have violated any new rule or regulation unless the Authority has provided at least thirty (30) days prior notice of such change to Tenant). Authority reserves the right to deny access to the Leased Property(ies), Authority-managed airports and airfields and/or Authority facilities to any person or entity that repeatedly fails or refuses to obey and comply with such Rules and Regulations and/or any applicable laws. Authority's Rules and Regulations will not be inconsistent with the terms of this Lease nor with valid rules, regulations orders and procedures of the Federal Aviation Administration or any superior government authority duly authorized to make or enforce rules and regulations for the operation of the Airport and the operation of aircraft using the Airport. Additionally, to the extent any change to the Authority's Rules and Regulations affects Tenant's then-existing Improvements, Personalty, site plans and/or business operations, Tenant's affected Improvements, Personalty, site plans and/or business operations shall be "grandfathered" in and not affected by such changes to the Rules and Regulations to the extent such changes are not reflective of any change in applicable and mandatory law or regulation to which the Airport and/or Authority are subject.

#### **ARTICLE 18** **MINIMUM STANDARDS**

In addition to the covenants herein contained, this Lease is further subject to the applicable provisions of those certain minimum standards pertaining to tenants as adopted by the Authority (the "Minimum Standards"). The current Minimum Standards are attached as part of [Exhibit F](#).

#### **ARTICLE 19** **HEIGHT RESTRICTIONS**

Tenant expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Leased Property(ies) to such a height so as to comply with Federal Aviation Regulations, Part 77, as applicable to the Leased Property(ies), and as amended from time to time if such amendments are made after the Commencement Date and are retroactive. Authority shall, to the extent it is able, assist and work with Tenant for Tenant to submit to the FAA for approval of the height of the Improvements such that the FAA may determine that the planned Improvement will not violate the height requirements underlying Federal Aviation Regulations, Part 77, as of the Commencement Date of this Lease.

Tenant expressly agrees for itself, its successors and assigns, to prevent any use of the Leased Property(ies) by, through or under Tenant which would interfere with or adversely affect the operation or maintenance of any Authority owned airport and/or airfield, or otherwise constitute an airport hazard. Authority covenants and acknowledges that the use of the Leased Property(ies) as proposed by Tenant does not and will not, to Authority's knowledge, interfere with or adversely affect the operation or maintenance of the airport or otherwise constitute

an airport hazard.

Authority reserves unto itself, its successors and assigns for the use and benefit of the public a right of flight for the passage of aircraft in the airspace above the surface of the Leased Property(ies), together with the right to cause in such airspace such noise as may be permitted by law and inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace, and for use of said airspace for landing on, taking off from, or the operation of, any Authority owned airport and/or airfield.

## **ARTICLE 20** **NONDISCRIMINATION**

(A) Tenant for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for this Lease, does hereby covenant and agree, as a covenant running with the land comprising the Leased Property(ies), that in the event Improvements are constructed, maintained, or otherwise operated on the Leased Property(ies) for a purpose for which a Authority of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Authority of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Authority of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

(B) Tenant, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration for this Lease, does hereby covenant and agree, as a covenant running with the land comprising the Leased Property(ies), that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subjected to discrimination in the use of said facilities, (2) in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subjected to discrimination, and (3) that Tenant shall use the Leased Property(ies) in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Authority of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including exercise or expiration of appeal rights. The remedies for breach of this provision shall be limited to those remedies provided under said regulations. Nothing herein shall be interpreted or deemed to preclude Tenant from complying with all applicable export control laws and regulations and applicable government security requirements.

## **ARTICLE 21** **WARRANTIES**

Authority warrants that upon the Commencement Date, the Phase 1 Property will be free and clear of all encumbrances except ad valorem taxes, if applicable, for the current calendar year and easements and restrictions of record; that there are no easements, restrictions of record, environmental condition or other condition which will (i) impair, preclude or adversely affect Tenant's use and development of the Phase 1 Property, as contemplated by this Lease, (ii) interfere with Tenant's rights under this Lease, or (iii) interfere with Authority's ability to perform its covenants and obligations under this Lease; that Authority has full power and authority to execute this Lease and that it will warrant and defend the leasehold interest created hereby against all parties whomsoever and that Tenant upon observing and complying with the terms, covenants and conditions of this Lease shall enjoy the quiet and undisturbed use and occupancy of the Phase 1 Property during the Lease Term. Apart from the warranties provided in this paragraph and elsewhere in the Lease, Authority makes no representations and provides no other warranties concerning the Phase 1 Property and/or its use.

## **ARTICLE 22** **ASSIGNMENT AND SUBLETTING**

Except as provided in this **Article 22**, Tenant shall not assign this Lease or sublet the Leased Property(ies) or any portion thereof, or otherwise transfer any right or interest hereunder, without the prior written consent of Authority, which consent shall not be unreasonably withheld, delayed or conditioned. Except as set forth herein, Authority's consent to a sub-tenancy under this Agreement shall not be required if said sublease is substantially in agreement with a form sublease pre-approved by the Authority to be used by Tenant.

The parties agree and acknowledge that Tenant is leasing the Phase 1 Property and any additional Leased Property(ies) for the purpose of constructing buildings and other improvements thereon that will not be occupied by Tenant but, rather, will be mostly or entirely sublet to third parties for occupancy and use. Tenant is and shall remain liable to Authority should Tenant sublet any portion of any of the Leased Property(ies) to any third party where such sublease causes a breach and/or violation of any applicable rule, regulation and/or law (the "Governing Authorities"), including without limitation those promulgated enforced by the Federal Aviation Administration, regardless of whether Tenant was aware that such sublease was violative of any such applicable rule, regulation or law. Additionally, should Tenant sublet any portion of the Leased Property(ies) in violation of the Governing Authorities, said sublease shall be null and void, and Tenant shall be solely liable for any and all damages or liabilities of any kind related to such sublease, including without limitation any claim brought by the subtenant. In the event of a void sublease as set forth above, Tenant shall take all reasonable steps to remove the subject subtenant from the Leased

Property(ies) at Tenant's sole cost and expense, including without limitation instituting an eviction and/or ejectment action to remove such subtenant from the Leased Property(ies). Tenant shall indemnify and hold Authority harmless from any and all expenses, claims and liabilities arising out of this **Article 22** and/or Tenant's subleases.

Tenant shall maintain with Authority a written and/or electronic list of existing subtenants occupying any of the Leased Property(ies) and shall update said list with Authority each month no later than the 15<sup>th</sup> day of each month.

In addition, notwithstanding anything to the contrary contained in this Agreement, provided Tenant shall give Authority written notice of the same, Authority's consent shall not be required in connection with an assignment of the lease or a sublet of the Property or any part thereof to any entity which is controlled by, under common control with, or which controls Tenant, or in which Tenant holds an equity interest, or any entity which acquires all or substantially all of the ownership interest in or assets of Tenant or into which Tenant is merged or consolidated.

### **ARTICLE 23**

#### **ENVIRONMENTAL REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION**

**SECTION 2301. ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES BY TENANT.** Tenant represents and warrants that it will comply and will be in compliance in all material respects with all applicable federal, state and local environmental laws, regulations, codes or ordinances, as it relates to the Phase 1 Property commencing after its occupancy thereof. The parties recognize that Tenant's operation may involve the use of hazardous substances (as defined in the Comprehensive Environmental Compensation and Liability Act of 1980, as amended, the Resources Conservation and Recovery Act of 1986, as amended, or any successor or similar law). Any hazardous substances used by Tenant, its assigns, subtenants, agents or contractors at the Property will be processed, discharged, stored, treated, disposed of or managed by Tenant, its assigns, subtenants, agents or contractors at the Property in accordance with all federal, state and local environmental laws, regulations, codes or ordinances.

**SECTION 2302. ENVIRONMENTAL INDEMNIFICATION BY TENANT.** Tenant hereby agrees to indemnify, defend and hold Authority harmless from and against any and all claims, lawsuits, losses, liabilities, damages, and expenses (including without limitations cleanup costs and reasonable attorney's fees arising by reason of the aforesaid or an action against Tenant under this indemnity) resulting directly or indirectly from, out of or by reason of (i) any hazardous waste being located on the Leased Property(ies) which is directly attributed to Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, or (ii) any breach of **Section 2301**, above, or (iii) an Environmental Complaint occurring as a direct result of occupancy of the Leased Property(ies) by Tenant, its subtenants or assigns and which is determined

by applicable authorities and adjudication to be the responsibility of Tenant under this Lease. "Environmental Complaint" as used in the Lease means any complaint, order, citation or notice from a governmental entity with regard to any federal, state or local environmental laws, regulations, codes or ordinances.

**SECTION 2303. ENVIRONMENTAL REPRESENTATIONS BY AUTHORITY.** Authority represents and warrants to Tenant that no hazardous or toxic waste or substances exist on (or under) the Phase 1 Property beyond what was reported in that certain "Phase 1 Environmental Site Assessment Report" dated June 19, 2019 attached hereto as [Exhibit H](#), and that the Phase 1 Property, upon the execution date of this Lease, complies with all applicable federal, state and local environmental laws, regulations, codes or ordinances. Authority represents and warrants that it will comply and will be in compliance in all material respects with all applicable environmental laws, ordinances, orders or decree of all federal, state and local environmental laws, regulations, codes or ordinances, as it relates to the Phase 1 Property with respect to ownership of the Phase 1 Property. Should hazardous substances be discovered in the Phase 1 Property that are not attributed to Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, or should Authority breach its obligations under this Article, Authority shall take all actions necessary to comply with all environmental laws and shall, at Authority's sole cost and expense, perform any required remediation necessary to remedy the condition without unreasonable interference with Tenant's business. Authority hereby agrees, subject to and without waiving its right to assert any form of governmental and/or sovereign immunity as to claims made by anyone other than the Tenant or its permitted transferees and assignees, including that set forth in section 768.28, Florida Statutes, to indemnify, defend and hold Tenant harmless from and against any and all claims, lawsuits, losses, liabilities, damages, and expenses (including without limitations cleanup costs and reasonable attorney's fees arising by reason of the aforesaid or an action against Tenant under this indemnity) resulting directly or indirectly from, out of or by reason of (i) any hazardous waste being located on (or under) the Phase 1 Property prior to the date of this Lease, and (ii) any hazardous waste being located on (or under) the Phase 1 Property which was not caused or necessitated by the actions of Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors.

## **ARTICLE 24**

### **ADDITIONAL PROVISIONS - OPTION TO LEASE/RIGHT OF FIRST REFUSAL**

In consideration of this Agreement, Authority has granted to Tenant as set forth in [Section 101](#), above, a certain exclusive option to lease the Phase 2 Property and a certain right of first refusal/potential to lease the Phase 3 Property. Furthermore, and without regard to any other term herein, the parties agree and acknowledge that the Phase



2 Property and Phase 3 Property are being offered to Tenant for development of substantial improvements thereon and that said improvements and Tenant's construction thereof at its sole cost and expense are a material requirement of this Lease, particularly as it pertains to the rights being granted to Tenant hereunder related to the Phase 2 Property and the Phase 3 Property.

**SECTION 2401. PHASE 2 PROPERTY OPTION TO LEASE.** Authority represents that the Phase 2 Property is currently unencumbered by any lease or other third-party interest beyond Authority's ownership. In order to exercise the Phase 2 Property Option, Tenant must deliver clear, written notice of its exercise of the Phase 2 Property Option as to those portions of the Phase 2 Property Option capable of development (i.e., excluding any areas within the Phase 2 Option Property agreed to and determined by the parties to be undevelopable as identified during the Tenant's due diligence on same) during the Phase 2 Property Option Period. Failure to do so will result in Tenant being unable to exercise the Phase 2 Property Option.

If Tenant validly and timely exercises the Phase 2 Property Option: (a) Tenant shall lease the developable Phase 2 Property from Authority; (b) except as specifically set forth above, the Phase 2 Property shall thereafter be included in the definition of the term "Leased Property(ies)" as that term is used herein, and any dates for required action applicable to the Leased Property(ies) shall be brought forward and as applicable to the Phase 2 Property beginning on the date the Phase 2 Property Option is validly and timely exercised by Tenant; and (c) the lease term for the Phase 2 Property will be co-terminus with the term of this Lease with identical renewal option periods, all as set forth in **Section 102** of this Lease. Additionally, the Phase 2 Property Option may be exercised at any time within the Phase 2 Property Option Period. At the end of the Phase 2 Property Option Period, if Tenant does not timely and validly exercise the Phase 2 Property Option, the Phase 2 Property Option Period shall automatically expire without recourse of any kind against Authority.

**SECTION 2402. PHASE 3 PROPERTY RIGHT OF FIRST REFUSAL AND CONVERSION TO OPTION TO LEASE.** Authority represents that the Phase 3 Property is currently unencumbered by any lease or other third-party interest beyond Authority's ownership.

In the event Tenant validly and timely exercises the Phase 2 Property Option and is not in material breach of this Lease beyond any applicable cure period, then at the time of Tenant's exercise of Phase 2 Property Option, Tenant's Phase 3 Property ROFR may, at Tenant's sole discretion, permanently terminate, and Tenant shall simultaneously receive a 3-year exclusive option to lease that portion of the Phase 3 Property that has not been validly leased to Tenant or any third party (the "Phase 3 Property Option"). The 3-year period during which Tenant shall receive the above-described option at Tenant's discretion related to the Phase 3 Property shall commence on the date Tenant validly and timely exercises the Phase 2 Property Option and provides the Authority written notice of its



desire to convert the ROFR to an Option and shall terminate upon: (i) the proper and timely exercise of the Phase 3 Property Option; (ii) written notice to Authority of termination of the Phase 3 Option Property by Tenant; (iii) written agreement of the parties; or (iv) upon expiration of the 3-year period, whichever occurs first (the “Phase 3 Property Option Period”). For the avoidance of doubt, as long as Authority abides by its Phase 3 Property ROFR obligations during the period when Tenant’s Phase 3 Property ROFR is in effect, Authority may lease some or all of the Phase 3 Property to Tenant or any third party(ies) without recourse to Tenant, and when the Phase 3 Property Option takes effect, it shall apply only to that portion of the Phase 3 Property that has not been validly leased to Tenant or any third party(ies). By way of example, if a third party wishes to lease one-half of the Phase 3 Property while the Phase 3 Property ROFR is in effect (before the Phase 3 Property Option Period commences), then if Tenant elects not to exercise its Phase 3 Property ROFR and Authority thereafter leases that one-half of the Phase 3 Property to said third party, Tenant’s Phase 3 Property Option, if it comes into effect, shall not include or otherwise cover the leased one-half of the Phase 3 Property but it shall include the unleased one-half.

In consideration for the Phase 3 Property Option, should it come into effect as set forth above at Tenant’s discretion, and without regard to any other term of this Lease, Tenant shall pay Authority a non-refundable option fee equal to thirty percent (30%) of the annual base rent of and for that portion of the Phase 3 Property subject to the Phase 3 Property Option for each year of the Phase 3 Property Option Period (the “Phase 3 Property Option Fee”) for the privilege of the Phase 3 Property Option, which shall be fully earned by Authority when due. The Phase 3 Property Option Fee shall be due as follows: (a) within ninety (90) days of Tenant’s exercise of the Phase 3 Property conversion to the Phase 3 Property Option from the Phase 3 Property ROFR, Tenant shall owe the Authority the Phase 3 Property Option Fee for the first year of the Phase 3 Property Option Period, payment of which however shall be deferred and to be paid in full by Tenant along with the second year Phase 3 Property Option Period payment as set forth in subsection (b) subject to the application of any Phase 3 Option Credits as defined below, if any; (b) within ninety (90) days of Tenant’s exercise of the Phase 3 Property conversion to the Phase 3 Property Option from the Phase 3 Property ROFR, Tenant shall pay to Authority the Phase 3 Property Option Fee for the second year of the Phase 3 Property Option Period in full (conditioned on Tenant not having previously terminated the Phase 3 Property Option), along with and in addition to the first year Phase 3 Property Option Period payment less any Phase 3 Option Credits as defined below (which first year Phase 3 Property Option Fee (which shall be due regardless of whether Tenant previously terminated the Phase 3 Property Option)); (c) conditioned on Tenant not having previously terminated the Phase 3 Property Option, within ninety (90) days of Tenant’s exercise of the Phase 3 Property conversion to the Phase 3 Property Option from the Phase 3 Property ROFR , Tenant shall pay to Authority the Phase 3 Property Option Fee for the third year of the Phase 3 Property

Option Period in full. Should Tenant exercise the Phase 3 Property Option in accordance with the requirements of this Lease, Tenant shall not be responsible for payment of any future payments of the Phase 3 Property Option Fee which would otherwise be due under this subsection. In the event Tenant exercises the Phase 3 Property Option during an Option Year for which Tenant has already paid the annual payment for that Phase 3 Option Property Option year, then in that event the Phase 3 Property Option Fee for the Option year in question shall be pro-rated on a per diem annualized basis and any portion attributable to the remainder of the Option Year (i.e. after Option exercise) shall be applied as a credit to the Rent otherwise due Authority for the Phase 3 Property when due. The parties agree said Phase 3 Property Option Fee shall constitute sufficient consideration for the Phase 3 Property Option and shall be in addition to the other consideration for the Option otherwise provided in this Lease in terms of the Lease obligations of the Tenant hereunder generally.

In order to exercise the Phase 3 Property Option, Tenant must deliver clear, written notice of its exercise of the Phase 3 Property Option during the Phase 3 Property Option Period. Failure to do so will result in Tenant being unable to exercise the Phase 3 Property Option.

Furthermore, the Parties acknowledge that in the event Tenant terminates the Phase 3 Property Option during the first year of the Phase 3 Property Option, the Tenant shall be entitled to an offsetting credit against the first year Phase 3 Option Fee otherwise owed by Tenant hereunder equal to the amount of fees and costs directly expended by Tenant in payment to third parties (as proven by Tenant to the Authority's reasonable satisfaction), for the commencement, of, work in progress on and/or completion of any site plan, engineering, architectural or other site related professional work related to the Phase 3 Property but only to the extent such work is actually assigned to the Authority by the Tenant ("Phase 3 Option Credits").

**SECTION 2403. PARTIAL LEASE OF OPTION PROPERTY.** Tenant shall not be permitted to lease any part or portion of the Phase 2 Property and/or the Phase 3 Property but may only exercise its options related thereto to lease the full parcels of property or, in the case of the Phase 3 Property, that portion of the Phase 3 Property subject to the Phase 3 Property Option.

## **ARTICLE 25** **MORTGAGE INTEREST**

**SECTION 2501. MORTGAGE INTEREST.** Notwithstanding any provision of this Lease to the contrary, the provisions hereinafter set forth shall apply to the holder of record of a first mortgage on Tenant's leasehold interest in the Phase 1 Property:

(A) Tenant shall have the right to mortgage Tenant's interest under this Lease to a federal or state savings and loan association, institutional lenders, bank or trust company, insurance company, pension fund or trust, private individuals, corporations, companies or other lenders without obtaining the prior consent of Authority, subject, however, to the other terms and conditions of this Lease.

(B) If Tenant shall mortgage its leasehold interest and if the holder of the mortgage shall forward to Authority a copy of the recorded leasehold mortgage together with a written notice setting forth the name and address of the leasehold mortgagee, then, until the time that the leasehold mortgage shall be satisfied of record, the following provisions of this paragraph shall apply.

I When giving notice to Tenant with respect to any default under the provisions of this Lease, including but not limited to the failure of Tenant to pay rent, Authority will also serve a copy of such notice upon the leasehold mortgagee(s), which copy shall be sent by Authority by Certified Mail, Return Receipt Requested, to such mortgagee(s), which notice must specify the nature of each such default.

(D) The leasehold mortgagee, upon receipt from Authority of the notice referred to in **subparagraph (C)** above, shall have, in addition to any period of grace extended to Tenant under the terms and conditions of this Lease, a period of ninety (90) days within which to cure the default or cause the same to be cured, or to commence to cure such default and proceed diligently thereafter through completion of such cure if the default cannot be cured within the 90-day period; provided, however, that as to any default of Tenant for failure to pay rent, the leasehold mortgagee shall be given written notice of such default by certified mail by Authority, and the leasehold mortgagee shall have sixty (60) days from the date the notice of default was mailed within which to cure such default.

(E) Should the leasehold mortgagee foreclose its leasehold mortgage, Authority agrees to recognize the leasehold mortgagee as Tenant under this Lease for so long as the leasehold mortgagee holds this Lease as a result of a foreclosure of its mortgage or as a result of the assignment of this Lease in lieu of foreclosure, or otherwise, whereupon such leasehold mortgagee shall immediately become and remain liable under this Lease, except as provided below without having to obtain the consent of Authority to same. In such event, the term "Tenant" as used in this section means only the owner or holder of Tenant's interest for the time being so that in the event of a sale, assignment or other disposition of Tenant's interest in this Lease by the leasehold mortgagee, the mortgagee shall be entirely freed and released of all covenants and obligations of Tenant under this Lease from the time it transfers the leasehold interest to a third party.

(F) References in this Lease to acquisition of Tenant's interest in this Lease by the leasehold mortgagee shall be deemed to refer, where circumstances require, to acquisition of Tenant's interest in this Lease by any

purchaser at a sale on foreclosure of the leasehold mortgage, and all provisions applicable to the leasehold mortgagee in such instance or instances shall also be applicable to any such purchaser.

(G) Any leasehold mortgage shall be specifically subject and subordinate to Authority's rights under this Lease. The foregoing shall not be deemed or construed to impose or establish upon Tenant's interest in this Lease or upon the lien of any leasehold mortgage the superiority of any lien or encumbrance, including, without limitation, the lien of any fee mortgage, judgment or tax created directly or indirectly by, through or against Authority.

(H) In the event of any conflict or inconsistency between the terms of this Article and any other provision of this Lease, the terms of this Article shall control.

(I) Within ten (10) days after written request by Tenant or Tenant's leasehold mortgagee, or in the event that upon any sale, assignment or mortgage of Tenant's interest in this Lease by Tenant or Tenant's leasehold mortgagee, an estoppel certificate shall be required from Authority, Authority agrees to deliver in recordable form an estoppel certificate to any proposed leasehold mortgagee, purchaser or assignee, or to Tenant certifying (if such be the case): (i) the amount of rental and additional rental due under the Lease, if any, and the date to which rentals have been paid; (ii) that this Lease is in full force and effect; (iii) that Authority has no knowledge of any default under this Lease or if any default exists, specifying the nature of the default; and (iv) that there are no defenses or offsets which may be asserted by Authority against Tenant in respect of obligations pursuant to this Lease or if defenses or offsets exist specifying the nature of such offsets or defenses.

(J) Authority agrees that the leasehold mortgagee need not pay or otherwise satisfy any claim, the lien of which would be extinguished upon the conclusion of foreclosure proceedings brought by the leasehold mortgagee, nor shall leasehold mortgagee be required to cure any default relating to the insolvency, financial condition or bankruptcy of Tenant, nor shall Authority be entitled to terminate this Lease, accelerate the rent or exercise any other remedy under this Lease for any reason including as a consequence of Tenant's refusal, inability or failure to assume and affirm this Lease as an asset of Tenant's bankruptcy estate so long as, within ninety (90) days following the leasehold mortgagee's acquisition of title to the leasehold interest following a foreclosure of the leasehold mortgagee's mortgage on said interest, or through a Deed in Lieu of Foreclosure, the leasehold mortgagee commences to cure defaults required to be cured by it under the language above in this paragraph and thereafter diligently prosecutes the same, and any notice of termination theretofore given shall be void and of no force and effect. Authority further acknowledges and agrees that if, during the course of a bankruptcy proceeding involving Tenant as debtor, Tenant rejects or otherwise fails to assume and affirm this Lease as an asset of Tenant's bankruptcy estate, this Lease shall not terminate and the leasehold mortgagee may, within ninety (90) days of receipt of written notice from Authority of such rejection or other failure to assume this Lease and the irreversible release of such

leasehold estate from Tenant's bankruptcy estate, assume this Lease by effecting a cure of the defaults required to be cured by the leasehold mortgagee under the language above in this paragraph and thereafter preserve the same. Authority further agrees that in the event the leasehold mortgagee forecloses its leasehold interest in the property or assigns Tenant's leasehold interest to a third party, Authority will not terminate the Lease solely on account of any event of default relating to the insolvency, financial condition or bankruptcy of Tenant, including, without limitation, Tenant's refusal, inability or failure to assume and affirm the Lease as an asset of Tenant's bankruptcy estate, in which event, Authority shall recognize the leasehold mortgagee as Tenant under the Lease. Authority further agrees that the leasehold mortgagee may, pending foreclosure of its mortgage, take possession of the Leased Property(ies) by and through its representative or receiver, as the leasehold mortgagee may elect and, provided it does so in accordance with the terms and provisions of the Lease, administer the Leased Property(ies) as if it were Tenant thereunder.

(K) If Tenant, or any trustee of Tenant, shall reject the Lease pursuant to Section 365(h) of the Bankruptcy Code, 11 U.S.C. § 101, et seq (the "Bankruptcy Code"), (i) Tenant shall without further act or deed be deemed to have elected under Section 365(h) (1) of the Bankruptcy Code to remain in possession of the Leased Property(ies) for the balance of the Term of the Lease, (ii) any exercise or attempted exercise by Tenant of a right to treat the Lease as terminated under Section 365(h)(1) of the Bankruptcy Code shall be void and (iii) neither the Mortgage nor any other aspect of the Loan shall be affected or impaired by rejection of the Lease. (For the purposes of Section 365(h) of the Bankruptcy Code, the term "possession" shall mean the right to possession of the Leased Property(ies) granted to Tenant under the Lease notwithstanding that all or part of such Leased Property(ies) shall have been subleased.)

(L) If, notwithstanding the provisions of **subparagraph (J)** above, the leasehold mortgagee reasonably determines that a new lease will be necessary to give legal or practical effect to the unimpaired or unaffected continuation of the leasehold mortgage, Authority will negotiate with the leasehold mortgagee and attempt to agree upon and enter into a new lease ("New Lease") of the Leased Property(ies). In the event of termination of the Lease as a result of Tenant's default, or otherwise, without the prior written consent of leasehold mortgagee, Authority shall, in addition to providing the notices of default and termination as required by **subparagraph (C)** above, provide the leasehold mortgagee with written notice that the Lease has been terminated together with a statement of all sums which would at the time be due under the Lease, but for such termination, and of all other defaults, if any, then known to Authority ("Notice of Delinquency"). Authority agrees to negotiate and, if accord is reached, enter into a New Lease of the Leased Property(ies) with the leasehold mortgagee or its designee for the remainder of the term of the Lease effective, as of the date of termination, at the rent and additional rent, and upon the terms, covenants

and conditions (including all options to renew but excluding requirements which are not applicable or which have already been fulfilled) of the Lease, provided:

(i) leasehold mortgagee shall make written request upon Authority for such New Lease within sixty (60) days after the date leasehold mortgagee receives Authority's Notice of Delinquency;

(ii) leasehold mortgagee or its designee shall pay or cause to be paid to Authority at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to the Lease but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney fees, which Authority shall have incurred by reason of termination and the execution and delivery of the New Lease and which have not otherwise been received by Authority from Tenant or other parties in interest under Tenant;

(iii) leasehold mortgagee or its designee shall agree to remedy any of Tenant's defaults of which leasehold mortgagee was notified by Authority's Notice of Delinquency and which are reasonably susceptible of being so cured by leasehold mortgagee or its designee;

(iv) any New Lease made pursuant to this subparagraph shall be prior to any mortgage or other lien, charge, or encumbrance on the fee of the Leased Property(ies) and Tenant under such New Lease shall have the same right, title and interest in and to the Leased Property(ies) and the buildings and improvements thereon as Tenant had under the Lease;

(v) Tenant under any such New Lease shall be liable to perform the obligations imposed on Tenant by such New Lease only during the period such person has ownership of such leasehold estate.

(M) In the event the leasehold mortgagee becomes the legal owner and holder of the leasehold estate under the Lease by foreclosure of its leasehold mortgage, or as a result of an assignment of the Lease in lieu of foreclosure (which assignment is hereby consented to by Authority), or in the event leasehold mortgagee is granted a New Lease pursuant to **subparagraph L** above, Authority hereby agrees that upon receipt of a written application for consent to the assignment of Lease from either Tenant or leasehold mortgagee to a new lessee to whom leasehold mortgagee desires to transfer its interest, Authority will execute a written consent to such assignment provided there is no outstanding default with respect to the payment of rental under the Lease. Authority further agrees that, upon becoming the owner and holder of the leasehold estate, leasehold mortgagee shall have all rights and privileges of Tenant. Further, Authority agrees that upon acquisition of the leasehold estate by leasehold mortgagee, or its assigns, any default which is not reasonably capable of being cured by leasehold mortgagee, or which is personal to leasehold mortgagee, shall not be required to be cured by leasehold mortgagee or its assigns.

(N) In the event that leasehold mortgagee shall acquire the interest of Tenant under the Lease and, in accordance with the foregoing subparagraph, assign such interest to a successor lessee, upon such assignment leasehold mortgagee shall thereupon be relieved of any further liability under the Lease.

(O) To the extent required pursuant to the provisions of any mortgage encumbering the Leased Property(ies) or the leasehold created hereunder, this Lease may not be amended without prior written consent of leasehold mortgagee.

(P) Authority and Tenant shall cooperate in including in this Lease by suitable amendment from time to time any provision which may reasonably be requested by a proposed leasehold mortgagee for the purpose of implementing the mortgagee-protection provisions contained in the Lease and allowing such mortgagee reasonable means to protect or preserve the lien of the leasehold on the occurrence of a default under the terms of this Lease. Authority and Tenant each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to affect any such amendment; provided, however, that any such amendment shall not in any way affect the term or rent under this Lease, nor otherwise in any material respect adversely affect any rights of Authority under this Lease.

**SECTION 2502. ALTERNATIVE FINANCING.** Notwithstanding any provision of this Lease to the contrary, the Tenant or its subtenant(s) may obtain private financing, opportunity zone funding, or other forms of funding and Authority agrees to reasonably accommodate any additional notice or appropriate agreements to facilitate such funding agreements so long as such agreement shall not in any way affect the term or rent under this Lease, nor otherwise in any material respect adversely affect any rights of Authority under this Lease or cause Authority to incur any costs or expenses. Further, Authority shall negotiate and agree to reasonable amendments to the Lease consistent with the purpose and intent set out herein to facilitate the financing.

## **ARTICLE 26** **ATTORNEYS' FEES**

If any legal action or other proceeding is commenced in relation to this Lease or any documents incidental thereto and/or the Leased Property(ies), the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in connection with such action or proceeding from the non-prevailing party, including all reasonable attorneys' fees and costs incurred on appeal, in litigating entitlement to and/or amount of attorneys' fees and costs to be awarded and in connection with the prevailing party's efforts to collect on any judgment. The phrase "prevailing party" shall include a party who receives substantially the relief desired whether by dismissal, summary judgment, judgment or otherwise. The provisions of this section shall survive the termination of this Lease.

## **ARTICLE 27**

### **OTHER PROVISIONS**

**SECTION 2701. REASONABLENESS AND GOOD FAITH.** Except to the extent expressly set forth or limited in this Lease otherwise, whenever this Lease grants the Authority or Tenant the right to take action, exercise discretion, establish rules and regulations, make allocations, or other determinations, or otherwise exercise rights or fulfill obligations, the Authority and Tenant shall act reasonably and in good faith and take no action that might result in the frustration of the reasonable expectations of a sophisticated landlord and sophisticated tenant concerning the benefits to be enjoyed under this Lease.

**SECTION 2702. FORCE MAJEURE.** Except as provided below, any prevention, delay or stoppage attributable to strikes, lockouts, labor disputes, hurricanes, floods, earthquakes, tornadoes, or other natural disasters, acts of God, civil commotion, terrorism, war, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (collectively, the “Force Majeure”) will excuse the performance of that party for a period equal to the duration of the prevention, delay or stoppage. If, therefore, this Lease specifies a time period for performance of an obligation of either party, a delay that a Force Majeure causes will extend the period within which the party must complete its performance.

**SECTION 2703. HEADINGS.** Any headings preceding the text of any articles, paragraphs or sections of this Lease shall be solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect its meaning, construction or effect.

**SECTION 2704. BINDING EFFECT.** The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns. This provision shall not constitute a waiver of any conditions prohibiting assignment or subletting.

**SECTION 2705. FEDERAL SUBORDINATION.** This Lease shall be subordinate to the provisions of any existing agreements between the Authority and the United States of America that have been provided to the Tenant relative to the operation and maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

**SECTION 2706. RIGHTS RESERVED.** Rights not specifically granted the Tenant by this Lease are reserved to the Authority.

**SECTION 2707. NO WAIVER.** There shall be no waiver of the right of either party to demand strict performance of any of the provisions, terms and covenants of this Lease nor shall there be any waiver of any breach, default or non-performance hereof by either party, unless such waiver is explicitly made in writing by the



other party. Any previous waiver or course of dealing shall not affect the right of either party to demand strict performance of the provisions, terms and covenants of this Lease with respect to any subsequent event or occurrence of any subsequent breach, default or nonperformance hereof by the other party.

**SECTION 2708. SEVERABILITY.** If any provision of this Lease or the application thereof to either party to this Lease is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions of this Lease which can be given effect without the invalid provision, and to this end, the provisions of this Lease are severable.

**SECTION 2709. PAYMENT OF TAXES.** If applicable, Tenant shall pay all taxes and other costs lawfully assessed against its leasehold interests in the Leased Property(ies) and its interest in the Improvements, other improvements and its operations under this Lease; provided, however, Tenant shall not be deemed to be in default of its obligations hereunder for failure to pay such taxes pending the outcome of any legal proceedings instituted to determine the validity of such taxes or amounts, if and only if such legal proceedings stay Tenant's obligations to pay such taxes pending the case outcome. Failure to pay the taxes, if any, determined by the court of applicable authorities upon the final unappealable conclusion of such legal proceedings against Tenant and the continuation of that failure for more than the applicable grace period established in **Article 6** shall constitute a default.

**SECTION 2710. INTERPRETATION OF LEASE.** This Lease is the result of negotiation between the parties hereto and has been typed/printed by one party for the convenience of both parties, and the parties covenant that this Lease shall not be construed in favor of or against any of the parties hereto or against the "drafter" hereof.

**SECTION 2711. NO AGENCY.** Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties hereto. It is understood and agreed that neither the method of computation of rentals, fees and charges, nor any other provisions contained herein, nor any acts of the parties hereto creates a relationship other than the relationship of landlord and tenant.

**SECTION 2712. RIGHTS NON-EXCLUSIVE.** Notwithstanding anything herein contained that may be or appear to the contrary, the rights, privileges and licenses granted under this Lease, except in the Leased Property(ies) and Improvements and as to Tenant's rights under **Article 24**, are "nonexclusive," and the Authority reserves the right to grant similar privileges to other persons, firms or corporations.

**SECTION 2713. JURISDICTION AND VENUE.** The parties acknowledge that a substantial portion of negotiation, anticipated performance and execution of this Lease occurred or shall occur in Brevard County, Florida, and that, therefore, each of the parties: (a) agrees that this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Florida without regard to its conflict of law provisions; (b) agrees that any suit, action or legal proceeding arising out of or relating to this Lease shall be brought exclusively in the courts of record of the State of Florida in Brevard County, Florida; or in the federal courts in the Middle District of Florida, (c) consents to the jurisdiction of each such court in any such suit, action or proceeding; and (d) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any such courts.

**SECTION 2714. ENTIRETY OF AGREEMENT.** The parties hereto agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered, except as may be specifically authorized herein or by written instrument executed by the parties hereto.

**SECTION 2715. JURY WAIVER.** EACH PARTY HEREBY COVENANTS AND AGREES THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDINGS, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS LEASE, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, TRIAL SHALL BE TO A COURT AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. EITHER PARTY MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS LEASE WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO OF THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

## **ARTICLE 28** **REQUIRED FEDERAL PROVISIONS**

**SECTION 2801. ADDITIONAL CIVIL RIGHTS PROVISION.** Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the

property is used and/or possessed by Tenant and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

**SECTION 2802. REQUIRED CLAUSE FOR TRANSFER OF REAL PROPERTY.** The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Authority pursuant to the provisions of the Airport Improvement Program grant assurances.

- (A) The Tenant for itself, its successors in interest and its assigns, as a part of the consideration for this Lease, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities..
- (B) With respect to this Lease, in the event of breach of any of the above nondiscrimination covenants, Authority will have the right to terminate the Lease and to enter, re-enter, and repossess said Property and the facilities thereon, including without limitation the Improvements, and hold the same as if the Lease had never been made or issued.

**SECTION 2803. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES.** During the performance of this Lease, Tenant, for itself, its assignees, and successors in interest, agrees to comply with the following nondiscrimination statutes and authorities:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;

- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 — 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 *et seq.*).

## **ARTICLE 29**

### **FLORIDA SPECIFIC PROVISIONS**

RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL

AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY PUBLIC HEALTH UNIT. [NOTE: THIS PARAGRAPH IS PROVIDED FOR INFORMATIONAL PURPOSES PURSUANT TO SECTION 404.056(8), FLORIDA STATUTES, (1988).]

**ARTICLE 30**  
**FOREIGN TRADE ZONE**

It is acknowledged that the Airport is currently designated as a part of Foreign Trade Zone 136 ("FTZ"). Authority agrees that, at the request of Tenant, it shall take such actions as may be necessary to bring certain portions of Tenant's business within the FTZ.

**ARTICLE 31**  
**BOND FINANCING**

If Tenant elects to seek financing for the Improvements through the issuance of Industrial Revenue Bonds or other taxable or tax-exempt bonds or notes ("Bonds"), the Authority agrees to fully support Tenant in its effort and assist to obtain financing for the project as long as the Authority is not obligated as to such Bonds and is not required to incur expenses related thereto. Further, if the issuance of Bonds for the project or any portion thereof requires it, Authority shall negotiate and agree to reasonable amendments to the Lease consistent with the purpose and intent set out herein to facilitate the issuance and sale of such Bonds.

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURES**

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

Signed, Sealed and Delivered  
in the presence of:

AUTHORITY:  
TITUSVILLE-COCOA AIRPORT AUTHORITY

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Kevin Daugherty, AAE  
Director of Airports

\_\_\_\_\_  
Witness

Attest: \_\_\_\_\_  
Name:  
Position:  
(corporate seal)

TENANT:  
SPACE COAST INNOVATION PARK, LLC,  
a Florida limited liability company

\_\_\_\_\_  
Witness

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Title: \_\_\_\_\_

\_\_\_\_\_  
Witness

Attest: \_\_\_\_\_  
(corporate seal)

**EXHIBIT A-1**  
**DESCRIPTION OF PHASE 1 PROPERTY**

**(See Attached Exhibit)**

**EXHIBIT A-2**  
**DESCRIPTION OF PHASE 2 PROPERTY**

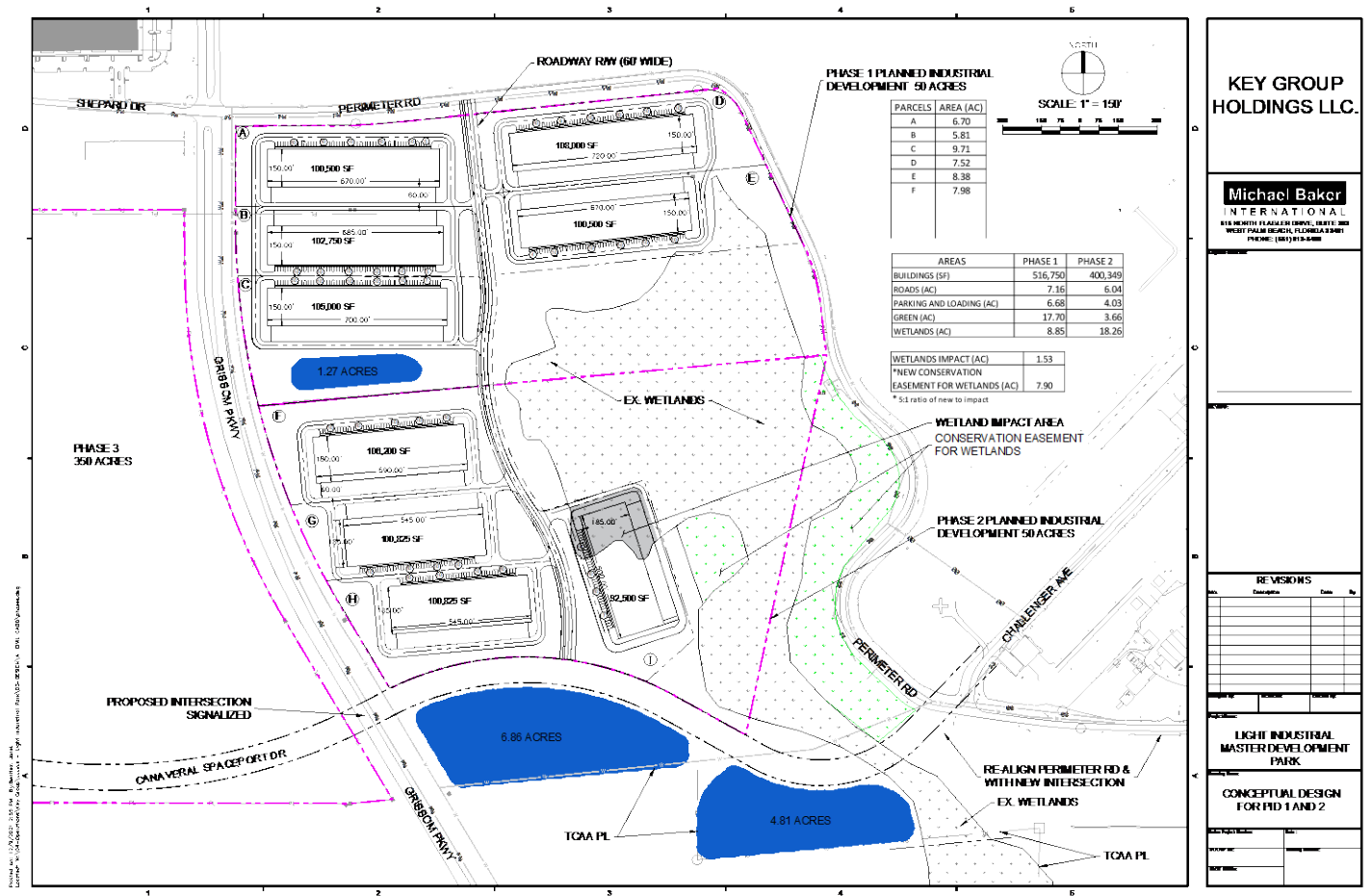
**(See Attached Exhibit)**



**EXHIBIT A-3**  
**DESCRIPTION OF PHASE 3 PROPERTY**

**(See Attached Exhibit)**

# **EXHIBIT B-1** **TENANT PRELIMINARY SITE PLAN- PHASE 1 AND 2**



**EXHIBIT C  
OMITTED**

**EXHIBIT D**  
**RENT COMMENCEMENT CERTIFICATE**

The TITUSVILLE-COCOA AIRPORT AUTHORITY and SPACE COAST INNOVATION PARK, LLC hereby agree to the delivery and acceptance of the Property, and that [MONTH] [DATE], [YEAR] shall be the “Rent Commencement Date”.

**EXECUTED BY THE AUTHORITY**, this [DATE] day of [MONTH], [YEAR].

**TITUSVILLE-COCOA AIRPORT AUTHORITY**

_____ Witness	By: _____ Kevin Daugherty, AAE Director of Airports
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\_\_\_\_\_  
Witness

**EXECUTED BY TENANT**, this [DATE] day of [MONTH], [YEAR].

**SPACE COAST INNOVATION PARK, LLC**  
**a Florida limited liability company**

_____ Witness	By: _____ Printed Name: _____
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_____ Witness	Printed Title: _____
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**EXHIBIT E**  
**[OMITTED]**

**EXHIBIT F**  
**RULES AND REGULATIONS AND MINIMUM STANDARDS**

**EXHIBIT G**  
**[OMITTED]**

**EXHIBIT H**  
**ENVIRONMENTAL SITE ASSESSMENT REPORT**



**EXHIBIT I**  
**OPTION TO LEASE- Phase 2 Property**

### **Phase 3 Property**

**EXHIBIT J**  
**[OMITTED]**

**APPENDIX “1”**  
**Authority Improvements and Schedule**

**APPENDIX “2”**  
**Tenant Improvements and Schedules**

ID	Task Name	Duration	Start	Finish																
					Qtr 4	2022		2023		2024										
						Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3				
1	TCAA Master Infrastructure Schedule	505 days	Thu 6/2/22	Wed 5/8/24																
2	Master Infrastructure Design	175 days	Thu 6/2/22	Wed 2/1/23																
3	Master Infrastructure Construction	270 days	Thu 4/27/23	Wed 5/8/24																
4	Master Infrastructure Completion	0 days	Wed 5/8/24	Wed 5/8/24																
<div></div>																				
Project: TCAA Master Infrastructure Schedule Date: Fri 1/21/22		<div><div>Task<div></div></div><div>Milestone<div></div></div><div>Summary<div></div></div><div>Manual Task<div></div></div></div>																		
Page 1																				



## MEMORANDUM

DATE: February 14, 2022

TO: Airport Authority Board Members

FROM: Kevin Daugherty, AAE  
Director of Airports

SUBJECT: Six Month Performance Review

Following my hiring last summer, we have increased our revenues by leasing out the remaining Administration Building offices to Space Perspective and Michael Baker International. We also leased additional facilities to Space Perspective (Hangar 55 and the 6995 Tico Road facility) to accommodate their rapid growth. We also assisted the East Florida Railroad group with a temporary space agreement on the westside of the Airport. Grand total for the new leases total \$319,991.04 annually.

We are working on a Memorandum of Understanding (MOU) with developers interested in constructing large corporate hangars on the westside of TIX and have entered into a NDA with Project Enroute – a space based company interested in constructing a new facility on a five acre parcel along the TIX perimeter road. The group plans on beginning their due diligence on the parcel within the next few weeks (geo-tech and survey). We also have met with several aircraft owners that are interested in constructing small private hangars at Merritt Island Airport. Additionally, we completed an Interlocal Agreement with Brevard County and the City of Rockledge to protect our airports from incompatible land uses and airspace issues.

With the Board's input and assistance, we completed the first ever Strategic Business Plan for the Airport Authority. The business plan recommended staffing corrections which are in the process of being implemented with the hiring of our new Finance Manager and Administrative Assistant. The Administrative Manager position was removed from the organization and we're currently in discussions with the City of Titusville to outsource ARFF Fire duties for the Space Coast Regional Airport.

Multiple grants from FDOT are in the works including the new AWOS units for both Merritt Island Airport and Arthur Dunn Airpark; along with grants for the upcoming Air Traffic Control Tower Siting Study and Fuel Farm Replacement project at Space Coast Regional Airport. Additional funding will also be heading our way for the VAC Ramp at TIX and NASI project at COI. We have also submitted federal funding requests for the Master Plans for all three

airports along with Space Florida requests for the Spaceport Master Plan and Common Use Rocket Testing Facility. We have recently completed the new Fly Space Coast website, new corporate logo, and are working on implementing a quarterly newsletter, along with developing a social media presence.

We have increased our community involvement and outreach. We established the Merritt Island Airport Noise Abatement Committee and now attend the EAA chapter meetings and gatherings. This gives our customers the opportunity to interact with staff and address any concerns they may have. We have also completed Airport Tenant Appreciation Days at TIX and COI (X21 has been rescheduled due to weather).

In an effort to increase industry knowledge & facilitate networking, I attended the High-Speed Aerospace Transportation Workshop in Midland, Texas and the SpaceCom 2022 Conference in Orlando. Additionally, I was recently selected to serve on the Titusville Chamber of Commerce Board of Directors and have completed presentations to local civic groups within the city.

Over the next evaluation period, my goals will be to finalize the Request for Qualifications (RFQ) process for the upcoming FAA funded Airport Master Plans and Space Florida funded Spaceport Master Plan, begin the engineering for the Common Use Rocket Testing Facility, and develop a marketing strategy for all three airports.

We also plan to continue to correct the below market lease agreements that have inaccurate or missing legal descriptions and / or sketches. This has been delaying some of the upcoming leasehold valuations. Finally, we are evaluating the fee simple purchase of the 5.56 acre parcel of undeveloped land along Tico Road in effort to add to the ad valorem tax base and grow non-aeronautical revenues for the Airport.

I would like to thank the Board members for their continued support and guidance. Please let me know if I can provide further detail or additional information.