



DATE: Thursday – January 19, 2022  
TIME: 5:00 P.M.  
LOCATION: Airport Administration Building | 355 Golden Knights Blvd | Titusville, FL 32780

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#### **MEETING AGENDA**

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Approval of Meeting Minutes
  - a. December 15, 2022 (Regular Meeting)
- F. Action Items

#### Grants

- a. Approval of FDOT Grant Amendment # 2 (FPN 447540-1-94-01) to the Valiant Air Command Apron & Taxi Lane Construction & Associated Resolution at the Space Coast Regional Airport.
- b. Approval of FDOT Grant Amendment # 2 (FPN 447540-2-94-01) to the Valiant Air Command Apron & Taxi Lane Construction & Associated Resolution at the Space Coast Regional Airport.
- c. Approval of FDOT Grant Amendment # 1 (FPN 438461-1-94-01) to the Corporate Hangar & Associated Resolution at the Merritt Island Airport.

#### Leases

- a. Approval of the Alliance Capital Management, LLC ground lease agreement for the unimproved property located along Center Lane at the Space Coast Regional Airport
- b. Approval of TIX Ventures lease agreement for use of an office within Suite 2 of the Airport's Administration Building at the Space Coast Regional Airport (355 Golden Knights Blvd.)

## Memorandum of Understanding

- a. Approval of Memorandum of Understanding with KB Home Orlando LLC and the Airport Authority regarding the Willow Creek roadway.

## Invoice Approval

- a. Approval of Invoices

## G. Discussion Items

- a. Purchase of the U.S. Aviation Training Solutions, Inc. facility (1 Bristow Way) at the Space Coast Regional Airport

## H. Deputy Director of Operations & Maintenance Report

- a. Capital Improvement Projects Update

## I. Attorney's Report

- a. Wells Fargo Check Fraud Update

## J. Deputy Director of Finance & Administration Report

- a. Check Register
- b. Financial software update (QuickBooks)
- c. Preliminary November 2022 Financials

## L. Authority Members Report

## M. Public Comments

## N. Adjournment

**TITUSVILLE – COCOA AIRPORT AUTHORITY**

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on December 15th, of 2022 at 5:00 p.m. at the Titusville - Cocoa Airport Authority Office at 355 Golden Knights Boulevard, Titusville, Fl, and via video conference. The following members were present: Mr. Donn Mount, Vice Chairman/Treasurer; Mr. Roger Molitor, Secretary; Mr. Al Voss; Mr. Mark Grainger; Mr. Kevin Daugherty, AAE, Director of Airports; Mr. Adam Bird, Attorney. Mr. John Craig, Chairman and Ms. Jessica Curry were absent. Mr. Brad Whitmore attended via video conference.

**Call to Order**

Mr. Donn Mount called the meeting to order and determined a quorum was present.

**Pledge of Allegiance****Approval of the Agenda**

Mr. Mount called for motion to approve the agenda. Mr. Molitor made the motion. Mr. Voss seconded the motion. Motion passed.

**Approval of Meeting Minutes:****1. November 17, 2022 – Regular Meeting**

Mr. Molitor made motion to approve the minutes as presented. Mr. Voss seconded the motion. Motion passed.

**Action Items****1. Approval of Global Aviation Management Corporate Hangar Lease Agreement for the Airport Authority owned facility located at 7030 Center Lane at the Space Coast Regional Airport.**

Mr. Daugherty reviewed the material terms and conditions of the proposed lease agreement with the Board and their requested approval. Mr. Molitor moved to approve the motion. Mr. Voss seconded the motion. Motion passed.

**2. Approval of Space Coast Regional Airport / Spaceport official name change to Exploration Spaceport.**

Mr. Daugherty updated the Board on the Spaceport proposed name change to Exploration Spaceport as previously discussed. Mr. Molitor moved to approve the name change. Mr. Grainger seconded the motion. Motion passed.

**3. Approval of the Board 2023 public meeting schedule.**

Mr. Daugherty presented two proposed meeting schedules to the Board for consideration. The first proposal was an eleven-month schedule that included a consolidated November / December meeting. The second proposal was the Board's standard twelve-month meeting schedule. Mr. Molitor made motion to approve the 12-month schedule. Mr. Voss seconded the motion. Motion carried.

**4. Approval of Invoices**

Mr. Hopman gave brief descriptions of current invoices along with their cost. Mr. Mount called for motion to approve all invoices as presented. Mr. Voss made the motion to approve. Mr. Molitor seconded the motion. Motion passed.

**Deputy Director of Operations & Maintenance Report**

**1. Capital Improvement Projects Update**

Mr. Hopman stated the only remaining item on the Runway 9-27 project is the north side drainage, which is currently moving forward. Mr. Hopman stated the VAC ramp project has punch list items to complete. The Corporate Hangar project at Merritt Island Airport is ongoing, stated Mr. Hopman. Mr. Hopman stated the NASI project has approximately 90 workdays left before completion.

Mr. Hopman discussed the new project updates such as the AWOS project both at Merritt Island Airport and Arthur Dunn Airpark with bids presently being reviewed.

Mr. Hopman stated the Eastside Fuel Farm Relocation design is 90 percent complete. Staff is working with the North Brevard Economic Development Zone to fund the Challenger Drive Extension Design project.

**2. Alliance Capital Management Development Project**

Mr. Daugherty introduced Mr. Oscar Garcia, an associate with Alliance Capital Management. Mr. Garcia briefed Board members on their upcoming proposed corporate hangar development at the Space Coast Regional Airport.

**On-Going Business**

Nothing to report.

**Attorney's Report****1. Wells Fargo Check Fraud Update**

Mr. Bird discussed details of the ongoing investigation.

**Deputy Director of Finance and Administration Report****1. Check Register**

Ms. Kinard called for questions regarding the check register. There were none.

**2. Financial Software Update (QuickBooks)**

Ms. Kinard stated QuickBooks officially went live on October 1<sup>st</sup>. Ms. Kinard is pleased with the new software's efficiency.

**3. Preliminary October 2022 Financials**

Ms. Kinard stated that due to the delay with a vendor, there has been a considerable amount of time loss in finalizing numbers for September 30<sup>th</sup>.

Ms. Kinard stated financials will be produced to the Board as soon as possible.

Mr. Molitor questioned the Airport Authority's cash position.

Mrs. Kinard discussed details of the Airport Authority's restricted funds.

**Authority Members Report**

None

**Public Comments**

None

**Adjournment**

Mr. Mount adjourned the meeting at 6:11 p.m.

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JOHN CRAIG, CHAIRMAN

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DONN MOUNT, VICE CHAIRMAN/TREASURER

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
**AMENDMENT TO THE PUBLIC TRANSPORTATION**  
**GRANT AGREEMENT**

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Financial Project Number(s): (item-segment-phase-sequence) 447540-1-94-01	Fund(s): Work Activity Code/Function: Federal Number/Federal Award Identification Number (FAIN) – Transit only:	DDR,DPTO 215	FLAIR Category: 088719
		Object Code: 751000	
		Org. Code: 55052000531	
		Vendor Number: VF591061002001	
Contract Number: G1N29	Federal Award Date:	Amendment No.: 2	
CFDA Number: N/A	SAM/UEI Number:		
CFDA Title: N/A			
CSFA Number: 55.004			
CSFA Title: Aviation Grant Program			

THIS AMENDMENT TO THE PUBLIC TRANSPORTATION GRANT AGREEMENT ("Amendment") is made and entered into on \_\_\_\_\_, by and between the State of Florida, Department of Transportation ("Department"), and Titusville-Cocoa Airport District, ("Agency"), collectively referred to as the "Parties."

**RECITALS**

WHEREAS, the Department and the Agency on 6/12/2020 (date original Agreement entered) entered into a Public Transportation Grant Agreement ("Agreement").

WHEREAS, the Parties have agreed to modify the Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants in this Amendment, the Agreement is amended as follows:

1. **Amendment Description.** The project is amended Add additional funds for Apron construction on the Economic Development section at Space Coast Regional Airport.

2. **Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

- ☒ **Aviation**
- ☐ **Seaports**
- ☐ **Transit**
- ☐ **Intermodal**
- ☐ **Rail Crossing Closure**
- ☐ **Match to Direct Federal Funding** (Aviation or Transit)  
(Note: Section 15 and Exhibit G do not apply to federally matched funding)
- ☐ **Other**

3. **Exhibits.** The following Exhibits are updated, attached, and incorporated into this Agreement:

- ☒ Exhibit A: Project Description and Responsibilities
- ☒ Exhibit B: Schedule of Financial Assistance
- ☐ \*Exhibit B1: Deferred Reimbursement Financial Provisions
- ☐ \*Exhibit B2: Advance Payment Financial Provisions
- ☐ \*Exhibit C: Terms and Conditions of Construction
- ☒ Exhibit D: Agency Resolution
- ☐ Exhibit E: Program Specific Terms and Conditions
- ☐ Exhibit F: Contract Payment Requirements
- ☒ \*Exhibit G: Financial Assistance (Single Audit Act)
- ☐ \*Exhibit H: Audit Requirements for Awards of Federal Financial Assistance

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
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**GRANT AGREEMENT**

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\_\_\_ \*Additional Exhibit(s):

**4. Project Cost.**

The estimated total cost of the Project is X increased/ \_\_\_ decreased by \$96,686 bringing the revised total cost of the project to \$820,556.

The Department's participation is X increased/ \_\_\_ decreased by \$48,343. The Department agrees to participate in the Project cost up to the maximum amount of \$410,278, and, additionally the Department's participation in the Project shall not exceed 50.00% of the total eligible cost of the Project.

Except as modified, amended, or changed by this Amendment, all of the terms and conditions of the Agreement and any amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year written above.

AGENCY Titusville-Cocoa Airport  
District

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: C. Jack Adkins  
Title: Director of Transportation Development

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

Legal Review: Daniel L. McDermott

\_\_\_\_\_

## **EXHIBIT A**

### **Project Description and Responsibilities**

**A. Project Description** (description of Agency's project to provide context, description of project components funded via this Agreement (if not the entire project)): Valiant Air Command (VAC) Apron: This project can be generally described as an approximately 6,500 SY asphalt apron adjacent to Taxiway A. Project includes earthwork, gopher tortoise relocation, asphalt paving and storm water facilities. A wetland inventory has been completed and there will be no impacts.

**B. Project Location** (limits, city, county, map): Space Coast Regional Airport/Titusville, FL/Brevard

**C. Project Scope** (allowable costs: describe project components, improvement type/service type, approximate timeline, project schedule, project size): Apron and Taxiway Construction: As required by 215.971, F.S., this scope of work includes but is not limited to consultant and design fees, survey and geotechnical costs, permitting, construction inspection and material testing costs, mobilization and demobilization, maintenance of traffic, erosion control, demolition, excavation, embankment, subgrade preparation, base course, surface course, joint construction, pavement markings, lighting system improvements (includes conduits, lights, conductors, cans, lightning protection, vault, and ALCS upgrades), high-mast lights and signage, drainage, utilities, and fencing and gates, including all materials, equipment, labor, and incidentals required to construct the apron pavement.

The project is amended to add funding for construction. The specifics of the Project Scope for construction are described in and limited by the 100% Project Construction Plans identified as "VAC – Valiant Air Command at Space Coast Regional Airport" prepared by Michael Baker International, dated June 2021, together with all plan updates, necessary design variation, exceptions, and change orders approved by the Agency." The Sponsor will comply with Aviation Program Assurances.

**D. Deliverable(s)**: Final closeout documents to be uploaded into Jacip.

The project scope identifies the ultimate project deliverables. Deliverables for requisition, payment and invoice purposes will be the incremental progress made toward completion of project scope elements. Supporting documentation will be quantifiable, measurable, and verifiable, to allow for a determination of the amount of incremental progress that has been made, and provide evidence that the payment requested is commensurate with the accomplished incremental progress and costs incurred by the Agency.

**E. Unallowable Costs** (including but not limited to): Stored materials.

### **F. Transit Operating Grant Requirements (Transit Only):**

Transit Operating Grants billed as an operational subsidy will require an expenditure detail report from the Agency that matches the invoice period. The expenditure detail, along with the progress report, will be the required deliverables for Transit Operating Grants. Operating grants may be issued for a term not to exceed three years from execution. The original grant agreement will include funding for year one. Funding for years two and three will be added by amendment as long as the grantee has submitted all invoices on schedule and the project deliverables for the year have been met.



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**EXHIBIT B**

**Schedule of Financial Assistance**

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT  
 CONSIST OF THE FOLLOWING:

**A. Fund Type and Fiscal Year:**

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
447540-1-94-01	DDR	088719	2022	751000	55.004	Aviation Grant Program	\$1,935.00
447540-1-94-01	DDR	088719	2023	751000	55.004	Aviation Grant Program	\$48,343.00
447540-1-94-01	DPTO	088719	2020	751000	55.004	Aviation Grant Program	\$360,000.00
447540-1-94-01	LF	088719	2020	751000	55.004	Aviation Grant Program	\$360,000.00
447540-1-94-01	LF	088719	2022	751000	55.004	Aviation Grant Program	\$1,935.00
447540-1-94-01	LF	088719	2023	751000	55.004	Aviation Grant Program	\$48,343.00
<b>Total Financial Assistance</b>							<b>\$820,556.00</b>

**B. Estimate of Project Costs by Grant Phase:**

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Planning	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Environmental/Design/Construction	\$410,278.00	\$410,278.00	\$0.00	\$820,556.00	50.00	50.00	0.00
Capital Equipment/ Preventative Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Match to Direct Federal Funding	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Mobility Management (Transit Only)	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
<b>Totals</b>	<b>\$410,278.00</b>	<b>\$410,278.00</b>	<b>\$0.00</b>	<b>\$820,556.00</b>			

\*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

<b>Scope Code and/or Activity Line Item (ALI) (Transit Only)</b>	
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**BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:**

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

Allison McCuddy

Department Grant Manager Name

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
PUBLIC TRANSPORTATION  
GRANT AGREEMENT EXHIBITS

Form 725-000-02  
STRATEGIC  
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12/21/2022

Signature

Date

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
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**EXHIBIT D**

**AGENCY RESOLUTION**

***PLEASE SEE ATTACHED***

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
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**EXHIBIT G**

**AUDIT REQUIREMENTS FOR AWARDS OF STATE FINANCIAL ASSISTANCE**

**THE STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:**

**SUBJECT TO SECTION 215.97, FLORIDA STATUTES:~**

**Awarding Agency:** Florida Department of Transportation  
**State Project Title:** Aviation Grant Program  
**CSFA Number:** 55.004  
**\*Award Amount:** \$410,278

\*The award amount may change with amendments

Specific project information for CSFA Number 55.004 is provided at: <https://apps.fldfs.com/fsaa/searchCatalog.aspx>

**COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT:**

State Project Compliance Requirements for CSFA Number 55.004 are provided at:  
<https://apps.fldfs.com/fsaa/searchCompliance.aspx>

The State Projects Compliance Supplement is provided at: <https://apps.fldfs.com/fsaa/compliance.aspx>

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
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Form 725-000-03  
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Financial Project Number(s): (item-segment-phase-sequence) 447540-2-94-01	Fund(s): Work Activity Code/Function: Federal Number/Federal Award Identification Number (FAIN) – Transit only:	DDR,DPTO 215	FLAIR Category: 088719
			Object Code: 751000
			Org. Code: 55052000531
			Vendor Number: VF591061002001
Contract Number: G1N20	Federal Award Date:		Amendment No.: 2
CFDA Number: N/A	SAM/UEI Number:		
CFDA Title: N/A			
CSFA Number: 55.004			
CSFA Title: Aviation Grant Program			

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**RECITALS**

WHEREAS, the Department and the Agency on 6/10/2020 (date original Agreement entered) entered into a Public Transportation Grant Agreement ("Agreement").

WHEREAS, the Parties have agreed to modify the Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants in this Amendment, the Agreement is amended as follows:

1. **Amendment Description.** The project is amended Add additional funds for Apron/Taxilane Construction at Space Coast Regional Airport

2. **Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

- ☒ **Aviation**
- ☐ **Seaports**
- ☐ **Transit**
- ☐ **Intermodal**
- ☐ **Rail Crossing Closure**
- ☐ **Match to Direct Federal Funding** (Aviation or Transit)  
(Note: Section 15 and Exhibit G do not apply to federally matched funding)
- ☐ **Other**

3. **Exhibits.** The following Exhibits are updated, attached, and incorporated into this Agreement:

- ☒ Exhibit A: Project Description and Responsibilities
- ☒ Exhibit B: Schedule of Financial Assistance
- ☐ \*Exhibit B1: Deferred Reimbursement Financial Provisions
- ☐ \*Exhibit B2: Advance Payment Financial Provisions
- ☐ \*Exhibit C: Terms and Conditions of Construction
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OGC 04/22

\_\_\_ \*Additional Exhibit(s):

**4. Project Cost.**

The estimated total cost of the Project is X increased/ \_\_\_ decreased by \$124,686 bringing the revised total cost of the project to \$1,615,686.

The Department's participation is X increased/ \_\_\_ decreased by \$99,749. The Department agrees to participate in the Project cost up to the maximum amount of \$1,292,549, and, additionally the Department's participation in the Project shall not exceed 80.00% of the total eligible cost of the Project.

Except as modified, amended, or changed by this Amendment, all of the terms and conditions of the Agreement and any amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year written above.

AGENCY Titusville-Cocoa Airport  
District

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: C. Jack Adkins  
Title: Director of Transportation Development

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

Legal Review: Daniel L. McDermott

\_\_\_\_\_

## **EXHIBIT A**

### **Project Description and Responsibilities**

**A. Project Description** (description of Agency's project to provide context, description of project components funded via this Agreement (if not the entire project)): Taxilane and Apron: This project can be generally described as an approximately 3,000 SY asphalt apron and 1,750 SY taxilane adjacent to Taxiway A. Project includes earthwork, gopher tortoise relocation, asphalt paving, edge lighting and storm water facilities. A wetland inventory has been completed and there will be no impacts.

**B. Project Location** (limits, city, county, map): Space Coast Regional Airport/Titusville, FL/Brevard

**C. Project Scope** (allowable costs: describe project components, improvement type/service type, approximate timeline, project schedule, project size): Apron and Taxilane Construction: As required by 215.971, F.S., this scope of work includes but is not limited to consultant and design fees, survey and geotechnical costs, permitting, construction inspection and material testing costs, mobilization and demobilization, maintenance of traffic, erosion control, demolition, excavation, embankment, subgrade preparation, base course, surface course, joint construction, pavement markings, lighting system improvements (includes conduits, lights, conductors, cans, lightning protection, vault, and ALCS upgrades), high-mast lights and signage, drainage, utilities, and fencing and gates, including all materials, equipment, labor, and incidentals required to construct the apron pavement.

The project is amended to add additional funding for construction. The specifics of the Project Scope for construction are described in and limited by the 100% Project Construction Plans identified as "VAC – Valiant Air Command at Space Coast Regional Airport" prepared by Michael Baker International, dated June 2021, together with all plan updates, necessary design variation, exceptions, and change orders approved by the Agency." The Sponsor will comply with Aviation Program Assurances.

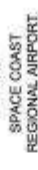
**D. Deliverable(s)**: Final closeout documents to be uploaded into Jacip.

The project scope identifies the ultimate project deliverables. Deliverables for requisition, payment and invoice purposes will be the incremental progress made toward completion of project scope elements. Supporting documentation will be quantifiable, measurable, and verifiable, to allow for a determination of the amount of incremental progress that has been made, and provide evidence that the payment requested is commensurate with the accomplished incremental progress and costs incurred by the Agency.

**E. Unallowable Costs** (including but not limited to): Stored materials

### **F. Transit Operating Grant Requirements (Transit Only):**

Transit Operating Grants billed as an operational subsidy will require an expenditure detail report from the Agency that matches the invoice period. The expenditure detail, along with the progress report, will be the required deliverables for Transit Operating Grants. Operating grants may be issued for a term not to exceed three years from execution. The original grant agreement will include funding for year one. Funding for years two and three will be added by amendment as long as the grantee has submitted all invoices on schedule and the project deliverables for the year have been met.

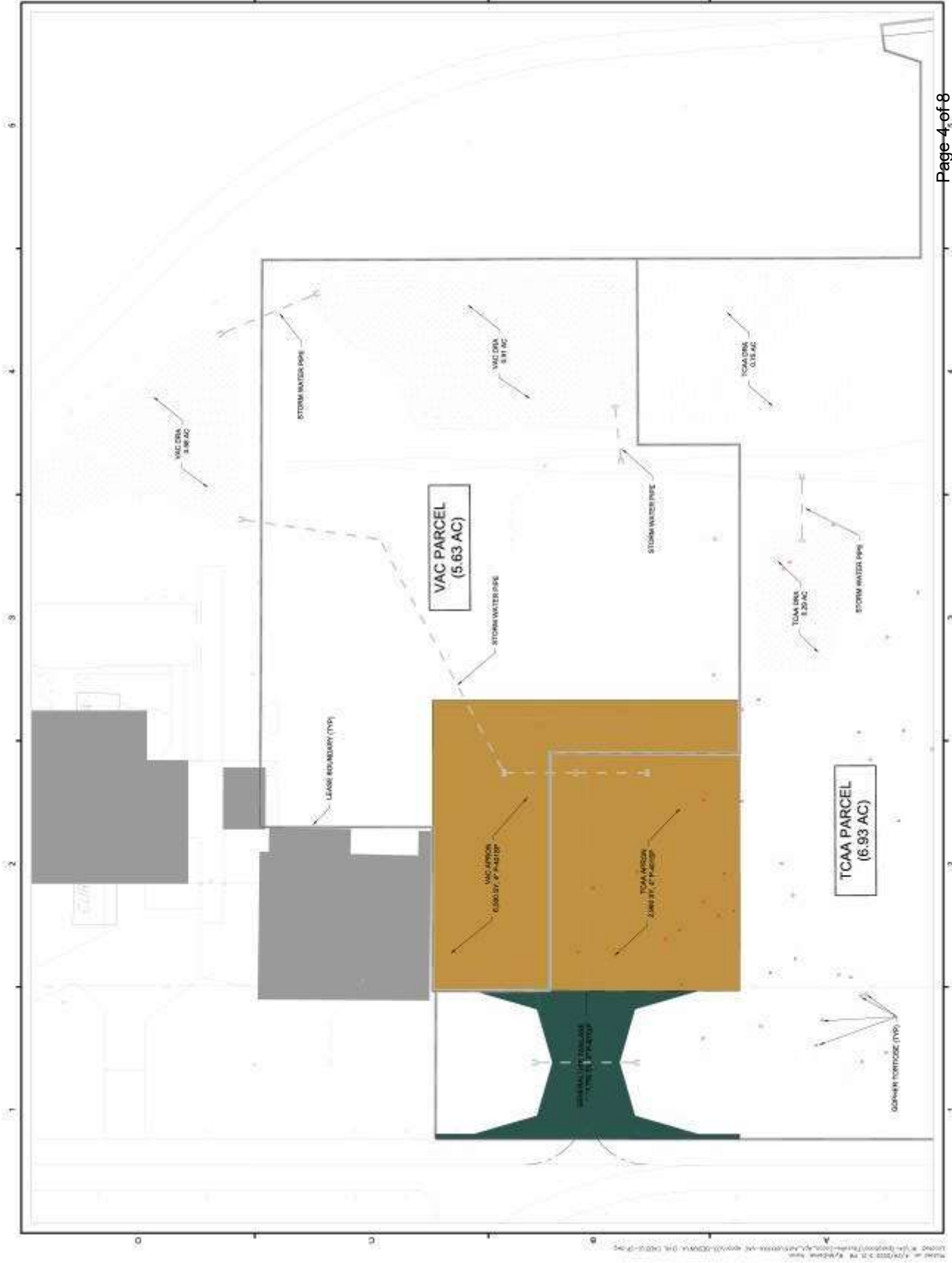


**Michael Baker**  
**INTERNATIONAL**  
515 NORTH FLAGLER DRIVE, SUITE 300  
WEST PALM BEACH, FLORIDA 33411  
PHONE: (407) 672-6400

## REVISIONS

[illegible]

VAC APRON

[illegible]

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION  
GRANT AGREEMENT EXHIBITS**

Form 725-000-02  
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**EXHIBIT B**

**Schedule of Financial Assistance**

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT  
CONSIST OF THE FOLLOWING:

**A. Fund Type and Fiscal Year:**

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
447540-2-94-01	DDR	088719	2022	751000	55.004	Aviation Grant Program	\$704,800.00
447540-2-94-01	DDR	088719	2023	751000	55.004	Aviation Grant Program	\$99,749.00
447540-2-94-01	DPTO	088719	2020	751000	55.004	Aviation Grant Program	\$488,000.00
447540-2-94-01	LF	088719	2020	751000	55.004	Aviation Grant Program	\$122,000.00
447540-2-94-01	LF	088719	2022	751000	55.004	Aviation Grant Program	\$176,200.00
447540-2-94-01	LF	088719	2023	751000	55.004	Aviation Grant Program	\$24,937.00
<b>Total Financial Assistance</b>							<b>\$1,615,686.00</b>

**B. Estimate of Project Costs by Grant Phase:**

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Planning	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Environmental/Design/Construction	\$1,292,549.00	\$323,137.00	\$0.00	\$1,615,686.00	80.00	20.00	0.00
Capital Equipment/ Preventative Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Match to Direct Federal Funding	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Mobility Management (Transit Only)	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
<b>Totals</b>	<b>\$1,292,549.00</b>	<b>\$323,137.00</b>	<b>\$0.00</b>	<b>\$1,615,686.00</b>			

\*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

<b>Scope Code and/or Activity Line Item (ALI) (Transit Only)</b>	
--	--

**BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:**

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

Allison McCuddy

Department Grant Manager Name

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
**GRANT AGREEMENT EXHIBITS**

Form 725-000-02  
STRATEGIC  
DEVELOPMENT  
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12/21/2022

Signature

Date

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
**GRANT AGREEMENT EXHIBITS**

Form 725-000-02  
STRATEGIC  
DEVELOPMENT  
OGC 12/22

**EXHIBIT D**

**AGENCY RESOLUTION**

***PLEASE SEE ATTACHED***

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION  
GRANT AGREEMENT EXHIBITS**

Form 725-000-02  
STRATEGIC  
DEVELOPMENT  
OGC 12/22

**EXHIBIT G**

**AUDIT REQUIREMENTS FOR AWARDS OF STATE FINANCIAL ASSISTANCE**

**THE STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:**

**SUBJECT TO SECTION 215.97, FLORIDA STATUTES:~**

**Awarding Agency:** Florida Department of Transportation

**State Project Title:** Aviation Grant Program

**CSFA Number:** 55.004

**\*Award Amount:** \$1,292,549

\*The award amount may change with amendments

Specific project information for CSFA Number 55.004 is provided at: <https://apps.fldfs.com/fsaa/searchCatalog.aspx>

**COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT:**

State Project Compliance Requirements for CSFA Number 55.004 are provided at:  
<https://apps.fldfs.com/fsaa/searchCompliance.aspx>

The State Projects Compliance Supplement is provided at: <https://apps.fldfs.com/fsaa/compliance.aspx>

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
**PUBLIC TRANSPORTATION**  
**AMENDMENT TO THE PUBLIC TRANSPORTATION**  
**GRANT AGREEMENT**

Form 725-000-03  
STRATEGIC  
DEVELOPMENT  
OGC 11/19

Financial Project Number(s): (item-segment-phase-sequence) 438461-1-94-01	Fund(s): Work Activity Code/Function: Federal Number/Federal Award Identification Number (FAIN) – Transit only:	DDR,DPTO 215	FLAIR Category: 088719
			Object Code: 751000
			Org. Code: 55052000531
			Vendor Number: VF591061002001
Contract Number: G1N21	Federal Award Date:		Amendment No.: 1
CFDA Number: N/A	SAM/UEI Number:		
CFDA Title: N/A			
CSFA Number: 55.004			
CSFA Title: Aviation Grant Program			

THIS AMENDMENT TO THE PUBLIC TRANSPORTATION GRANT AGREEMENT ("Amendment") is made and entered into on \_\_\_\_\_, by and between the State of Florida, Department of Transportation ("Department"), and Titusville-Cocoa Airport District, ("Agency"), collectively referred to as the "Parties."

**RECITALS**

WHEREAS, the Department and the Agency on 6/10/2020 (date original Agreement entered) entered into a Public Transportation Grant Agreement ("Agreement").

WHEREAS, the Parties have agreed to modify the Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants in this Amendment, the Agreement is amended as follows:

1. **Amendment Description.** The project is amended This project is amended to add funds for construction of the Corporate Hangar at Merritt Island Airport.

2. **Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

- ☒ **Aviation**
- ☐ **Seaports**
- ☐ **Transit**
- ☐ **Intermodal**
- ☐ **Rail Crossing Closure**
- ☐ **Match to Direct Federal Funding** (Aviation or Transit)  
(Note: Section 15 and Exhibit G do not apply to federally matched funding)
- ☐ **Other**

3. **Exhibits.** The following Exhibits are updated, attached, and incorporated into this Agreement:

- ☒ Exhibit A: Project Description and Responsibilities
- ☒ Exhibit B: Schedule of Financial Assistance
- ☐ \*Exhibit B1: Deferred Reimbursement Financial Provisions
- ☐ \*Exhibit B2: Advance Payment Financial Provisions
- ☐ \*Exhibit C: Terms and Conditions of Construction
- ☒ Exhibit D: Agency Resolution
- ☐ Exhibit E: Program Specific Terms and Conditions
- ☐ Exhibit F: Contract Payment Requirements
- ☒ \*Exhibit G: Financial Assistance (Single Audit Act)
- ☐ \*Exhibit H: Audit Requirements for Awards of Federal Financial Assistance

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
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\_\_\_ \*Additional Exhibit(s):

**4. Project Cost.**

The estimated total cost of the Project is X increased/ \_\_\_ decreased by \$352,378 bringing the revised total cost of the project to \$1,057,178.

The Department's participation is X increased/ \_\_\_ decreased by \$176,189. The Department agrees to participate in the Project cost up to the maximum amount of \$528,589, and, additionally the Department's participation in the Project shall not exceed 50.00% of the total eligible cost of the Project.

Except as modified, amended, or changed by this Amendment, all of the terms and conditions of the Agreement and any amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year written above.

AGENCY Titusville-Cocoa Airport  
District

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: C. Jack Adkins  
Title: Director of Transportation Development

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

Legal Review: Daniel L. McDermott

\_\_\_\_\_

## **EXHIBIT A**

### **Project Description and Responsibilities**

**A. Project Description** (description of Agency's project to provide context, description of project components funded via this Agreement (if not the entire project)): Corporate Hangar: Design, bid and construct a corporate hangar. Project includes an approximately 3,600 SF hangar with attached canopy and concrete pad, aircraft parking apron, automobile parking lot, security fencing, utility connections, storm water facilities and relocation of existing taxilane.

**B. Project Location** (limits, city, county, map): Merritt Island Airport/Merritt Island, FL/Brevard

**C. Project Scope** (allowable costs: describe project components, improvement type/service type, approximate timeline, project schedule, project size): Corporate Hangar Construction: As required by 215.971, F.S., this scope of work includes but is not limited to consultant and design fees, survey and geotechnical costs, permitting, construction inspection and material testing costs, mobilization and demobilization, maintenance of traffic, erosion control, demolition, pavement (access roadways, taxilanes, parking lots, and sidewalks), drainage, utilities, primary and back-up power supplies, building (foundation, structure, roof, MEP, drainage, and fire prevention and protection), pavement marking, lighting and signage, fencing and gates, landscaping (including outdoor lighting), and indoor/outdoor security systems, including all materials, equipment, labor, and incidentals required to complete the hangar project.

"The specifics of the Project Scope for construction are described in the Bid Documents identified as "Corporate Hangar at Merritt Island Airport" prepared by Michael Baker International dated August 2022, together with all plan updates, necessary design variation, exceptions, and change orders approved by the Agency." The Sponsor will comply with Aviation Program Assurances.

**D. Deliverable(s)**: Final closeout documents to be uploaded into Jacip.

The project scope identifies the ultimate project deliverables. Deliverables for requisition, payment and invoice purposes will be the incremental progress made toward completion of project scope elements. Supporting documentation will be quantifiable, measurable, and verifiable, to allow for a determination of the amount of incremental progress that has been made, and provide evidence that the payment requested is commensurate with the accomplished incremental progress and costs incurred by the Agency.

**E. Unallowable Costs** (including but not limited to): Stored Materials

**F. Transit Operating Grant Requirements (Transit Only):**

Transit Operating Grants billed as an operational subsidy will require an expenditure detail report from the Agency that matches the invoice period. The expenditure detail, along with the progress report, will be the required deliverables for Transit Operating Grants. Operating grants may be issued for a term not to exceed three years from execution. The original grant agreement will include funding for year one. Funding for years two and three will be added by amendment as long as the grantee has submitted all invoices on schedule and the project deliverables for the year have been met.



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**EXHIBIT B**

**Schedule of Financial Assistance**

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT  
CONSIST OF THE FOLLOWING:

**A. Fund Type and Fiscal Year:**

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
438461-1-94-01	DDR	088719	2023	751000	55.004	Aviation Grant Program	\$26,189.00
438461-1-94-01	DPTO	088719	2023	751000	55.004	Aviation Grant Program	\$150,000.00
438461-1-94-01	DPTO	088719	2020	751000	55.004	Aviation Grant Program	\$352,400.00
438461-1-94-01	LF	088719	2020	751000	55.004	Aviation Grant Program	\$352,400.00
438461-1-94-01	LF	088719	2023	751000	55.004	Aviation Grant Program	\$176,189.00
<b>Total Financial Assistance</b>							<b>\$1,057,178.00</b>

**B. Estimate of Project Costs by Grant Phase:**

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Planning	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Environmental/Design/Construction	\$528,589.00	\$528,589.00	\$0.00	\$1,057,178.00	50.00	50.00	0.00
Capital Equipment/ Preventative Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Match to Direct Federal Funding	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Mobility Management (Transit Only)	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
<b>Totals</b>	<b>\$528,589.00</b>	<b>\$528,589.00</b>	<b>\$0.00</b>	<b>\$1,057,178.00</b>			

\*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

<b>Scope Code and/or Activity Line Item (ALI) (Transit Only)</b>	
--	--

**BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:**

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

Allison McCuddy

Department Grant Manager Name

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
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Signature

12/15/2022

Date

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
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The State Projects Compliance Supplement is provided at: <https://apps.fldfs.com/fsaa/compliance.aspx>

# *Space Coast Regional Airport New Hangars for Corporate Aircraft OPENING IN 2024*

DEVELOPMENT PROJECT

Presented by :

Alliance Capital Management Group (ACMG)

Mr. Bruno Duarte, Managing Partner

Mr. Oscar S. Garcia, Executive Board Advisor (ACMG), CEO (IFG)

December 15<sup>th</sup>, 2022



# NEW CORPORATE HANGARS



- Two new hangars ea. ~25,000sqft, or one large ~50-75,000 hangar
- Extraordinary design, architecture and engineering (Burns McDonnell)
- Developers are fully funded- equity and debt- Multi \$ Billion combined companies
- Development closely aligned with Space Coast Aerospace-Space economic growth long-term
- Promotors executives have over 30 year of aerospace and aviation industry relationships and reach
- Build in Q3 2023, opening in Q4 2024



# AIRCRAFT AND TENANTS- NEW HANGARS

- Fitting large corporate and airline sized aircraft (G-650, Global, BBJ, ACJ, etc)
- Potential Tenants' Aircraft Include:
  - Boeing- BBJ 2x
  - SpaceX- G 550/G-650ER-Super Puma-Helicopters
  - Blue Origin- G-650ER
  - Google- B 757/767/G650
- Long term (10+ Years) leases to AAA credit worthy tenants:
  - Aerospace and general Fortune 500 companies
  - Aerospace and Defense primes, space industry leading operators and Original equipment Manufacturers (OEM's)
- IFG sample prospect Tenants and Relationships Map- Since 1992
- Marketing and Sales strategic relationship with a top National Hangar Brokerage (confidential)



# DEVELOPMENT TRACK RECORD AND FINANCIAL STRENGTH

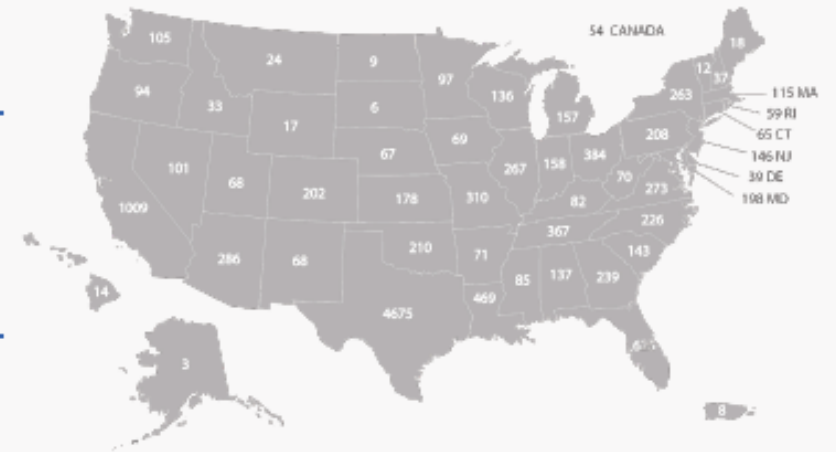


- ACMG, since 2009
- Over \$500M in commercial real estate development, financing and investing
- JV With Embree Group, over 40 years, more than 350 clients and over 14,000 commercial real estate developments, building, financing and management projects in 50 States, Canada and Puerto Rico

MORE THAN

**14,000  
PROJECTS**

NATIONWIDE



EMBREE CONSTRUCTION GROUP, INC.

STABILITY | EXPERTISE | SUSTAINABILITY



Nationwide general construction, design/build, construction management, and program roll-out management services for a wide variety of industries.



National single tenant build-to-suit developer providing in-house real estate development, legal, design, and construction management services specializing in turnkey projects.



National real estate investment advisory and brokerage firm, with a specialty in single-tenant assets net-leased on a long-term basis to credit worthy tenants.

- EMBREE, a full-service development group diversifying into airport commercial properties; DFW Airport and Nationwide





## *HANGAR DESIGN, ENGINEERING AND CONSTRUCTION EXPERTISE*

- Burns McDonnell, since 1998, over 10,000 employees and 60+ offices
  - Over 150 Hangar building track record, Design, Engineering, Architecture and Construction
- Expertise
  - Aircraft painting hangars
  - Component repair shops
  - Engine overhaul and test facilities
  - Facility commissioning
  - Ground support equipment repair facilities
  - Hangar fire protection
  - Heavy and line maintenance hangars

**InterFlight Global**

Advisory - Consulting - Brokerage - Finance

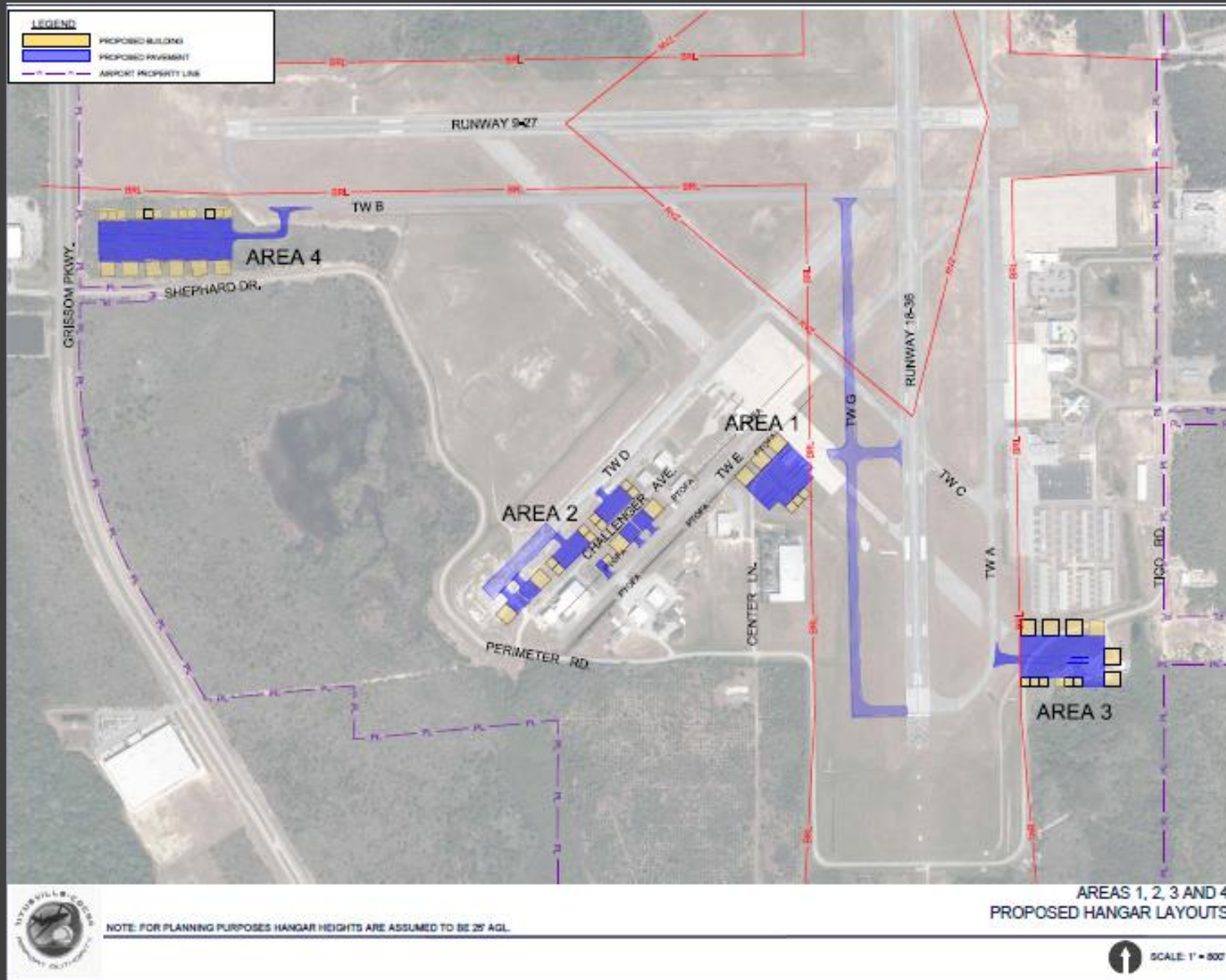
**20/20 FORESIGHT**  
Since 1992



## ***AVIATION, AEROSPACE AND SPACE INDUSTRY MARKETING, SALES AND RELATIONSHIPS***

- IFG, SINCE 1992, Over 30 years of marketing, sales, economic and business development consulting, advisory and brokerage
- Headquarters in Miami, offices in Washington DC, Boulder, CO and Luxembourg-EU
- Hangar tenant commercialization in Florida, Texas, Michigan, Oklahoma, and internationally (Spain, Costa Rica, UK)
- Space Florida collaborator since 2009





# MULTI-PHASE (1-4) PLANS FOR TITUSVILLE 2023-2030

# Thank You- Q&A

## Contact



- Mr. Bruno Duarte, Managing Partner ACMG
- Cell 786-623-7110  
[bruno@alliancecmg.com](mailto:bruno@alliancecmg.com)



- Mr. Oscar Garcia, Executive Board Advisor  
ACMG/Chairman and CEO, IFG
- Cell 305-904-5183  
[oscargarcia@interflightglobal.com](mailto:oscargarcia@interflightglobal.com)

## **ABSTRACT OF AERONAUTICAL GROUND LEASE**

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

**TENANT:** Alliance Capital Management Group, LLC

**LANDLORD:** Titusville-Cocoa Airport Authority

**LEASED PREMISES:** 2.82 Acres (MOL)  
(exact size subject to final site plan + legal description)

**LEASE TERM:** Twenty (20) years with three (3) renewal options of ten (10) years each

**LEASE RENT:** 12% of FMV with annual adjustments based upon CPI  
(threshold 2.5% minimum & 3.5% maximum)

**ESTIMATED**

**IMPROVMENTS TO BE  
CONSTRUCTED  
BY TENANT:** two 25,000 square foot corporate hangars with associated infrastructure

**PRELIMINARY SITE  
PLAN:** Exhibit A in Lease Agreement

**AUTHORITY  
IMPROVEMENT  
OBLIGATIONS:** None

TITUSVILLE-COCOA AIRPORT AUTHORITY

AND

[\_\_\_\_\_]

*[a newly formed affiliate of Alliance Capital Management Group, LLC to be inserted as Tenant]*

AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT

AT THE

SPACE COAST REGIONAL AIRPORT (TIX)

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## **AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT**

THIS AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT (hereinafter referred to as the “Lease” or “Agreement”), made and entered into on the Lease Commencement Date (defined below), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY (the “Authority”), having an office and place of business at Space Coast Regional Airport (TIX) (the “Airport”), 51 Bristow Way, Titusville, FL 32780, and [\_\_\_\_], a [\_\_\_\_] limited liability company] with its principal place of business located at c/o Alliance Capital Management Group, LLC, 601 Brickell Key Drive Suite 700 Miami, FL 33121 (the “Tenant” and together with the Authority, the “Parties” and each, a “Party”).

### WITNESSETH THAT:

WHEREAS, Authority has the exclusive right, power and authority to lease that certain Property (defined below) located within the City of Titusville, State of Florida; and,

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

WHEREAS, subject to this Lease, Tenant intends to construct the Tenant Improvements (defined below), including without limitation airplane hangars, on the Property, and sublease portions of the Leased Premises (defined below) to third parties, and Authority has consented to such subleasing as further provided in this Lease; and

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 1.1. AGREEMENT TO LEASE**

**Subsection 1.1.1. Tenant Site Plan Approval.** Subject to the terms and conditions set forth in this Lease, Authority leases to Tenant and Tenant rents from Authority the real property depicted on [Exhibit A](#) attached hereto, consisting of approximately 122,839 square feet of land, together with any and all improvements, rights, and appurtenances connected to, or arising from, the land (collectively, the "Property"), including, without limitation, all rights of way necessary for ingress to and egress from the Tenant Improvements. Tenant's preliminary site plan for the Leased Premises, which is approved by the Authority, is attached as [Exhibit B](#) (as such plan may be amended from time to time with the prior written consent of Authority, "Tenant's Site Plan"). Within twelve (12) calendar months after the Lease Commencement Date, or such additional time as agreed by the Parties in writing, Tenant will submit the final site plan for Authority review and approval. Authority shall approve such final site plan so long as such final site plan is consistent, in all material respects, with the preliminary site plan and meets, in all material respects, applicable requirements under the Minimum Standards. Upon Authority approval (or deemed approval under Section 26.2), the Parties will substitute the preliminary Tenant's Site Plan initially attached as Exhibit B to this Lease with a copy of the final, approved Tenant's Site Plan, without the need for further amendment.

**Subsection 1.1.2. Leased Premises.** Pursuant to this Lease, the Landlord leases the Property to Tenant as of the Lease Commencement Date for the purpose of developing, constructing, owning and operating the Tenant Improvements (the Property together with the Tenant Improvements, the "Leased Premises"). Tenant, 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 Premises over Airport roadways, including without limitation the use of the public access and non-licensed vehicular roadways, expressly subject to the Rules and Regulations established by Authority, a current copy of which is attached as [Exhibit D](#), with respect to such use and subject to Applicable Law. Further, Tenant, its sublessees, and assigns, shall have the right to use the runways, taxiways, taxilanes, ramps, ground run-up enclosure and run-up areas, compass rose, and other areas of the airfield in common with others, including, without limitation, any taxilane adjacent to the Leased Premises, and any other facilities reasonably necessary to enable Tenant, its sublessees, and assigns, to operate the Leased Premises in the manner contemplated by this Lease, subject to such reasonable rules and regulations as are and may be established by Authority with respect to such use.

## **SECTION 1.2. TERM AND RENEWAL OPTIONS**

**Subsection 1.2.1. Term of Lease.** The date this Lease is signed by all Parties is the “Lease Commencement Date” and the date that this Lease shall become binding on the Parties. The initial term of this Lease shall be for a period of twenty (20) Lease Years following the Rent Commencement Date (as defined in Section 1.4.1 below). A “Lease Year” shall mean each successive twelve (12) month period commencing on the Rent Commencement Date and each anniversary thereof during the term of the Lease, except that (i) if the Rent Commencement Date is not on the first day of a month, then the first Lease Year shall include the remainder of the month in which the Rent Commencement Date occurs, and the second Lease Year, and each Lease Year thereafter shall commence on the anniversary of the first day of the month following the month in which the Rent Commencement Date occurs, and (ii) in the event of the termination of this Lease on any day other than the last day of a Lease Year, then the last Lease Year shall be the period from the end of the preceding Lease Year to such date of termination.

**Subsection 1.2.2.     Options to Extend.** Authority does hereby grant to Tenant the right, privilege and option to extend the term of this Lease for three (3) additional terms of ten (10) years each (each an "Option to Extend" or "Option Period"), upon the terms and conditions of this Lease; 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" of this Lease, it shall include the initial term described in **Subsection 1.2.1** above and any renewal term for which Tenant has validly exercised its Option to Extend as described in this **Subsection 1.2.2.**

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 Property to be used to establish Base Rent for the Leased Premises for the upcoming Option Period (the "Written FMV Request"). Within sixty (60) days after Authority's receipt of the Written FMV Request from Tenant, Authority shall provide to Tenant Authority's estimate of the fair market value ("FMV Estimate") of the Property 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 Authority shall obtain the FMV Estimate from an appraiser who is not an employee of (or otherwise directly affiliated with) Authority, is a member of the American Institute of Real Estate Appraiser ("M.A.I."), and has a reasonable amount of experience (i.e., not less than ten years) appraising non-aeronautical use of real property at public-use airports (an "Appraiser"). Every

appraisal performed to determine the fair market value of the Property (“FMV”) under this Lease shall be conducted pursuant to FAA regulations and guidelines for appraising property at public airports. For the Leased Premises, the initial annual Base Rent for the upcoming Option Period shall be equal to twelve percent (12%) of the FMV (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 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 Property, Tenant shall provide a Notice of Fair Market Value Rent with its proposed FMV 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 after 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 upcoming Option Period. However, nothing in this paragraph shall operate as Tenant’s exercise of one of its Options to Extend, and Tenant must still validly and timely exercise each 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 upcoming Option Period and an appraisal from an Appraiser 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 and attempt to reach agreement on the FMV for the upcoming Option Period. Notwithstanding the foregoing and the provisions of Section 26.1, it shall be in each Party's sole and absolute discretion to agree or object to a proposed FMV for any Option Period. If the Parties agree, said agreed-upon FMV shall be used to establish the Base Rent for the Leased Premises 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 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 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 Premises 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 Premises established through "baseball style arbitration" shall establish the rental value of the Leased Premises 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 commences before the FMV for the Leased Premises 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 Premises 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 Premises 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 Premises during the True Up Period, then Tenant shall pay to Authority the difference between what it actually paid and the FMV for the Leased Premises 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 1.3. USE OF PROPERTY.**

**Subsection 1.3.1. Tenant Improvements to the Property.** Authority acknowledges hereby that Tenant is leasing the Property generally for the purpose of constructing, owning, and maintaining the Tenant Improvements on the Property. In furtherance of these purposes, it will be necessary to construct, at a minimum, buildings, corporate hangars, and related improvements (collectively, the “Tenant Improvements”) that can be subleased to one or more third parties subject to the terms of this Lease. A depiction of the Tenant Improvements is set forth on [Tenant’s Site Plan](#). The Parties understand and agree that Tenant may make post-construction alterations and renovations to such Tenant Improvements at Tenant's sole cost and expense, unless expressly provided otherwise in this Lease. Tenant agrees that its construction of the Tenant Improvements

is an integral and material part of this Lease and Authority's assent to lease the Leased Premises to Tenant. Tenant agrees to comply with all applicable rules, laws, regulations and requirements pertaining to its construction of the Tenant Improvements and the use of the Leased Premises, including, but not limited to, applicable building codes and zoning ordinances of state and local governments. Other improvements to be constructed on the Leased Premises of structural or exterior nature that have not yet been reviewed by the Authority as of the Lease Commencement Date, 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 Tenant 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 Lease 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.

**Subsection 1.3.2.** For purposes of this Lease, the term "Construction Period" shall mean the period from the Lease Commencement Date until the Rent Commencement Date (defined 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 Tenant Improvements, or any part thereof, now existing, or change, alter or add to any Tenant Improvements, or any part thereof hereafter erected, constructed or installed on the Leased Premises and remove the personal property (the "Personalty") installed or placed by Tenant in, on, or about the Tenant Improvements on the Leased Premises, assuming Tenant is not in monetary

default of this Lease. Authority acknowledges and agrees that title to all Tenant Improvements and Personalty shall not be in Authority but is and shall remain in Tenant during the term of this Lease.

**Subsection 1.3.3. Delivery and Acceptance of the Property.** Tenant will use all reasonable efforts, within the twelve (12) calendar month period immediately following the Lease Commencement Date (as the same may be extended by written agreement of the Parties, the “Commencement Period”), (i) to obtain Authority's approval of the plans and specifications for the Tenant Improvements, and (ii) to submit applications for the appropriate building permits, licenses, and other approvals necessary to construct the Tenant Improvements from all appropriate Governmental Authorities having or asserting jurisdiction over the Leased Premises. The Authority shall approve (or be deemed to approve, under Section 26.2) Tenant’s plans and specifications (together with all amendments that may be necessary or desirable after Tenant’s initial submission) during the Commencement Period so long as such plans and specifications are consistent, in all material respects, with Tenant’s Site Plan and meet, in all material respects, applicable requirements under the Minimum Standards.

**Subsection 1.3.4.** If, within the Commencement Period, (a) Tenant does not obtain such building permits, licenses, and other approvals necessary to construct, operate, and maintain the Tenant Improvements on the Property from all Governmental Authorities having or asserting jurisdiction over the Property, or (b) Tenant does not obtain Authority's approval of the plans and specifications for the Tenant Improvements on terms and conditions acceptable to Tenant, then at the sole option of Tenant, Tenant shall have the right to terminate this Lease by written notice given at any time prior to the date that is thirty (30) days after the expiration of said Commencement Period. The Tenant may request approval from Authority to extend the

Commencement Period, and Authority agrees that it will not unreasonably withhold, condition or delay its consent to do so. Authority also shall provide such support and assistance as Tenant reasonably requests in connection with obtaining any license, permit or other approval necessary to construct, own, operate, or maintain the Tenant Improvements and use and occupy the Leased Premises 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 or such costs are de minimis. Authority does not and cannot guarantee the successful or timely issuance of said approvals, grants, permits, or authorizations from such Governmental Authorities. If the Tenant does not terminate this Lease prior to the expiration of the Commencement Period, and the Authority does not terminate this Lease pursuant to Section 2.7, the Parties will continue to work together to resolve matters proposed by Tenant that have not been approved by the Authority with respect to the Tenant Improvements and to obtain any remaining necessary approvals and authorizations from Governmental Authorities, as applicable.

**Subsection 1.3.5. Compliance with Section 255.05, Florida Statutes/No Lien.**

Authority and Tenant acknowledge that as a result of Authority's reversionary interest in any Tenant Improvements to the Leased Premises at the end of the term of the Lease, including without limitation the Tenant Improvements, as set forth in this Lease, 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 1.4. BASE RENT AND ADJUSTMENTS.**

**Subsection 1.4.1. Base Rent.** Annual Base Rent due to Authority from Tenant shall be calculated and paid as set forth below commencing on the Rent Commencement Date. The “Rent Commencement Date” will be the date that is 180 days from the Lease Commencement Date.

A. The initial annual Base Rent for the Property shall be equal to twelve percent (12%) of the FMV of the Property as of the Rent Commencement Date as established pursuant to the procedure set forth in **Subsection 1.2.2**, 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. One-twelfth (1/12) of the annual Base Rent due Authority from Tenant shall be paid to Authority on or before the first day of each month without notice, in advance.

B. Tenant’s obligation to pay Base Rent to Authority hereunder, as adjusted pursuant to the terms of the Lease, shall continue from the Rent Commencement Date through expiration or sooner termination of the Lease, except as expressly provided in this Lease, including without limitation as provided in Article 5 (prevention of use of Property) and Article 7 (default of Authority). As soon as reasonably possible after the Rent Commencement Date, the Parties shall insert such Rent Commencement Date on **Exhibit C** as then revised and annexed to this Lease and execute the same; however, no delay in executing **Exhibit C** hereto shall affect Tenant’s obligation to pay rent as set forth above.

C. In addition to the Base Rent, as may be adjusted from time to time pursuant to the terms of the Lease, Tenant shall pay to Authority, as additional rent, any sales tax that may be due under applicable state law on all Base Rent and any other sums due to Landlord from Tenant

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 1.4.2. Service Fee for Off-Site Drainage Service.** Although Tenant's current anticipated site plan does not require off-property drainage or stormwater management, should that change and Tenant utilize off-property drainage and/or stormwater storage or management, with Authority's approval, 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 the Airport. Any fees due to Authority from Tenant pursuant to this subsection (the "Off-Site Drainage Fees") shall be subject to the adjustment in the same form and fashion and at the same times as Base Rent is adjusted pursuant to Subsection 1.4.3, below.

**Subsection 1.4.3. Rent Adjustments.** At the start of each Lease Year after the first anniversary of the Rent Commencement Date (the "Rent Adjustment Date(s)"), Base Rent and the Off-Site Drainage Fees shall increase by the greater of: (a) any increase in the CPI (defined below) based on a twelve-month period ending ninety (90) days prior to the applicable Rent Adjustment 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 percent (3.5%) over and above the immediately prior year's Base Rent and Off-Site Drainage Fees, respectively. "CPI" shall mean the "Consumer Price Index for All Urban Consumers, All Items (1982-1984 = 100), U.S. Cities Average (CPI-U)" issued by the Bureau of Labor Statistics of the United States Department of Labor (or any successor agency).

**Subsection 1.4.4. Additional Rent.** The term "Additional Rent" shall mean any monetary obligation of Tenant under this Lease other than Base Rent.

## **ARTICLE 2 AUTHORITY AND TENANT OBLIGATIONS**

**SECTION 2.1. 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 Premises. Authority warrants and represents that on the Lease Commencement Date, the Property is in compliance with all Applicable Laws, rules, ordinances, orders, and regulations, including, without limitation, laws regarding hazardous wastes.

**SECTION 2.2. REPAIRS, ALTERATIONS AND MAINTENANCE.** Authority shall not be obligated to maintain the Leased Premises during the Lease term unless such maintenance is 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 Premises 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 Premises including all Tenant Improvements thereon. Furthermore, Tenant agrees, at its sole cost and expense, to maintain all of the Tenant Improvements, including any parking and service areas, and utilities on the Leased Premises in a good state of repair.

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 Premises at Tenant's sole cost and expense a Phase 1 Environmental Site

Assessment, and Tenant shall provide the final, written conclusions and recommendations from the Phase 1 Environmental Site Assessment(s) to Authority within five (5) business days after Tenant's receipt thereof.

**SECTION 2.3. UTILITIES AND SITE ACCESS.** Authority will, to the extent feasible and without incurring any costs or expenses, assist Tenant in obtaining the required engineering studies and in the application process of extending utilities and transportation access in relation to Tenant's use of the Leased Premises. 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 and absolute discretion) cannot be made available to the Property within one hundred eighty (180) days of the Lease Commencement Date, Tenant may terminate this Lease without prejudice.

**SECTION 2.4.** 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 Tenant 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 Premises, (ii) is reasonably necessary in connection with the construction, operation or use

of the Tenant Improvements and Personalty, and (iii) does not cause the Leased Premises or any portion thereof to fail to comply with all material requirements of law.

**SECTION 2.5. 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 by or for the occupants of the Leased Premises.

**SECTION 2.6. ADDITIONAL TENANT OBLIGATIONS.** The City of Titusville (City) will determine if the Tenant 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. 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, and Tenant shall be solely entitled to the benefit of any credits provided by such governmental entities related thereto.

**SECTION 2.7. FAILURE OF TENANT TO COMMENCE OR COMPLETE CONSTRUCTION.**

A. If Tenant does not commence construction of the Tenant Improvements (defined as beginning physical work on the Property) within the Commencement Period for any reason not directly caused by Authority or its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, and subject to delays governed by Section 26.3, then Authority may terminate this Lease. In order to effectuate termination, Authority shall provide a Notice of Intent to Terminate in the manner provided under **Article 6**. If Tenant (or any Leasehold Mortgagee) does not commence physical work on the Property within the Final Cure Period (as provided in Article 6), then the Lease shall terminate, and the Parties shall have no further liabilities to each other except as expressly provided otherwise

in the Lease. If Tenant does commence physical work on the Property within such Final Cure Period, the Lease shall remain in full force and effect.

B. Tenant shall substantially complete construction of the Tenant Improvements on or before the date that is eighteen (18) months after Tenant's commencement of construction of the Tenant Improvements ("Completion Deadline") unless the delay in construction was caused by Force Majeure or caused by the Authority or its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, in which event this period shall be extended day-for-day for such delays to allow Tenant to substantially complete the construction of the Tenant Improvements. For purposes of this Subsection 2.7(B), Tenant shall be deemed to have substantially completed construction of the Tenant Improvements at such time as the Tenant Improvements are materially ready for potential sublessees to lease space (and prepare such space for sublessee operations) in the Leased Premises.

C. If Tenant does not substantially complete the Tenant Improvements by the Completion Deadline, then Authority may terminate this Lease. In order to effectuate termination, Authority shall provide a Notice of Intent to Terminate in the manner provided under **Article 6**. If Tenant (or any Leasehold Mortgagee) does not cure within the Final Cure Period, the Lease shall terminate, and the Parties shall have no further liabilities to each other except to as expressly provided otherwise in the Lease. Tenant may request a good faith extension of the time to substantially complete said Tenant Improvements providing the reason for said extension. The Parties understand that significant investment will be made by the Tenant to the Leased Premises and any requests for an extension of the time to substantially complete the improvements should be allowed, as long as Tenant provides reasonable assurance of how the Tenant Improvements will be completed. Should Tenant (or any Leasehold Mortgagee) fail to respond to the Notice of Intent

to Terminate or fail to take any actions to substantially complete construction of the Tenant Improvements within the allotted time, then the Lease shall terminate as set forth in Article 6 without obligation of Authority to pay Tenant any compensation for work performed and funds expended prior to such termination.

**SECTION 2.8. SIGNS.** Tenant shall have the right to erect and maintain such sign or signs on the Leased Premises and Tenant 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.

### **ARTICLE 3 TAXES**

**SECTION 3.1. AD VALOREM TAXES.** If applicable, Tenant shall pay all ad valorem taxes levied or assessed against the Leased Premises by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Leased Premises 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 Premises, including without limitation the Tenant Improvements, if applicable. Tenant shall have the right to contest the validity or amount of any ad valorem tax imposed against the Leased Premises and the Tenant 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 3.2. SOLID WASTE FEES.** If applicable, Tenant shall pay all solid waste fees assessed against the Leased Premises by the appropriate governmental authorities as a

result of Tenant's occupancy or use of the Leased Premises pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 3.3. STORM WATER FEES.** Tenant shall pay all storm water fees assessed against the Leased Premises by the appropriate governmental authorities (excluding the Authority for the purposes of this Section) as a result of Tenant's occupancy or use of the Leased Premises pursuant to this Lease.

**SECTION 3.4. EMERGENCY AMBULANCE FEES.** If applicable, Tenant shall pay all emergency ambulance fees assessed against the Leased Premises by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Leased Premises pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 3.5. 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 or use of the Leased Premises pursuant to this Lease and not known at this time. For the avoidance of doubt, Tenant shall not be obligated to pay any taxes, fees or assessments which may be levied, imposed, or created by Authority, other than those taxes, fees or assessments expressly set forth in this Lease as of the Lease Commencement Date.

**SECTION 3.6. BILL RECEIVED BY AUTHORITY.** For the purposes of **Sections 3.1-3.5**, 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, and in no more than 5 days after receipt by the Authority. 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 Property and/or the Tenant Improvements at Tenant's sole cost and expense.

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

**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 Property and/or the Tenant Improvements thereon, the following insurance:

A. Commercial General Liability Insurance, including Contractual Liability, to cover Tenant's property, Tenant 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 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 Lease. All insurance policies required pursuant to the terms of this Lease 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 4.2. PROPERTY INSURANCE.**

A. Builders Risk and Hazard Insurance: Tenant, at its sole cost and expense throughout the term of this Lease shall keep the Tenant Improvements insured on an "All Risk" basis in an amount not less than 100% of the full replacement value of the Tenant 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 Tenant Improvements shall be established as of the [Rent 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 Tenant 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 Lease.

(1) Damage or Destruction and Restoration of the Tenant Improvements: In case of substantial damage to or destruction of all or a portion of the Tenant 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 Tenant 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 Tenant 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 Lease: Within the last five (5) years of the base 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 Tenant 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 Property, but rather to assign all applicable proceeds of all property insurance policies to the Authority to the extent the proceeds are applicable to Tenant Improvements (and not Personalty) and terminate the Lease 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 Tenant Improvements.

**SECTION 4.3. 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 4.4. 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 4.5. 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 4.6. 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 4.7. PERSONAL PROPERTY.** Any personal property of Tenant or of others placed in or on the Leased Premises, Tenant Improvements and anywhere else at the Airport

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 4.8. 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, at any time after the Lease Commencement Date, Tenant is precluded or prevented from constructing or operating the Leased Premises as contemplated by Tenant under this Lease by reason of (any such reason, a "Prohibition"): (i) the airport Authority, any federal law, zoning law, zoning ordinance or zoning regulation of any public authority having jurisdiction over the Property, (ii) Force Majeure, or (iii) national security concerns, and such Prohibition shall continue for a period of at least forty-five (45) days, then Tenant may terminate this Lease by giving to Authority not less than thirty (30) days prior written notice of termination the prohibition on (i) comes from the Airport Authority.

**SECTION 5.1. 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 transfer of Tenant's interest in the Leased Premises pursuant to a foreclosure of a valid lien against Tenant's interest in the Leased Premises.

**SECTION 5.2. 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 ten percent (10%) 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 5.3. 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 Leased Premises 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 Leased Premises (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 6 DEFAULT BY AUTHORITY**

It shall be an “Authority 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 forty-five (45) days after receipt by Authority of written notice from Tenant of such failure, or, in the event of an emergency, if such failure is not remedied reasonably promptly (and no later than thirty days) after written notice. 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 45-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. In the alternative, in the event of an Authority Default, Tenant shall have the right to terminate the Lease. If such termination occurs before substantial completion of the Tenant Improvements, the Authority shall

reimburse Tenant all Pursuit Costs on or before the date of termination. The term “Pursuit Costs” shall mean all third-party costs and expenses incurred by Tenant (whether directly or through its Affiliates) to develop the Tenant Improvements, including, without limitation, its due diligence, engineering, architecture, and permitting costs. If such termination occurs after the substantial completion of the Tenant Improvements but prior to the last ten (10) years of the Lease term, then Authority shall pay Tenant, on or before the date of termination, the portion of unamortized costs of the Tenant Improvements otherwise attributable to the portion of the Lease term that would remain if the Lease was not terminated.

## **ARTICLE 7 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 4.8.

## **ARTICLE 8 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 Authority and tenant.

## **ARTICLE 9 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 Lease 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  
51 Bristow Way  
Titusville, FL 32780

With a required copy to: WhiteBird, PLLC  
2101 Waverly Place, Ste. 100  
Melbourne, FL 32901  
Attn: Adam M. Bird, Esq.

Tenant: [REDACTED] [*new entity to be formed*]  
c/o Alliance Capital Management Group, LLC  
601 Brickell Key Drive Suite 700  
Miami, FL 33131  
Attn: Bruno Duarte, Manager

With a required copy to: Frederick L. Klein  
DLA Piper LLP (US)  
500 Eighth Street, N.W.  
Washington, D.C. 20004

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 Lease 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 Agreement shall additionally be delivered by one of the other methods specified in this **Article 10**.

**ARTICLE 10**  
**MEMORANDUM OF LEASE**

Either Party may file a Memorandum of this Lease with the Brevard County Property Appraiser's Office and/or have the same recorded by the Brevard County Clerk of Court in the Official Records of Brevard County, Florida at the recording Party's expense.

**ARTICLE 11**  
**ENTRY OF AUTHORITY**

Authority may enter the Leased Premises, 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 Premises;
- 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 Premises or any business conducted therein; or
- C. To show the Leased Premises to prospective tenants or buyers during the last six (6) months of the term of this Lease (as such term may be extended pursuant to the Lease).
- D. Authority will make best efforts not to interfere with, disturb, or otherwise adversely affect the use or operations of Tenant or any subtenant in any part of the Leased Premises.

## **ARTICLE 12 LEASE EXPIRATION**

Subject to the default provisions under **Article 6** of this Lease, at the expiration of the Lease, all improvements erected on the Property, including without limitation the Tenant 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 Tenant Improvements. Any and all trade fixtures, signs, moveable equipment, and other personal property placed on the Leased Premises 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 Premises 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 13 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 Leased Premises 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 14 GOPHER TORTOISE AND OTHER PROTECTED SPECIES RELOCATION**

Within sixty (60) days of the Lease Commencement Date, or such other times as the Parties may agree in writing, Authority shall obtain all required permits or licenses and shall relocate any gopher tortoises found on the Leased Premises to Authority's chosen gopher tortoise preserve or such other location as may comply with all Applicable Law. The Tenant shall pay the cost of such relocation. If any other species of plants or animals are identified on the Leased Premises 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 Tenant Improvements or Tenant's use and occupancy, Authority and Tenant shall cooperate to expedite the removal or mitigation of such condition by the Authority 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 the Authority 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 15 AIRPORT SECURITY**

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

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

## **ARTICLE 16 RULES AND REGULATIONS**

The current Rules and Regulations for the Authority are attached as [Exhibit D](#) (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 Premises 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 Premises, 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, despite notices advising such person or entity of such violations. 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 Tenant Improvements, Personalty, site plans and/or business operations, Tenant's affected Tenant 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 17**

### **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 Authority. The current "Minimum Standards" are attached as part of [Exhibit D](#). In addition, if Tenant qualifies as a Fixed Base Operator (FBO), the design of the Fixed Base Operation, to include modern facilities,

must be approved by Authority, which approval shall not be unreasonably withheld, delayed or conditioned.

## **ARTICLE 18 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 Premises to such a height so as to comply with Federal Aviation Regulations, Part 77, as applicable to the Leased Premises, and as amended from time to time if such amendments are made after the Lease 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 Tenant 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 Lease Commencement Date.

Tenant expressly agrees for itself, its successors and assigns, to prevent any use of the Leased Premises 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 Premises 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 Premises, 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 19 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 Premises, that in the event Tenant Improvements are constructed, maintained, or otherwise operated on the Leased Premises 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 Premises, 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 Premises 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.

C. 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 20 WARRANTIES**

Apart from the warranties provided in this Lease, Authority makes no representations and provides no other warranties concerning the Leased Premises or its use.

**SECTION 20.1.** Authority was established in 1963 as a special taxing district created by the cities of Titusville and Cocoa in Brevard County and it operates under the laws of the State of Florida.

**SECTION 20.2.** Authority has the full power and authority to enter into this Lease, and has taken, as applicable, all entity actions required for the execution and delivery of this Lease and for the consummation of the transactions contemplated by this Lease. The joinder of no person or entity other than the Authority is necessary for the Authority to fulfill its obligations under this Lease. Authority 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 Property during the Lease term and any renewals thereof.

**SECTION 20.3.** The person(s) executing this Lease on behalf of the Authority and Tenant, respectively, has/have full power and authority to bind the Authority and Tenant to the obligations of the Authority and Tenant set forth in this Lease.

**SECTION 20.4.** To Authority's knowledge, the terms and conditions of this Lease do not conflict with or cause a material breach of, the terms, conditions or provisions of any agreement to which the Authority is a party or by which Authority or the Leased Premises is otherwise bound. 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 that may prevent or impair Authority from performing any of its covenants under this Lease.

**SECTION 20.5.** Authority warrants and represents that as of the Lease Commencement Date, there are no encumbrances except ad valorem taxes not yet due and payable, if applicable, for the current calendar year and that there are no easements, restrictions of record, environmental condition or other condition that will impair, preclude or adversely affect Tenant's use and development of the Property or interfere with Tenant's rights under this Lease. There are no service, maintenance, repair, management or supply contracts or other contracts affecting the Leased Premises, oral or written. There are no leases, licenses or other occupancy agreements

relating to the Leased Premises, oral or written. There are no unpaid leasing commissions, brokerage commissions, or other fees relating to the Property or any portion thereof.

**SECTION 20.6.** Authority has no knowledge of, and has not received any written notice of, any pending or threatened condemnation proceeding with respect to the Property.

**SECTION 20.7.** Authority has not received any written notice from any governmental body, authority or agency of any violation of any Applicable Laws affecting the Property which has not been fully cured as of the Lease Commencement Date.

**SECTION 20.8.** The execution of this Lease by Authority, and the performance by Authority of its obligations hereunder, will not (a) violate any of the provisions of its organizational documents, (b) to the Authority's knowledge, violate any provision of any Applicable Laws currently in effect, (c) to the Authority's knowledge, violate any judgment, decree, writ, injunction, award, determination or order currently in effect that names or is specifically directed at the Authority or the Property, or (d) to the Authority's knowledge, require the consent, approval, order or authorization of, or any filing with or notice to, any court or other Governmental Authority.

**SECTION 20.9.** Except for matters of public record, and matters heretofore disclosed in writing to Tenant by Authority, Authority has not made or entered into, and has no knowledge of, any commitments, proffers or agreements with any state, county, federal or local governmental or quasi-governmental authority, utility company, school board, church or other religious body, or any public or private organization or individual, which proffers, commitments and/or agreements would impose any obligation upon Tenant or its successors and assigns after the Lease

Commencement Date, whether to make any contribution of money or dedications of land or to construct, install or maintain any improvements of a public or private nature on or off the Property.

**SECTION 20.10.** To the Authority's knowledge, there are no presently uncured material violations of any federal, state and local laws, ordinances and regulations applicable to the Property with respect to hazardous or toxic substances or industrial hygiene.

**SECTION 20.11.** Authority is not a party to any lawsuit, arbitration, governmental investigation or other legal proceeding relating to its ownership, operation, development, use or occupancy of the Property, and to the Authority's knowledge, no such lawsuit, arbitration, governmental investigation or other legal proceeding is threatened against the Authority.

**SECTION 20.12.** To the Authority's knowledge, the Authority (A) is not in violation of any "Anti-Terrorism Law" (as defined below), (B) is not a "Prohibited Person" (as defined below), or (C) is not and will not knowingly (1) conduct any business or engage in any transaction or dealing with any Prohibited Person, including the making or receiving any contribution of funds, goods or services to or for the benefit of any Prohibited Person, (2) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224 (as defined below); or (3) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose or intent of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law. As used herein: (A) "Anti-Terrorism Law" is defined as any Law relating to terrorism or money-laundering, including Executive Order No. 13224 and the USA Patriot Act (as defined below); (B) "Executive Order No. 13224" is defined as the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism."; (C) "Prohibited Person" is defined as (i) person or entity that is

listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224; (ii) an entity that is listed in the Annex to, or is otherwise subject to the provisions of, a person or entity owned or controlled by, or acting for or on behalf of, any person or Executive Order No. 13224; (iii) a person or entity with whom any lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; person or entity who commits, threatens or conspires to commit or supports “terrorism” as defined in Executive Order No. 13224; (iv) a person or entity that is named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/offices/eotffc/sdn/tltsdn> or at any replacement website or other official publication of such list; or (v) a person or entity who is affiliated with a person or entity described in clauses (1)-(4) of this definition; and (D) “USA Patriot Act” is defined as the “Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001” (Public Law 107-56). After the Lease Commencement Date, Authority agrees to reasonably cooperate with Tenant in providing such additional information and documentation on Authority’s legal or beneficial ownership, policies, procedures and sources of funds as the Tenant reasonably deems necessary or prudent to enable it to comply with Anti-Money Laundering Laws as now in existence or hereafter amended.

## **ARTICLE 21**

### **ASSIGNMENT AND SUBLETTING**

**Subsection 21.1.1.** Except as provided in this **Article 22**, Tenant shall not assign this Lease or sublet the Leased Premises 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. Authority’s consent to a sub-tenancy under this Agreement shall not be required if the applicable sublease includes the following provisions:

Notwithstanding anything to the contrary in this [Lease/Occupancy Agreement], [Occupant] understands and agrees: This [Lease/Occupancy Agreement] is in all respects subject and subordinate to the Aeronautical Lease and Development Agreement between the Titusville-Cocoa Airport Authority and [\_\_\_\_], dated \_\_\_\_\_, \_\_\_\_ (“Master Lease”). [Occupant] hereby represents and warrants that [Occupant] is not a Prohibited Person as such term is defined in the Master Lease. In the event of any conflict between the Master Lease and the [Lease/Occupancy Agreement], the Master Lease shall govern. At [Occupant’s] request, the Authority will enter into a non-disturbance agreement that will allow the [Occupant] to continue [its/their] tenancy notwithstanding any termination of the Master Lease.

Additionally, any such sublease must include all terms and provisions set forth in **Article 27**, below, which are required federal provisions to be included in all lease agreements and sublease agreements on Authority property.

**Subsection 21.1.2.** The Parties agree and acknowledge that Tenant is leasing the Leased Premises for the purpose of constructing, owning, and operating the Tenant Improvements, which 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 Premises to any third party where such sublease causes a breach and/or violation of any applicable rule, regulation and/or law (the “Applicable Laws”), 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 Premises in violation of the Applicable Laws, 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 Premises at Tenant's sole cost and expense, including without limitation instituting an eviction and/or ejectment action to remove such subtenant from the Leased Premises. Tenant shall indemnify and hold Authority harmless from any and all expenses, claims and liabilities arising out of Tenant's intentional or negligent violation 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 Premises and shall update said list with Authority each month no later than the 15<sup>th</sup> day of each month.

**Subsection 21.1.3.** 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. In the event Tenant assigns the Lease, Tenant shall be released from any and all liability on and after the date of such assignment.

## **ARTICLE 22 ENVIRONMENTAL REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION**

**SECTION 22.1. 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 Leased Premises 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 Leased Premises will be processed, discharged, stored, treated, disposed of or managed by Tenant, its assigns, subtenants, agents or contractors at the Leased Premises in accordance with all federal, state and local environmental laws, regulations, codes or ordinances.

**SECTION 22.2. 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 Premises which is attributed to Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, or (ii) any breach of **Section 23.1**, above, or (iii) an Environmental Complaint occurring as a result of occupancy of the Leased Premises 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 22.3. ENVIRONMENTAL REPRESENTATIONS BY AUTHORITY.** Authority represents and warrants to Tenant that no hazardous or toxic waste or

substances exist on (or under) the Property, as of the Lease Commencement Date, 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 Property with respect to ownership of the Property. Should hazardous substances be discovered in the 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 any claims made in relation to this [Article 23](#), 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 or Approved Subtenant under this indemnity) resulting directly or indirectly from, out of or by reason of (i) any hazardous waste being located on (or under) the Property prior to the date of this Lease, and (ii) any hazardous waste being located on (or under) the 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 23**  
**LEASEHOLD MORTGAGEE INTEREST**

**SECTION 23.1. MORTGAGE INTEREST.** Notwithstanding any provision of this Lease to the contrary, Tenant shall have the right to mortgage, encumber, or otherwise grant a security interest in Tenant's interest in the Leased Premises and to pledge a direct or indirect interest in Tenant as security or collateral for the repayment of funds (any such mortgage or pledge, a "Leasehold Mortgage"), to a federal or state savings and loan association, institutional lenders, bank or trust company, insurance company, pension fund or trust, mezzanine lender, private individuals, corporations, companies or other lenders (any such lender, a "Leasehold Mortgagee") without obtaining the prior consent of Authority, subject, however, to the other terms and conditions of this Lease. The provisions hereinafter set forth shall apply to the Leasehold Mortgagee and the Leasehold Mortgage, as applicable:

A. If a Leasehold Mortgagee shall forward to Authority a copy of the Leasehold Mortgage together with a written notice setting forth the name and address of the Leasehold Mortgagee, then, until the time that such Leasehold Mortgage shall be satisfied, the following provisions of this Section shall apply:

(1) 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.

(2) The Leasehold Mortgagee, upon receipt from Authority of the notice referred to in **subparagraph (1)** 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.

B. 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 Leasehold 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.

C. 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.

D. Any Leasehold Mortgage shall be specifically subject and subordinate to Authority's rights in and to the Property and this Lease. However, the foregoing shall not be deemed or construed to impose or establish upon Tenant's interest in this Lease or upon the 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. Any mortgage of Authority's Fee Interest (defined below) in the Property shall be subject and subordinate to, and shall not attach to: (1) Tenant's interest this Lease or the Leased Premises; (2) any estate (including a subleasehold and a Leasehold Mortgagee estate) directly or indirectly arising from this Lease or any New Lease (so long as this Lease or such New Lease has not been terminated in accordance with its terms); (3) Tenant's (or any tenant under a New Lease) and any Leasehold Mortgagee's rights and remedies under this Lease; and (4) any rights of a Leasehold Mortgagee with respect to the Leased Premises to a New Lease. Any fee mortgagee, and, in the event of a foreclosure pertaining to a fee mortgage, the grantee or successful bidder at the foreclosure sale, shall succeed only to the fee estate. Notwithstanding the foregoing or anything to the contrary in this Lease, it is agreed that: (i) any Leasehold Mortgage shall only attach to Tenant's interest in the Leased Premises; (ii) any fee mortgage shall only attach to the Authority's Fee Interest; (iii) under no circumstances shall any foreclosure of a Leasehold Mortgage impair any estate or right of Authority or any fee mortgagee under any fee mortgage or result in any transfer or conveyance of any interest in the Property other than the Leased Premises; and (iv) under no circumstances shall any foreclosure of any fee mortgage impair any estate or right of Tenant under this Lease or result in any transfer or conveyance of any interest in the Leased Premises other than Authority's interest in the fee estate (including any reversionary interest in any Tenant Improvements thereon) (collectively, the "Fee Interest").

E. 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.

F. Landlord and Tenant agree to provide by separate agreement or by amendment of this Lease from time to time, such Leasehold Mortgagee protections as may be reasonable and customary in respect of long-term leases in Florida.

G. Within ten (10) days after written request by Tenant or any Leasehold Mortgagee, or in the event that upon any sale, assignment or mortgage of Tenant's interest in this Lease by Tenant or a 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, and (v) any other information pertaining to the Leased Premises or this Lease reasonably requested by Tenant or Leasehold Mortgagee.

H. 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 Premises 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 Premises as if it were Tenant thereunder.

I. 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 Premises 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 Premises granted to Tenant under the Lease notwithstanding that all or part of such Leased Premises shall have been subleased.)

J. If, notwithstanding the provisions of **subparagraph (H)** 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 Premises. 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 (A)** 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 Premises 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:

(1) 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;

(2) 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;

(3) 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;

(4) 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 Premises and Tenant under such New Lease shall have the same right, title and interest in and to the Leased Premises and the buildings and improvements thereon as Tenant had under the Lease;

(5) 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.

K. 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 J** 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.

L. 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.

M. To the extent required pursuant to the provisions of any mortgage encumbering the Leased Premises or the leasehold created hereunder, this Lease may not be amended without prior written consent of Leasehold Mortgagee.

N. 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 23.2. 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 24 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 Premises, 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 25 OTHER PROVISIONS**

**SECTION 25.1. 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 Authority and sophisticated tenant concerning the benefits to be enjoyed under this Lease.

**SECTION 25.2. DEEMED APPROVAL.** In any circumstance where Tenant must obtain Authority's approval under this Lease, if the Authority does not provide Tenant with its approval, disapproval or comments to the matter for which Tenant is seeking approval within fifteen (15) business days after Tenant's written request, such matter shall be deemed approved by the Authority.

### **SECTION 25.3. FORCE MAJEURE.**

**Subsection 25.3.1.** "Force Majeure" means any prevention, delay or stoppage attributable to hurricanes, fire, floods, earthquakes, tornadoes, or other natural disasters, extreme weather, and acts of God; explosion or other mass casualty event; war, invasion, act of public enemy, terrorism, insurrection, riot, mob violence or sabotage; failure, unavailability or shortage of transportation; strikes, lockout or actions of labor unions; taking by eminent domain, requisition, laws or orders of governmental or quasi-governmental bodies or of civil, military or naval authority; or other

cause that is beyond the reasonable control of the Party obligated to perform and is not due to the fault or negligence of such Party. With respect to Tenant's obligations, Force Majeure shall be deemed to include Governmental Delays (defined below), so long as Tenant uses commercially reasonable efforts to pursue all required approvals. Financial incapacity shall not be an event of Force Majeure. If, therefore, this Lease specifies a time period for performance of an obligation of either Party (such Party, the "Performing Party"), a delay caused by Force Majeure will extend the period of performance, day-for-day, for the Performing Party. And, for the avoidance of doubt, if the Party other than the Performing Party is required to perform an obligation under this Lease that directly depends on the Performing Party's performance of its obligation, then the same extension of time allowed to the Performing Party shall be applied to the period of performance for the other Party's obligation as a result of such Force Majeure. It shall be the responsibility of the Performing Party claiming an extension of any deadline to provide proof, both documentary and otherwise, upon reasonable request of the other Party that a Force Majeure event was the primary cause of delay and failure to do so may result in no extension of such deadline(s) being applied or effective.

**Subsection 25.3.2.** "Governmental Delay" means a delay in performance by Tenant directly caused by any federal, state, or local government with jurisdiction over the Leased Premises (a "Governmental Authority"), with respect to any matter that requires the review or consent of such Governmental Authority, so long as the Tenant has provided such Governmental Authority sufficient information to respond to such request for approval. Governmental Delay includes delays caused by such Governmental Authority not completing its review within the customary response period for the matter in question, imposing conditions that are not customary for the matter in question or that would constitute a material change to Tenant's Site Plan (or

related design or construction documents), or acting outside of such Government Authority's powers contained in Applicable Laws.

**SECTION 25.4. 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 25.5. 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 25.6. 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 25.7. RIGHTS RESERVED.** Rights not specifically granted the Tenant by this Lease are reserved to the Authority.

**SECTION 25.8. 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 25.9. [RESERVED.]**

**SECTION 25.10. 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 25.11. PAYMENT OF TAXES.** If applicable, Tenant shall pay all taxes and other costs lawfully assessed against its leasehold interests in the Leased Premises and its interest in the Tenant 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 25.12. 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 25.13. 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 25.14. 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 Premises and Tenant 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 25.15. 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 City, 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) irrevocably consents to the exclusive 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 25.16. ENTIRETY OF AGREEMENT.** The Parties hereto agree that this Lease sets forth the entire agreement between the Parties, and there are no promises, representations 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 25.17. 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 26 REQUIRED FEDERAL PROVISIONS**

**SECTION 26.1. 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 26.2. 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 Tenant Improvements, and hold the same as if the Lease had never been made or issued.

**SECTION 26.3. 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 27 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 CITYPUBLIC HEALTH UNIT. [NOTE: THIS PARAGRAPH IS PROVIDED FOR INFORMATIONAL PURPOSES PURSUANT TO SECTION 404.056(8), FLORIDA STATUTES, (1988).]

**ARTICLE 28  
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 29  
BOND FINANCING**

If Tenant elects to seek financing for the Tenant 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

Attest:

Witness

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

TENANT:

[\_\_\_\_\_]

Witness

By:

Bruno Duarte, Manager

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

Witness

Attest:

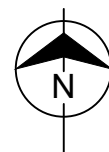
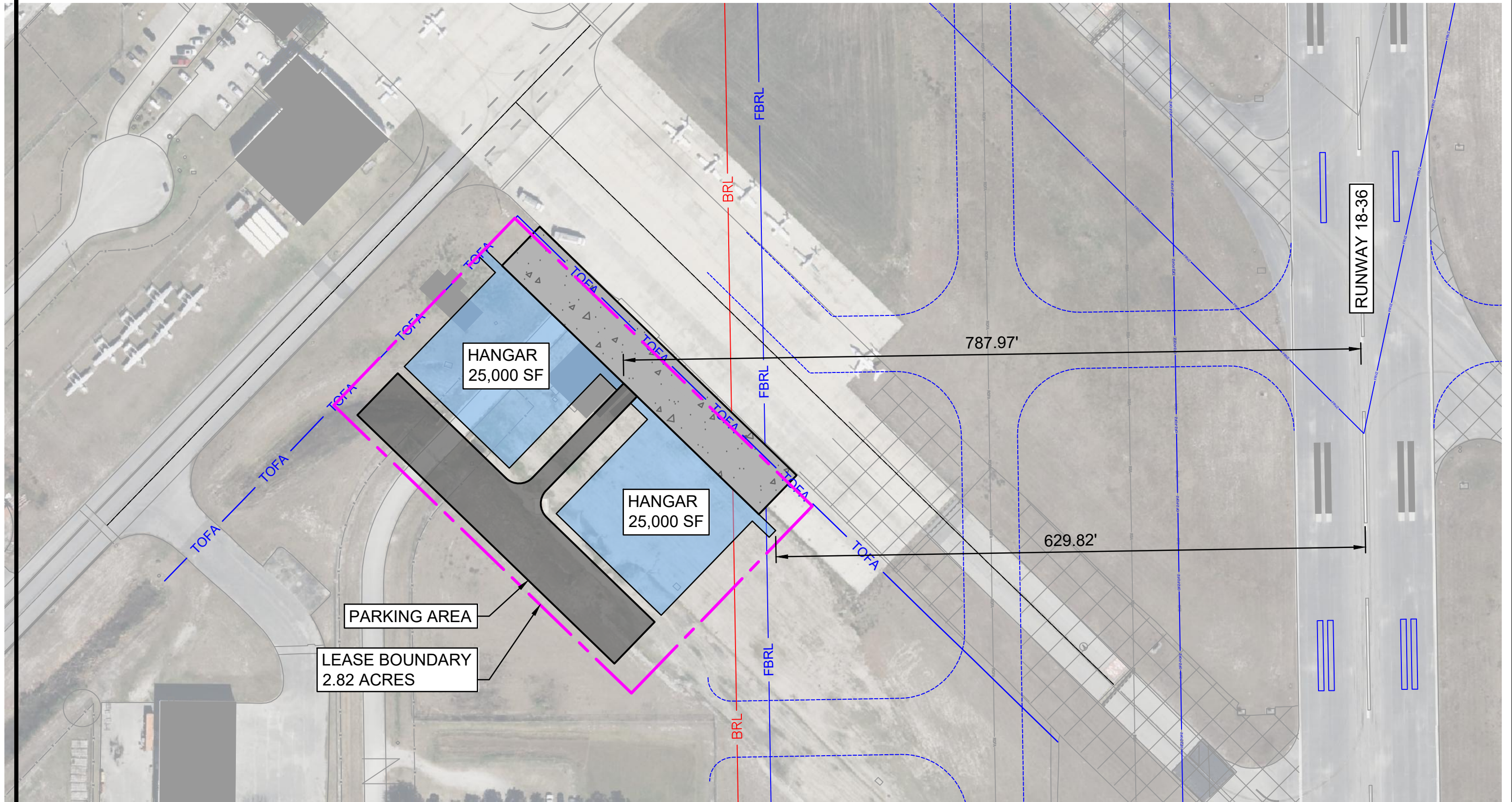
(corporate seal)

## EXHIBIT A

### DESCRIPTION OF PROPERTY

Approximately 122,839 square feet (MOL) of unimproved property located at the terminus of Center Lane, as depicted below. The aeronautical property will be developed for aircraft hangars and associated infrastructure improvements. Final square footage and hangars layout will be updated as necessary

EXHIBIT B  
TENANT'S SITE PLAN



date 01/11/2023  
designed M. MILLER

**SPACE COAST REGIONAL AIRPORT**  
LEASE BOUNDARY EXHIBIT

project \_\_\_\_\_  
contract \_\_\_\_\_  
SK -

EXHIBIT C

RENT COMMENCEMENT CERTIFICATE

The TITUSVILLE-COCOA AIRPORT AUTHORITY and ALLIANCE CAPITAL MANAGEMENT GROUP, LLC hereby agree to the delivery and acceptance of the Property, and that \_\_\_\_\_, shall be the "Rent Commencement Date".

**EXECUTED BY THE AUTHORITY**, this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

TITUSVILLE-COCOA AIRPORT AUTHORITY

\_\_\_\_\_  
Witness

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

\_\_\_\_\_  
Witness

**EXECUTED BY TENANT**, this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

TENANT

\_\_\_\_\_  
Witness

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

\_\_\_\_\_  
Witness

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

## EXHIBIT D

### RULES AND REGULATIONS AND MINIMUM STANDARDS

**TITUSVILLE-COCOA AIRPORT AUTHORITY  
LEASE AGREEMENT**

**THIS LEASE AGREEMENT (“Lease”)** is made to be effective as of the \_\_\_\_ day of January, 2023 (the “**Effective Date**”), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, as governing body of the Titusville-Cocoa Airport Authority, a special taxing district existing under the laws of the State of Florida, whose mailing address is 51 Bristow Way, Titusville, Florida 32780 (“**Authority**”), and TIX VENTURES, LLC, a Florida limited liability company authorized to do business in the State of Florida with its principal place of business currently located at 355 Golden Knights Blvd Suite #3, Titusville, Florida 32780 (“**Lessee**”).

W I T N E S S E T H:

In consideration of the mutual covenants and agreements herein set forth, Authority and Lessee agree and covenant as follows:

**ARTICLE I  
PREMISES AND PERMITTED USES**

1.1 Demise of Premises.

Subject to the terms and conditions set forth in this Lease, Lessor hereby leases unto Lessee, and Lessee hereby leases from Lessor a portion of commercial real property described as one-third (1/3) of Suite 3 of the TCAA Administration Building and depicted in **Exhibit “A”** hereto (the “Premises”), located at the **Space Coast Regional Airport**. The “Premises” consists of approximately 1,150 square feet of office space together with three (3) exterior parking spaces in the TCAA Administration Building parking lot, and nothing herein provides Lessee with the right or ability to exclude Lessor or any other third party from those portions of the Administration Building not expressly included as part of the Premises hereunder. Lessee hereby leases the Premises subject to, and Lessee hereby agrees to comply with, (i) all applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations governing or regulating the Premises or its uses, (ii) all covenants, easements and restrictions of record, (iii) “Rules, Regulations, and Minimum Standards Covering Airports Owned or Controlled by the Titusville-Cocoa Airport Authority,” as the same may be amended from time to time (“Minimum Standards”), and (iv) the Space Coast Regional Airport Master Plan, as the same may be amended from time to time (the “Master Plan”).

1.2 Condition of Premises:

Lessee accepts the Premises in “AS-IS” condition. Lessee acknowledges that Authority has made no representations or warranties relating to the suitability of the Premises for any particular use, and unless otherwise expressly provided in this Lease, Authority shall have no obligation whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises. Lessee shall not permit any unlawful nuisance, waste or injury on the Premises. Lessee agrees to surrender the Premises upon the expiration of this Lease, or earlier termination hereof, in a condition substantially similar to the condition of the Premises on the Commencement Date, ordinary wear and tear excepted.

### 1.3 Construction of Improvements by Authority.

Authority, at its own cost, agrees to construct those improvements described on **Exhibit “B”** hereto, unless said exhibit indicates that Authority shall construct no improvements on or in relation to the Premises in which case Authority shall not be responsible in any fashion for the construction of improvements of any kind on the Premises.

### 1.4 Construction of Improvements/Modifications by Lessee.

Lessee shall be permitted to construct and shall have sole responsibility for construction of the improvements and/or modifications within the Premises described in **Exhibit “C”** hereto, for which Lessee shall obtain all necessary governmental approvals including without limitation engineering approval from the City of Titusville. Any construction by Lessee on the Premises shall be in accordance with local building codes and shall also be governed by **Exhibit “D”** hereto, which is incorporated herein by reference. Any other improvements Lessee wishes to construct upon the Premises, apart from those specifically listed on **Exhibit “C”** hereto, shall be submitted to the Authority in writing for Authority’s approval, which shall be granted or denied by Authority in its sole discretion. Construction of all improvements shall be solely at the expense and cost of the Lessee, and Authority shall not be responsible for the same regardless of Authority providing its approval for construction of such improvements. For clarity and the avoidance of doubt, if there are no improvements listed on **Exhibit “C,”** then Lessee is not permitted to construct any improvements on or within the Premises without the prior written consent of Authority.

### 1.5 No Entitlement to Lien.

Nothing contained in this Lease shall authorize Lessee to do any act which may create or be the foundation for any lien, mortgage or other encumbrance upon the Premises or of any interest of Authority in the demised Premises or upon or in any building or improvement located thereon, it being agreed that should Lessee cause any alterations, changes, additions, improvements or repairs to be made to or on the Premises, or cause materials to be furnished or labor to be performed therein or thereon, neither Authority nor the Premises shall, under any circumstances, be liable for the payment of any expense incurred or for the value of any work or material furnished to the Premises or any part thereof. Lessee shall upon request of Authority deliver such documents as may be required by Authority in order to effectuate the lien protection required by this paragraph. All such alterations, changes, additions, improvements, repairs, materials and labor, other than those expressly set forth in this Lease to be the responsibility of Authority, shall be at Lessee's expense and Lessee shall be solely and wholly responsible to contractors, subcontractors, laborers and materialmen furnishing labor and material to the Premises, any building or structure thereon or any part thereof. If, because of any act or omission of Lessee, any mechanic’s or other lien or order for the payment of money shall be filed against the Premises or any building or improvement located thereon or against Authority (whether or not such lien or order is valid or enforceable as such), Lessee shall, at Lessee's own cost and expense, within fifteen (15) days after the date of filing thereof, cause the same to be canceled and discharged of record or furnish Authority with a surety bond issued by a surety company reasonably satisfactory to Authority, protecting Authority from any loss because of nonpayment of such lien claim and further shall indemnify and save harmless the Authority from and against

any and all costs, expenses, claims, losses or damages, including Attorneys' Fees (defined below), resulting thereupon or by reason thereof. This Lease expressly provides that the interest of the Authority in the Premises shall not be subject to liens for improvements of any kind made by Lessee, and Authority is authorized to record a memorandum of this Lease to effectuate this section.

1.6 Quiet Enjoyment.

Authority agrees that, subject to Lessee's performance of the terms and conditions of this Lease, Lessee shall peaceably and quietly have, hold and enjoy the Premises in accordance with the terms and conditions of this Lease.

1.7 Permitted Uses.

Lessee shall be permitted to use the Premises only for general office/administration purposes related to Lessee's business operations, namely assembly, research and development and launch of untethered Part 101 aircraft and any reasonably related functions (the "Permitted Uses"). Lessee shall not use or otherwise utilize the Premises for any purpose other than the Permitted Uses without the express, written consent of the Authority.

1.8 Signage.

All signage on the Premises shall comply with the Minimum Standards and must be approved in writing by the Authority in its sole and absolute discretion before being installed.

## **ARTICLE II**

### **TERM OF LEASEHOLD**

2.1 Initial/Base Term of Lease.

The Term of this Lease is defined as the period beginning on the Effective Date and shall run for a period of **twelve (12) months**, unless sooner terminated in accordance with the terms and provisions hereof.

2.2 Options to Extend Term.

Lessee shall have the option to extend the term of this Lease for one (1) twelve month consecutive additional period ("Extension Term") by notifying the Authority in writing at least ninety (90) days prior to the expiration of the preceding term; provided, however, in order to exercise either of these options, Lessee shall not have committed an Event of Default which is continuing at the time of the exercise of the option or at the time of the extension of the Initial Term. The Initial Term, and Extension Term, if any, are collectively referred to as the "Term". Rent for all extension terms shall be calculated pursuant to Section 3.3.

### **ARTICLE III**

#### **ANNUAL RENT AND FEES**

##### **3.1     Annual Rent and Fees.**

Lessee shall pay to the Authority annual rent for the Premises (hereinafter referred to as the “Annual Rent”) for each twelve (12) month period or portion thereof during the initial term and any Extension Term of this Lease, beginning with the Commencement Date, in the amount detailed below, which Annual Rent shall be payable on or before the first day of each calendar month (or partial calendar month) thereafter, in amounts equal to one-twelfth (1/12) of the Annual Rent then due, plus any sales or rent taxes due on that installment, in advance, in lawful money of the United States, without deduction or set-off, at the office of the Authority. Annual Rent for a partial month, if any, during the Term of this Lease shall be prorated based on the number of days in such month.

##### **3.2     Calculation of Annual Rent and Fees.**

(a)     Base Rent: The initial Annual Rent and related charges to be paid to the Authority by Lessee for the Premises beginning with the Commencement Date, which shall be adjusted annually as set forth below, shall be: base rent in the amount of **\$850.00** per month (**\$10,200** annually).

##### **(b)     Additional Rent (other):**

- (i)     Lessee shall pay to Authority any and all sales tax due on any of the rent due under this Section 3.2, to Authority at the same time and in the same manner as base rental payments are paid to Authority by Lessee. Lessee acknowledges that sales tax rates are subject to change from time to time and further agrees and acknowledges that it is responsible to calculate and pay to Authority the correct amount of sales tax due hereunder.
- (iv)    All sums due Authority hereunder, regardless of nature or purpose, constitute rent due the Authority, and failure to pay any such sums when due constitutes failure to pay rent under this Lease and default hereunder.

##### **3.3     Annual Rental Rate Adjustment.**

Each year on the anniversary of the Effective Date (the “Rent Adjustment Date(s)”), all rent and Premises-related payments and charges due Authority from Lessee as set forth in section 3.2 above shall increase by an amount equal to the percent increase in the Consumer Price Index for all Urban Consumers, all items and major group figures (1982 - 84 = 100), (the “BLS Index” - <https://www.bls.gov/data/>) published by the Bureau of Labor Statistics, U.S. Department of Labor (the “Bureau”). On each Rent Adjustment Date, the annual base rent due Authority hereunder will be increased by the change in the BLS Index for the annual period beginning two months prior to the Effective Date or the preceding Rent Adjustment Date, whichever is more recent, through two months prior to the then-current Rent Adjustment Date. Notwithstanding anything herein to the contrary, the rent and Premises-related payments and charges due

Authority from Lessee as set forth in section 3.2 above shall never decrease such that in the unlikely event the Consumer Price Index reflects a negative figure when applying the foregoing formula to an annual adjustment, rent and other charges due Authority from Lessee pursuant to this Agreement shall remain the same for that year.

### 3.4 Delinquent Rent.

Any installment of rent, taxes and/or any other amounts due from Lessee under this Lease that is not received within ten (10) calendar days after it is due shall be considered a material breach of this Lease and shall bear interest from the date when the same was due until paid by Lessee at the interest rate of eighteen percent (18%) per annum. In the event Authority has not received payment from Lessee when due, Authority shall endeavor to send a written notice of non-payment to Lessee, but Authority's failure to do so shall not affect Lessee's default nor shall it affect Authority's rights under the Lease as to Lessee's default.

## **ARTICLE IV** **MAINTENANCE AND UTILITIES**

### 4.1 Maintenance – Administration Building.

All facilities furnished by the Authority and designated for the general use of occupants of the Premises, including Lessee hereunder, their respective officers, agents, employees and customers, including, but not limited to, any of the following which may have been furnished by Authority (such as parking areas, driveways, entrances and exits thereto, employee parking areas, truck way or ways, truck courts and service courts, loading docks, package pick-up stations, pedestrian sidewalks and ramps, landscaped areas, exterior stairways, first aid stations, comfort stations, bus stops, taxi stands, malls, and other similar facilities) shall at all times be subject to the exclusive control, administration, and management of the Authority. The Authority shall have the right from time to time to change the area, level, location, amount and arrangement of such parking areas and all other facilities referred to above and to make all rules and regulations pertaining to and necessary for, in the Authority's sole judgment, the proper operation and maintenance of the Premises as above described and as hereinafter defined, provided the same shall not unreasonably interfere with Lessee's quiet use of or access to the Premises or with the visibility of the Premises.

The Authority shall not be liable for any damages from plumbing, gas, water steam or sewage leaks or stoppage, nor for damage arising from acts of negligence of Lessee and/or third parties. Lessee shall not store any products or substances which shall increase the need for pest control services. Lessee agrees to accept the Premises and appurtenances thereof, including sprinkler, if any, heating, air conditioning, water and sewer systems, electrical fixtures, plumbing, plumbing fixtures and equipment, in "as is" condition and maintain them in such condition and good order through the term of this Lease and any extensions hereof. At all times this Lease is in effect, Lessee shall maintain and keep in force at Lessee's expense a service and maintenance contract for the heating, ventilating and air conditioning systems provided for the Premises. Such contracts shall be with a professional HVAC servicing and maintenance contractor of Lessee's choice licensed in the state of Florida. Should such contractor fail to perform satisfactory service or maintenance, the Authority shall have the right in its discretion to

require Lessee to terminate the existing contract, in which event Lessee forthwith shall engage another contractor approved by the Authority. Lessee shall be liable for any damage or injury which may be caused by or resulting from Lessee's failure to faithfully comply with all of the terms and conditions contained herein and which are to be complied with by Lessee. Lessee shall perform pest extermination(s) at its expense promptly following request(s) by the Authority and will use a licensed exterminating firm exclusively for this purpose. Lessee shall use the plumbing systems in the Premises only for their intended purpose and shall not place or permit to be placed therein any caustic, acid, corrosive or concentrated substances or objects which are likely to cause damage to the plumbing systems, or cause them to fail in whole or part. Should Lessee violate this covenant, Lessee shall be liable to the Authority for the full cost of cleaning, repairing or rebuilding the plumbing systems, which amount(s) shall be payable as additional rent hereunder. In the event Lessee receives written consent to penetrate the roof or any wall of the Premises, Lessee shall be solely responsible for any damage which may be caused by or result from such penetration. Lessee agrees, at Lessee's expense, to replace promptly any and all plate or other glass in the Premises which may become damaged or broken as a result of Lessee's actions with glass of the same kind and quality.

#### 4.2 Trash and Garbage.

During this Lease, Lessee shall be responsible for the storage, collection and removal from the Premises of all trash, garbage and other refuse resulting from Lessee's activities on the Premises. Lessee shall provide appropriate, covered, metal receptacles for trash, garbage and other refuse, will maintain the receptacles in an attractive, safe and sanitary manner, and will store receptacles in inconspicuous places on the Premises that are screened from public view in accordance with the Minimum Standards.

#### 4.3 Utilities (Electrical and Sewer).

During this Lease, Lessee shall be responsible, at Lessee's sole cost and expense, for any necessary installation of and costs related to utility services within and to the Premises except the construction of Improvements detailed in **Exhibit "C"** hereto, if any. Lessee agrees that the Authority shall have no liability to Lessee arising out of any interruption of utility service to the Premises, unless such interruption was caused by the gross negligence of the Authority. For purposes of this section 4.3, the acts of a third party shall not constitute acts within the control of the Authority unless such acts were directed by the Authority.

### **ARTICLE V** **TAXES**

#### 5.1 Property Taxes and Assessments.

Lessee shall pay when due all taxes, assessments (including, without limitation, stormwater utility charges) and impact fees levied against or in connection with the Premises, its leasehold interest therein, and any improvements thereto, and shall pay when due all taxes and assessments levied against Lessee's personal property located on the Premises or otherwise arising out of its operations on the Premises. In the event Lessee fails to pay such taxes and assessments when due, Lessee shall be obligated to pay all resulting interest and penalties on

such delinquent taxes and assessments. If the this Lease expires or is earlier terminated prior to the close of the tax year for which any such tax is payable, or if this Lease or any term hereof commences on a date other than the first day of such tax year, Lessee shall be responsible for paying a percentage of the tax calculated by: (i) dividing the number of days that this Lease was in effect during such tax year by 365; (ii) multiplying the resulting quotient by Lessee's total tax liability for the full tax year (the figure that would have been due from Lessee if it was responsible for payment of the total taxes for the full tax year). If this Lease is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Lessee shall pay a percentage of the assessment calculated by dividing the number of days this Lease was in effect during that assessment period by the total number of days in the assessment period.

## 5.2 Protesting Taxes.

Lessee may exercise any rights provided by law to contest or pay under protest any taxes and shall not thereby be deemed in default under this Lease, provided that such contest or payment under protest does not result in the imposition of a lien for delinquent taxes on the Premises or any improvements and Lessee promptly pays all taxes and assessments (and any interest and penalties with respect thereto) ultimately determined to be due. No provision of this Lease shall be construed as a release or waiver on the part of the Authority of the right to assess, levy or collect any license, personal property, intangible, occupation or other tax which they, or either of them, may lawfully assess, levy or collect on the business or property of Lessee. Lessee's obligations under this Article shall survive the expiration or earlier termination of the term of this Lease.

## 5.3 Payment of Sales Tax.

Lessee shall be liable, at its sole cost and expense, for any sales, use or similar taxes with respect to all rent and other payments due from and/or made by Lessee in accordance with the provisions of this Lease. Lessee shall indemnify, defend and hold Authority completely harmless from and against any liability, including any interest and penalties, which might arise in connection with Lessee's failure to timely remit any such taxes.

# **ARTICLE VI** **INSURANCE**

## 6.1 Hazard Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout the this Lease property and casualty insurance on and for all improvements, equipment, furnishings and other personal property now or hereafter erected, installed or used at the Premises, on a replacement cost basis (without deduction for depreciation), for the benefit of Authority and Lessee as their interests may appear, with such coverages, in such form, and with such company or companies as the Authority shall approve in writing, including coverage for damage by fire, the elements or other casualty with standard extended endorsements. Lessee, on behalf of itself and its insurance carriers, hereby waives any and all rights of recovery which it may have against Authority or any other party who it is required to indemnify in accordance with the provisions of Article 8 below,

for any loss of or damage to property it may suffer as a result of any fire or other peril insured under an insurance policy which it is required to obtain hereunder.

## 6.2 Liability Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout this Lease automobile liability insurance on all automobiles used in connection with its operations at the Premises and commercial general liability insurance protecting the Authority and Lessee (including, without limitation, all members of the governing board of Authority), officers, agents and employees of each, from and against any and all liabilities arising out of or relating to Lessee's occupation and/or use of the Premises, or the conduct of its operations on the Premises, in the amount of not less than \$1,000,000 (or such greater amount as may be maintained by Lessee from time to time) per occurrence, with no self-insured retention or deductible amount, in such form, and with such company or companies as Authority shall approve in writing, which approval shall not be unreasonably withheld. Such insurance shall include contractual liability coverage for Lessee's covenants to indemnify the Authority and the other parties as required under this Lease and shall provide that it is primary insurance as respects any other valid and collectible insurance the Authority or any of the other additional insureds may possess, including any self-insured retention or deductible any of them may have, and that any other insurance carried by any of them shall be considered excess insurance only.

## 6.3 Workers' Compensation.

Lessee shall keep in force, at its sole expense, workers' compensation or similar insurance affording the required statutory coverage and requisite statutory limits. Lessee shall also maintain at all times while this Lease is in effect employer's liability insurance with limits of liability of not less than \$500,000 for each of the "each accident," "disease policy limit," and "disease each employee" coverage or a self-insured program with comparable coverage. Such workers' compensation and employer's liability insurance or self-insured program shall contain a waiver of any right of subrogation against Authority.

## 6.4 Certificates of Insurance.

Within thirty (30) days after the Effective Date of this Lease, and within thirty (30) days after the expiration of any policy or policies required to be provided by Lessee hereunder, Lessee shall furnish an original certificate of insurance to Authority evidencing such coverage, naming the Authority as an additional insured under the property insurance required under section 6.1, naming the Authority as an additional insured under the liability policies required under section 6.2, and confirming that the policy or policies will not be canceled or modified nor the limits thereunder decreased without thirty (30) days' prior written notice thereof to and approval from Authority. Lessee shall also provide Authority with copies of endorsements and other evidence of the coverage set forth in the certificate of insurance as Authority reasonably may request. If Lessee fails to comply with the terms of this section, Authority shall have the right but not the obligation to cause insurance as referenced above to be issued, and in such event Lessee shall pay the premium for such insurance upon Authority's demand. Authority shall have the right, exercisable on ninety (90) days' prior written notice to Lessee, to require Lessee, from time to time, to reasonably increase the monetary limits or coverages provided by such policy or

policies. Furthermore, Lessee shall provide proof of its compliance with Article VI by providing copies of such policies, together with any declarations pages and riders related thereto, to Authority upon reasonable demand thereby.

## **ARTICLE VII** **ENVIRONMENTAL**

### **7.1    Lessee's Environmental Obligations.**

Lessee shall comply with all “Environmental Laws”, which are defined as all applicable federal, state and local statutes, laws, ordinances, regulations, administrative rulings, orders and requirements pertaining to the protection of the environment, including but not limited to, the Authority’s rules and regulations, and including, but not limited to those regulating the use, storage, handling and disposal of any contaminant, toxic or hazardous waste, or any other substance the removal of which is required or the use of which is restricted, prohibited or penalized under any federal, state or local statute, law, ordinance, regulation, rule or judicial or administrative order with respect to environmental conditions, health, or safety, including, without limitation, asbestos or petroleum products (“Hazardous Substances”). Further, during the Term of this Lease, neither Lessee nor any agent or party acting at the direction or with the consent of Lessee shall use, store, handle or dispose of by any means any Hazardous Substances at the Premises, except that Lessee shall be entitled to use Hazardous Substances of the type and in the quantities typically used by companies performing similar aviation services in accordance with all applicable Environmental Laws. Notwithstanding any other provision hereof, Lessee does not undertake any obligation to remediate, or to take any other action with respect to, any environmental condition not attributable to actions at the Premises (or elsewhere at the Airport) by Lessee, its officers, employees, agents, contractors, subcontractors, licensees or invitees.

Upon reasonable notice to Lessee, the Authority may conduct or cause to be conducted through a third party that it selects an environmental audit or other investigation of Lessee’s operations to determine whether Lessee has breached its obligations under this section. Lessee shall pay all costs associated with said investigation if such investigation shall disclose any such breach by Lessee.

The provisions of this section 7.1 shall survive the expiration or earlier termination of the term of this Lease.

## **ARTICLE VIII** **INDEMNIFICATION**

### **8.1    Lessee Indemnification.**

Lessee shall indemnify, defend and hold completely harmless Authority, from and against any and all liabilities (including, but not limited to, liability with respect to any Hazardous Substances and liability under the Comprehensive Environmental Response, Compensation and Liability Act, as it may be amended from time to time (“CERCLA”), and any other environmental law), losses, suits, claims, demands, judgments, fines, damages, penalties,

costs and expenses (including all costs for investigation and defense thereof, including, but not limited to court costs, reasonable expert fees and reasonable attorneys' fees and costs, including fees and charges for the services of paralegals or other personnel working under the supervision of such attorneys ("Attorneys' Fees")) which may be incurred by, charged to or recovered from any of the foregoing: (i) by reason or on account of damage to or destruction of any property of Authority, or any property of, injury to or death to any person resulting from or arising out of the use, occupancy or maintenance of the Premises or any improvements, or the Lessee's operations thereon, or the acts or omissions of Lessee's officers, employees, agents, contractors, subcontractors, licensees or invitees, regardless of where the damage, destruction, injury or death occurred, except to the extent that such liability, loss, suit, claim, demand, judgment, fine, damage, penalty, cost or expense was proximately caused by the entity to be indemnified hereunder, (ii) arising out of the failure of Lessee to keep, observe or perform any of the covenants or agreements in this Lease to be kept, observed or performed by Lessee, or (iii) imposed on or assessed against the Authority by reason of or arising out of any act or omission on the part of Lessee, any subtenant or any other person acting by, through or for Lessee or any subtenant of Lessee. Authority agrees to give Lessee reasonable notice of any suit or claim for which indemnification will be sought by it hereunder, to allow Lessee or its insurer to compromise and defend the same to the extent of its interest and to reasonably cooperate with the defense of any such suit or claim. The provisions of this section 8.1 shall survive the expiration or earlier termination of this Lease with respect to any acts or omissions occurring during the term of this Lease. Irrespective of the foregoing, nothing in this section 8.1 is intended to or shall abrogate, supplant or otherwise modify in any way the Authority's right to claim any form of governmental or sovereign immunity including without limitation the immunity available to the Authority under section 768.28, Florida Statutes.

## **ARTICLE IX**

### **DESTRUCTION OF IMPROVEMENTS – CORPORATE AVIATION TERMINAL**

#### **9.1     Insurance Proceeds – Administration Building.**

Upon receipt by Lessee and the Authority of the proceeds of any property or builder's risk insurance policy or policies, Lessee and the Authority shall deposit same in an interest-bearing escrow account to pay for the cost of repair, replacement and rebuilding of the property that was the subject of such insurance claim(s). The Authority shall receive and hold such proceeds (and any interest earned thereon) in trust for such work, and the Authority shall distribute such proceeds (and any interest earned thereon during construction) solely to pay the cost of such work. If the amount of such insurance proceeds (together with the interest earned thereon) is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged property, Lessee shall pay any additional sums required in relation to repair, replacement and/or rebuilding of the Premises and its proportionate share of any repair, replacement or rebuilding of any common facilities or areas, and if the amount of such insurance proceeds (together with the interest earned thereon) is in excess of the costs thereof, the amount of such excess shall be retained by Lessee to the extent it was paid by any insurer in relation to damage to Lessee's personal property on the Premises. Notwithstanding the language of this section 9.1, in the event of total or partial destruction of the Premises, the parties will mutually

evaluate a course of action that makes commercial sense regarding (i) insurance proceeds and (ii) whether or not this Lease should be terminated.

## **ARTICLE X** **CONDEMNATION**

### **10.1    Notice of Condemnation.**

The party receiving any notice in connection with any proceedings or negotiations with respect to an actual or potential condemnation proceeding (a “Taking”) shall promptly give the other party notice of the receipt, contents and date of the notice received.

### **10.2    Rights of Authority and Lessee.**

Authority and Lessee shall each have the right to represent its respective interests in each proceeding or negotiation with respect to a Taking. Authority and Lessee each agrees to execute and deliver to the other any instrument that may be required or which would facilitate the provisions of this Lease relating to the condemnation.

### **10.3    Taking of Leasehold.**

Upon a Taking of the entire Premises, Lessee’s interest in this Lease shall continue until the Taking is completed by deed, contract or final order of condemnation, unless otherwise specified by court order. If the Taking is of substantially all of the Premises, Lessee may, by notice to Authority within ninety (90) days after Lessee receives notice of the Taking, elect to treat the Taking in accordance with the preceding sentence. If Lessee does not so notify Authority, this Lease shall remain in full force and effect covering the balance of the Premises not so taken, except that the rent payable hereunder by Lessee shall be equitably adjusted (a “Partial Taking”).

### **10.4    Taking of Temporary Use of Premises and Improvements.**

Upon any Taking of the temporary use of all or any part of the Premises or improvements, or both, neither the current Lease term nor the rent shall be reduced or affected in any way unless agreed upon by the parties hereto in writing. To the extent either party receives compensation as a result of any Taking and that is directly related to compensation for Lessee’s loss of use of the Premises, whether temporarily or permanently, then such compensation shall be paid to Lessee. If a result of the Taking is to necessitate expenditures for reconstruction of any improvements, including without limitation the Administration Building or any portion thereof, to make them reasonably suitable for Lessee’s continued use in connection with its operations under this Lease, after the termination of such Taking, Lessee shall perform such work in accordance with the provisions of the Lease and if required thereby.

### **10.5    Taking by Authority.**

Upon any Taking by Authority, Authority and Lessee will either agree to the amount to be paid by Authority for such Taking, or in the absence of such agreement, the matter will be determined in accordance with the laws of the State of Florida.

#### 10.6 Deposit of Sums Payable on Taking.

If Authority and Lessee are unable to agree on how all sums payable by a third party on the Taking are to be distributed and disbursed as between Authority and Lessee under the terms of this Lease, then Authority and Lessee agree to take such action as shall reasonably be required to withdraw such sums from the Registry of the Court and jointly deposit such sums in an interest bearing escrow account, and once agreement is reached between Authority and Lessee as to how such sums are to be distributed and disbursed (or the matter has been determined by a court in accordance with the laws of the State of Florida), the interest earned on such sums shall be distributed between Authority and Lessee in the same proportion as the distribution of the principal amount being held in escrow.

### **ARTICLE XI** **DEFAULT**

#### 11.1 Events of Default.

The occurrence of any of the following shall constitute an event of default (an “Event of Default”) by Lessee under this Lease: (i) the failure of Lessee to fully and timely make any payment of rent or any other payment required to be made by Lessee hereunder within ten (10) calendar days of the date when any such payment(s) is/are due; (ii) the failure of Lessee to keep, observe or perform any other material covenants or agreements herein unrelated to payments due, and the continued failure to observe or make a reasonable effort to begin to perform any such covenant or agreement after a period of thirty (30) days after written notice to Lessee of such failure; (iii) commencement by or against the Lessee of an insolvency or bankruptcy proceeding, including, without limitation, a proceeding for liquidation, reorganization or for the readjustment of its indebtedness, or the insolvency of the Lessee, or an assignment or arrangement for the benefit of its creditors or the appointment of a receiver, trustee or custodian, provided, however, that any of the foregoing set forth in this sub-sentence (iii) which is commenced by a person other than Lessee shall not constitute an Event of Default if it is discharged within sixty (60) days following receipt of written notice from Authority; or (iv) the placement of any lien upon the Premises or any improvements (excluding liens for taxes which are not delinquent and mortgages permitted hereunder) which is not discharged of record by payment or bond within thirty (30) days following receipt of written notice from Authority, or any levy under any such lien.

#### 11.2 Remedies for Default.

Upon the occurrence of an Event of Default, the Authority may in its sole discretion pursue any or all of the following remedies and such other remedies as may be available to the Authority at law or in equity:

- (a) Authority may terminate the Lease and re-enter and repossess the Premises;

- (b) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises, accelerate without notice of any kind to Lessee all sums due to Authority from Lease for the remainder of the then-current Lease term that have not been paid by Lessee and recover damages for all such amounts due and owing, including without limitation the accelerated amount due, from Lessee.

Irrespective of the exercise of either of the above-referenced options, Authority shall have the right to recover all unpaid rent and other payments due Authority prior to the date of termination of possession or of the Lease, and all of Authority's costs, charges and expenses, including reasonable Attorneys' Fees, incurred in connection with the recovery of sums due under this Lease, or due to the breach of any covenant or agreement of Lessee contained in this Lease, including any costs and expenses of re-letting the Premises, repairs and renovations to the Premises, all brokerage fees and Attorneys' Fees. Authority will have the right at any time following an Event of Default to elect to terminate the Lease. No action taken by Authority pursuant to this Section 11.2 shall be deemed to terminate this Lease unless written notice of termination is given by Authority to Lessee.

The rights and remedies given to Authority by this Lease shall not be exclusive, and in addition thereto, Authority shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by Authority shall not impair its standing to exercise any other right or remedy.

Lessee hereby expressly waives any notices of default not specifically provided for herein, including, without limitation, the three (3) day notice provided for in section 83.20, Florida Statutes, and all rights of redemption, if any, granted under present or future law in the event Lessee shall be evicted or dispossessed for any cause, or in the event Authority shall obtain possession of the Premises by virtue of the provisions of this Lease or otherwise.

#### 11.3 Advances by Authority.

If Authority has paid any sums of money or incurred any obligation or expense for which Lessee is obligated to pay or reimburse Authority, or if Authority is required or elects to do so because of the failure of Lessee to perform any of the terms or conditions of this Lease after 10 days' written notice, then the same shall be deemed "rent" and shall be paid to Authority in accordance with Article III herein.

#### 11.4 Non-Waiver by Authority.

No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall constitute a waiver of any subsequent breach of such covenant or condition or justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof. The acceptance of rent or other payments from Lessee by Authority at any time when Lessee is in default under this Lease shall not be construed as a waiver of such default or of Authority's right to exercise any remedy arising out of such default, nor shall any waiver or indulgence granted by Authority to Lessee be taken as an estoppel

against Authority, it being expressly understood that Authority may at any time thereafter, if such default continues, exercise any such remedy in the manner hereinbefore provided or as otherwise provided by law or in equity.

## **ARTICLE XII**

### **MISCELLANEOUS**

#### **12.1 Additional Provisions.**

The Parties hereby agree that this Lease shall be subject to the provisions of all exhibits referenced in and/or appended to this Lease, which are incorporated herein and made material and binding parts hereof by reference. In the event of any direct conflict between the terms of the Lease and the terms of any exhibit hereto, the Lease shall control.

#### **12.2 Fees.**

Authority will not assess landing fees on aircraft flying non-revenue flights.

#### **12.3 Recording.**

This Lease shall not be recorded except that a memorandum hereof may be recorded if required to effectuate any terms hereof, including without limitation the prohibition against construction liens against the Premises.

#### **12.4 Additional Reserved Rights of Authority.**

Authority reserves the right to further develop, improve, repair and alter the Airport and all roadways, parking areas, facilities, landing areas and taxiways as it may reasonably see fit, although Authority will endeavor to do so without disturbing Lessee's quiet use and enjoyment of the Premises. Authority shall be free from any and all liability to Lessee for loss of business or damages of any nature whatsoever to Lessee occasioned by the making of such improvements, repairs, alterations and additions. Authority reserves the right to establish such fees and charges for the use of the Airport by Lessee (excluding any additional charge for the use of the Premises) and all others similarly situated from time to time as Authority may deem advisable.

#### **12.5 Leasehold Encumbrances.**

Lessee shall not encumber the leasehold premises without prior written approval from Authority, which shall be at Authority's sole and absolute discretion.

#### **12.6 Assignment and Subletting.**

- (a) Lessee shall not at any time sublet or assign this Lease, in whole or in part, or assign any of its rights or obligations hereunder, without the prior written approval of Authority, which approval may be granted or withheld by Authority in its sole discretion; except that Lessee may assign this Lease without prior approval (but upon prior written notice to Authority) to a corporate parent, affiliate, sister company, or subsidiary (collectively,

an "Affiliate"), upon submitting proof of such affiliation satisfactory to Authority. No sublease or assignment shall release Lessee from any of its obligations under this Lease unless the Authority agrees to such release in writing in its sole discretion. Approvals required under this paragraph shall be in writing and shall apply to any change in ownership of or power to vote a majority of the outstanding voting stock of Lessee from the owners of such stock or those controlling the power to vote such stock on the date of this Lease (except in the event Lessee is a corporation whose stock is publicly traded), or if Lessee is a limited or a general partnership or other entity, any transfer of an interest in the partnership or other entity which results in a change in the control of such partnership or other entity. Any assignment or sublease that is not in strict compliance with the terms and conditions of this Paragraph, shall be void ab initio and shall be of no force or effect whatsoever.

- (b) Lessee agrees to reimburse the Authority for its Attorneys' Fees and costs actually incurred in determining whether to give its consent to any proposed sublease or assignment, whether or not such consent is given, and the negotiation and preparation of any documents with respect to such sublease or assignment.

#### 12.7 Notice.

All notices required to be given hereunder shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the parties at their respective addresses as identified below, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this section:

To Authority: Director of Airports  
Titusville-Cocoa Airport Authority  
55 Bristow Way  
Titusville, FL 32780  
[kdaugherty@flyspacecoast.org](mailto:kdaugherty@flyspacecoast.org)

To Lessee: TIX Ventures  
355 Golden Knights Blvd., Suite #3  
Titusville, FL 32780  
Attention: McDonald Smith, Director

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized officers have caused this Lease to be executed in their names and their seals to be affixed hereto as of the day and year first above written.

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**LESSEE:**

**TIX VENTURES, LLC**

By: \_\_\_\_\_  
Print Name: McDonald Smith  
As Its: Director

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**LESSOR:**

**TITUSVILLE-COCOA AIRPORT AUTHORITY**

By: \_\_\_\_\_  
KEVIN DAUGHERTY, A.A.E.  
As Its: Director of Airports

**EXHIBIT “A”  
DEPICTION OF PREMISES**



Space Coast Regional Airport  
Titusville, Florida



THE LPA GROUP  
TRANSPORTATION CONSULTANTS  
ATLANTA, GA • CHARLESTON, SC • CHARLOTTE, NC  
COLUMBIA, SC • DENVER, CO • FORT WORTH, TX  
KNOXVILLE, TN • MOBILE, AL • MYRTLE BEACH, SC  
ORLANDO, FL • RALEIGH, NC • RICHMOND, VA  
SARASOTA, FL • TAMPA, FL • WEST PALM BEACH, FL

Designer: AC/FRP

Technician: AC

Checked by: FRP

Project Number:

Notes:

REVISIONS		
No.	Description	Date By

Project Name:

Drawing Name:

FLOOR PLAN

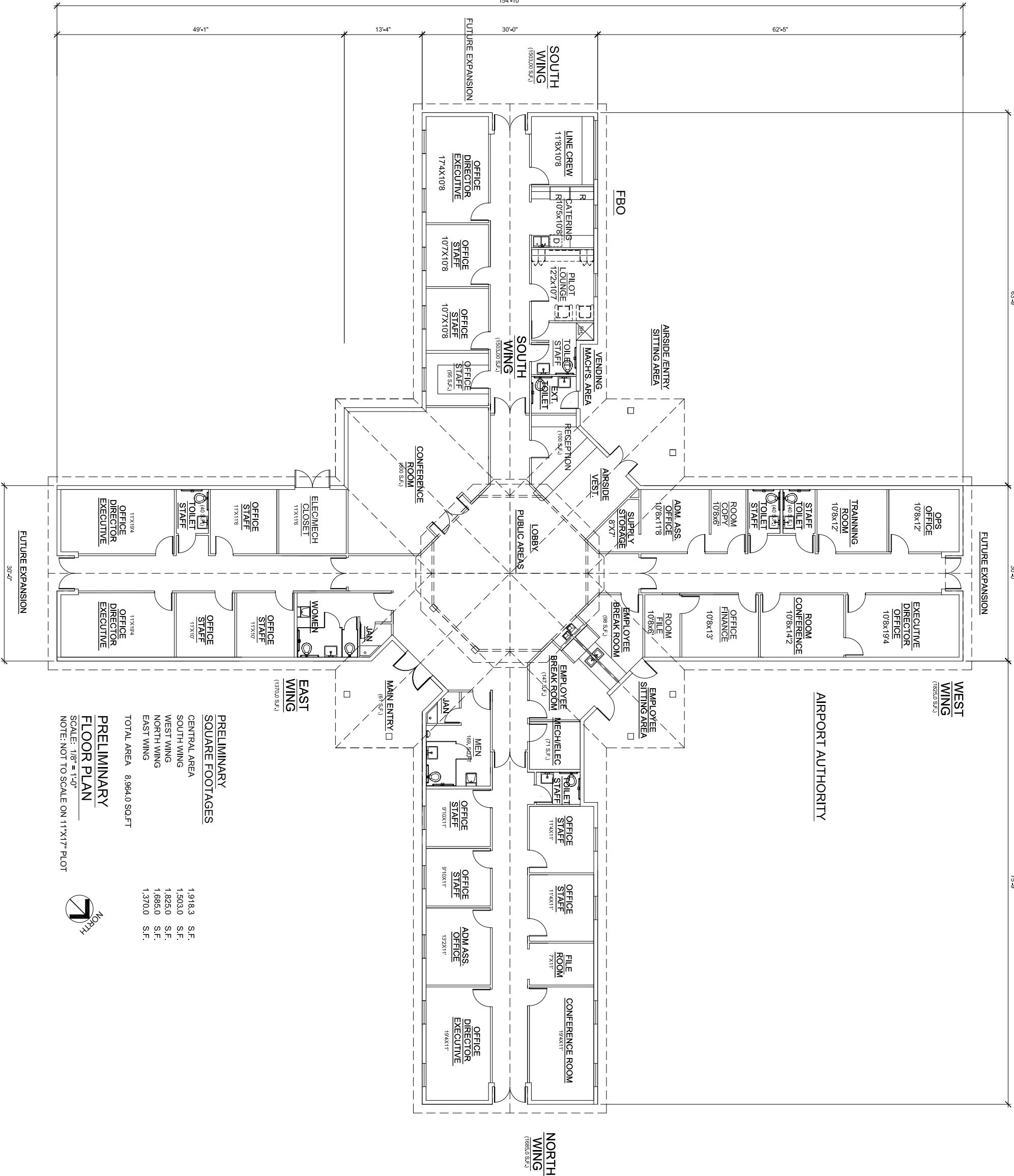
FPA A.I.P. PROJECT NUMBER:

Autocad Drawing Reference:

Date: JUNE 17, 2009

Scale: 1/8"=1'-0"

Sheet Number: A1.00



PRELIMINARY  
SQUARE FOOTAGES  
CENTRAL AREA 1,918.3 S.F.  
SOUTH WING 1,503.0 S.F.  
WEST WING 1,825.0 S.F.  
NORTH WING 1,685.0 S.F.  
EAST WING 1,370.0 S.F.  
TOTAL AREA 8,964.0 SQ.FT

PRELIMINARY  
FLOOR PLAN  
SCALE: 1/8" = 1'-0"  
NOTE: NOT TO SCALE ON 11'X17" PLOT

NORTH

# **Memorandum of Understanding**

Between

KB Home Orlando (LLC)

and

Titusville – Cocoa Airport Authority

This Memorandum of Understanding (MOU) sets forth the terms and understanding between KB Home Orlando, LLC and the Titusville – Cocoa Airport Authority to pursue development of Right of Way and Access along SR 407 contained within Space Coast Regional Airport Parcel ID: 23-35-0400-7

## **Background**

The purpose of the Titusville – Cocoa Airport Authority is to support the Space Coast aerospace community and leverage the assets of the Authority in support of economic development within the City of Titusville and Brevard County. KB Home is working to design and construct a residential community that requires access for utilities, resident safety, ingress and egress into the development from SR 407 (The Project)

## **Purpose**

This MOU will reserve and guarantee that Space Coast Regional Airport Parcel ID: 23-35-0400-7 right of way, as shown in Exhibit A, is reserved for the mutual beneficial uses of KB Home, the Titusville – Cocoa Airport Authority and any future land leaseholders.

The above goals will be accomplished by undertaking the following activities:

- Completing due diligence tasks for the right of way to include, environmental, surveying, geotechnical and wildlife assessments;
- Engaging engineering firms to produce roadway designs and plans for permitting and construction within and adjacent to the property as are required by Brevard County, City of Titusville, Florida Department of Transportation and the Florida Turnpike.
- Support the Authority with efforts to secure funding to complete the construction of project

## **Reporting**

KB Home, shall periodically report status to show progress on the project on a quarterly basis via written memorandum.

## **Funding**

This MOU is not a commitment of funding. KB Home is solely responsible for obtaining funding to proceed with the project.

## **Duration**

This MOU is at-will and may be modified by mutual written consent of authorized officials from Titusville – Cocoa Airport Authority and/or KB Home. This MOU shall become effective upon signature by the authorized officials below and will remain in effect for 180 days or until modified or terminated by any one of the partners by mutual written consent.

## **Non-Binding/Subsequent Agreement**

This MOU is for discussion purposes only, is not intended to constitute a legally binding or enforceable agreement or commitment on either party and shall be replaced with one or more written, binding agreements which will be subject to final approval by the Authority. This MOU cannot be relied upon for any reason in any legal action involving KB Home. and/or the Authority or their respective successors and/or assigns, including without limitation as actionable representations or warranties by either KB Home or Authority. KB Home and the Authority agree that neither relied upon this MOU or any of the terms hereof in entering into any other agreement related to the transactions contemplated herein, including without limitation any future lease(s) and/or development agreement(s).

## **Contact Information**

KB Home Orlando, LLC.

XXXX, Manager

Address

Phone

Email

Titusville – Cocoa Airport Authority

Kevin Daugherty, AAE

Director of Airports

51 Bristow Way

Titusville, Florida 32870

Telephone: (321) 267 - 8780

E-mail: [kdaugherty@flyspacecoast.org](mailto:kdaugherty@flyspacecoast.org)

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

XXXXXX

Manager

KB Home Orlando, LLC.

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

Kevin Daugherty, AAE

Director of Airports

Titusville-Cocoa Airport Authority

Date: \_\_\_\_\_

Date: \_\_\_\_\_



The following invoices are presented to the Board for approval at the Regular Board Meeting being held January 19, 2023:

**Arthur Dunn Airport**

**X21 – AWOS Replacement, Design, Bidding and Construction Services**

AVCON, Inc. – Pay App #8 – (11/1/2022 – 11/30/2022) - **\$1,797.22**

**X21 – Master Plan Update**

Ricondo & Associates - Request #1 – (11/1/2022 – 11/30/2022) - **\$5,651.10**

**Space Coast Regional Airport**

**TIX – ATCT Design & Bidding**

AVCON, Inc. - Pay App #8 – (11/1/2022 – 11/30/2022) - **\$167,768.58**

**TIX – Master Plan Update**

Ricondo & Associates - Request #1 – (11/1/2022 – 11/30/2022) - **\$6,136.42**

**Space Coast Spaceport**

**TIX – Spaceport Master Plan**

Ricondo & Associates - Request #1 – (11/1/2022 – 11/30/2022) - **\$329.94**

**Merritt Island Airport**

**COI – AWOS Replacement, Design, Bidding and Construction Services**

AVCON, Inc. – Pay App #8 – (11/1/2022 – 11/30/2022) - **\$5,653.93**

**COI – Master Plan Update**

Ricondo & Associates - Request #1 – (11/1/2022 – 11/30/2022) - **\$7,918.44**

**COI – North Area Security and Infrastructure Project**

Michael Baker Intl -- Request #17 - (11/1/22 – 12/31/22) - **\$22,620.00**

**COI – Corporate Hangar**

Aerouhaus Buildings – Request #2 – \$101,639.60

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**John Craig, Chairman**

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**Roger Molitor, Secretary**

# Airport Project Updates

## Legacy Projects

- TIX RWY 09/27 Rehab
- TIX Hangar 52 Demo
- TIX VAC Apron
- COI Corporate Hangar
- COI EA for Hangar Development
- COI NASI

# PROJECT: RUNWAY 9-27 REHAB – SPACE COAST REGIONAL AIRPORT

BUDGET: \$3.8M (\$0 Local Match)

CURRENT STATUS: **Received contractor prices on drainage work, bid came in high, awaiting documentation to justify high prices.**

SCHEDULE: 10 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



# PROJECT: TCAA/VAC APRON AND TAXILANE – SPACE COAST REGIONAL AIRPORT

BUDGET: \$1.62M (\$0 LOCAL MATCH)

CURRENT STATUS: **Contractor removing equipment, closeout paperwork in-progress.**

SCHEDULE: 8 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



## PROJECT: CORPORATE HANGAR – MERRITT ISLAND AIRPORT

BUDGET: \$700K (\$0 LOCAL MATCH)

CURRENT STATUS: **Site permit conditionally approved, building has arrived, contract negotiations on-going.**

SCHEDULE: 7 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



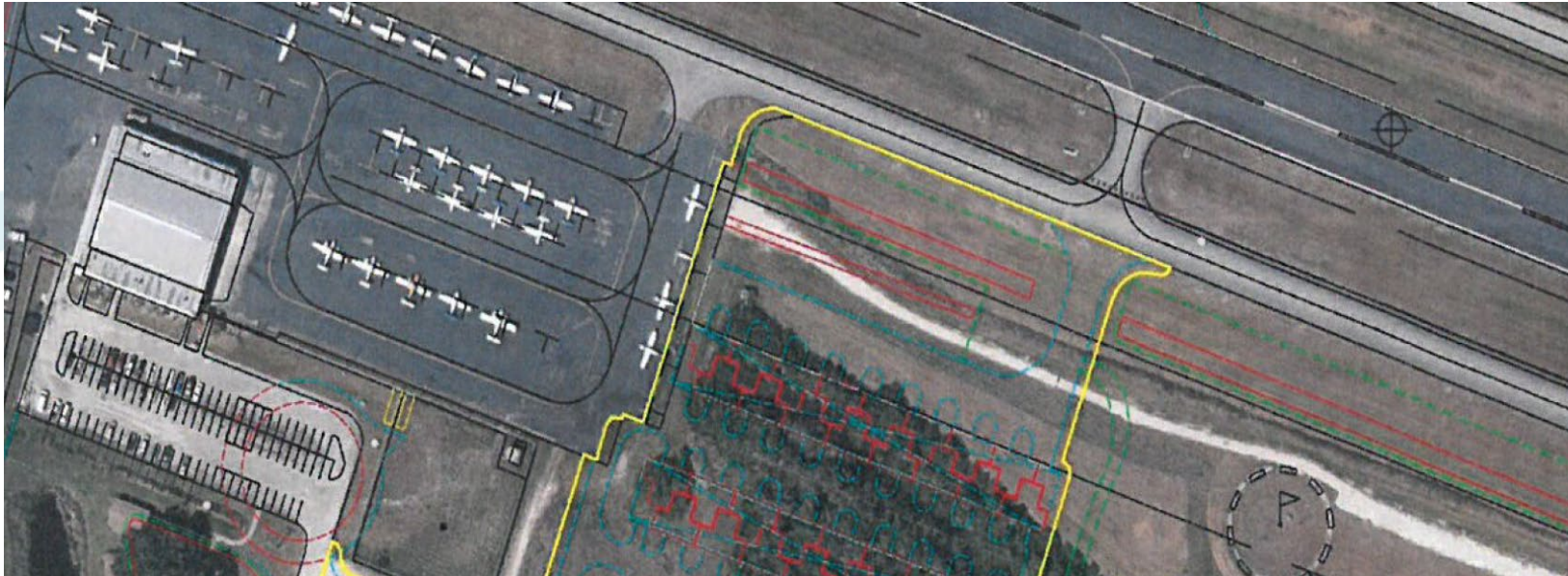
COAST  
PORT AUTHORITY  
21

# PROJECT: EA FOR T-HANGAR DEVELOPMENT – MERRITT ISLAND AIRPORT

BUDGET: \$269K (\$0 LOCAL MATCH)

CURRENT STATUS: PROJECT STARTED; EXPECTED COMPLETION IN LATE 2023; ON-GOING; FAA REQUIRING NOISE STUDY BUT NO ALP UPDATE; **Expected completion late 2023; revising alternatives to reflect adjacent private hangar development, on-going.**

SCHEDULE: 12 MONTHS IS BASED ON PUBLIC MEETINGS AND NOTICES REQUIRED BY THE FAA



# PROJECT: NORTH AREA SECURITY AND INFRASTRUCTURE – MERRITT ISLAND AIRPORT

BUDGET: \$949K (\$189,800 LOCAL MATCH)

CURRENT STATUS: **Manor Drive ditch piping is complete, sod is expected 11/17, fence work will commence soon after, lift station work ongoing.**

SCHEDULE: 5 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



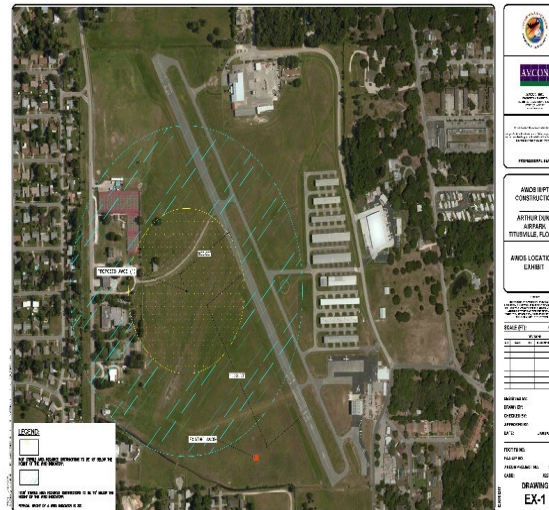
# Airport Project Updates

## New Projects

- X21 AWOS
- COI AWOS
- TIX ATCT Siting Study
- TIX Fuel Farm Relocation
- Challenger Drive Extension

**BUDGET: \$365,000 (80/20 FDOT Grant)**

**SCHEDULE:** Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.

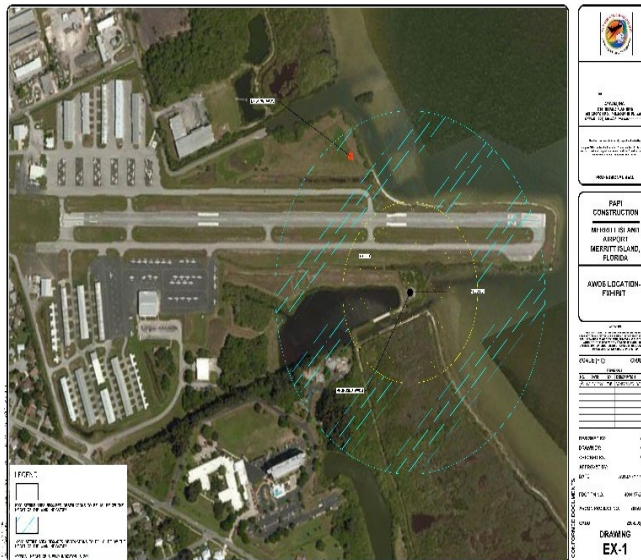


# **PROJECT:** Automated Weather Observation System (AWOS) Replacement – Merritt Island Airport

**BUDGET:** \$500,000 (80/20 FDOT Grant)

**CURRENT STATUS:** Received bids, AVCON reviewing and will make recommendation to award contract.

**SCHEDULE:** Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Environmental permitting on the alternative site might take an additional 120 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.



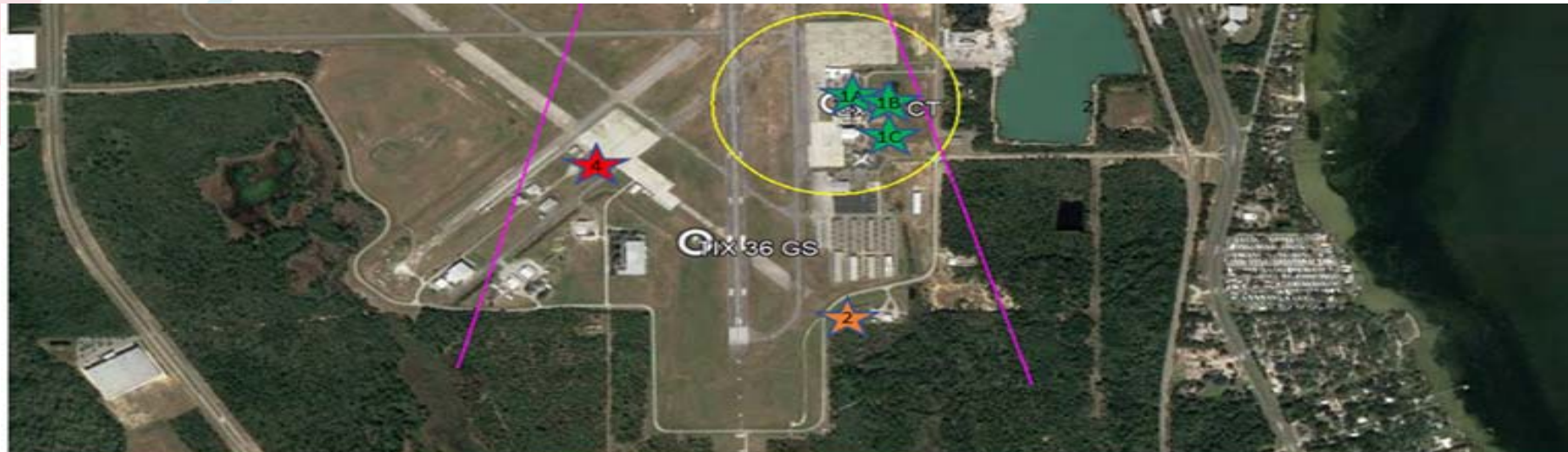
**PROJECT:** Design of the Replacement Airport Traffic Control Tower – Space Coast Regional Airport

**BUDGET:** \$960,000 (80/20 FDOT Grant)

**CURRENT STATUS:** Design is underway, 60% submittal recieved, applied for BIL grant.

**SCHEDULE:** 12 months

FLY SPACE COAST  
TITUSVILLE-COCOA AIRPORT AUTHORITY

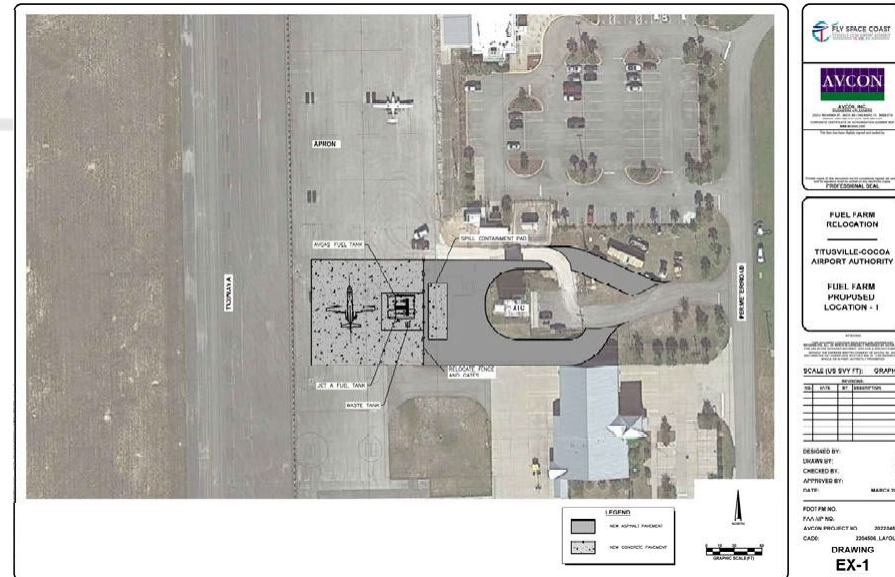


# PROJECT: Fuel Farm Relocation – Space Coast Regional Airport

**BUDGET:** Current cost estimate is \$ 1.1m

**CURRENT STATUS:** Working with FDOT on funding construction.

**SCHEDULE:** 12 months

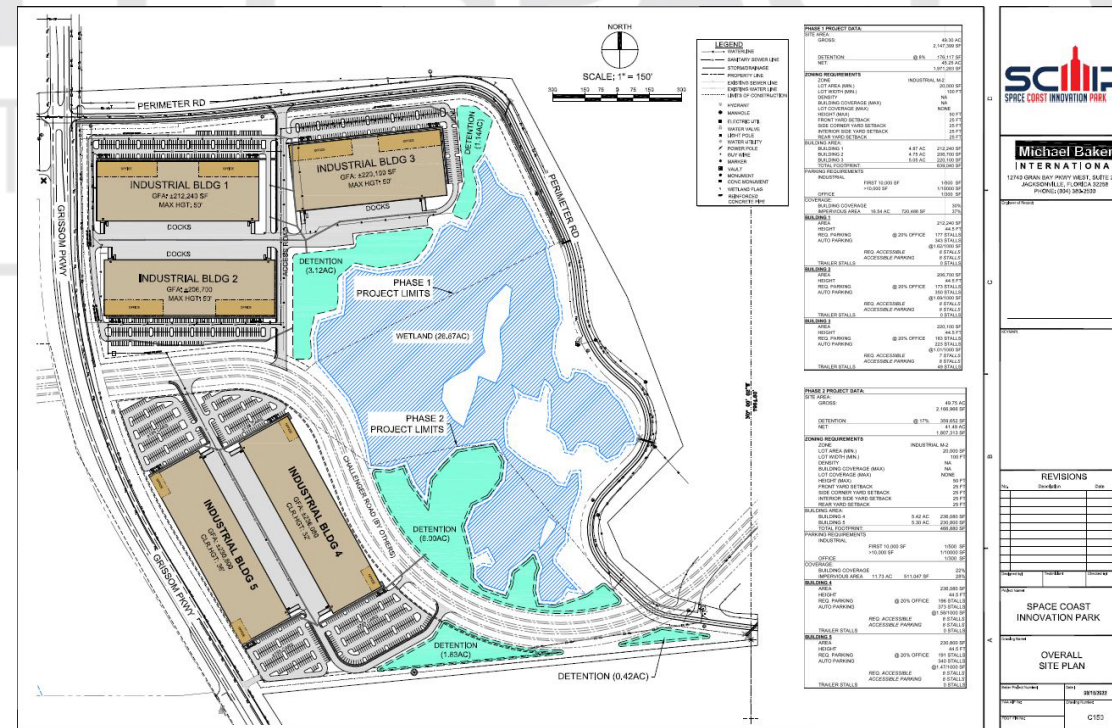


# PROJECT: Challenger Drive Extension (Design)– Space Coast Regional Airport

**BUDGET:** Current cost estimate is \$465,000

**CURRENT STATUS:** Awaiting grant approval by the North Brevard Economic Development Zone

**SCHEDULE:** 90 Days





p. 321.327.5580 | f. 321.327.5655  
2101 Waverly Place, Suite 100  
Melbourne, FL 32901  
whitebirdlaw.com

January 6, 2023

**VIA EMAIL ONLY**

Wells Fargo Bank, N.A.  
c/o Ms. Karen Rawls, Relationship Manager  
[karen.rawls@wellsfargo.com](mailto:karen.rawls@wellsfargo.com)

Re: **Claim for Account Ending in \*1983**  
Our Client: Titusville-Cocoa Airport Authority  
Client Address: 355 Golden Knights Blvd., Titusville, FL 32780-8121

Ms. Rawls:

This firm has the pleasure of serving as General Counsel for the Titusville-Cocoa Airport Authority (the "Authority"), and I have been asked by the Authority to correspond with you concerning the very serious matter of approximately \$200,000 in Authority funds being fraudulently siphoned from the Authority's Operating Account (ending in \*1983, the "Account") via an apparently simple check-cashing scheme that appears to have taken place in Miami-Dade County, some three (3) or more hours' drive from Titusville, Florida. I hope with Wells Fargo's cooperation, we can bring this matter to an amicable resolution.

By way of brief factual background, on the morning of October 18, 2022, you called the Authority's Deputy Director of Finance and Administration, Ms. Christy Kinard ("Ms. Kinard"), to inform her that you had received a call from a Wells Fargo branch in California (you later told Ms. Kinard that you were mistaken and the call was actually from a Wells Fargo branch in Miami, FL) that had apparently been presented with an Authority-signed check to be drawn from the Account. When the Wells Fargo employee asked for identification from the individual presenting the check for negotiation, the individual turned away and walked out of the building. After speaking with you, Ms. Kinard, together with a second Authority employee, logged in to the Account and discovered that a number of fraudulent checks had been negotiated by Wells Fargo and the associated Authority funds had been paid out to fraudsters. After making such a discovery, Ms. Kinard called you back but was unable to reach you, so she called Wells Fargo's fraud department and spoke with Ms. Valerie Jensen (again, on October 18, 2022), and Ms. Jensen informed Ms. Kinard that a fraud alert would be placed on the Account so that no further checks could be negotiated.

After several follow-up calls and discussions with you and Ms. Angie Shankle, the Authority's Relationship Associate with Wells Fargo, Wells Fargo requested a list of the fraudulent checks and, separately, the Authority contacted the Titusville Police Department and

reported the fraud.

Additionally, the Authority subsequently learned that on October 19, 2022 – the day after Wells Fargo placed a fraud alert on the Account – five (5) more fraudulent checks were negotiated totaling \$9,038.71. While Wells Fargo ultimately elected to repay the Authority for that amount since the checks should never have been negotiated, it certainly raises the question as to how so many additional checks were negotiated after Wells Fargo initiated the fraud alert.

After Wells Fargo purportedly completed its investigation, it sent a letter to the Authority on October 24, 2022 enclosing a list of fifty (50) fraudulent checks (the list was not complete) and stating succinctly and in one sentence that Wells Fargo was unable to recover the funds from the banks where they were deposited. Wells Fargo provided no further explanation as to what it intended to do about the approximately \$200,000 removed from the Account via fraudulent checks.

As a government entity, the Authority is, in part, a steward of public funds, and it expects – as it is entitled to expect – a minimum and reasonable level of security from the banking institutions with which it does business. As it pertains to the fraudulent checks at issue, Wells Fargo did not meet even an objectively reasonable level of security, particularly since the Authority is entirely without fault. It seems at this point the fraudsters created counterfeit copies of Authority checks and, further, had access to valid, cancelled checks that reflected the Authority's required two-signature execution for negotiation. While such information and documentation might normally be private, the Authority is a public entity and subject to Florida's broad Public Records Act (Chapter 119, Florida Statutes) so that the vast majority of its banking information is, for all intents and purposes, public record. As a banking institution for public entities, Wells Fargo should be well aware of this fact and have heightened security measures in place for its public clients to prevent precisely what happened here.

Moreover, Wells Fargo cannot hide behind its additional security platforms offered – at a cost – to its customers. Simply because Wells Fargo elects to employ more expensive security protocols if its clients pay for them does not change the basic duty Wells Fargo owes to all of its clients to protect their funds. Additionally, regardless of the alleged safeguards that were or could have been put in place by Wells Fargo, it cannot be disputed that Wells Fargo failed to follow its own internal controls and security measures when five (5) more fraudulent checks were negotiated after Wells Fargo placed a fraud alert on the Account, which by Wells Fargo's own admission should have prevented any further fraud. And yet, it did not.

The Authority is not in a position to simply “walk away” from \$200,000 in public funds, and it will not do so. Please allow this letter to serve as a formal demand for a dual purpose. First, the Authority hereby demands Wells Fargo return all of the funds that were removed from the Authority's Account via fraud in the same manner it returned the \$9,038.71 to the Authority representing funds paid out via the same fraudulent scheme after Wells Fargo's fraud alert was put in place. Second, the Authority demands that Wells Fargo produce all documents associated with the Account to include copies of all Wells Fargo policies and procedures relating to handling of the Account and negotiation of checks to be paid therefrom, Wells Fargo's security policies and procedures upon presentation of a check for negotiation and investigation thereof, and all documents to which Wells Fargo claims the Authority is bound as a result of establishing and maintaining the Account with Wells Fargo. While I understand the scope of this request may be

Wells Fargo Bank, N.A.

January 6, 2023

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perceived as somewhat broad, the requested documents would certainly be discoverable in litigation. With these documents, the Authority can continue its investigation into the circumstances by which its funds were stolen.

Please contact me as soon as possible to provide Wells Fargo's response to this correspondence. The Authority has directed me to continue the investigation and to continue my efforts to achieve return of the Authority's funds, and I am authorized to continue to pursue all available avenues to do so. I look forward to hearing from you and thank you for your prompt attention to this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Adam M. Bird".

Adam M. Bird, Esq.

[abird@whitebirdlaw.com](mailto:abird@whitebirdlaw.com)

AB/amb

cc: Client

# Check Register 12/1/2022-12/31/2022

	Vendor	Type	Num	Date	Amount
<b>12/02/2022</b>					
	Staples	Bill Pmt -Check	40500	12/02/2022	269.98
	Truist Item Processing Center	Bill Pmt -Check	40508	12/02/2022	116.67
	Waste Management	Bill Pmt -Check	40517	12/02/2022	524.94
	Titusville Area Chamber of Commerce	Bill Pmt -Check	40520	12/02/2022	125.00
	AVCON	Bill Pmt -Check	40558	12/02/2022	1,934.10
	AVCON	Bill Pmt -Check	40559	12/02/2022	3,848.95
	AVCON	Bill Pmt -Check	40560	12/02/2022	6,245.62
	AVCON	Bill Pmt -Check	40561	12/02/2022	27,961.43
	ACF Standby Systems, LLC	Bill Pmt -Check	40562	12/02/2022	498.00
	Alligator Plumbing	Bill Pmt -Check	40563	12/02/2022	4,500.00
	Allen Enterprises, Inc.	Bill Pmt -Check	40564	12/02/2022	312.00
	AT&T	Bill Pmt -Check	40565	12/02/2022	190.76
	AT&T Mobility	Bill Pmt -Check	40566	12/02/2022	350.24
	AT&T Internet	Bill Pmt -Check	40567	12/02/2022	53.50
	AT&T Business	Bill Pmt -Check	40568	12/02/2022	824.37
	Brevard Uniform Co.	Bill Pmt -Check	40569	12/02/2022	183.76
	Brown & Brown Insurance	Bill Pmt -Check	40570	12/02/2022	89,692.00
	Board Of County Comm	Bill Pmt -Check	40571	12/02/2022	14,199.32
	Brevard County Utility Resources	Bill Pmt -Check	40572	12/02/2022	100.00
	CHLIC	Bill Pmt -Check	40573	12/02/2022	405.92
	Cynthia Lennard, CPA	Bill Pmt -Check	40574	12/02/2022	3,118.50
	City Of Titusville	Bill Pmt -Check	40575	12/02/2022	1,113.65
	City Of Cocoa	Bill Pmt -Check	40576	12/02/2022	238.15
	Dish	Bill Pmt -Check	40577	12/02/2022	75.09
	Davis Vision, Inc.	Bill Pmt -Check	40578	12/02/2022	158.90
	Faster Than Sound, Inc.	Bill Pmt -Check	40579	12/02/2022	1,780.00
	Florida Alarm & Security Technologies	Bill Pmt -Check	40580	12/02/2022	180.00
	Florida Coast Equipment	Bill Pmt -Check	40581	12/02/2022	464.39
	Florida Power & Light	Bill Pmt -Check	40582	12/02/2022	996.86
	Gatto's Tire & Auto Service	Bill Pmt -Check	40583	12/02/2022	359.36
	Judith Durette	Bill Pmt -Check	40584	12/02/2022	406.25
	Lacey's Lock Service	Bill Pmt -Check	40585	12/02/2022	141.50
	Michael Baker International	Bill Pmt -Check	40586	12/02/2022	36,238.75
	MissionSquare - 303301	Bill Pmt -Check	40587	12/02/2022	283.54
	The Quotient Group	Bill Pmt -Check	40588	12/02/2022	12,325.00
	Robertson's Landscape	Bill Pmt -Check	40589	12/02/2022	1,000.00
	Safety-Kleen Systems, Inc.	Bill Pmt -Check	40590	12/02/2022	390.75
	Southeast Services of CFL Inc.	Bill Pmt -Check	40591	12/02/2022	120.00
	Standard Insurance Company	Bill Pmt -Check	40592	12/02/2022	647.86
	Florida Coast Equipment	Bill Pmt -Check	40598	12/02/2022	74,085.16
	Jan Lokay	Check - unused rent	40523	12/02/2022	48.24
<b>Dec 16 2022</b>					
	AT&T	Bill Pmt -Check	40750	12/16/2022	956.29
	Allen Enterprises, Inc.	Bill Pmt -Check	40751	12/16/2022	3,643.65

Brevard County Tax Collector	Bill Pmt -Check	40752	12/16/2022	2,056.95
Brown & Brown Insurance	Bill Pmt -Check	40753	12/16/2022	2,945.75
Civilian Military Community Rel. Council	Bill Pmt -Check	40754	12/16/2022	460.00
Central Hydraulics	Bill Pmt -Check	40755	12/16/2022	199.83
Cynthia Lennard, CPA	Bill Pmt -Check	40756	12/16/2022	3,794.25
Culligan	Bill Pmt -Check	40757	12/16/2022	54.48
City Of Cocoa	Bill Pmt -Check	40758	12/16/2022	303.49
DynaFire, Inc.	Bill Pmt -Check	40759	12/16/2022	1,306.89
Faster Than Sound, Inc.	Bill Pmt -Check	40760	12/16/2022	1,220.00
Florida Alarm & Security Technologies	Bill Pmt -Check	40761	12/16/2022	600.00
Florida Power & Light	Bill Pmt -Check	40762	12/16/2022	390.56
Florida Power & Light	Bill Pmt -Check	40763	12/16/2022	1,780.93
Florida Power & Light	Bill Pmt -Check	40764	12/16/2022	2,965.39
Florida Power & Light	Bill Pmt -Check	40765	12/16/2022	464.15
Gatto's Tire & Auto Service	Bill Pmt -Check	40766	12/16/2022	748.23
Home Depot Credit Services	Bill Pmt -Check	40767	12/16/2022	581.76
Konica Minolta Business Solutions	Bill Pmt -Check	40768	12/16/2022	593.45
Lacey's Lock Service	Bill Pmt -Check	40769	12/16/2022	66.50
Lowes	Bill Pmt -Check	40770	12/16/2022	3,695.22
MissionSquare - 303301	Bill Pmt -Check	40771	12/16/2022	283.54
Michael Baker International	Bill Pmt -Check	40772	12/16/2022	32,191.34
Michael Baker International	Bill Pmt -Check	40773	12/16/2022	24,052.42
Michael Baker International	Bill Pmt -Check	40774	12/16/2022	93,459.77
P & S Paving, Inc.	Bill Pmt -Check	40775	12/16/2022	266,004.06
Pitney Bowes Inc	Bill Pmt -Check	40776	12/16/2022	192.54
NAPA Auto Parts	Bill Pmt -Check	40777	12/16/2022	43.99
Staples	Bill Pmt -Check	40778	12/16/2022	122.62
Watkins Fuel Oil	Bill Pmt -Check	40779	12/16/2022	4,103.28
WhiteBird Attorneys At Law	Bill Pmt -Check	40780	12/16/2022	10,808.75
TCAA Petty Cash	Check	40781	12/16/2022	151.23
Daniel Fargnoli	Check	40782	12/16/2022	200.00
Joe Withers	Check	40783	12/16/2022	200.00
Marguerite & Ken White	Check	40784	12/16/2022	390.61
James Mitton	Check	40785	12/16/2022	5.00
James Mitton	Check	40786	12/16/2022	203.09

## 12/30/2022

Aerohaus Buildings, Inc.	Bill Pmt -Check	40787	12/30/2022	101,639.60
AT&T	Bill Pmt -Check	40788	12/30/2022	686.78
AT&T Internet	Bill Pmt -Check	40789	12/30/2022	53.50
AT&T Business	Bill Pmt -Check	40790	12/30/2022	824.37
AT&T Mobility	Bill Pmt -Check	40791	12/30/2022	350.24
Aviation Construction & Electric LLC	Bill Pmt -Check	40792	12/30/2022	3,875.00
Board Of County Comm	Bill Pmt -Check	40793	12/30/2022	14,743.20
Brevard Cultural Alliance, Inc.	Bill Pmt -Check	40794	12/30/2022	900.00
Brevard Uniform Co.	Bill Pmt -Check	40795	12/30/2022	173.76
CHLIC	Bill Pmt -Check	40796	12/30/2022	454.55
City Electric Supply Co.	Bill Pmt -Check	40797	12/30/2022	354.54

City Of Titusville	Bill Pmt -Check	40798	12/30/2022	1,096.84
Cynthia Lennard, CPA	Bill Pmt -Check	40799	12/30/2022	3,875.25
Dish	Bill Pmt -Check	40800	12/30/2022	75.09
DynaFire, Inc.	Bill Pmt -Check	40801	12/30/2022	435.00
Florida Power & Light	Bill Pmt -Check	40802	12/30/2022	546.59
Florida Power & Light	Bill Pmt -Check	40803	12/30/2022	585.91
Florida Power & Light	Bill Pmt -Check	40804	12/30/2022	1,164.57
Florida Power & Light	Bill Pmt -Check	40805	12/30/2022	1,218.44
Globenet Global Computer Solutions	Bill Pmt -Check	40806	12/30/2022	13,094.00
Graphic Press	Bill Pmt -Check	40807	12/30/2022	88.00
MissionSquare - 303301	Bill Pmt -Check	40808	12/30/2022	283.54
Orange Plumbing	Bill Pmt -Check	40809	12/30/2022	7,395.00
Pitney Bowes Inc	Bill Pmt -Check	40810	12/30/2022	17.55
Safeguard Business Systems	Bill Pmt -Check	40811	12/30/2022	0.00
NAPA Auto Parts	Bill Pmt -Check	40812	12/30/2022	376.73
Staples	Bill Pmt -Check	40813	12/30/2022	206.98
Standard Insurance Company	Bill Pmt -Check	40814	12/30/2022	707.37
T's Handyman Service	Bill Pmt -Check	40815	12/30/2022	4,642.00
Waste Management	Bill Pmt -Check	40816	12/30/2022	475.80
Windstream	Bill Pmt -Check	40817	12/30/2022	121.18
Safeguard Business Systems	Bill Pmt -Check	40818	12/30/2022	253.90
Sue Williams	Check	40820	12/30/2022	5.85
Daniel McAllister	Check	40819	12/30/2022	75.00