

FLORIDA COMMERCIAL LEASE AGREEMENT
Renewal

THIS COMMERCIAL LEASE AGREEMENT entered into on this 18th day of January, 2019, by and between Francisco Quesney, hereinafter referred to as "The LESSOR", and Workforce Development Board of Flagler & Volusia Cos. Inc. (Represented by Robin King, President), hereinafter referred to as "The LESSEE",

WITNESSETH: That said Lessor does hereby agree to lease unto said Lessee, and said Lessee does hereby hire and take as Lessee under said Lessor, the property described herein subject to the terms, provisions, conditions and limitations set forth and described in the Lease Agreement.

1. DESCRIPTION OF PROPERTY.

The Lessor hereby leases unto Lessee, on the terms and conditions hereinafter set forth, Unit D & E, containing 2,500 (two thousand five hundred square feet), located at 20 Airport Road, Unit D, Palm Coast, Flagler County, Florida 32164 (hereinafter referred to as the "leased Premises").

2. TERM OF LEASE.

The term of this lease shall be for Three (3) years beginning February 1, 2019 and ending on the 31st day of January 2022.

If the Lessee desires to extend the lease after terms indicated in the above paragraph, Lessee shall deliver written notice to Lessor of intention to renew the lease not less than ninety (90) days before the end of the leased term. Lessor will acknowledge receipt by written notice of its approval or rejection of Lessee's request for extension of the term of the lease. In the event Lessor rejects Lessee's request for extension then the Lessee shall have three months from the date of the rejection of the renewal request to vacate the leased premises and shall continue to pay rent at the rate for the expiring term.

3. RENTAL PAYMENTS.

- A. Base Rental Amount. Lessee shall pay in advance to Lessor rental in equal installments of \$21 Sq. ft. – Monthly installments of Four Thousand Three Hundred and Seventy Five Dollars (\$4,375.00) beginning February 1, 2019 through January 31, 2020.
- B. Lessee shall pay as additional rental, monthly, in advance, its pro rata share of common area maintenance costs include, but not limited to, ground maintenance, building maintenance, signage maintenance, HVAC maintenance, and sanitation. These costs amount to \$3.94 per sq. ft.- Monthly installments of Eight Hundred Twenty dollars and eight three cents (\$820.83). These fees are also subject to the annual rental increase in sub-section "c".
- C. The rental rate will increase each year on the anniversary date of this Lease by three percent (3%) over the previous years rental rate.
- D. The Lessor understands that the Lessee is exempt from sales tax.

E. This lease is contingent upon the State of Florida receiving Temporary Assistance for Needy Families (TANF) and Workforce Innovation Opportunity Act funds and the receipt of these funds by the Lessee. The Lessee is only a distributor of these funds and is not obligated further.

In the event any rental payment is received by Lessor later than 5 days after the rental due date, there shall be due, in addition, a late charge in the sum of 5% of the full rental payment due. In the event Lessee gives Lessor a bad check, there shall be an additional charge of \$50.00. If Lessee's check is dishonored, Lessor, at his option, reserves the right to demand that all future rent payments be made by U.S. money order or by cashier's check. All late charges and bad check charges shall be considered as additional rent. All other monetary sums payable by Lessee as prescribed by other provisions of this lease are likewise considered as additional rent. Notwithstanding Lessor's right to charge and collect late charges and bad check charges, nothing herein shall be deemed to waive Lessor's right to enforce other provisions of this lease including but not limited to Lessor's right to consider the lease in default, as hereinafter described.

Rent should be payable to TAG Ventures Real Estate. 25 Old Kings Road N, Suite 5A, Palm Coast FL 32137.

4. SECURITY DEPOSIT.

In addition to the first monthly rental payment, Lessee shall deposit with Lessor the sum of Zero dollars (\$0) security deposit, the receipt of which is hereby acknowledged, as security to Lessor for the performance by Lessee of all the obligations and undertakings required to be performed by Lessee under this lease. If this lease is terminated as a result of the default of Lessee, the security deposit referred to herein shall become the unconditional property of Lessor, not as a penalty but as damages agreed upon by Lessor and Lessee to cover the following: Damages to Lessor for the premises being vacant, for having to relet premises prior to expired term, including sums necessary to advertise the premises for rent, show the premises, and clean the premises. However, Lessor does not by this provision waive its right to pursue any action to recover from the Lessee any further damages caused to said premises by the Lessee or for additional amounts of rent due and unpaid during the period of this lease.

If Lessee shall not be in default hereunder upon the expiration of the lease term, and if the leased premises shall be returned and surrendered to Lessor in the same good state and condition as they were when they were received, except for normal wear and tear, Lessor shall return said security deposit to Lessee. If Lessee returns the leased premises to Lessor at the expiration of the lease term, but there are damages to the leased premises beyond normal wear and tear, Lessor may make a claim against the security deposit as provided by law in addition to pursuing other remedies available. Lessee shall be held responsible for repairs beyond normal wear and tear with a cost beyond the Security Deposit on hold.

5. CONDITION OF THE PROPERTY AND MAINTENANCE OF SAME.

Lessee hereby accepts the condition of the subject property in "AS-IS" condition as of the commencement of the term of this lease. Lessee acknowledges that it has inspected the property and is fully aware of its condition. Lessee shall do all acts necessary to maintain the property in the condition of at least that as delivered to Lessee by Lessor, excepting normal wear and tear, during the term of this lease.

Lessee is responsible for maintaining interior cleaning of their unit to include: light fixtures and light bulb changing, interior pest control.

6. INSURANCE / INDEMNIFICATION

Lessee will provide and keep in force during the term of this Lease, at Lessee's sole cost and expense, general liability policies of insurance in standard form protection the Lessor against any liability including personal injury or property damage, whatsoever occasioned by accident or disaster on or about the Leased premises. The minimum limits of liability of such insurance shall be \$1,000,000.00 for injury or death to one or more person(s) and \$1,000,000.00 with respect to damage to property. Said insurance shall name Lessor as an additional named insured, shall specifically include the liability assumed hereunder and shall provide that it is primary and not excess over or contributing with any other valid, existing and applicable insurance in force for Lessor. All policies of insurance set forth herein shall name the Lessor as an additional named insured and shall provide that it cannot be canceled or revoked except after a minimum of 30 days written notice to the Lessor. Copies of such policies shall be immediately delivered by Lessee to Lessor upon request of Lessor, but no less than at each anniversary date of such policy or policies. It shall be deemed a material part of this agreement that the Lessee shall maintain and keep in full force and effect all required policies of insurance during the term of this lease.

Notwithstanding the above, Lessee agrees to indemnify and hold harmless Lessor and the leased premises from all costs, losses, damages, liabilities, expenses, penalties, and fines whatsoever that may arise or be claimed against Lessor or the leased premises by any person or persons for any injury to person or property damage of whatever kind or character arising from the use or occupancy of the leased premises by Lessee; from any neglect or fault of Lessee or the agents and the employees of Lessee in using and occupying the premises; or from any failure by Lessee to comply and conform with all laws, statutes, ordinances and regulations of any governmental body or subdivision. If any lawsuit or proceeding shall be brought against lessor or the leased premises on account of any damage, omission, neglect, or use of the premises by lessee, the agents and employees of Lessee, or any other person on the premises, Lessee

agrees that Lessee or any other person on the premises will defend it, pay whatever judgements may be recovered against Lessor or against the premises on account of it, and pay for all attorney fees in connection with it, including attorney fees on appeal.

7. PAYMENT OF TAXES AND UTILITIES BY LESSEES.

It is expressly understood and agreed that Lessee shall, during the term of the tenancy, pay and keep current all County Tangible/Personal Property Taxes or other taxes, Florida State Sales Taxes, Federal Income Taxes, withholding and Social Security, and agrees to indemnify and hold the Lessor harmless from and against any and all claims, suits, demands or judgments for the same by any party.

Lessee shall pay for all utility services furnished to the demised premises, including electricity, telephone, cable/internet, fire protection and the like, together with all taxes levied or other charges on such utilities.

Lessor agrees to furnish water, septic, irrigation, trash collection, security lighting, landscaping and maintenance of exterior of building.

8. RESTRICTION ON USE OF SUBJECT PROPERTY.

It is understood and agreed that the subject premises shall be used by Lessee only for the operation of Workforce Development Board of Flagler & Volusia Cos. Inc. Lessee shall not use or occupy, nor permit the leased premises or any part thereof to be used or occupied for any unlawful business use or purpose, nor for any business use or purpose deemed disreputable or extra-hazardous, nor for any purpose or in any manner which is in violation of any present or future governmental law or regulation. Lessee shall not cause the premises to become contaminated by any hazardous or toxic substance or materials. Lessee shall be responsible for any such contamination caused to occur on the property out of or in connection with Lessee's use of same and any cleanup must be at the sole expense of Lessee and considered rent due on the next regular rental due date.

9. MODIFICATION AND SIGNAGE.

Lessee may make alterations or modifications to the subject property and improvements only upon written consent of Lessor, which consent Lessor shall not unreasonably withhold. Any improvements made to the property by Lessee shall become the property of the Lessor and may not be removed without the consent of the Lessor. All improvements made to the property by Lessee shall be of a quality as is acceptable to Lessor in its sole discretion. Lessee shall first before displaying or erecting any signs on or adjacent to the property submit for the approval of same by Lessor. Signage shall be displayed or erected only with the written consent of Lessor. Any cost will be the responsibility of the Lessee.

10. DEFAULT.

- A. In the event that Lessee shall at any time fail to comply with any term, provision, or limitation as set forth herein and shall fail to cure the same within ten (10) days of receiving written notice of such default from Lessor (except that there shall be no requirement for written notice of default from Lessor to Lessee for the non-payment of rent other than that prescribed under Florida Law), then Lessor shall have the right and option to thereupon terminate this Lease Agreement without waiving any rights to damages or other relief as permitted under law, in which event, the Lessee agrees to immediately surrender and deliver up the demised premises and property peaceably to Lessor.

- B. If Lessee becomes bankrupt, or files any debtor proceedings or takes or has taken against Lessee in any court pursuant to any statute either of the United States or of any other State, a petition in bankruptcy or for insolvency, reorganization, or the appointment of a receiver or trustee of all or a portion of Lessee's property, or if Lessee makes an assignment for the benefit of creditors or petitions for or enters into an arrangement, then and in that event, this Lease shall, at the option of Lessor, be canceled and terminated and any party claiming on behalf of Lessee shall not have any rights whatsoever under this Lease.
- C. Lessor shall have a lien upon all personal property of the Lessee coming upon the premises in the due course of Lessee's business for any and all rents or other amounts that become due to Lessor under the terms and conditions hereof and during the term of this lease.

11. NO WAIVER.

No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall be taken to constitute a waiver of any subsequent breach of such covenant or condition nor to justify or authorize the nonobservance on any other occasion of the same or of any other covenant or condition hereof, nor shall the acceptance of rent by Lessor at any time when Lessee is in default under any covenant or condition hereof, be construed as waiver of such default or of Lessor's right to terminate this Lease on account of such default; nor shall any waiver of such default or of Lessor's right to terminate this Lease on account of such default or any waiver or indulgence granted by Lessor to Lessee be taken as an estoppel against Lessor, it being expressly understood that if at any time Lessee shall be in default in any of its covenants or conditions hereunder, an acceptance by Lessor of rental during the continuance of such default or the failure on the part of Lessor promptly to avail itself of such other rights or remedies as Lessor may have, shall not be construed as waiver of such default, but Lessor may at any time thereafter, if such default continues, terminate this Lease on account of such default in the manner hereinbefore provided.

12. INDEMNITY AND LIABILITY DISCLAIMED.

A. Lessee shall indemnify and hold Lessor harmless from and against any and all liabilities, suits, claims, demands, actions, costs, and expenses due to or arising out of violation or non-performance of, or default in observing, any covenant, condition or agreement in this Lease to be fulfilled, kept, observed and performed by Lessee; damage to property occasioned by Lessee's use and occupancy of the demised premises or to any use or occupancy which Lessee may permit or suffer to be made of the demised premises; and injury or death to persons occurring in or about the demised premises.

B. Lessee shall be responsible for and liable to Lessor for any damages incurred to the leased premises and any adjacent premises, including any fixtures or equipment, as a result of fire or other casualty caused by the negligence or willful acts of Lessee, Lessee's employees, agents, customers or invitees and the same shall be deemed additional rent becoming due on the next regular rental payment date.

13. DESTRUCTION OF PREMISES BY CASUALTY.

In the event the leased premises be rendered untenable by reason of fire, explosion, hurricane, or other casualty, Lessor, at its option, may either repair the premises to make the same untenable within ninety (90) days thereafter, or may, at its option, terminate this lease. In the event of such termination, Lessor shall give Lessee thirty (30) days notice in writing, whereupon this lease shall be terminated in accordance with such notice. The termination date does not have to be at the end of a rental month. If the premises be damaged but not rendered untenable, the rental due hereunder shall not cease or be abated during the period of repair of such damage but Lessor shall proceed with such repairs as expeditiously as possible under existing circumstances. Lessor shall not be liable for any injury or damage to persons or property caused by such casualty. In any event, Lessee shall not be liable for rent for any period when the premises are untenable.

14. RIGHT TO MORTGAGE.

Lessor reserves the right to subject and subordinate this Lease to the lien of any mortgage or mortgages now or hereafter placed upon the Lessor's interest in the demised premises and on the land and buildings of which they are a part. The Lessee will execute and deliver upon demand such instrument or instruments subordinating this Lease to the lien of any mortgage or mortgages as shall be desired by the Lessor or any proposed Mortgagee. Lessee shall further promptly execute and deliver such instruments, estoppel letters or certificates reasonably requested to be provided to Lessor's Mortgagees or to any party to whom Lessor has or may become obligated to provide security.

15. ASSIGNMENT AND SUBLET.

Lessee shall not have the right to assign this Lease or sublet the same, without the written consent of Lessor, which consent may be withheld by Lessor for any reason Lessor deems sufficient. If a beneficial interest or any amount of stock or other indicia of ownership in Lessee is sold or transferred without Lessor's prior written consent and Lessee is not a natural person or persons but is a corporation, partnership trust or other legal entity, it shall be deemed a violation of this paragraph.

16. LIENS.

Lessee shall not cause or permit any lien, mortgage, encumbrance, or other claim against the subject premises and property without the express written consent of Lessor. Lessee shall immediately indemnify the Lessor in the event of such lien, mortgage, encumbrance or other claim accrues against the property through any action or inaction of Lessee.

17. QUIET ENJOYMENT.

Lessor covenants and agrees that so long as Lessee shall keep and perform each and every covenant, term, provision and condition as set forth herein, Lessee shall have quiet and undisturbed and continued possession of the premises during the term of this Lease, free from any claims against Lessor and all persons claiming under, by or through Lessor.

18. EXAMINATION OF PREMISES BY LESSOR.

Lessor and its agents shall have the right to enter upon the premises at all reasonable times to examine the condition and use thereof or to show same to a prospective future Lessee, provided only that such rights shall be exercised in such manner so as not to interfere with Lessee in the normal conduct of Lessee's business.

19. END OF LEASE.

Upon termination of the tenancy, Lessee shall promptly deliver possession of the subject premises and property to Lessor in good and proper condition, as set forth herein; and Lessee shall thereupon remove all of Lessee's property.

20. ADDRESSES FOR WRITTEN NOTICE.

Any written notices as specified herein shall be made to the parties at the following addresses or at such other addresses as each party may inform the other of in writing:

Lessor: TAG Ventures Real Estate, 25 Old Kings Road N, Suite 5A, Palm Coast FL 32137

Lessee: Workforce Development Board of Flagler & Volusia Cos. Inc., 20 Airport Road, Unit D, Palm Coast FL 32164

21. CONDEMNATION/ EMINENT DOMAIN.

In the event the whole or any part of the building or the real estate of which the demised premises are a part shall be taken or condemned for any public or quasi-public use or purpose, Lessor may, at its option, terminate this Lease Agreement from the time title to or right to possession shall vest in or be taken for such public or quasi-public use or purpose and Lessor shall be entitled to any and all income, rent, awards or any interest therein whatsoever which may be paid or made in connection therewith.

22. ATTORNEY'S FEES.

In any legal proceeding, including appellate proceedings concerning this Lease Agreement, the prevailing party shall be entitled to costs together with reasonable attorney's fees.

23. SUCCESSION.

This lease Agreement shall bind the heirs, assignees, administrators, legal representatives, executors or successors as the case may be of both parties, however, this shall not expand the right of Lessee to sublet the premises beyond the provisions set forth above.

24. FLORIDA LAW.

The parties understand and agree that the relationship between them is that of Lessor and Lessee, and it is specifically understood and agreed that this Lease Agreement and the relationship between the parties shall be construed in accordance with the laws of the State of Florida.

25. WAIVER OF JURY TRIAL.

The parties hereby specifically waive their right to demand a jury trial in respect to the enforcement of this agreement.

26. ENTIRE AGREEMENT; NO RECORDATION OF AGREEMENT.

A. This Lease Agreement contains the entire agreement between the parties hereto with respect to the letting and hiring of the demised premises described above and this Lease Agreement may not be amended, modified, released or discharged in whole or in part, except by an instrument in writing signed by the parties hereto, their respective successor or assigns.

B. The parties understand and agree that neither this Commercial Lease Agreement nor any memorandum or short form thereof shall or may be recorded in any of the public records of this or any other State.

27. SEVERABILITY OF PROVISIONS, GENDER, ETC.

In the event any provision or a portion of any provision of this Commercial Lease Agreement is declared unenforceable or invalid by any court or administrative body having jurisdiction, the remaining provisions of the lease agreement shall be deemed enforceable and shall remain in full force and effect. Any reference herein to the masculine or feminine shall be interchangeable herein as well as any reference to the singular or plural.

28. RADON.

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

29. TIME OF THE ESSENCE.

Time shall be of the essence in interpreting the provisions of this Lease Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Signed in the presence of:

Lessor:

Francisco Quesney 1/18/2019 5:09 PM EST

Francisco Quesney
Lessor/Owner

Witness _____

Lessee:

Robin King

Robin King
Lessee/President

Witness Arno P. Leuzzi

Workforce Development Board of Flagler & Volusia Cos. Inc.

This lease was prepared and reviewed by the Law Office of Manuel Rentas, PA,
Manuel Rentas, Attorney at Law. 7 Florida Park Drive, Suite B, Palm Coast, FL
32137