

RESOLUTION NO. 2023-455

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE TERMS AND AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE A LEASE AGREEMENT WITH NORTHLAND SERVICES, INC. FOR OFFICE SPACE LOCATED NEAR STATE ROAD 16 AND N 5TH STREET.

RECITALS

WHEREAS, due to growth in the County and by extension, the increase in St. Johns County staffing to respond to residents' needs, there is an immediate need for additional office space; and

WHEREAS, Northland Services, Inc. has agreed to lease to St. Johns County a 4,452 square foot office building located near State Road 16 and N 5th Street, and has provided a Lease Agreement, attached hereto as Exhibit "A", incorporated by reference and made a part hereof; and

WHEREAS, the initial lease term shall be for five (5) years and provides an option to extend the Lease Agreement for two (2) additional terms, if necessary; and

WHEREAS, it is in the best interest of the County to enter into this Lease Agreement to respond to the County's need for additional office space.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida, as follows:

Section 1. The above Recitals are incorporated by reference into the body of this Resolution and such Recitals are adopted as findings of fact.

Section 2. The Board of County Commissioners hereby approves the terms of the Lease Agreement and authorizes the County Administrator, or designee, to execute said Lease Agreement.

Section 3. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept of this Resolution, then this Resolution may be revised without subsequent approval by the Board of County Commissioners.

Section 4. The Clerk of the Court of St. Johns County is instructed to record the original Lease Agreement in the Public Records of St. Johns County, Florida.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this 21st day of November, 2023.

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

Rendition Date: NOV 21 2023

BY: 
Sarah Arnold, Chair

ATTEST: Brandon J. Patty,
Clerk of the Circuit Court & Comptroller

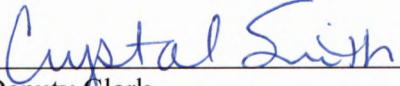

Deputy Clerk



EXHIBIT "A" TO RESOLUTION

**2808 N 5th Street Unit #501,502,503,504, St. Augustine, FL
32084**

LEASE

DATE: November____, 2023

LANDLORD: Northland Services Inc.
PO BOX 3106
SAINT AUGUSTINE, FL 32085

TENANT: St. Johns County
500 San Sebastian View
St. Augustine, FL 32084

For and in consideration of the covenants and agreements hereinafter set forth to be kept and performed by the parties, the parties agree as follows:

LEASE SUMMARY

Certain fundamental provisions of this Lease are presented in this Section in summary form to facilitate convenient reference by the parties.

- a) Tenant's Trade Name: St. Johns County
- b) Commencement Date: December 1, 2023 (See Section 2)
- c) Lease Years: Five (5) years (See Section 2)
- d) Premises: 2808 N 5th Street Unit #501,502,503,504, St. Augustine, FL 32084
- e) Premises area: Approximately 4,452 square feet
- f) Base Rent: the sum of \$89,040.00 payable in equal monthly installments of \$7,420.00 during the first Lease Year and increased annually as provided in paragraph (m) below, plus with all applicable sales, use and other taxes. Unit 501 accounts for 25% of the total Base Rent. Units 502-504 account for the remaining 75%.
- g) Additional Rents: Estimate of Annual Operating Costs for current year: \$5.90 per sq. ft. (\$2,188.62 per month) Unit 501 accounts for 25% of the total Additional Rents. Units 502-504 account for the remaining 75%.

- h) Late Charge: 10% after five (5) days from due date
- i) Use: Office Space
- j) Guarantors: N/A

(k) **RENT SUMMARY**

4452	Base Rent	Est Cam	Mth Gross	NO TAX	Yr Base	EST Gross
Lease Yr 1-5						
1	\$7,420.00	\$2,188.62	\$9,608.62	\$9,608.62	\$89,040.00	\$115,303.44
2	\$7,642.60	\$2,188.62	\$9,831.22	\$9,831.22	\$91,711.20	\$117,974.64
3	\$7,871.88	\$2,188.62	\$10,060.50	\$10,060.50	\$94,462.54	\$120,725.98
4	\$8,108.03	\$2,188.62	\$10,296.65	\$10,296.65	\$97,296.41	\$123,559.85
5	\$8,351.28	\$2,188.62	\$10,539.90	\$10,539.90	\$100,215.30	\$126,478.74
Option Term Year 6-8						
6	\$8,601.81	\$2,188.62	\$10,790.43	\$10,790.43	\$103,221.76	\$129,485.20
7	\$8,859.87	\$2,188.62	\$11,048.49	\$11,048.49	\$106,318.42	\$132,581.86
8	\$9,125.66	\$2,188.62	\$11,314.28	\$11,314.28	\$109,507.97	\$135,771.41
Option Term Year 9-10						
9	\$9,399.43	\$2,188.62	\$11,588.05	\$11,588.05	\$112,793.21	\$139,056.65
10	\$9,681.42	\$2,188.62	\$11,870.04	\$11,870.04	\$116,177.00	\$142,440.44

(l) **DUE AT SIGNING**

\$9,608.62 December 2023 Rent Paid in Advance
\$9,608.62 Total Due at Signing

TERMS & CONDITIONS

1. PREMISES.

Landlord hereby leases to Tenant and Tenant hereby rents from Landlord those certain Premises situated in Saint Augustine, FL, County of Saint Johns, State of Florida, described on **Exhibit "A"** located in the building known as 2808 N 5th Street, St. Augustine, FL 32084.

2. TERM.

2.1 Initial Term. The initial term of this Lease shall be for a period of five years, commencing on December 1, 2023 (the "Commencement Date") and ending on November 30,

2028. Tenant shall be given one automatic option to renew their lease for an additional three (3) year term with continued 3% annual increases in base rent. After the first automatic option term, Tenant shall be given one additional automatic option to renew their lease for an additional two (2) year term with continued 3% annual increases in base rent. (see rent summary above). While this Lease Agreement may be renewed as stated, it is expressly noted that the Tenant is under no obligation to extend this Lease Agreement.

2.2 Annual Appropriation. Tenant's performance and obligations under this Lease are contingent upon an annual appropriations by the Board of County Commissioners of St. Johns County. The parties hereto understand that this Lease is not a commitment of future appropriations. Authorization for continuation of this Lease and payment associated therewith may be rescinded with proper notice as notated in Section 21 of the lease at the discretion of the Tenant if appropriations are reduced or eliminated.

3. RENT.

3.1 Base Rent. Tenant shall pay to Landlord the Base Rent set out on the first page hereof without deduction or offset, prior notice or demand at the address of Landlord set out on the first page hereof. Base Rent shall be paid in advance in equal monthly installments on the first day of each and every month plus applicable sales and use taxes.

3.2 Additional Rent. The Tenant shall pay as Additional Rent Tenant's Pro Rata Share of the Annual Operating Costs as hereinafter defined:

(a) Definition. As used herein, the term "Annual Operating Costs" shall mean the total costs to the Landlord of operating and maintaining the Premises during each calendar year of the term. Such costs shall include, by way of example rather than of limitation, (1) real estate taxes and other similar taxes or assessments (whether regular or special) with respect to the Premises and all costs and fees, including reasonable attorneys' and consultants fees, incurred by Landlord in contesting or negotiating same with public authorities; (2) charges or fees for the maintenance of common areas and for grounds maintenance and trash removal; (3) management fees, overhead and expenses not to exceed five percent (5%) of gross rental income; (4) premiums for hazard, liability or similar insurance upon the Premises or portions thereof; and (5) the cost of any other items which, under generally accepted accounting principles consistently applied from year to year with respect to the Premises, constitute operating or maintenance costs attributable to any or all of the Premises. Landlord's current estimate of Annual Operating Costs is set forth on the Lease Summary.

(b) Other Additional Rent. (i) If Tenant's use or occupancy of the premises shall cause any increase in the premiums for the insurance coverage of the Premises as carried from time to time by Landlord, then Tenant shall pay to Landlord as Additional Rent the entire increase in said premium, or that portion thereof allocable to Tenant if more than one Tenant's use causes such an increase, with the next due monthly Base Rent payment following Landlord's written notice specifying the amount of such increase; (ii) Tenant shall pay, as Additional Rent, all other sums of money or charges required to be paid by Tenant under this Lease, whether or not, the same be

specifically designated "additional rent"; and (iii) all sales, use or other taxes assessed, levied or imposed from time to time on any Base Rent, Additional Rent and other sums designated as rent hereunder and payable by Tenant. If such amounts and charges are not paid at the time provided in this Lease, they shall nevertheless, be collectible as Additional Rent with the next installment of Base Rent thereafter becoming due, but nothing herein shall be deemed to suspend or delay the payment of any amount of money or charge.

(c) Exclusions from Annual Operating Costs. Notwithstanding the foregoing, Annual Operating Costs shall not include: (i) expenses paid for or reimbursed directly by Tenant, other tenants, and/or third parties, including insurers; (ii) expenses incurred by Landlord in connection with the financing, sale or acquisition of the Premises; (iii) expenses incurred in procuring other tenants and retaining current tenants; (iv) legal expenses and other professional fees incurred in defending Landlord's title to the Premises or in negotiating, enforcing, or resolving disputes with other tenants; (v) interest or penalties resulting from Landlord's late payment of any operating expense or tax expense; (vi) expenses incurred by Landlord that are associated with the operation of Landlord's business, such as partnership or corporate accounting and tax returns; (vii) Landlord's general corporate or partnership overhead and general administrative expenses, including wages, salaries and other compensation paid to employees of Landlord who are not primarily engaged in the operation, maintenance, and repair of the Premises; (viii) expenses, fines, penalties and interest, as well as the cost of repairs, replacements, alterations, or improvements incurred by Landlord due to Landlord's violation of any valid and applicable building code, regulation or law; and (ix) net income, franchise, capital stock, estate or inheritance taxes or taxes which are the personal obligation of Landlord or another tenant.

(d) Intent. It is the intent of the parties that the Rent payable to Landlord is net of all expenses associated with the operation of the Premises and all sales or use taxes imposed on the Rent, except as expressly provided herein.

(e) Payment of Estimated Additional Rent. On or before March 15 of each calendar year, Landlord shall deliver to Tenant a statement setting forth the monthly installment of Additional Rent that Landlord estimates will be needed to pay in full the Additional Rent for that calendar year. If at any time during the calendar year Landlord determines that the initial estimate should be revised so that it will more closely approximate the expected actual Additional Rent the Landlord may revise the initial estimate by delivering to Tenant a subsequent statement. Tenant shall pay to Landlord, without notice, demand, setoff or deduction of any kind, on the first day of each month during the term of this Lease the monthly installment of estimated Additional Rent as set forth in the last statement received by Tenant from time to time continuing throughout the term of this Lease.

4. SECURITY DEPOSIT.

INTENTIONALLY DELETED

5. USE OF PREMISES.

5.1 Use. Tenant shall not use the Premises for any other purpose other than as set out on the first page without the prior written consent of the Landlord, not to be unreasonably withheld, conditioned, or delayed.

5.2 Suitability. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises except as contained in this Lease or with respect to the suitability of the Premises for the conducting of Tenant's business. Except for latent defects and as set forth in Section 5.3, the taking possession of the Premises by Tenant shall conclusively establish that the Premises were at such time in satisfactory condition unless, prior to taking possession of the Premises, Tenant shall give Landlord written notice specifying in reasonable detail the reasons why the Premises were not in satisfactory condition and giving the Landlord a reasonable time to cure such defects.

5.3 Compliance. Landlord represents and warrants to Tenant that upon the date Landlord delivers possession of the Premises to Tenant, the Premises are in good, operating condition and comply with all applicable laws, rules, and regulations including without limitation the Americans with Disabilities Act. After such date, Tenant shall comply with all laws, orders, regulations, rules and requirements of every kind and nature of all governmental authorities, including the Americans with Disabilities Act, applicable to Tenant's use of the Premises, now or hereinafter in effect, whether or not, ordinary or extraordinary, and any alterations or changes made by Tenant in connection with any use or occupancy of the Premises by Tenant. Tenant shall pay all costs and expenses incidental to such compliance due to its alterations or changes.

5.4 Uses Prohibited.

(a) Tenant will not use the Premises for any use or purpose in violation of the laws, ordinances, regulations and requirements of any governmental authority. During the Lease Term, the Premises and every part thereof, shall be kept by the Tenant in a clean and orderly condition, free of any accumulation of trash, waste or debris and objectionable noises, odors, or nuisances, and shall comply with all health and public regulations.

(b) Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way increase the existing rate or affect any fire or other insurance upon the Premises or any of its contents or upon any building in the Premises.

(c) Intentionally deleted.

(d) Tenant may not store any material, equipment vehicles or any other items outside of the Premises without the written permission of Landlord, which if granted may be revoked at any time. Whereupon Tenant shall remove all said stored items within seven (7) days of Landlord's notice.

(e) Tenant will not utilize or store on the Premises any Hazardous Materials, as hereinafter defined, and will hold the Landlord harmless from any and all damages, expenses or cause of action arising by reason of Tenant's breach of this covenant, including the cost to defend, court costs and attorneys' fees at, during or before trial and appeal. As used herein, "Hazardous Materials" shall mean any hazardous, toxic or radioactive substance or material, which is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement, and shall include, but not be limited to: asbestos, petroleum products, polychlorinated biphenyls, underground storage tanks, the terms "Hazardous Substance" and "Hazardous Waste" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended 42 U.S.C. Sec. 9061 et seq., or the Superfund Amendments and Reauthorization Act of 1986 and the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Set 6901 et seq., the term "Hazardous Chemical" is defined in the Occupational Safety and Health Act, and any definition of hazardous material, substance or waste contained within any applicable environmental quality control statute of United States or the State of Florida.

5.5 Trash Removal. Tenant agrees that all trash and rubbish of Tenant shall be deposited within receptacles and that there shall be no trash receptacles permitted to remain outside of the building. Tenant further agrees, if required by the Landlord, at Landlord's sole discretion, to cause its receptacles to be emptied and trash removed at Tenant's own cost and expense if the Tenant's volume of trash exceeds the average volume of trash of the other tenants in the Premises, as so determined by the Landlord.

5.6 Utilities. The Tenant shall obtain in its own name and at its own expense and pay for use charges, deposits, and other costs for telephone service, janitorial service, water, and electricity consumption on the Premises.

6. **MAINTENANCE AND REPAIRS; ALTERATIONS AND ADDITIONS; FIXTURES.**

6.1 Maintenance and Repairs.

(a) Repairs by Landlord. Landlord shall keep in good order, condition and repair the structure, supports, foundations, exterior floors and walls (excluding the interior surface of exterior walls), including all windows, doors, plate glass, overhead doors and showcases, electrical, plumbing/ sewage, sprinklers, canopy, down spouts, gutters and roof of the Premises, except that Tenant shall make all such repairs, modifications or replacements which become necessary or desirable by reasons of Tenant's use of the premises or the gross negligence of Tenant, its customers, invitees or employees. Except for those repairs as to which the Landlord has actual knowledge or reasonably should have knowledge, Landlord shall have no obligation to make any repairs to items which are Landlord's responsibility until a reasonable time after the receipt by Landlord of written notice of the need for repairs.

(b) Repairs by Tenant. Tenant shall maintain and keep in good order, condition and repair the interior of the Premises, including all improvements and equipment installed by

Tenant in the Premises, and shall replace all broken glass with glass of the same or similar quality. Tenant shall pay the cost of all interior glass replacement. Tenant shall make all other repairs within the Premises whether of a like or different nature, except those which Landlord is specifically obligated to make under the provisions of this Lease and except that Tenant shall not make structural repairs to the Premises; provided that, notwithstanding anything to the contrary in this Lease: (x) the total liability of Tenant for all repairs in any year of the Term, in the aggregate, is capped at (shall not exceed) 20% of Base Rent for that year, and (y) any repairs in excess of 20% of Base Rent for that year instead shall be Landlord's sole responsibility.

(c) Failure to Maintain. In the event either party fails to maintain the Premises in accordance with the above obligations, including all utility services, the other party shall give the non-performing party notice to do such acts as are reasonably required to so maintain the Premises. In the event the non-performing party fails to complete such work within thirty (30) days after notice, then the other party shall have the right to do such acts and expend such funds at the expense of the non-performing party as are reasonably required to perform such work shall pay any amount so expended by the other party promptly after demand with interest at eighteen percent (18%) per annum from the date of such work. Tenant shall maintain but not repair or replace HVAC units using their in-house facilities maintenance department. Landlord responsible for all repair and replacement of HVAC units.

(d) Condition Upon Expiration of Term. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in the same condition as received, ordinary wear excepted. At Tenant's option, Tenant may leave any and all Tenant alterations in place, unless at the time of installation of the alteration, Landlord notified Tenant in writing that the alteration needs to be removed. Tenant agrees to repair any damage to the Premises caused by or in connection with the removal of any articles of personal property, business or trade fixtures.

6.2 Alterations

Tenant shall not make any alterations or additions to the Premises without first procuring Landlord's written consent, which shall not be unreasonable withheld, conditioned or delayed, and all such alterations or additions shall be made by the Landlord at the Tenant's expense unless Landlord shall in its sole discretion elect otherwise. Tenant shall have the right and permission of the Landlord to install two doors in close proximity to the kitchen. All building alterations and construction must be per code and must be permitted and inspected by the local jurisdiction.

7. ENTRY BY LANDLORD.

Landlord and the authorized representatives of Landlord may enter the Premises reasonable times with 10 day written notice from Landlord to Tenant for the purpose of determining the condition of the Premises and exhibiting the same to prospective purchasers and, during the final three (3) months of the term of this Lease, may exhibit the Premises and display thereon in such manner as not unreasonably to interfere with Tenant's business the usual "For Lease" signs and such signs shall not be disturbed or removed by Tenant. Tenant hereby grants to

Landlord such licenses or easements in and over the Premises or any portion thereof as shall be reasonably required for the installation, maintenance or repair of common utility lines, conduits, pipes or other facilities serving the Premises or any part thereof, including, but not by way of limitation, the Premises.

8. LIENS.

Tenant agrees that it will pay or cause to be paid all costs for work done by it on the Premises, and Tenant will keep the Premises free and clear of all mechanics' liens on account of work done by Tenant or persons claiming under Tenant. Tenant agrees to and shall indemnify and save Landlord free and harmless against liability, loss, damage, costs, attorney's fees, and all other expenses on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or persons claiming under Tenant.

9. INDEMNITY.

9.1 Indemnity. Tenant shall indemnify and hold harmless Landlord or its agents from and against any and all claims loss, liability, damages and expenses, including attorneys' fees, arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of Tenant, or any of its agents, contractors or employees, but only to the extent that such claims are caused by the negligence of Tenant or any officer, employee, representative or agent of Tenant. Nothing herein shall be construed as a waiver of Tenant's sovereign immunity nor as its consent to be sued by third parties. Tenant's liability is limited in an amount not to exceed the monetary limits on liability and attorney's fees and costs set forth in Section 768.28, Florida statutes (2023), as may be amended. The provisions and limitations of Section 768.28, Florida Statutes (2023), as may be amended, are deemed to apply to this contractual agreement to indemnify as though this statute applied to waiver of sovereign immunity, liability and damages for claims or actions arising in tort or contract. In case any action or proceeding be brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord, shall defend the same at the Tenant's expense by counsel reasonably satisfactory to Landlord. The provisions of this paragraph shall survive the termination of this Lease. Tenant, as a material part of the consideration to Landlord and subject to the limitations stated above, hereby assumes all risks of damage to property or injury to persons, in, upon or about the Premises from any cause except the negligence or willful misconduct of Landlord and Tenant hereby waives all claims in respect thereof against Landlord. Landlord agrees to indemnify and hold Tenant harmless against all claims, demands, costs and expenses, including reasonable attorney's fees for the defense thereof, arising from Landlord's conduct, management of the Premises, construction of improvements by Landlord including Landlord's Work, breach of any of the terms and conditions of this Lease (including as to compliance with law upon the Commencement Date), or the negligence or willful misconduct of Landlord, its agents, servants, contractors or employees on or about the Premises but exclusive of the Premises and in case any action or proceeding be brought against Tenant by reason of any such claim, Landlord, upon notice from Tenant, shall defend the same at the Landlord's expense by counsel reasonably satisfactory to Tenant. The provisions of this paragraph shall survive the termination of this Lease and, as to Landlord's indemnity, shall not relate to matters arising from Tenant's negligence or

willful misconduct.

9.2 Exemption of Landlord from Liability. Landlord or its agents shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, or any other person in or about the Premises caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinkler, glass windows and doors, wires, appliances, plumbing, air conditioning or lighting fixtures, whether the damage or injury results from conditions arising upon the Premises or upon other portions of the Premises are a part, or from other sources, except as result of Landlord's failure to fulfill its obligations (e.g., as to maintenance and repair) under this Lease.

10. INSURANCE.

Tenant Insurance Requirements:

10.1 General Liability and Property Damage. Tenant shall at all times during the term hereof and at its own cost and expense procure and continue in force Worker's Compensation Insurance with limits as required by the state in which the Premises is located, and Comprehensive General Liability insurance covering bodily injury and property damage to third parties in an amount of not less than \$2,000,000 combined single limit. The Comprehensive General Liability policy shall name Landlord as an additional insured with respect to claims arising out of the Tenant's use and occupancy of the Premises.

10.2 Fire and Extended Coverage. Tenant shall at all times during the term hereof, and at its cost and expense, maintain in effect policies of insurance covering (i) its fixtures and equipment located on the Premises, in an amount not less than full replacement value from time to time during the term of this Lease, providing protection against any peril included within the classification Fire and Extended Coverage, together with insurance against sprinkler damage, vandalism and malicious mischief and (ii) all plate glass on the Premises. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the fixtures, equipment and plate glass so insured.

10.3 Form of Policies. All insurance required to be carried by Tenant hereunder shall be with companies holding an A.M. Best's rating of B+ or better naming Landlord as an additional insured as its interest may appear. Certificates of Insurance issued by the insurance company evidencing the existence and amounts of such insurance shall be delivered to Landlord by Tenant upon written request, at least ten days prior to Tenant opening for business in the Premises or upon execution of this Lease. The insurers shall endeavor to provide ten (10) days prior notice to Landlord should the policies be subject to material change or cancellation.

Landlord Insurance Requirements:

10.4 General Liability and Property Damage. Landlord shall at all times during the term

hereof and at its own cost and expense procure and continue in force Comprehensive General Liability insurance covering bodily injury and property damage to third parties in an amount of not less than \$2,000,000 combined single limit.

10.5 Fire and Extended Coverage. Landlord shall at all times during the term hereof, and at its cost and expense, maintain in effect policies of insurance covering (i) the Premises and Premises improvements, including roof, in an amount not less than full replacement value from time to time during the term of this Lease, providing protection against any peril included within the classification Fire and Extended Coverage.

10.6 Form of Policies. All insurance required to be carried by Landlord hereunder shall be with companies holding an A.M. Best's rating of B+ or better. Certificates of Insurance issued by the insurance company evidencing the existence and amounts of such insurance shall be delivered to Tenant by Landlord upon written request. The insurers shall endeavor to provide ten (10) days prior notice to Tenant should the policies be subject to material change or cancellation.

10.7 Waiver of Subrogation. Landlord and Tenant each hereby mutually waive their respective rights of recovery against the other for any loss insured by the Fire and Extended Coverage property insurance policies existing for the benefit of the respective parties. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.

11. DAMAGE OR DESTRUCTION.

11.1 Insured or Minor Damage. If at any time during the term hereof the Premises is destroyed or damaged and such damage is not "substantial" as that term is hereinafter defined, then Landlord shall promptly repair such damage at Landlord's expense and this Lease shall continue in full force and effect.

11.2 Major Damage. If at any time during the term hereof the Premises is destroyed or damaged and if such damage is "substantial" as that term is hereinafter defined, then Landlord may at its option either (a) repair such damage as soon as reasonably possible at Landlord's expense And Tenant shall pay Landlord that portion of tenant's fire and extended insurance policy proceeds which are applicable to the interior of the Premises), in which event this Lease shall continue in full force and effect, or (b) cancel and terminate this Lease as of the date of the occurrence of such damage, by giving Tenant written notice of its election to do so within thirty (30) days after the date of occurrence of such damage. If such repairs are not or cannot be completed within ninety (90) days after such damage occurs, then either party may terminate this Lease upon at least thirty (30) days' written notice of the other. For purposes of this Section 11, "substantial" destruction or damage shall mean the destruction or damage of twenty percent (20%) or more of the Premises and improvements thereon.

11.3 Partial Destruction of the Property
Premises are the entire building.]

Omitted. [There is no "Property"—the

11.4. Abatement of Rent. If the Premises are destroyed or damaged and Landlord repairs or restores them pursuant to the provisions of this Section, Tenant may continue the operation of its business in the Premises to the extent reasonably practicable from the standpoint of prudent business management; and the Base Rent and Additional Rent payable hereunder for the period during which such damage, repair, or restoration continues shall be abated in proportion to the degree to which the Premises are rendered untenable.

12. ASSIGNMENT AND SUBLEASE.

Tenant shall not voluntarily or by operation of law assign, license, transfer, mortgage or otherwise encumber all or any part of Tenant's interest in this Lease or in the Premises, and shall not sublet or license all or any part of the Premises, without the prior written consent of Landlord in each instance, which shall not be unreasonably withheld, conditioned or delayed, and any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be wholly void. Notwithstanding the foregoing, Tenant may assign this Lease or sublease the Premises in whole or in part, upon written notice to Landlord, but without the consent of Landlord to: (a) any entity into which or with which Tenant has merged or consolidated; (b) any parent, subsidiary, successor, or wholly-owned affiliated entity of Tenant; (c) any entity which acquires all or substantially all of the assets or issued and outstanding shares of capital stock of Tenant; (d) any partnership, limited liability company or other entity, the majority interest of which shall be owned by Tenant or a parent, subsidiary, successor or wholly-owned affiliate entity of Tenant; provided that any such assignee or successor shall agree in writing to assume and perform all of the terms and conditions of this Lease on Tenant's part to be performed from and after the effective date of such assignment or subletting

No subletting or assignment, even with the consent of Landlord, shall relieve Tenant of its obligation to pay the rent and to perform all of the other obligations to be performed by Tenant hereunder. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any subletting or other transfer. Consent to one assignment, subletting or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer.

13. SUBORDINATION, QUIET ENJOYMENT, ATTORNMEN AND ESTOPPELS.

13.1 Subordination. This Lease at Landlord's option shall be subject and subordinate to the lien of any mortgages in any amounts whatsoever now or hereafter placed by Landlord on or against the land or improvements or either thereof, of which the Premises are a part, or on or against Landlord's interest or estate therein, or on or against any ground or underlying lease without the necessity of the execution and delivery of any further instruments on the part of the Tenant to effectuate such subordination.

13.2 Subordination Agreements. Tenant covenants and agrees to execute and deliver upon demand without charge therefor, such further instruments evidencing such subordination of this Lease to such ground or underlying leases and to the lien of any such mortgages or deeds of

trust as may be required by Landlord.

13.3 Quiet Enjoyment. Landlord agrees that Tenant, upon paying the rent and other monetary sums due under this Lease and performing the covenants and conditions of this Lease, may quietly have, hold, and enjoy the Premises during the term hereof or any extension thereof, subject, however, to the rights of the holders of any of the aforesaid ground leases, mortgages, or deeds of trust.

13.4 Attornment. In the event any proceedings are brought for default under a ground lease or any underlying lease or in the event of foreclosure or the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease, provided said purchaser expressly agrees in writing to be bound by the terms of the Lease.

13.5 Estoppels. Tenant agrees to execute, acknowledge and deliver in recordable form to any proposed mortgagee or purchaser, or to Landlord, or to such other person designated by Landlord, a certificate certifying (if such be the case) that this Lease is in full force and effect and that there are no defenses or offsets to Tenant's obligation hereunder, or, if Tenant claims any defenses or offsets, stating those claimed by Tenant, and such other matters as Landlord or the proposed mortgagee or purchaser may reasonably request. It is expressly understood and agreed that any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant's failure to deliver such statement within ten (10) days after Landlord's written request therefor shall be a conclusive presumption against the Tenant that this Lease is in full force and effect without modification except as may be represented by Landlord and that there are no uncured defaults in Landlord's performance hereunder. Tenant hereby appoints Landlord the attorney-in-fact of Tenant irrevocably to execute and deliver any document or documents provided for herein for and in the name of the Tenant.

14. DEFAULT, REMEDIES, RIGHT TO CURE.

14.1 Default. The occurrence of any of the following shall constitute a default and breach of this Lease by Tenant:

(a) Any failure by Tenant to pay rent or any other monetary sums required to be paid hereunder when due and such failure has not been cured within ten (10) days after written notice hereof by Landlord to Tenant provided, however, no such notice shall be required more than twice in the first year of this Lease and thereafter more than once in any twelve (12) month period;

(b) A failure by Tenant to observe and perform any other provision, term or condition of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant except failure to perform shall not constitute a default under this Lease if Tenant has taken steps to cure the failure within 30 days and is diligently

and continuously attempt to complete the cure as soon as reasonably possible;

(c) The abandonment or vacation of the Premises by Tenant or failure to operate in excess of ninety (90) days without the written consent of Landlord; and

(d) The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

14.2 Remedies. In the event of any such default or breach by Tenant that remains uncured after the applicable cure period, Landlord may:

(a) Terminate Tenant's right to possession, but maintain this Lease in full force and effect and recover the rent. In the event Landlord elects not to terminate the Lease, Landlord shall have the right to attempt to re-let the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Landlord deems reasonable and necessary including removal of all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant.

In the event any such re-letting occurs, this Lease shall terminate automatically upon the new Tenant taking possession of the Premises. Notwithstanding that Landlord fails to elect to terminate the Lease initially, Landlord at any time during the term of this Lease may elect to terminate this Lease by virtue of such previous default by Tenant.

(b) Terminate Tenant's right to possession by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including without limitation thereto, the following (i) the unpaid rent which was due and payable at the time of such termination; plus (ii) the present value of the unpaid rent which would have been earned after termination until the time of award, plus interest thereon to the date of payment at the rate of eighteen percent (18%) per annum, plus (iii) any of the amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease. In the alternative, Landlord may, without reentering and taking possession of the Premises, declare the entire remaining rent and charges equivalent to rent to be immediately due and payable, and shall be entitled to recover from Tenant the amount of rent and charges equivalent to rent reserved in this Lease for the balance of the Lease Term.

14.3 Landlord Default. Landlord's failure to perform any its obligation under this Lease shall constitute a default by Landlord under the Lease if the failure continues for thirty (30) days after written notice of the specific failure from Tenant to Landlord. If the required cure of the noticed default cannot be completed within thirty (30) days, Landlord's failure to perform shall not constitute a default under this Lease if Landlord has taken steps to cure the failure within thirty (30) days and is diligently and continuously attempting to complete the cure as soon as reasonably possible.

14.4 Cures Right. In the event Tenant fails to observe or perform any of the terms, covenants, conditions and agreements of this Lease, Landlord shall have the right to cure such default. Tenant shall reimburse Landlord, within ten (10) days of written demand therefor, any and all amounts expended by Landlord to cure any such default by Tenant including all costs incurred by Landlord (including reasonable attorney's fees) plus ten percent (10%).

15. COMMON AREAS

Intentionally deleted.

16. SIGNS

Tenant shall not erect or install any exterior or interior signs or window or door signs, advertising media or window or door lettering or placards without Landlord's prior written consent, said consent not to be unreasonably withheld, conditioned or delayed. Tenant shall be granted permission to install signs on exterior doors and/or walls similar to previous Tenant. Signs will confirm to the general aesthetic of the facility as determined by Landlord in its reasonable discretion.

17. MISCELLANEOUS

17.1 Transfer of Landlord's Interest. In the event of a sale or conveyance by Landlord of Landlord's interest in the Premises, other than a transfer for security purposes only, Landlord shall be relieved from and after the date specified in any such notice of transfer of all obligations and liabilities accruing thereafter on the part of the Landlord, provided that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest, shall be delivered to the successor of Landlord.

17.2 Captions; Attachments; Defined Terms.

(a) The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

(b) Exhibits attached hereto, and addendums and schedules initialed by the parties, are deemed by attachment hereto constitute part of this Lease and are incorporated herein.

17.3 Entire Agreement. This instrument along with any exhibits and attachments hereto, constitutes the entire agreement between Landlord and Tenant relative to the Premises and this Lease and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Landlord and Tenant. It is understood that there are no oral agreements or representations between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all provisions negotiations, arrangements, brochures, agreements or representations and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease.

17.4 Severability. If any term of provisions of this Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

17.5 Cost of Suit. If Tenant or Landlord shall bring any action for relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of rent or possession of the Premises, the losing party shall pay the successful party a reasonable sum for attorneys' fees and expenses as determined by the court having jurisdiction over the dispute.

17.6 Time. Time is of the essence of this Lease and each and every provision hereof.

17.7 Choice of Law. This Lease shall be governed by the laws of the State of Florida.

17.8 Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver or the breach of any covenant, term or condition shall not be deemed to be a waiver of any other covenant, term or condition. Acceptance by Landlord of any performance by Tenant after the time the same shall have become due shall not constitute a waiver by Landlord of the breach of default of any covenant, term or condition unless otherwise expressly agreed to by Landlord in writing.

17.9 Surrender of Premises. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing sublease or subtenancies, or may, at the option of Landlord, operate as an assignment to it of any or all such subleases or subtenancies.

17.10 Holding Over. If Tenant remains in possession of all or any part of the Premises after the expiration of the term hereof, with or without the express or implied consent of Landlord, such tenancy shall be from month to month only, and not a renewal hereof or an extension for any further term, and in such case, Base Rent shall be increased to 125% of the most recent Base Rent stated herein and such amount and other monetary sums due hereunder shall be payable in the amount and at the time specified in this Lease and such month to month tenancy shall be subject to every other term, covenant and agreement contained herein.

17.11 Force Majeure. Any prevention, delay, or stoppage due to strikes, lockouts, labor

disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restriction, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage .

17.12 Interest on Past Due Obligation. Except as expressly herein provided, any amount due to Landlord or Tenant not paid when due shall bear interest at eighteen percent (18%) per annum from the due date. Payment of such interest shall not excuse or cure any default by Landlord or Tenant under this Lease.

17.13 Notices. All notices or demands of any kind required or desired to be given by Landlord or Tenant hereunder shall be in writing and shall be deemed delivered and received on the third business day after depositing the notice or demand in the United States Mail, certified or registered, postage prepaid, or by a nationally recognized overnight delivery service (e.g. Federal Express, DHL, United Parcel Service) with charges prepaid or charged to the sender's account addressed to the Landlord or Tenant respectively at the addresses set forth on the first page of this Lease with copies to __Landlord at____ [2125 CR13 South _____, ____ Elkton, FL 32033 _____, Attention: Northland Services Inc._____.

18. RULES AND REGULATIONS.

The Tenant shall conform to the reasonable rules and regulations of the Premises as published by the Landlord from time to time provided the Rules and regulations do not materially conflict with the terms of this Lease.

19. BROKERAGE

Tenant represents and warrants to Landlord that it has not dealt with nor has it been represented by any broker, sales agent or other persons seeking a brokerage commission other than Coldwell Banker Commercial Premier Properties .

Landlord is represented by Eric Maimo and Adam Lanteigne of Coldwell Banker Commercial Premier Properties ("Broker"). The Landlord shall be responsible to pay Broker for the brokerage commission pursuant to a separate agreement between the Landlord. The Tenant hereby indemnifies the Landlord against all losses, damages, costs, expenses (including fees and expenses of attorneys), causes of action, demands or liability to or asserted by any broker, agent or finder, licensed or otherwise, claiming to have dealt with Tenant in connection with this lease.

20. RADON GAS

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.

21. TERMINATION

If Tenant determines at any time that the Property has become unsuitable for the intended use, or that there are other circumstances that negatively affect the lease of subject property, Tenant shall give six (6) month written notice to Landlord advising of such unsuitability and electing to terminate this Lease at the end of said 6-month period. Provision of such notice shall not be considered an event of default on the part of the Tenant.

{SIGNATURE PAGES TO FOLLOW}

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the date and year first above written.

WITNESSES as to Tenant:

Print Name: _____

Print Name: _____

TENANT:

ST. JOHNS COUNTY, a political
subdivision of the State of Florida

Print Name: _____
Its: County Administrator

WITNESSES as to Landlord:

Print Name: _____

Print Name: _____

LANDLORD:

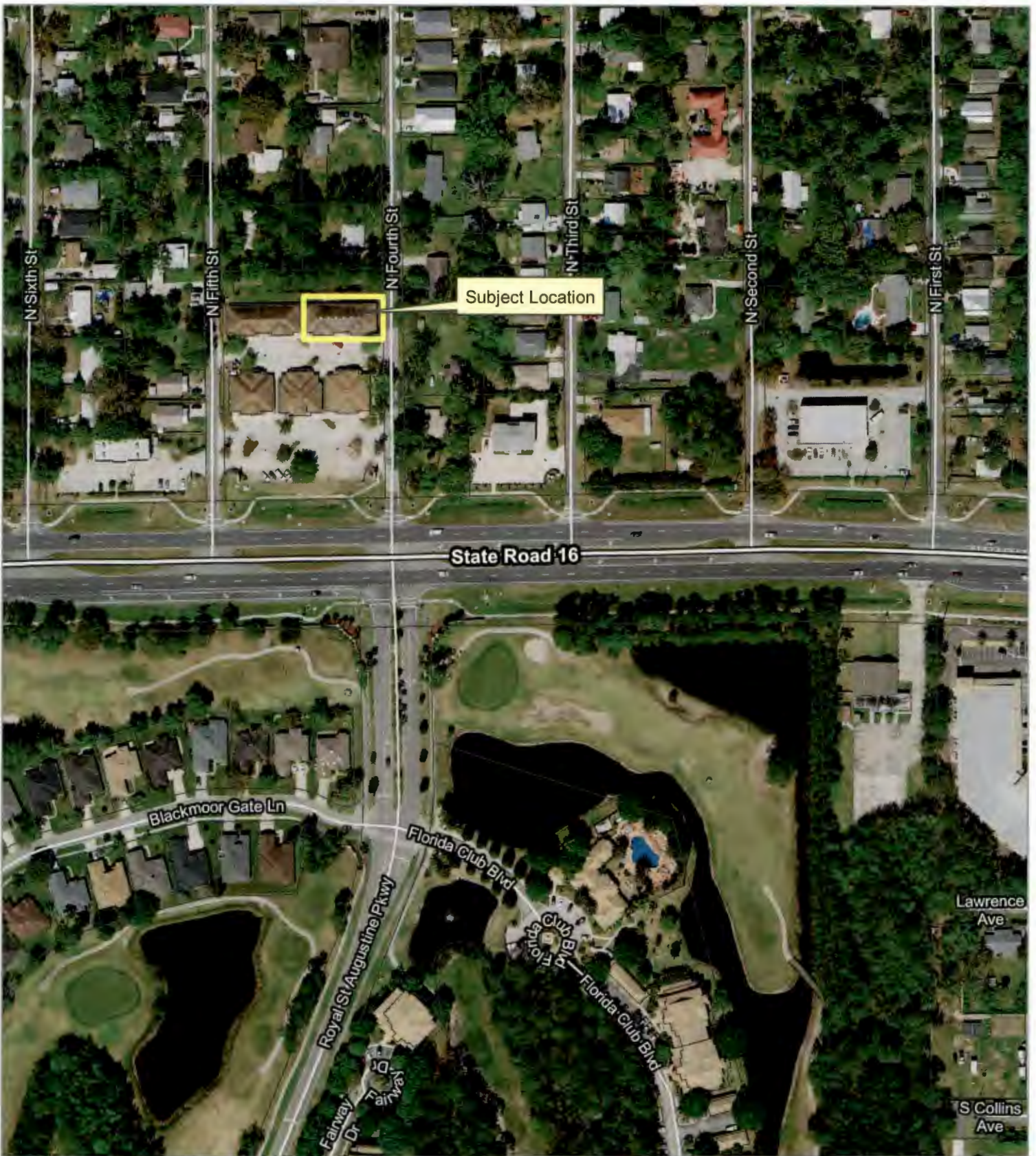
NORTHLAND SERVICES INC
a Delaware Corporation

By: _____
Dorris, Leslie D, its Managing Member

EXHIBITS

A. Legal Description or Floor Plan of the Premises





2023 Aerial Imagery

Date: 10/12/2023

Lease Agreement

State Road 16



Land Management
Systems

(904) 209-0764

Disclaimer:

This map is for reference use only. Data provided are derived from multiple sources with varying levels of accuracy. The St. Johns County Real Estate Division disclaims all responsibility for the accuracy or completeness of the data shown hereon.