

**STATE OF FLORIDA
COUNTY OF ESCAMBIA**

GROUND SUB-LEASE AGREEMENT

THIS **GROUND SUB-LEASE AGREEMENT** ("Agreement") is made and entered into the 30th day of August, 2012, by and between the COMMUNITY MARITIME PARK ASSOCIATES, INC., a Florida not for profit corporation, as agent for the City of Pensacola, ("Sub-Lessor"), and the CITY OF PENSACOLA, a Florida municipal corporation, ("City"), and MARITIME PLACE, LLC, a Florida Limited Liability Company ("Sub-Lessee"), whose address is 41 N. Jefferson Street, Pensacola Florida, 32502, collectively the "Parties."

WITNESSETH:

WHEREAS, City owns that property commonly referred to as the "Community Maritime Park" located in downtown Pensacola on the shore of Pensacola Bay, (the "Park Property"); and

WHEREAS, Pursuant to that certain Master Lease dated April 4, 2006, ("Master Lease") incorporated herein by reference, City let the Park Property to the Sub-Lessor for a term of sixty (60) years which lease commenced on May 28, 2009 and is set to expire on May 28, 2069 for the purpose of constructing a Public/Private development on the Park Property; and

WHEREAS, effective on or about December 20, 2009, City, Sub-Lessor and Sub-Lessee entered into that certain MEMORANDUM OF UNDERSTANDING, ("MOU") incorporated herein by reference, whereby the parties agreed to grant Sub-Lessee a ground sub-lease on a parcel of the Park Property, to construct private improvements on the Park Property subject to certain terms, conditions, and additional agreements; and

WHEREAS, effective on or about May 17, 2010, City and Sub-Lessor entered into that certain Omnibus Amendment to the Master Lease in connection with the use of New Market Tax Credits for the development on the Park Property and, such Omnibus Amendment, incorporated herein by reference, further delineated portions of the development as "Public Improvements," and others as "Private Improvements;" and

WHEREAS, Sub-Lessee desires to lease from Sub-Lessor, the Leased Premises for the construction and operation of certain "Private Improvements" to include at least one mixed-use/office building approximately 60,000 square feet; and

WHEREAS, Sub-Lessor is willing to lease the Leased Premises for said purpose;

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the covenants and conditions set forth below, Sub-Lessor and Sub-Lessee mutually agree, each for itself and its successors as follows:

1. LEASED PREMISES. Sub-Lessor hereby leases to Sub-Lessee, and Sub-Lessee hereby rents and takes from the Sub-Lessor, the premises consisting of approximately 67,779 square feet of unimproved parcel commonly referred to as Parcel 2 at the Park Property and as legally described and depicted in Exhibit "A" attached hereto and incorporated by this reference, including ingress, egress, to the property from public rights of way (the "Leased Premises"), subject to the terms and conditions herein.

2. USE AND DEVELOPMENT OF PREMISES. Sub-Lessee shall be entitled to use of the Leased Premises for any and all uses allowable under the law. Sub-Lessee shall, at its own cost and expense, construct at least one office and/or mixed-use building (the "Office Building") on the Leased Premises in accordance with the following provisions(the "Permitted Use"):

- (i) The Office Building shall contain approximately 60,000 usable square feet, of which not less than 20,000 usable square feet shall be Class-A Leasable Office Space.
 - (ii) The architectural design, plans and specifications of the Office Building and related improvements shall be in general conformance with the design criteria.
 - (iii) Sub-Lessee shall have the right to use for itself and/or to sublease to others any portion of the Office Building.
 - (iv) Sub-Lessee may, but cannot be required to, expend more than Twelve Million Dollars (\$12,000,000.00), for construction of the Office Building.
 - (v.) Sub-Lessee, at its sole option, shall have the right to divide the Leased Premises into two or more subparcels and further sublease said subparcels for the development and use.
 - (vi.) Sub-Lessee is encouraged, but not required, to utilize natural gas services as financially reasonable and practical.
 - (vii.) Sub-Lessee shall not conduct in the Leased Premises or permit any assignee, subtenant, or occupant of the Leased Premises to conduct in the Leased Premises any use that constitutes (i) Residential Rental Property; or (ii) a trade or business consisting of the operation of a private or commercial golf course, a country club, a massage parlor, a
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hot tub facility, a sun tan facility, a racetrack or other facility used for gambling or a store principally selling alcoholic beverages for off-premises consumption (each "Excluded Business"). "Residential Rental Property" means any building or structure if 80% or more of the gross rental income from such building or structure for a taxable year is rental income from dwelling units (as defined in Section 168(e)(2)(A)(ii) of the Code).

3. COMMENCEMENT DATE. As used herein, the term Commencement Date shall mean no later than the date which is thirty (30) days after a building permit has been issued for the Leased Premises and said Leased Premises has been delivered to Sub-Lessee in accordance with this Agreement; provided however, that rent under the Ground Sub-Lease shall not commence until (a) CMPA (or any Master Developer) has completed the paving of all roads accessing the Leased Premises from the public right-of-ways, and (b) a certificate of occupancy has been issued for the Office Building. Sub-Lessee shall commence construction of the Office Building within one hundred eighty (180) days following the Commencement Date and shall complete construction of the Office Building within eighteen (18) months following commencement of construction, with the time periods in each case being subject to reasonable extensions. If Sub-Lessee, after utilizing its best efforts, has been unable to obtain all necessary permits, consents and approvals for the construction and operation of said Mixed-Use/Office Building and related improvement, through no fault of its own, within six (6) months after the date of this Agreement, this Agreement may be rescinded at the option of Sub-Lessor or Sub-Lessee.

4. TERM. The term of this Ground Sub-Lease ("Term") shall commence on the Commencement Date and end on the natural termination of the Master Lease.

5. NO AUTOMATIC RENEWAL/FIRST REFUSAL RIGHT. There is no automatic renewal of this Agreement; however, should Sub-Lessor exercise its Right of First Refusal under Section 33 of the Master Lease, Sub-Lessor hereby grants Sub-Lessee for the entire term of this Sub-Lease, a right of first refusal ("Right of First Refusal") solely with respect to the Leased Premises under the same terms and conditions of Section 33 of the Master Lease as if Sub-Lessor were "Lessor" and Sub-Lessee were "Lessee."

6. RENT.

- (a) Amount. Effective upon the issuance of a Certificate of Occupancy for the Office Building, and as compensation for the use of the Property, Sub-Lessee agrees to pay to the City annual Base Rent in the amount of \$100,245.14 plus sales tax ("Rent Payment"). Sub-Lessee shall have the option of either (i) paying the rent in equal monthly installments over the Term, or (ii) pre-paying within thirty-six (36) months of issuance of a Certificate of Occupancy for the Office Building the entire Rent due over the Term in a lump sum payment, in which

case a net present value discount rate of 8% shall be applied to the total Rent amount otherwise due over the Term.

- (b) **Payment Terms.** If Sub-Lessee elects to make monthly payments of Rent over the Term of the Agreement, the monthly Rent Payment shall be due and payable in advance on the first (1st) day of each calendar month for the commencing month. The first Rent Payment shall be pro-rated according to the Commencement Date, and shall be due and paid by Sub-Lessee to City upon the Commencement Date. Any Rent Payment remaining outstanding beyond the fifteenth (15th) day of the following calendar month shall be subject to a late fee in the amount of five percent (5%) of the Rent Payment then due plus interest at the highest rate allowed by law, presently one and one half percent (1.5%) per month.
- (c) **Periodic Adjustment.** At the conclusion of each period of five (5) consecutive contract years under this Agreement (i.e. conclusion of contract years 5, 10, 15, 20 and 25), Rent shall be increased seven percent (7%) and the adjusted Rent rate shall be in effect for the ensuing period of five (5) consecutive contract years.
- (d) **Effective upon the issuance of a Certificate of Occupancy for the Office Building** Sub-Lessee shall pay to Sub-Lessor annual fixed common area maintenance expenses in the amount of \$10,370.18 related to the Private Improvements (including, but not limited to common area landscaping, ad valorem real property taxes, utilities, stormwater retention & drainage, maintenance, management fees, and other customary common area maintenance charges)(collectively "CAM Charges"). Sub-Lessee shall have the option of either (i) paying the CAM Charges in equal monthly installments over the Term, or (ii) pre-paying, within thirty-six (36) months of the issuance of a Certificate of Occupancy for the Office Building, the entire CAM Charges due over the Term in a lump sum payment, in which case a net present value discount rate of 8% shall be applied to the total CAM Charges otherwise due over the Term. Sub-Lessee shall not be liable for any share of the expenses incurred on the Park Property relating to any Public Improvements, Site Preparation Project, Site Improvement Project, or Public Improvements Property as defined by the Master Lease and the Omnibus Amendment.
- (e) **Periodic Adjustment.** At the conclusion of each period of five (5) consecutive contract years under this Agreement (i.e. conclusion of contract years 5, 10, 15, 20 and 25), CAM Charges shall be increased seven percent (7%) and the adjusted CAM Charges shall be in effect for the ensuing period of five (5) consecutive contract years.
- (f) All parties hereto recognize that the flat CAM charges set forth herein are not reflective of the actual CAM charges incurred by Sub-Lessor;

nor has Sub-Lessor identified specifically what items it believes are subject to CAM charges. No later than every three years, the Parties agree to meet and review the sufficiency of the CAM Charges. The parties agree to use their best efforts to amend said CAM Charges as necessary and mutually agreeable. In no event shall Sub-Lessee's share of CAM Charges be proportionally greater than any other tenant of any Private Improvement Parcel.

7. TAXES. Sub-Lessor and Sub-Lessee shall cause the Leased Premises to be separately assessed for ad valorem real property taxes ("Taxes"). Sub-Lessee shall be responsible for paying directly all Taxes, applicable permit fees, license fees, stormwater fees and assessments, building insurance, utilities, and maintenance related to the Leased Premises, the Office Building, and any other improvements in connection therewith and located on the Leased Premises.

8. ASSIGNMENT. Sub-Lessee shall have the right, at any time, to assign this Agreement and/or sublease all or any portion of the Leased Premises or Office Building, subject to any approvals required hereunder and under the Master Lease.

9. IMPROVEMENTS. This Agreement represents a ground lease only. During the Term Sub-Lessee shall own the Office Building and related improvements constructed on the Leased Premises. Upon expiration or termination of the Agreement, ownership of the Office Building and related improvements and any other improvements constructed on the Leased Premises shall revert to City in their "as is" condition.

10. CONDITION OF PREMISES. Sub-Lessor shall, at its sole cost and expense, deliver the Leased Premises to Sub-Lessee in a pre-graded condition with all utilities (including, but not limited to, electrical, water, telephone, cable and sewer) stubbed to the edge of the parcel with all utility easements encumbering and/or affecting the Leased Premises to be delineated by legal description and survey. Furthermore, prior to the Commencement Date of this Agreement the City shall provide the following items to Sub-Lessee:

- (a) "As built" drawings of all existing improvements which relate to the Leased Property, including all utilities, surface improvements, sub-surface improvements, drainage improvements, and other matters; and,
- (b) A survey depicting all roads, easements, rights-of-way, sidewalks, elevations, wetlands, retention areas, and evidencing dedication of all such elements to the City; and,
- (c) Evidence, in a form acceptable to Sub-Lessee and its Lender(s), from the Department of Environmental Protection and the Florida Department of Health that the Leased Premises is in full compliance with all health and environmental laws, codes, and regulations, and that the Park Property is in compliance with any Remedial Action

Plan ("RAP"), and no further environmental analyses or work is required; and,

- (d) Evidence that any and all deed covenants/restrictive covenants relative to the Park Property have been duly and properly recorded in the Public Records of Escambia County, Florida; and,
- (e) Evidence that all existing utility and irrigation lines on the Leased Property have been located and segregated from all other elements of the Park Property unless said utility lines specifically service the Leased Premises; and,
- (f) A survey or other evidence showing the elevations of the Leased Premises and the Park Property for the purpose of establishing a basis for flood certification; and,
- (g) A mutually agreed license, permit, or temporary construction easement over and across those portions of the Park Property requested by Sub-Lessor for transporting materials, storing materials, parking, staging construction, supervising construction, and constructing any improvements on the Leased Premises.
- (h) Evidence that the existing infrastructure for necessary utilities (including electricity, natural gas, drainage/stormwater management, sewer, etc.) is sufficient to support the improvements contemplated herein.

11. MAINTENANCE. The following maintenance obligations shall apply:

- (a) City's Obligations. City agrees to maintain the grounds and common use infrastructure surrounding and adjacent to all Private Improvements on the Park Property, including the Leased Premises and all common areas shared by the Private Improvement Parcels.
 - (b) Sub-Lessor's Obligations. Sub-Lessor shall be solely responsible for maintaining the grounds and common use infrastructure associated with the Public Improvements on the Park Property. Sub-Lessor shall at all times maintain the Public Improvements in a safe, neat and orderly manner; free from trash, debris or other unsafe, unsightly or unsanitary matter.
 - (c) Sub-Lessee's Obligations. All improvements constructed by the Sub-Lessee, shall be the responsibility of the Sub-Lessee and shall be maintained at Sub-Lessee's sole cost and expense. Sub-Lessee shall at all times maintain the Leased Premises in a safe, neat and orderly manner; free from trash, debris or other unsafe, unsightly or unsanitary matter.
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12. PAYMENT OF UTILITIES. Sub-Lessee shall arrange for direct billing with all appropriate utility providers.

13. DAMAGE AND DESTRUCTION. In the event that the Private Improvements on the Leased Premises shall be damaged by fire or other casualty, and such damage renders the Private Improvements totally destroyed and untenable in whole or in part, Sub-Lessee shall give immediate notice thereof to Sub-Lessor and the same shall be repaired, restored and/or rebuilt by Sub-Lessee at its sole cost and expense, but then only to the extent of any applicable insurance proceeds plus the deductible amount thereto, to the condition at least equal to that which existed prior to its damage or destruction and in compliance with all laws and regulations applicable at the time of repair and/or restoration of the Office Building, and in accordance with a schedule as reasonably approved by the Sub-Lessor. For the purposes of this paragraph the term "totally destroyed" shall mean that the total aggregate cost to repair or replace the damage to the Private Improvements exceeds fifty percent (50%) of the "actual cash value" of the Private Improvements at the time of the casualty event. Notwithstanding the foregoing, if any such damage or destruction occurs to the Private Improvements during the last ten (10) years of the Term, or any renewal or extension thereof, Sub-Lessee, at its election, may elect to repair the same or, terminate this Agreement and demolish the same and tender possession of the Leased Premises to the City/or CMPA by removal and grading the area previously occupied by such improvements, and leave the same in a neat and clean condition. In the event of any damage or destruction to the Private Improvements or any other improvements on the Leased Premises including, but not limited to, improvements on any sub-parcel, the Rent Payment shall be abated (or refunded as appropriate) for all such periods of time during which the Private Improvements are untenable. Absent termination of this Agreement there shall be no abatement of CAM Charges during any period of repair or reconstruction.

14. ENVIRONMENTAL CLEAN-UP. Sub-Lessor acknowledges that the prior use of the Leased Premises included the use and storage of environmental contaminants and hazardous Substances. No party to this Agreement can be compelled to conduct any additional clean up or remediation of the Leased Premises. On or before the Commencement Date, and after an investigation of the status of the Leased Premises, Sub-Lessee may request that City or Sub-Lessor, at its expense, clean up, remediate and remove all Hazardous Substances, from, on and under the Premises and the soil and groundwater thereof, and perform all necessary remediation and restorative work, as required to be performed by any federal, state or local governmental agency or political subdivision, so that the Leased Premises, the soil thereunder and groundwater are in full compliance with all Environmental Laws, and so that Sub-Lessee can immediately commence construction of its intended improvements. If City or Sub-Lessor agrees to undertake such work, any such work by the Sub-Lessor shall be done by one or more contractors selected by the Sub-Lessor and approved, in advance, by Sub-Lessee and under the supervision of a consulting engineer selected by the Sub-Lessor and approved by the Sub-Lessee. All costs and expenses of such remedial work shall be paid by the Sub-Lessor including, without limitation, the charges of

such contractors and consulting engineers. Nothing herein shall require Sub-Lessor to undertake any clean up or remediation of the Leased Premises. In the event the Leased Premises does not meet the environmental requirements of Sub-Lessee and/or City/Sub-Lessor is/are unwilling to engage in additional clean up or remediation, either party may rescind, cancel, this Agreement on, or before, the commencement of vertical construction.

15. STORMWATER MANAGEMENT. Sub-Lessor shall have the right to utilize the storm water retention facilities serving the Leased Premises (the "Retention Facilities"). Sub-Lessor shall be responsible for the operation, maintenance and repair of the Retention Facilities. This includes the existing wet retention pond located to the north of the Leased Premises and South of Main Street, and any other retention facilities, now existing or constructed in the future, necessary to handle all drainage and stormwater retention requirements imposed on the Leased Premises by virtue of any law, statute, code, regulation, or other government mandate.

16. CONTINGENCIES:

This Agreement is contingent upon the following:

a. Permits, Consents and Approvals.

This Agreement is contingent on the ability of the Sub-Lessee to obtain all necessary permits, consents and approvals for the construction and operation of approximately 60,000 square foot Mixed-Use/Office Building on the Leased Premises, together with its related amenities and improvements, and for Sub-Lessee's initial site improvements and infrastructure. City and Sub-Lessor agree that they will fully cooperate with Sub-Lessee in obtaining all such necessary permits, consents and approvals. If Sub-Lessee, after utilizing its best efforts, has been unable to obtain all necessary permits, consents and approvals for the construction and operation of said Mixed-Use/Office Building and related improvement, through no fault of its own, within six (6) months after the date of this Agreement, this Agreement may be rescinded at the option of Sub-Lessor or Sub-Lessee.

b. Environmental Assessment.

The parties recognize that there are Hazardous Substances and Environmental Contamination on the Leased Premises. At any time prior to the commencement of construction and acquisition of a Construction Loan, Sub-Lessee, alone or in connection with its Lender, has the option to complete an Environmental Site Assessment and to review all aspects of the condition of the Leased Premises including, but not limited to, a review of the processes and procedures used for any prior remediation or ongoing Remedial Action Plan ("RAP"), and to review any Environmental Site Assessment provided by the Sub-Lessor to the Sub-Lessee as

set forth above, to determine whether any Hazardous Substances are located in, on, or under the Leased Premises in excess of allowable levels established by all applicable federal, state and local laws and regulations. If such Environmental Site Assessment is unsatisfactory to Sub-Lessee or its Lender, in their sole and absolute discretion, Sub-Lessee may rescind this Agreement.

c. Title Commitment and Resulting Policy.

This Agreement is contingent upon the ability of Sub-Lessee to obtain, at Sub-Lessee's sole cost and expense, a leasehold title insurance commitment and resulting first priority leasehold title insurance policy from a reputable national title insurance underwriter in an amount no less than Twelve Million Dollars (\$12,000,000.00). Sub-Lessee shall have the right to review and approve the title commitment and all exceptions to title therein. Sub-Lessee shall obtain such title commitment on or before sixty (60) days after the date of this Agreement. Within fifteen (15) days after Sub-Lessee's receipt of said title commitment, if any liens are disclosed or if Sub-Lessee objects to any other exceptions noted therein, it shall advise the Sub-Lessor in writing thereof. The Sub-Lessor shall have thirty (30) days after the receipt of Sub-Lessee's title exception notice, to notify Sub-Lessee in writing whether the Sub-Lessor is willing, in its reasonable judgment, or is able to resolve said liens and cure the objections. If the Sub-Lessor fails to timely provide its response to Sub-Lessee's objection notice, then the Sub-Lessor will be deemed to have agreed to cure any such title objections. Sub-Lessee shall have the right to update the title commitment before any construction loan closing and object to any new or additional title exceptions shown by said update. The Sub-Lessor agrees to execute and deliver an owner's affidavit and other documents required by the title company for issuing the title policy. If the liens and title objections are not removed or resolved to Sub-Lessee's and its Lender's satisfaction, on or before the date that Sub-Lessee intends to close on a construction loan, then Sub-Lessee shall have the right to terminate this Agreement or accept title in its then current condition.

d. Financing.

This Agreement is contingent upon Sub-Lessee's ability to obtain a loan from a lender in an amount and on terms and conditions acceptable to Sub-Lessee (in its sole discretion) to be secured by a first lien mortgage or security deed on the sub-leasehold estate. In the event the loan has not closed on or before six (6) months after the execution of this Agreement, the Agreement may be rescinded at the option of Sub-Lessee. It is the condition precedent to Sub-Lessee's obligation to close on the loan that all other contingencies hereunder have been satisfied or waived; the Sub-Lessor and its Lender are satisfied, in their sole discretion, with the environmental status of the Leased Premises, title to the Leased Premises, and the Sub-Lessor has turned the Leased Premises over to Sub-Lessee. Sub-Lessor and the City agree not to unreasonably withhold its consent to the timely execution of any loan documents that may be required any construction and/or permanent lender of Sub-Lessee or any sub-sublessee. Further, Sub-Lessor and City agree to execute, for the benefit of any such lender and sub-sublessee,

any estoppel certificates and/or non-disturbance and attornment agreements reasonably requested by the same.

17. CONDEMNATION. If all or substantially all (more than 50% of the gross area of the Leased Premises) of the Leased Premises shall be taken by eminent domain, condemnation or in any other manner for public or quasi-public use or purpose (a "taking") (other than for temporary use or occupancy), the term of this Agreement shall, at the option Sub-Lessee, terminate as of the date of vesting of title and no further rent shall be due hereunder, or a pro-rata refund of rent paid shall be made. If less than all of the Leased Premises (less than 50% of the gross area of the Leased Premises) is taken by eminent domain, the parties shall enter into good faith negotiations to modify, alter, or amend this Agreement such that the premises remains tenantable. Both Sub-Lessor and Sub-Lessee shall have the right to participate in any condemnation proceedings. Each shall notify the other promptly of any contemplated or threatened condemnation proceeding of which it shall become aware and shall keep the other informed of developments with respect thereto.

18. FORCE MAJEURE. Each party's obligations under this Agreement shall be abated or excused when performance of such obligations are rendered impossible or impracticable for a period of more than 30 days by reason of strikes, riots, acts of God, shortages of labor or materials, theft, fire, public enemy, injunction, insurrection, court order, requisition of other governmental body or authority, war, governmental laws, regulations or restrictions, or any other causes of any kind whatsoever which are beyond the control of the parties hereto (each a "force majeure event"), until such force majeure event is eliminated or ceases to exist; provided however, that each responsible party shall use all due diligence to eliminate or mitigate such force majeure event or the effects thereof as soon as possible.

19. PARKING. Sub-Lessee shall have the exclusive right to use, at no additional charge, not less than the Minimum Number of Parking Spaces for the Office Building in any parking garage or lot constructed on the Park Property for the exclusive use by Sub-Lessee and its sublessees and their respective employees, agents, clients, and other invitees (the "Reserved Parking Spaces"). As used herein, the term Minimum Required Number of Parking Spaces for the Office Building shall mean the minimum number of parking spaces required by all applicable codes, ordinances, and regulations based on the number of square feet in, and the proposed use of, the Office Building. The Reserved Parking Spaces shall be those spaces constructed by the Sub-Lessor that are closest to the Leased Premises and shall number no less than two hundred (200) for an office building of up to 60,000 square feet (the "Designated Spaces"). Sub-Lessee shall have the right, at its sole cost and expense, to place signs on the Reserved Parking Spaces indicating that they are reserved for Sub-Lessee and its sub-lessees and their respective employees, agents, clients, and other invitees. Sub-Lessor shall have the right, in its reasonable discretion, to approve the size and design of the signs. In addition to the Reserved Parking Spaces, Sub-Lessee and its sub-lessees and their respective employees, agents, clients, and other invitees shall have the non-exclusive right to

use, at no additional charge, all other parking areas within the Park Property that are designated for the common use by other sub-lessees of the Private Improvements and the public with respect to the Public Improvements.

Sub-Lessee has the right, but not the obligation, to construct parking spaces on the Leased Premises; however, the construction of any such parking spaces shall not reduce or eliminate the CMPA's responsibility to provide the Designated Spaces contemplated above. In the event Sub-Lessee constructs parking spaces, Sub-Lessee agrees to permit Sub-Lessor to utilize any such spaces not specifically reserved for tenant use, for event parking on all weekdays during which events are scheduled at the Park Property and between the hours of 5:00pm and 11:59pm (local time), and all day on Saturdays and Sundays.

On all weekdays days during which events are scheduled at the Park Property and between the hours of 5:00pm and 11:59pm (local time), and all day on Saturdays and Sundays, the Sub-Lessor may utilize the Designated Spaces for special event parking and retain any and all revenue generated from this activity. Notwithstanding the foregoing, Sub-Lessor shall neither charge Sub-Lessee's tenants or their customers, nor deny access to the Designated Spaces to Sub-Lessee's tenants or their customers.

20. COMPLIANCE WITH GOVERNMENTAL REGULATIONS. Sub-Lessee, in the use and enjoyment of the Leased Premises, shall comply with all governmental regulations, statutes, ordinances, rules, ordinances and directives of any federal, state, county or municipal governmental units or agencies having jurisdiction over the Leased Premises or the business being conducted thereon and all rules and regulations now in effect or hereafter imposed by Sub-Lessor; provided, however, any such rules and regulations imposed by Sub-Lessor on its own discretion shall be imposed uniformly against all similar businesses or industries located or providing services at the Park Property and shall not conflict with the provisions of this Agreement or unreasonably interfere with or impact Sub-Lessee's business operations at the Leased Premises. Sub-Lessor shall provide its support to Sub-Lessee before any governmental or municipal agency to support ordinances and regulations that further Sub-Lessee's intended use for the Leased Premises.

21. ENVIRONMENTAL MATTERS.

(a) Compliance. Sub-Lessee shall comply with all federal, state, municipal and county laws, statutes, ordinances, codes, administrative orders, rules and regulations and permits relating to environmental matters, storm water, and other pollution control applicable to the construction, occupancy and operation of the Leased Premises, including specifically any existing Restoration Action Plan(s) ("RAP"). Sub-Lessee shall furnish to the Sub-Lessor or his designee at the time same are filed, received, submitted or tendered, a copy of every permit application, permit, notice, order or other document sent to or received from any regulatory agency responsible for environmental matters, storm water, or other pollution control. Sub-Lessee is prohibited from allowing, causing, condoning, licensing,

permitting or sanctioning any activities, conduct or operations that enable or result in any pollutants, contaminants, hazardous materials or substances or other waste to be accumulated, deposited, placed, released, spilled, stored or used upon or under any portion of the Leased Premises or adjacent waters contrary to or in violation of any of said laws, statutes, ordinances, codes, administrative orders, rules, regulations or permits. In the event Sub-Lessee violates this prohibition, Sub-Lessee shall be solely responsible for any and all reporting, cleanup, remediation, fines and penalties in accordance with said laws, statutes, ordinances, codes, administrative orders, rules, regulations or permits.

Sub-Lessee agrees to indemnify, defend and hold harmless Sub-Lessor and City against any and all actions, claims, demands, judgments, penalties, liabilities, costs, damages and expenses, remediation costs and response costs, including court costs and attorney's fees incurred by Sub-Lessor and City, arising out of or in connection with contamination (as hereinafter defined) resulting from Sub-Lessee's occupation of, and operations on the Leased Premises.

The terms of this Paragraph (a) shall survive the termination of this Agreement.

(b) Representations by Sub-Lessor. Sub-Lessor represents and warrants to its actual knowledge without independent investigation that:

- (i) it has not received any notice of violation of any environmental laws with respect to the Leased Premises;
- (ii) it has not been a party to any actions, suits, proceedings or damage settlements relating in any way to contamination in, upon, over or from the Leased Premises; and
- (iii) the Leased Premises is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites, CERCLIS or any other list of hazardous sites maintained by any federal, state or local government agency.

To the extent permitted by law, Sub-Lessor shall indemnify, defend and hold Sub-Lessee harmless against any and all actions, claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorney's fees incurred by Sub-Lessee, directly or indirectly, resulting from the incorrectness or untruthfulness of any warranty or representation set forth in this Paragraph, or from the existence of any contamination deposited in, upon, under, over or from the Leased Premises prior to the Delivery Date or as a result of any act or omission of Sub-Lessor, its agents, contractors licensees or employees.

The representations, warranties and indemnities of Sub-Lessor contained in this Paragraph shall survive the termination of this Agreement.

22. SEVERABILITY. If any clause or provision of this Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of

this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby.

23. SURRENDER AND HOLDING OVER. The following provisions shall apply:

(1) With City & Sub-Lessor's Consent.

If Sub-Lessee shall, with the written consent of the City and Sub-Lessor, hold over after the expiration or sooner termination of the Term of this Agreement, the resulting tenancy privilege shall, unless otherwise mutually agreed, be on a month-to-month basis until such time as Sub-Lessee shall surrender the Leased Premises (with sixty (60) days prior written notice to City and Sub-Lessor) or City and/or Sub-Lessor shall reenter the Leased Premises (with sixty (60) days prior written notice to Lessee.) During such month-to-month tenancy, Sub-Lessee shall pay rentals to City as may be established in accordance with the provisions of this Agreement, and shall be bound by all of the additional provisions of this Agreement insofar as they may be pertinent.

(2) Without City's and Sub-Lessor's Consent.

If Sub-Lessee shall, without the consent of the City and Sub-Lessor, hold over after the expiration or sooner termination of the Term of this Agreement, the resulting tenancy privilege shall, unless otherwise mutually agreed, be on a month-to-month basis until such time as Sub-Lessee shall surrender the Premises (with sixty (60) days prior written notice to City and Sub-Lessor) or City and Sub-Lessor shall reenter the Premises (with sixty (60) days prior written notice to Sub-Lessee.) During such month-to-month tenancy, Sub-Lessee shall pay Rent to City equal to one hundred fifty percent (150%) of the Rent in effect at the time of expiration or termination, and shall be bound by all of the additional provisions of this Agreement insofar as they may be pertinent.

24. CORPORATE TENANCY. If Sub-Lessee is a corporation, the undersigned representative of Sub-Lessee hereby warrants and certifies that Sub-Lessee is a corporate entity in good standing and is authorized to do business in the State of Florida. The undersigned representative of Sub-Lessee hereby further warrants and certifies that he or she, as such representative, is authorized and empowered to bind the entity to the terms of this Agreement by his or her signature thereto. Sub-Lessor, before it accepts and delivers this Agreement, may require Sub-Lessee to supply it with a certified copy of the corporate resolution or such other document authorizing the execution of this Agreement by Sub-Lessee.

25. INTEGRATION, MERGER & AMENDMENT. This Agreement contains the entire agreement of the parties with respect to the subject matter of this Agreement, and fully substitutes, replaces, and supersedes that certain Memorandum of Understanding and all other prior negotiations, agreements and understandings with respect thereto. This Agreement contains the entire agreement between the Parties (including any promoters, agents, representatives, or affiliated individuals and entities) hereto and may not be altered, changed or amended,

except by written instrument signed by both Parties hereto, and executed in the same formality as this Agreement.

26. NO WAIVER. No provision of this Agreement shall be deemed to have been waived by Sub-Lessor or City. The terms, provisions, covenants, and conditions contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the Parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise expressly provided herein.

27. INSURANCE. Sub-Lessee shall procure and maintain at all times during the term of this Agreement, insurance of the types and to the limits specified herein issued by insurer(s) qualified to do business in Florida whose business reputation, financial stability and claims payment reputation is reasonably satisfactory to Sub-Lessor.

Sub-Lessee acknowledges and agrees that the minimum limits of insurance herein required may become inadequate following the initial term of this Agreement, and, therefore agree that the minimum limits may be increased to commercially reasonable limits upon the commencement of any renewal term. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

COMMERCIAL GENERAL LIABILITY COVERAGE

Sub-Lessee shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability forms filed by the Insurance Services Office. The Sub-Lessor shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits of \$1,000,000 per occurrence, and per accident, combined single limit for liability must be provided, with umbrella insurance coverage making up any difference between the policy limits of underlying policy coverage and the total amount of coverage required. Coverage must be provided for bodily injury and property damage liability for premises and operations. Fire Legal Liability shall be endorsed onto this policy in an amount of at least \$300,000 per occurrence. The coverage shall be written on occurrence-type basis and the Sub-Lessor and the City must be listed as an additional insured.

Umbrella Liability Insurance coverage shall not be more restrictive than the underlying insurance policy coverages. The coverage shall be written on an occurrence-type basis.

BUILDERS RISK INSURANCE

Sub-Lessee shall require any contractor constructing improvements on the Leased Premises to provide Builders' Risk Insurance on an Inland Marine "All-Risk" type form which includes collapse coverage. The Amount of Insurance is to be 100% of

the completed value of the work described in this Agreement. The policy shall contain a "Waiver of Subrogation" clause in favor of the City and the Sub-Lessor.

PROPERTY INSURANCE

Sub-Lessee shall maintain in force at all times, property insurance coverage which insures any improvements on the Leased Premises against fire, extended coverage and Standard Insurance Office (ISO) defined "Special Perils" (including flood) of physical damage. The amount of coverage will be 100% of the replacement cost. Sub-Lessee further agrees that, subject to the provisions of this Agreement, if during the term of this Agreement, the Sub-Lessee's leasehold improvements should be partially damaged or partially destroyed by fire or other perils, such damage shall be repaired and equipment replaced at the sole expense of Sub-Lessee and Sub-Lessee's business operations shall be restored to normal as promptly as possible. In no event shall Sub-Lessee's repair costs exceed the net recovery of all applicable insurance proceeds. The policy shall contain a "Waiver of Subrogation" clause in favor of the City and the Sub-Lessor.

CERTIFICATES OF INSURANCE

Sub-Lessee's required insurance shall be documented in Certificates of Insurance that list this Agreement and provide that Sub-Lessor shall be notified at least thirty (30) days in advance of cancellation, nonrenewal or adverse change or restriction in coverage. If required by Sub-Lessor, Sub-Lessee shall furnish copies of Sub-Lessee's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to, such policies. Certificates shall be on the "Certificate of Insurance" form reasonably acceptable to the Sub-Lessor. Sub-Lessee shall replace any canceled, adversely changed, restricted or non-renewed policies with new policies reasonably acceptable to Sub-Lessor and shall file with Sub-Lessor Certificates of Insurance under the new policies prior to the effective date of such cancellation, adverse change or restriction. If any policy is not timely replaced, in a manner reasonably acceptable to Sub-Lessor, Sub-Lessee shall, upon instructions of Sub-Lessor, cease all operations under the Agreement until directed by Sub-Lessor, in writing, to resume operations.

REQUIRED INSURANCE PRIMARY

Each party's required coverage shall be considered primary, and all other insurance shall be considered as excess, over and above the responsible party's required coverage.

LOSS CONTROL AND SAFETY

Sub-Lessee shall retain control over its employees, agents, servants and subcontractors, as well as control over its invitees, and its activities on and about the Leased Premises and the manner in which such activities shall be undertaken and to that end, Sub-Lessee shall not be deemed to be an agent of Sub-Lessor.

Reasonable precaution shall be exercised at all times by Sub-Lessee for the protection of all persons, including employees, and property.

MUTUAL INDEMNITY

Sub-Lessee shall indemnify and hold harmless Sub-Lessor from any and all fines, claims, suits, actions, demands, losses, damages, liabilities, costs and expenses (including, without limitation, attorney's fees) in connection with any loss of life, bodily or personal injury, or damage to or loss of property arising from or out of any occurrence in, upon, at or about the Leased Premises or any part thereof occasioned or caused in whole or in part, either directly or indirectly, by the act or omission, negligence, misconduct or breach of this Agreement by Sub-Lessee, its employees, agents, customers, clients, invitees or by any other person entering the Leased Premises under express or implied invitation of Sub-Lessee, or arising out of Sub-Lessee's use of the Leased Premises. Sub-Lessor shall not be liable or responsible for any loss or damage to any property or the death or injury to any person occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition of other governmental body or authority, by other Private or Public Improvement tenants or by any other matter beyond the control of Sub-Lessor, or for any injury or damage or inconvenience which may arise through repair or alteration of any part of the Leased Premises, or failure to make repairs or from any cause whatsoever except Sub-Lessor's gross negligence or willful misconduct.

Sub-Lessor shall indemnify and hold harmless Sub-Lessee from any and all fines, claims, suits, actions, demands, losses, damages, liabilities, costs and expenses (including, without limitation, attorney's fees) in connection with any loss of life, bodily or personal injury, or damage to or loss of property arising from or out of any occurrence in, upon, at or about the Public Improvements or other Private Improvements or any part thereof occasioned or caused in whole or in part, either directly or indirectly, by the act or omission, negligence, misconduct or breach of this Agreement by Sub-Lessor, its employees, agents, customers, clients, invitees or by any other person entering the Leased Premises under express or implied invitation of Sub-Lessor, or arising out of Sub-Lessor's control of the surrounding Public Improvements and Private Improvements. Sub-Lessee shall not be liable or responsible for any loss or damage to any property or the death or injury to any person occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition of other governmental body or authority, by other Private or Public Improvement tenants or by any other matter beyond the control of Sub-Lessee, or for any injury or damage or inconvenience which may arise through repair or alteration of any part of the Leased Premises, or failure to make repairs or from any cause whatsoever except Sub-Lessee's gross negligence or willful misconduct.

28. MPDP INDEMNITY. Sub-Lessor agrees to indemnify and hold Sub-Lessee harmless from any cost, expense, or damage associated with that certain lawsuit pending in the United States District Court for the Northern District of

Florida, styled: Community Maritime Park Associates, Inc., v. Maritime Park Development Partners, LLC, Case Number 3:11cv60/MCR/CJK.

29. DEFAULT. Sub-Lessor, at its election, may exercise any one or more of the options referred to below upon the happening, or at any time after the happening, of any one or more of the following events (each, an "Event of Default"), to wit:

- (a) Sub-Lessee's failure to pay the Rent or any other sums payable hereunder for a period of thirty (30) days after written notice by Sub-Lessor;
- (b) Sub-Lessee's failure to observe, keep or perform any of the other terms, covenants, agreements or conditions of this Agreement for a period of sixty (60) days after written notice by Sub-Lessor;
- (c) The bankruptcy of Sub-Lessee;
- (d) Sub-Lessee making an assignment for the benefit of creditors;
- (e) A receiver or trustee being appointed for Sub-Lessee or a substantial portion of Sub-Lessee's assets;
- (f) Sub-Lessee's interest under this Agreement being sold under execution or other legal process;
- (g) Sub-Lessee fails to keep the Office Building constructed on the Leased Premises and all furnishings located therein in good and safe condition and repair consistent with the manner in which comparable high-quality properties of similar use and age in the Pensacola marketplace are kept (reasonable wear and tear excepted). Should the Sub-Lessor fail to maintain the Public Improvements in manner consistent with comparable public facilities Sub-Lessee's standard of maintenance for the Private Improvements shall be relieved in the same degree as the decrease in the standards maintained by the Sub-Lessor.
- (h) Sub-Lessee fails to diligently occupy, maintain, and operate the Office Building or comply with any laws, ordinances, codes, or regulations applicable thereto.

In the event of any of the foregoing happenings, Sub-Lessor, at Sub-Lessor's sole discretion, may exercise any one or more of the following options, the exercise of any of which shall not be deemed to preclude the exercise of any others herein listed or otherwise provided by statute or general law at the same time or in subsequent times or actions:

- (a) Sub-Lessor may perfect a lien on the Leased Premises to secure the Rent Payment or the actual costs incurred in curing any non-monetary

default. The lien is effective from and shall relate back to recording of the original Memorandum of Lease. However, as to first leasehold mortgages of record, the lien is effective from and after recording of a claim of lien in the public records of Escambia County.

- (b) Upon non-payment of Rent and Sub-Lessee's failure to cure, Sub-Lessor may record a claim of lien that states the description of the Leased Premises, the name of Sub-Lessee, the name and address of Sub-Lessor, the amount due, and the due dates. It must be executed and acknowledged by an officer or authorized agent of Sub-Lessor. The lien is not effective 1 year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced. The 1-year period is automatically extended for any length of time during which Sub-Lessor is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by Sub-Lessee or any other person claiming an interest in the Leased Premises. The claim of lien secures all unpaid Rent that is due and that may accrue after the claim of lien is recorded and through the entry of a final judgment, as well as interest and all reasonable costs and attorney's fees incurred by Sub-Lessor incident to the collection process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien.
- (c) By recording a notice in substantially the following form, Sub-Lessee or Sub-Lessee's agent or attorney may require Sub-Lessor to enforce a recorded claim of lien against the Leased Premises:

NOTICE OF CONTEST OF LIEN

TO: (Name and address of Sub-Lessor): You are notified that the undersigned contests the claim of lien filed by you on , (year) , and recorded in Official Records Book at Page , of the public records of Escambia County, Florida, and that the time within which you may file suit to enforce your lien is limited to 90 days from the date of service of this notice. Executed this day of , (year) .

Signed: (Sub-Lessee or Attorney)

After notice of contest of lien has been recorded, Sub-Lessee shall mail a copy of the recorded notice to Sub-Lessor by certified mail, return receipt requested, at the address shown in the claim of lien or most recent amendment to it and shall certify to the service on the face of the notice. Service is complete upon mailing. After service, Sub-Lessee has 90 days in which to file an action to enforce the lien; and, if the action is not filed within the 90-day period, the lien is void. However, the 90-day period shall be extended for any length of time during which Sub-Lessee is prevented from filing its action because of an automatic stay resulting from the filing of a bankruptcy petition by Sub-Lessee or by any other person claiming an interest in the parcel.

No forbearance by Sub-Lessor of action upon any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of the terms, provisions, and covenants herein contained. Forbearance by Sub-Lessor to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of any other violation or default. Legal actions to recover for loss or damage that Sub-Lessor may suffer by reason of termination of this Agreement or the deficiency from any reletting as provided for above shall include the expense of repossession or reletting and any repairs or remodeling undertaken by Sub-Lessor following repossession.

31. QUIET ENJOYMENT. Provided Sub-Lessee has performed all of the terms, covenants, agreements and conditions of this Agreement, including the payment of Rent and all other sums due hereunder, Sub-Lessee shall peaceably and quietly hold and enjoy the Leased Premises subject to the provisions and conditions of this Agreement, it being understood that the Park Property will host athletic events, music concerts, and other festival-type activities

32. SUB-LESSOR'S AND SUB-LESSEE'S RIGHTS CUMULATIVE. The rights of Sub-Lessor, City, and Sub-Lessee hereunder shall be cumulative and shall be in addition to rights as otherwise provided at law or in equity, and failure on the part of Sub-Lessor or Sub-Lessee to exercise promptly any such rights afforded it by said laws shall not operate to forfeit any such rights.

33. PROTECTION AGAINST LIENS. This Agreement is a sublease under the Master Lease. This Agreement hereby incorporates by reference the provisions of Section 32 of the Master Lease regarding leasehold mortgages.

34. NOTICES. Any notices required by this Agreement or by law to be sent to Sub-Lessor shall be sufficient if transmitted by personal delivery, nationally recognized overnight delivery service (such as Federal Express Corporation or UPS), or certified mail, return receipt requested, addressed to City as follows:

Community Maritime Park Associates, Inc.
Attn: Executive Director
222 West Main Street
Pensacola, Florida 32502

and:

Pensacola City Mayor
Attn: City Attorney
222 West Main Street, 7th Floor
Pensacola, Florida 32502

With a copy to:
Edward P. Fleming, Esq.
McDonald Fleming Moorhead

25 west government Street
Pensacola, Florida 32502

Any notices required by this Agreement or by law to be sent to Sub-Lessee shall be sufficient if transmitted by personal delivery, nationally recognized overnight delivery service (such as Federal Express Corporation or UPS), or certified mail, return receipt requested, addressed to Sub-Lessee as follows:

Maritime Place, LLC
Attn: Mary P. Studer
41 N. Jefferson Street
Pensacola, Florida 32502

With a copy to:
Scott A. Remington, Esq.
Clark Partington, et al.
P.O. Box 13010
Pensacola, Florida 32591

Either Party may change the above address by providing written notice to the other Party.

35. VENUE. Venue for any claim, action or proceeding arising out of this Agreement shall be Escambia County, Florida.

36. STATE LAW APPLICATION. The laws of the State of Florida shall be the law applied in resolution of any action, claim or other proceeding arising out of this Agreement.

37. PREVAILING PARTY ATTORNEY'S FEES. The prevailing party in any action, claim or proceeding arising out of this Agreement shall be entitled to attorney's fees and costs from the losing party.

38. MEMORANDUM OF AGREEMENT. Sub-Lessee shall at Sub-Lessee's sole expense, record this Agreement within the official records of the Escambia County Clerk of the Court, or have executed a recordable memorandum or short-form of this Agreement and record the memorandum or short-form within the official records of the Escambia County Clerk of the Court.

39. ESTOPPEL CERTIFICATES. Within ten (10) days after a written request from Sub-Lessee, Sub-Lessor shall certify, by a duly executed and acknowledged written instrument, to any mortgagee of Sub-Lessee or proposed mortgagee or proposed tenant of the Leased Premises or any other person, firm or corporation specified by Sub-Lessee, as to the validity and force and effect of this Agreement, the existence of any default on the part of any Party hereunder, and the existence of any offset, counterclaim or defense thereto on the part of Sub-Lessor, as well as to any other matters as may be reasonably requested by Sub-Lessee, all without charge and as frequently as Sub-Lessee deems necessary. Sub-Lessor's failure or

refusal to deliver such instrument within such time shall be conclusive upon Sub-Lessor that (i) Sub-Lessor has not transferred or assigned the Agreement or any interest therein or sublet the Premises or any portion thereof, except as represented by Sub-Lessee; (ii) the Agreement is in full force and effect and has not been modified or amended, except as represented by Sub-Lessee; (iii) Sub-Lessor has no defense, counterclaim, charge, lien or claim of offset under the Agreement or otherwise against Rents and charges due or to become due thereunder; and (vi) there are no uncured defaults or events which with the giving of notice or passage of time, or both, would become defaults in Sub-Lessee's performance or obligations under the Agreement.

40. NON-DISCRIMINATION. Sub-Lessee agrees that it will not discriminate upon the basis of race, creed, color, national origin, age, disability or sex in the construction, use, occupancy, or operation of the Leased Premises or in the improvements to be erected thereon.

41. ACCESS. During the term of this Agreement, Sub-Lessee shall have access from the Leased Premises onto Cedar Street, Spring Street and Reus Street by means of curb cuts and access roads.

42. SIGNAGE. Sub-Lessee may, at its own expense, install and operate necessary and appropriate identification, directional and other signs on its Leased Premises and all improvements constructed thereon. All signs located on the Leased Premises, excluding signs located on Lessee's buildings, are subject to the approval of the Sub-Lessor pursuant to provisions set forth in any applicable Sign Ordinance. Sub-Lessor represents and warrants that no third party has any rights to have any signage on the Leased Premises or any approval rights in regards to any signage located or to be located on the Leased Premises. Sub-Lessor shall not enter into any Agreement which restricts Sub-Lessee's rights under this paragraph. Sub-Lessee shall have the right to place wayfaring signs on existing rights-of-way and shall have a right to place signage on any common sign erected on the Park Property.

43. MITIGATION OF DAMAGES. City, Sub-Lessor and Sub-Lessee each agree to use commercially reasonable efforts to mitigate the amount of damages, loss, expenses or other liabilities which each may suffer or sustain as a result of any breach or default by the other party of any of the terms, covenants, conditions, representations and warranties of such parties as set forth in this Agreement.

44. LIENS. In the event any contractor, subcontractor, materialmen, mechanics and/or laborers shall file any lien or claim of lien against the Park Property or the Leased Premises, as a result of any work undertaken by City or Sub-Lessor pursuant to the terms and provisions of this Agreement, or otherwise, City and Sub-Lessor shall require its contractor to either pay or transfer the same to its payment bond or other security within thirty (30) days after the lien or claim of lien has been filed in the Public Records of Escambia County, Florida.

45. MORTGAGE BY CITY OR SUB-LESSOR. Any mortgage or lien now in existence or hereafter placed upon the Leased Premises by City or Sub-Lessor shall be subordinated and junior to this Agreement, Sub-Lessee's leasehold interests created by this Agreement, and to all rights of Sub-Lessee granted hereunder and all amendments, modifications, renewals and extensions thereof, and any and all rights granted to any leasehold mortgagee, sublessee and sublessee mortgagee pursuant to the terms and provisions of this Lease. In the event the Leased Premises is encumbered by a mortgage, lien, or encumbrance which cannot be subordinated to the satisfaction of Sub-Lessee or its Lender, then Sub-Lessee shall have the right to terminate this Agreement pursuant to this Paragraph 45 or Paragraph 16(c), herein with no further liability to the Sub-Lessor or the City. In the event the City or Sub-Lessor places a mortgage on its interest in the Leased Premises at any date after the execution of this Agreement, such mortgagee must provide to Sub-Lessee a Non-Disturbance & Attornment Agreement acceptable to Sub-Lessee.

46. IRREVOCABLE STAND-BY LETTER OF CREDIT. Until such time as Sub-Lessee provides evidence of a Performance Bond relating to completion of construction of the Office Building, Sub-Lessee agrees to provide the Sub-Lessor with an irrevocable stand-by Letter of Credit from a financial institution reasonably acceptable to Sub-Lessor, in the amount of \$500,000.00 payable upon the occurrence of the following two conditions: (1) the death of Quint Studer; and (2) a default by Sub-Lessee of any financial covenant of this Agreement. If the aforementioned Letter of Credit is negotiated, Sub-Lessee may terminate this Agreement with no further obligation to City or Sub-Lessor. Alternatively, at Sub-Lessee's request; the proceeds of the Letter of Credit can be applied to cure any outstanding financial covenant default, and the parties' rights under this Agreement shall remain unchanged.

47. SUCCESSORS AND ASSIGNS. The terms and provisions of this Agreement are binding upon and shall inure to the benefit of the City and Lessee, and their heirs, successors and assigns.

48. CONTRACT INTERPRETATION. The rule of construction to the effect that an instrument shall be construed against its draftsman shall not apply to this Agreement and shall not negate or invalidate any provision of this Agreement.

49. RECITALS. The recitals set forth at the beginning of this Agreement are true and correct and hereby made a part of this Agreement.

[This space intentionally left blank]

IN WITNESS WHEREOF, the Parties have set their hands and seal the date first written above.

COMMUNITY MARITIME PARK ASSOCIATES, INC.
a Florida Not-For-Profit Corporation

By: [Signature]
Collier Merrill, Chairman

Date: August 27, 2012

ATTEST:

[Signature]
Edward Spears, Executive Director

WITNESS:

[Signature]
Richard Barker, Jr.

THE CITY OF PENSACOLA,
a municipal corporation

By: [Signature]
Ashton J. Hayward, III, Mayor

Date: 30 Aug 2012

ATTEST:

[Signature]
Ericka L. Burnett, City Clerk

William H. Reynolds
City Administrator
City of Pensacola

By: [Signature]
Larry B. Johnson
On behalf of City Council

Date: 8-30-12

ATTEST:

[Signature]
Ericka L. Burnett, City Clerk

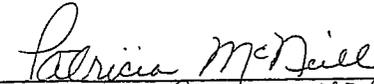
MARITIME PLACE, LLC



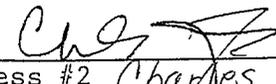
(Signature of Manager/Member)

By: Winter D Studer

Manager/Member
(print name)



Witness #1 Patricia McNeill



Witness #2 Charles F. James IV

[Affix Corporate Seal Above]

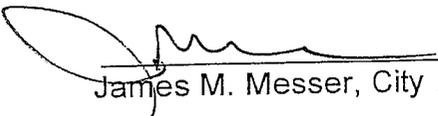


(Signature of Corporate Secretary)

MARY P. STUDER

(print name)

Legal in form and valid as drawn:



James M. Messer, City Attorney