

May 9, 2018

Mr. Anthony Lyons
City Manager
City of Gainesville

RE: Letter of Intent to Lease first floor space in the Catalyst Building located at 606 SE Depot Ave, Gainesville, FL

Dear Mr. Lyons,

The following are the terms and conditions under which Altavian, Inc. ("Tenant") is willing to lease space from City of Gainesville ("Landlord") at the above address:

- 1 LANDLORD: City of Gainesville
- 2 TENANT: Altavian, Inc. (www.altavian.com)
- 3 PREMISES: First floor space with exclusive Tenant access to sales office and thru access to the manufacturing area. Landlord agrees to provide Tenant with shared access to the Conference Room for approximately eight (8) hours per week on a mutually agreed upon schedule. The lobby area will be a shared space with other tenants in the building.
- 4 SIZE: Approximately 10,000 SF
- 5 LEASE TERM: Three (3) Years
- 6 RENEWAL OPTIONS: N/A
- 7 NNN RENT (Base Rent): \$14.00/SF
In addition to Base Rent, Tenant to pay as Additional Rent a proportionate share of common area maintenance, building insurance and property taxes, estimated at \$2.00/SF.
- 8 FL SALES TAX: Tenant shall be responsible for paying sales tax on all rental charges, as required by the State of Florida, currently 6.3% in Alachua County.
- 9 LEASE COMMENCEMENT DATE: Lease will commence upon delivery of premises, estimated to be June 1, 2018.
- 10 RENT COMMENCEMENT DATE: To be thirty (30) days after the Lease Commencement Date.

11. **ADVANCE RENT & SECURITY DEPOSIT:** Upon lease execution, Tenant will deliver to Landlord first months rent, inclusive of Additional Rent and sales tax, and a security deposit equal to one month's Base Rent. Tenant to provide the two most recent years of audited corporate financial statements for Landlord review within five (5) days of executing this Letter of Intent.
12. **USE OF PREMISES:** Tenant will use and occupy the Premises for the business of drone manufacturing. A portion of the building will be occupied by joint UF/City use and thus parking will be shared.
13. **SIGNAGE:** Tenant shall be permitted to install, at Tenant's expense, the maximum exterior and interior signage to be in compliance with Landlord's signage standards and all zoning and other laws and requirements of all governmental agencies having jurisdiction over the property and shall be subject to Landlord's approval, which shall not be unreasonably withheld. Signage shall be prospectively shared with other premise use.
14. **WARRENTIES OF OWNER:** Landlord warrants that the building in which the Premises are located will meet all local codes at the time of delivery of the Premises. All mechanical, HVAC, electrical and plumbing systems shall be in good working order.
15. **UTILITIES:** Tenant shall be responsible for assessed/managed utilities serving the Premises inclusive of data.
16. **BROKERAGE:** It is understood by Landlord and Tenant that no broker has been involved in this transaction with the exception of Front Street Commercial Real Estate Group.

This LOI is an outline of the general business terms of the proposed lease. This proposal shall not be legally binding on either party unless an acceptable lease is executed by both parties. If you are in agreement with the above terms, please acknowledge by signing below. Once signatures are received, Landlord will prepare a lease and the parties will cooperate to negotiate and enter into a formal lease agreement within 10 days. The existence of this letter of intent shall not preclude either party from continuing to negotiate with other prospective tenants or landlords. THE PARTIES AGREE TO KEEP ALL TERMS OF THIS LETTER OF INTENT STRICTLY CONFIDENTIAL.

Sincerely,

Rick Cain, CCIM
Director
Front Street Commercial Real Estate Group

Agreed to By Landlord:

By: [Signature]

Print: Ashly Lynn

Title: City Manager

Date: 5-10-18

Agreed to by Tenant:

By: [Signature]

Print: John Perry

Title: CEO

Date: 5/9/2018

