

THIS INSTRUMENT PREPARED BY:

Sean M. McDermott
 Senior Assistant City Attorney
 City of Gainesville
 P.O. Box 490, Station 46
 Gainesville, Florida 32627

City of Gainesville Lease

THIS LEASE AGREEMENT ("Lease") is entered into as of the last signature date affixed hereto ("Effective Date") by and between the **City of Gainesville, Florida**, a municipal corporation under the laws of the State of Florida with a mailing address of P.O. Box 490, Station 6, Gainesville, Florida 32601 ("Landlord") and **How Bazar Co.**, a Florida Profit Corporation, whose address is: 7014 SW 77th Street, Gainesville, Florida 32608, ("Tenant") (hereafter collectively "Parties"). In consideration of the mutual promises contained herein and other good and valuable consideration, the Parties agree as follows:

SECTION 1. LEASE OF PREMISES. Landlord hereby leases to Tenant the building and surrounding property generally located at 60 SW 2nd Street, Gainesville, Florida 32601, (the "Premises"), as more particularly described and depicted in **Exhibit A** attached hereto and by this reference incorporated herein. **This Lease shall be recorded in the Public Records of Alachua County, Florida by the Tenant, at its sole cost, within five (5) days of execution of same.**

SECTION 2. USE; IMPROVEMENTS, MAINTENANCE, REPAIR; RULES AND REGULATIONS.

A. Use. Tenant shall use the Premises exclusively for a Retail Business which features vintage clothing, with a market for weekend events as well as art and music events and the ability to sell refreshments and beer and wine, as may be defined or regulated by the City of Gainesville's Land Development Code, Chapter 30 of the City of Gainesville Code of Ordinances, together with its customary accessory uses. Tenant's taking possession of the Premises shall be conclusive evidence of Tenant's acceptance of Premises in good order and satisfactory condition. Tenant agrees that Landlord has made no representations respecting the condition of the Premises; that Landlord has made no representations as to conformance with applicable laws respecting the condition of the Premises or the presence or absence of Hazardous Substances in, at, under, above, or abutting the Premises; that no warranties or guarantees, expressed or implied, with respect to workmanship or any defects in material have been given; and that no promise to decorate, alter, repair, or improve the Premises either before or after the execution hereof have been made by Landlord or its agents to Tenant except as contained herein. Tenant shall create no public nuisance or allow a public nuisance to be created in or from the Premises. Tenant shall not store, manufacture, or sell any explosives, flammables, or other inherently dangerous substances, chemicals, things, or devices from the Premises. Tenant shall not conduct any trade, business, or occupation that is unlawful. Tenant shall maintain compliance with all relevant federal, state, and local laws, rules, and regulations.

B. Maintenance and Repair.

- 1) **Tenant Responsibilities.** Tenant shall maintain the Premises in a clean and sanitary condition by providing routine janitorial, pest prevention, and trash removal services. Tenant shall be responsible for maintaining the grease trap (if applicable), heating or air conditioning unit (HVAC), windows, interior walls, mechanical, electrical, plumbing, fixtures, light fixtures, floor, and floor coverings in the condition as existed on the Commencement Date. This Tenant duty includes routine repairs and maintenance of the HVAC systems, but not for replacement. Routine repairs are those repairs necessary to keep the HVAC systems in the same condition as existed on the first day of the Lease term, and not exceeding \$500 per repair. Tenant shall maintain the Premises in a clean and sanitary condition by providing routine janitorial, pest prevention, and trash removal services.

Tenant shall promptly report to Landlord any damage or necessary repairs to the Premises. The Tenant will be responsible for repairing any damage caused by acts, omissions, or negligence of the Tenant or its employees, agents, licensees, patrons, guests, or invitees. Tenant shall also be responsible for and shall repair all damage caused by installation and removal of furnishings, furniture, fixtures, or property allowed under this Lease to be placed or removed by Tenant. All such repairs must be made in a good and workmanlike manner. In the event of Tenant's failure to make repairs within a reasonable period of time, or in the event that the repairs are inadequate in the sole judgment of the Landlord, the Landlord may elect to make such repairs and perform such maintenance and the Tenant shall pay to the Landlord, upon demand, the reasonable costs of such repairs and maintenance.

Tenant shall be responsible for any Tenant build-out improvements, which must be pre-approved by the Landlord prior to any required regulatory permit or prior to construction if no regulatory permitting is required. The Tenant may install planters or vegetative barriers and fencing, or similar, to control ingress and egress to the outdoor space of the Premises, subject to Landlord approval prior to any required regulatory permit or prior to construction if no regulatory permitting is required.

- 2) **Landlord Responsibilities.** Landlord shall be responsible for the maintenance and repair of the roof, exterior walls, structural portions of the building, and the required replacement of HVAC equipment. The Landlord is also responsible for damage to other improvements on the Premises, including facility or Tenant improvements, due to the failure of any of these systems. The Landlord must provide a single point of contact for all facility operations. The Landlord is responsible for the repairs of any and all water damage due to a failure of the roof, exterior walls, structural portions of the building, or the HVAC equipment.

C. Common Areas; Rules and Regulations. Tenant shall have the non-exclusive right in common with the Landlord and all others to whom the Landlord has or may hereafter grant rights, to use any common areas designated by the Landlord, subject to any rules and regulations as Landlord may impose. Landlord may at any time close any common area. As applicable, Tenant agrees to park in such areas as may be designated by Landlord. All common areas and facilities not within the Premises, which Tenant may be permitted to use or occupy, are to be used and occupied under a revocable license, and if the amount of such areas be diminished, Landlord shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such diminution of such area be deemed constructive or actual eviction.

Any rules and regulations appended to this Lease are hereby made a part of this Lease, and Tenant agrees to comply with and observe the same. Tenant's failure to keep and observe said rules and regulations shall constitute a breach of the terms of this Lease in the manner as if the same were contained herein as covenants. Landlord reserves the right from time to time to amend or supplement said rules and regulations and to adopt and promulgate additional rules and regulations applicable to the Premises. Notice of such additional rules and regulations, amendments, and supplements, if any, shall be given to Tenant, and Tenant agrees thereupon to comply with and observe all such rules and regulations, and amendments thereto and supplements thereof.

SECTION 3. TERM OF LEASE; SURRENDER OF PREMISES. This Lease term shall commence on the date specified in **Exhibit B** as the Commencement Date, which such exhibit is attached to this Lease and incorporated herein by reference, and shall expire after a period of six (6) years from the Commencement Date, unless earlier terminated as provided in this Lease.

During the initial lease term, the Tenant may terminate the Lease at any time after providing Landlord with at least 60 days' written notice. Following the initial term, the Tenant will have the option of extending this Lease for one (1) additional consecutive term(s) of four (4) years, provided Tenant is not or has not been in default under the terms of this Lease. Tenant shall notify the Landlord, in writing, not less than six (6) months prior to the expiration date of the Lease if the Tenant desires to exercise the extension option. The extension term(s) shall commence immediately upon the expiration of the initial or previous lease term. In the event of the extension of this Lease, the terms and conditions of this Lease shall remain in full effect for the duration of the extended term, unless otherwise agreed to

in writing by the Parties; however, the Rent for the extension term must include an increase of 50% which is a price of \$16.16 / Square Foot and then an annual increase of 2% during the extension period.

On or before the date of termination of this Lease, Tenant shall remove its furniture, movable equipment, and other personal property not attached to the Premises. Anything not removed on or before the date of termination of this Lease will become the property of the Landlord. Upon termination of this Lease, Tenant shall deliver to Landlord all keys to the Premises and surrender the Premises immediately and in good order and condition, excepting reasonable wear and tear, and return to the Landlord all tangible personal property supplied by Landlord to Tenant other than Tenant's own personal property.

SECTION 4. RENT. Tenant agrees to pay base rent (the "Base Rent") together with applicable sales tax and property taxes in consecutive monthly installments commencing on and in such amounts as described in **Exhibit B**, which is attached hereto and incorporated herein by reference. The Base Rent, sales tax, and any other charges, fees, or amounts due from the Tenant to the Landlord under the terms of this Lease are hereinafter collectively referred to as "Rent." Tenant agrees to pay the Rent in advance on or before the first of every month **The Rent shall be made payable via check to "City of Gainesville c/o Colliers International- LB Department 826" and shall be delivered on or before the 1st of each month to P.O. Box 4857, Portland, Oregon 97208-4857.** The Landlord's preference is for payment to be made by Electronic Transfer via ACH or Wire by using the following information: **City of Gainesville, ABA # 121122676, Account #157528501453, US Bank, Sacramento, CA 95814.** If Tenant makes the monthly payment on or after the 10th day of the month, Landlord shall assess a late fee of 5% of the Rent due for that month. The late fee is intended to compensate Landlord for administrative expenses associated with responding to late payment, and shall not be considered liquidated damages or interest. Non-payment or delay in the payment of Rent beyond thirty (30) days from the due date will be deemed a default of this Lease and shall be grounds for termination of this Lease.

SECTION 5. UTILITIES. Tenant agrees to obtain utility service from the utility providers approved by the Landlord for service at the site. Tenant shall be responsible for arranging for and paying for all utility services required on the Premises and agrees to timely pay any and all charges for gas, electricity, water, sewage, telephone, solid waste, and recyclables collection, and all other utilities. All utilities shall be accounts in the name of Tenant, and Landlord shall have no liability for the cost of such utilities, or for any damage, injury, or inconvenience caused by interruption of utility service.

SECTION 6. SECURITY DEPOSIT. To secure the faithful performance by Tenant of all the provisions of this Lease, Tenant will deposit with Landlord at the time of execution of this Lease, the sum of \$ N/A as a security deposit. Any portion thereof may, at the option of the Landlord, be applied to the curing of any default of Tenant. Landlord will refund the deposit to Tenant within thirty (30) days of termination of this Lease less any expenses or costs incurred by Landlord in curing any default of Tenant, including but not limited to damage to Premises, failure to maintain or repair in accordance with this Lease, or outstanding debt.

SECTION 7. INDEMNIFICATION AND INSURANCE.

A. Indemnity. Tenant agrees to indemnify, defend, and hold harmless Landlord and its officers, employees, elected officials, agents, consultants, independent contractors, and any successors to Landlord's interest from and against all claims, demands, losses, damages, liabilities, suits, fines, penalties, and costs (including attorney's fees for trial and appeal) of any kind and nature arising from or in any way connected with the acts, omissions, or negligence of Tenant and its employees, agents, licensees, patrons, guests, and invitees on the Premises or in any way arising from or connected to this Lease. Tenant hereby covenants and agrees that all obligations of Tenant under this Section shall survive any termination of the Lease, it being further understood and agreed that the rights of Landlord under this Section shall be in addition to any other rights and remedies under this Lease or at law or in equity.

B. Insurance. Tenant shall, during the term of this Lease, maintain comprehensive public liability insurance, including personal injury and property damage, issued by a reputable insurance company licensed to do

business in the State of Florida with limits of not less than \$1,000,000 combined single limit protecting Landlord and Tenant against liability for any accident, injury, or damage on or in the Premises. Should Landlord determine that Tenant's operations present a risk of loss of damage greater than anticipated, Tenant may be required to maintain greater insurance coverage different in scope of loss covered and amount of coverage. Prior to the Commencement Date of this Lease, Tenant shall furnish to Landlord appropriate certificates of said insurance, and each insurance policy shall contain an agreement that the policy shall not be canceled or materially changed except after thirty (30) days' prior written notice of such cancellation or material change to the Landlord. All required insurance products must name the Landlord as an additional insured.

- C. **Sovereign Immunity.** No provision(s) of this Lease shall be interpreted or deemed as a waiver of Landlord's sovereign immunity.
- D. **Loss or Damage to Tenant's Property.** All personal property of any kind or description whatsoever in or on the Premises, whether owned by Tenant or others, shall be at the Tenant's sole risk and Landlord shall not be liable for any damage done to or loss of such personal property. Landlord shall not be liable to Tenant because of any interruption of services or utilities, and such interruption or failure shall not relieve Tenant from the duty to pay the Rent provided herein, or constitute or be construed as a constructive or actual eviction of Tenant. Tenant shall secure any insurance necessary to cover loss or damage to Tenant's property.

SECTION 8. LICENSES, PERMITS AND COMPLIANCE WITH LAWS AND RULES. Tenant shall, at Tenant's expense, obtain all necessary licenses and permits, which may be required for the conduct of Tenant's business. Tenant shall, at Tenant's own expense, observe and comply with all laws, ordinances, directives, orders, rules, and regulations of all federal, state, municipal, or other authorities having or claiming jurisdiction over the Premises, Tenant, or the conduct of Tenant's business.

SECTION 9. TENANT ALTERATIONS, IMPROVEMENTS, AND FIXTURES.

- A. **Landlord Review.** The Landlord shall review any Tenant improvements and alterations at the Premises. Tenant shall meet with the Landlord to coordinate any improvements or alterations proposed by the Tenant. The Parties agree that the Landlord maintains final approval over all architectural designs, improvements, or alterations to the Premises. This Landlord review is solely for the purposes of this Lease and in no way constitutes or shall be deemed approval by or a waiver of any review, permits, or approvals required by the City of Gainesville.
- B. **Approved Alterations.** Tenant may, at its own cost and expense, make such improvements or alterations to the Premises as have been approved by the Landlord in writing. Any improvements or alterations shall not impair the safety or the appearance of the Premises, and shall comply with all applicable laws, ordinances, and regulations. Contractors or workers, approved in writing in advance by Landlord, shall perform such work at Tenant's expense. Landlord shall have the right to require that the work be performed at such time and upon terms, conditions, and scheduling satisfactory to Landlord. All labor required for construction within the Premises shall be contract labor and shall not be deemed employees of the City.
- C. **Fixtures.** All fixtures installed by Tenant in the Premises including lighting, molding, and any other article permanently affixed to the floor, wall, or ceiling of the Premises shall become the property of Landlord and shall be surrendered with the Premises at the termination or expiration of this Lease. However, Landlord may direct Tenant, at Tenant's expense, in writing to remove any or all fixtures installed by Tenant on the Premises and to repair, at Tenant's expense, all damage caused by such removal and to return the Premises to its original condition, reasonable wear and tear excepted.
- D. **Construction Liens Prohibited.** Tenant shall promptly pay for all labor and materials used in constructing any improvements, alterations, or fixtures on the Premises and shall do all things necessary to prevent the filing of any mechanics', materialman, or other type of lien or claim against Landlord or the Premises by, against, through, or under Tenant or its contractors. Tenant shall notify its contractors that Landlord's interest shall not be subject to any liens or claims for alterations, improvements, or fixtures to the Premises by Tenant. Landlord's

interest shall not be subject to any liens or claims for alterations, improvements, or fixtures to the Premises by Tenant. If any such lien or claim is filed, Tenant shall cause the same to be discharged within twenty (20) days of the filing of the lien.

SECTION 10. DEFAULT; RIGHTS AND REMEDIES.

- A. Default.** Tenant shall be deemed in default under this Lease if Tenant fails to pay within thirty (30) days of the due date any Rent or other charges provided for in this Lease; fails to observe or perform any other term, condition, covenant, or obligation of this Lease within ten (10) days of notice to do so; abandons the Premises; or fails to immediately cure any potentially hazardous conditions that Tenant, Tenant's employees, agents, licensees, patrons, guests, or invitees have created.
- B. Remedies.** Upon a Tenant default, Landlord shall be entitled to immediately terminate this Lease and to recover from Tenant all unpaid Rent and additional charges due up to and including the date of termination as well as any additional sums provided by law (including attorneys' fees and costs) for which Tenant is liable or for which Tenant has agreed to pay Landlord. If Landlord terminates this Lease for breach or default, Landlord may re-enter the Premises at anytime at Landlord's discretion. Tenant agrees, following termination of the Lease, to immediately surrender the Premises to Landlord and to deliver to Landlord all keys to the Premises and to deliver to Landlord any other property supplied by Landlord and not owned by Tenant. In the event Tenant defaults, Tenant agrees to pay the Landlord's attorney's fees and all other costs and expenses resulting from the default. In addition to the statutory remedies and lien, Landlord shall have a lien for the payment of Rent upon the fixtures and equipment of Tenant located in the Premises. This lien may be enforced upon the nonpayment of Rent and additional charges by the taking and sale of such property in the same manner as allowed by law in the case default under a chattel mortgage.

SECTION 11. BANKRUPTCY. If, at any time during the term of this Lease, there shall be filed by or against Tenant in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's property, this Lease shall be canceled and terminated. Tenant agrees to notify Landlord in writing within 24 hours of any such filing. In the event of bankruptcy by Tenant, neither Tenant nor any person claiming through or under Tenant by virtue of any statute or of any order of any court shall be entitled to take possession or remain in possession of the Premises, but shall forthwith quit and surrender the Premises.

SECTION 12. PROPERTY DAMAGE OR OTHER CASUALTY; CONDEMNATION.

- A. Release of Landlord.** Landlord is hereby released from any damage or injury to person or property caused by or resulting from steam, electricity, gas, water, rain, wind, ice, snow, or any leak or flow from or into any part of the Premises from any damage or injury resulting from any cause whatsoever. In addition, Landlord shall not be liable for any damage, compensation, or claim by reason of inconvenience or annoyance arising from the necessity of repairing any portion of the Premises, the interruption of the use of the Premises, or the termination of this Lease by reason of any damage or destruction of the Premises.
- B. Right to Terminate.** In the event that the Premises are totally destroyed or so damaged by fire or other casualty, and the damage cannot be repaired or restored within a reasonable length of time, as Landlord may determine in the exercise of its sole discretion, Landlord shall have the right to terminate this Lease.
- C. Right to Restore.** If the damage is partial, such that the Premises can be restored to their former condition within a reasonable time, as Landlord may determine in the exercise of its sole discretion, Landlord may at its option restore the Premises with reasonable promptness, reserving the right to enter upon the Premises for that purpose. Landlord reserves the right to enter upon the Premises whenever necessary to repair damage caused by fire or other casualty to the Premises, even though such entry may have the effect of rendering the Premises or some portion thereof temporarily unavailable for occupancy. In such event, the Rent shall be apportioned and suspended during the time that Landlord is in possession, taking into account the proportion

of the Premises rendered unavailable for occupancy and the duration of Landlord's possession. If a dispute arises as to the amount of Rent due under this clause, Tenant agrees to pay the full amount claimed by Landlord, though Tenant shall retain the right to proceed by law to recover any disputed Rent payment.

D. Condemnation. If during the term of this Lease, or any extension or renewal thereof, all of the Premises is taken for any public or quasi-public use under any law, ordinance, or regulation or by right of eminent domain, or should be sold to the condemning authority under threat of condemnation, this Lease shall terminate and the Rent shall be abated during the un-expired portion of the lease, effective as of the date of the taking of the Premises. If less than all of the Premises is taken for any public or quasi-public use under any law, ordinance, or regulation, or by right of eminent domain, or should be sold to the condemning authority under threat of condemnation, this Lease shall not terminate unless either party, at its option, terminates the Lease by giving written notice thereof to the other party. The date of termination shall be the date the condemning authority takes title. In the event that the Lease continues in effect following partial condemnation, Landlord shall, at its sole expense, restore and reconstruct the Premises to make same reasonably tenantable and suitable for the use for which the Premises is leased. The Rent payable hereunder during the reconstruction period shall be reduced in proportion to the reduction in square footage of the Premises available for Tenant's use during the reconstruction period. Tenant hereby assigns and transfers to Landlord any claim it may have to compensation for damages as a result of condemnation proceedings, and under no circumstances shall Tenant share in any such compensation for damages.

SECTION 13. NO WAIVER OR BREACH. Any failure or neglect by Landlord to assert or enforce any rights or remedies after any breach or default by Tenant shall not prejudice Landlord's rights or remedies with regard to any existing or subsequent breaches or defaults.

SECTION 14. ATTORNEY'S FEES. If any action is brought to enforce this Lease or any provision of this Lease, to evict the Tenant, to collect Rent, to collect damages for an alleged breach of the Lease, or for a declaratory judgment under the terms of this Lease, the prevailing party in any such action, whether plaintiff or defendant, shall be entitled to reasonable attorney's fees, in addition to costs of the suit.

SECTION 15. BURDEN, BENEFIT; APPLICABLE LAW; AMENDMENTS. This Lease shall be binding on and inure to the benefit of the respective successors and assigns of the Landlord and of Tenant. This Lease shall be construed according to the laws of the State of Florida, venue in Alachua County, Florida. This Lease may be modified only in writing signed by the parties or their respective successors in interest.

SECTION 16. HAZARDOUS SUBSTANCES; ENVIRONMENTAL LAWS. Except as may be permitted in writing by Landlord, the storage, use, or disposal of Hazardous Substances is prohibited on the Premises. As used herein, "Hazardous Substances" means any contaminants, pollutants, hazardous, or toxic substances as those terms may be defined in any federal, state, or local law, rule, regulation, or ordinance, including asbestos, polychlorinated biphenyls, and petroleum (including crude oil or any fraction thereof). Should the Landlord grant such permission, Tenant must supply Landlord Material Safety Data Sheets for all Hazardous Substances used, stored, or disposed of by Tenant. In addition, Tenant must comply with all OSHA, EPA, and other federal, state, or local requirements regarding Hazardous Substances. Tenant hereby indemnifies and holds Landlord and Landlord's officers, managers, agents, and employees harmless from and against, and shall reimburse Landlord and Landlord's officers, managers, agents, and employees for any and all "Losses" (as hereinafter defined) arising from, out of, or as a consequence directly or indirectly of the release or presence of any Hazardous Substance on the Premises which first occurs during the Term of this Lease, whether foreseeable or unforeseeable, and whether or not known to Tenant, it being understood and agreed that the foregoing indemnity includes, but is not limited to, all costs of removal, remediation of any kind, detoxification, clean up, and disposal of such Hazardous Substance and the preparation of any closure or other required plans, all costs of determining whether the Premises is in compliance and causing the Premises to be in compliance with all applicable environmental laws, all costs and fees associated with claims for damages to persons, property, or natural resources, and Landlord's reasonable attorney's fees and consultant's fees and court costs in respect thereto, whether or not litigation or administrative proceedings shall occur, including all costs and expenses incurred or suffered by Landlord by reason of any violation of any applicable environmental law which

occurs, or has occurred, upon the Premises during the Term of this Lease, or by reason of the imposition of any governmental lien for the recovery of environmental clean-up costs expended by reason of such violation, it being expressly understood and agreed that to the extent Landlord and Landlord's officers, directors, shareholders, managers, members, agents, and employees, or any of them are strictly liable under any applicable statute or regulation pertaining to the protection of the environment, this indemnity shall apply without regard to the strict liability with respect to the violation of law which results in such liability. "Losses" shall mean any and all loss, claims, liability, damages, and injuries to person, property, or natural resources, cost, expense, action, or cause of action.

Tenant shall comply with all environmental laws throughout the term of this Lease. Tenant hereby covenants and agrees that all obligations of Tenant under this Section shall survive any termination of the Lease, it being further understood and agreed that the rights of Landlord under this Section shall be in addition to any other rights and remedies under this Lease or at law or in equity.

SECTION 17. NOISE. Noise levels created by Tenant or their employees, agents, licensees, patrons, guests, or invitees must not exceed the applicable limit as provided in Chapter 15, City of Gainesville Code of Ordinances.

SECTION 18. TAXES. Tenant agrees to pay all intangible taxes assessed against the Landlord or the Tenant as a result of Tenant's operation, use, and occupancy of Premises or personal property on Premises. The Rent during the initial term of this Lease is inclusive of property taxes and sales tax as described in **Exhibit B**. An advance monthly payment for ad-valorem property taxes and assessments will be estimated by Landlord based on the prior year's tax bill or based on an estimate provided by the County Property Appraiser or County Tax Collector, and shall likewise be remitted to the Landlord each month with the Rent. Upon receipt of its property tax bill in November of each year, Landlord will send Tenant a written statement reconciling the advance estimated payments made by Tenant for property taxes and assessments with the actual amount imposed on the Premises by the Tax Collector. In the event the actual amount exceeds the amount paid by the Tenant to that date, Tenant shall pay the Landlord the shortage amount. In the event the actual amount is less than the amount paid by the Tenant to that date, Landlord shall refund the overpayment to the Tenant. The payment to Landlord or refund to Tenant shall be made within 30 days of the date of Landlord's written statement or as such other time as is mutually agreed upon by the Parties. All other taxes or assessments shall be at the sole expense of and paid directly by the Tenant.

In addition, Tenant shall comply with all applicable requirements for a Business Tax Receipt under Chapter 25, Article III of the City of Gainesville Code of Ordinances.

SECTION 19. NON-DISCRIMINATION. Tenant will not discriminate against any person upon the basis of race, religion, color, marital status, gender, national origin, sexual orientation, gender identity, disability, or age, in either employment or with regard to services, as applicable, in accordance with any federal, state, and local laws.

SECTION 20. RELATIONSHIP WITH LANDLORD. Tenant shall not use any trademark, service mark, trade name, or other indicia of the Landlord, nor shall Tenant hold itself out as having any business affiliation with the Landlord other than a landlord-tenant relationship, and upon direction of the City Manager, the Tenant shall issue public disclaimers to that effect.

SECTION 21. DAYS AND NOTICE. Any reference in this Lease to days shall mean calendar days. All notices, demands, or communications of any kind that may be required or desired to be served, given, or made shall be sufficient if delivered in person or sent through the United States mail, certified or registered, return receipt requested, addressed to the Parties at the addresses stated on page 1 of this Lease. Either party may change the address to which subsequent notices shall be sent.

SECTION 22. QUIET ENJOYMENT. Tenant, upon paying the Rent and performing the covenants and agreements of this Lease, shall quietly have, hold, and enjoy the Premises and all rights granted Tenant in the Lease during the term hereof.

SECTION 23. RIGHTS AND REMEDIES CUMULATIVE. All rights and remedies of the Parties hereto shall be cumulative and shall not be construed to exclude any other rights or remedies allowed by law consistent with the terms and conditions hereof.

SECTION 24. POSSIBILITY OF RADON GAS. Pursuant to Florida law, Tenant is hereby advised as follows: **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 health department. (Section 404.056(5), Florida Statutes (2008)).

SECTION 25. SUBLETTING AND ASSIGNMENT. The Tenant acknowledges that this Lease is not transferrable and that Tenant may not assign the Lease, any part of the Lease, or any of the rights or obligations herein without the prior express and written consent of Landlord, which consent may be granted or denied in the sole discretion of the Landlord. The Tenant shall not sublet, sublease, or otherwise grant any other party any license or right in relation to the Premises or any part thereof without first obtaining the express and written consent of the Landlord, which consent may be granted or denied in the sole discretion of the Landlord.

SECTION 26. ENTRY. Landlord or Landlord's agents shall have the right to enter the Premises upon reasonable notice, or immediately in the event of emergency, to examine the same and to make such repairs, alterations, improvements, or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon the Premises that may be required without the same constituting an eviction of Tenant in whole or in part. During the three (3) months prior to the expiration date of the term of this Lease or any renewal term, Landlord may exhibit at the Premises the usual notices "TO LET" or "FOR RENT", which notices Tenant shall permit to remain thereon undisturbed. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility, or liability whatsoever, for the care, maintenance, or repair of the Premises or any part thereof, except as otherwise herein specifically provided.

SECTION 27. BROKERS. Tenant warrants that Tenant was represented by Portal Realty and was shown the Premises by Colliers International Florida, LLC, who represents the Landlord, and that Tenant is responsible for the broker commission to Colliers International Florida, LLC which shall be equal to 6% of the aggregate net rent due under the term of the Lease and will be split equally with Portal Realty.

SECTION 28. INTERPRETATION. The terms and provisions hereof shall be construed and interpreted without regard to which party may have drafted it.

SECTION 29. SEVERABILITY. The Lease consists of this document and any Exhibits attached hereto. If any section, sentence, clause, or phrase of this Lease is held to be invalid or unenforceable by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Lease.

SECTION 30. PERSONAL GUARANTY. Jose Peruyero, Jr. ("Guarantor") shall personally guarantee and be jointly and severally liable for performance of, Rent payment due, and all other obligations of Tenant under this Lease.

IN WITNESS WHEREOF, the Parties have caused this Lease to be executed.

Witnesses:

Print Name: Jose E. Navarro

Print Name: Rhonda Griffiths

TENANT:

By: [Signature]

Name: Jose Peruyero, Jr.

Title: President, How Bazar Co.

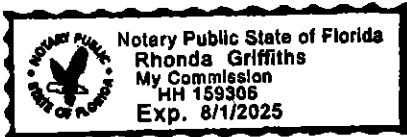
STATE OF Florida
COUNTY OF Alachua

The foregoing instrument was acknowledged before me by means of X physical presence or ___ online notarization, this 3rd day of September 2022 by Jose Peruyero, Jr. as the President of How Bazar Co, on behalf of the corporation. He/she is personally known to me or has produced FL Drivers Lic as identification.

Rhonda Griffiths
Notary Public, State of Florida

Rhonda Griffiths
Name typed, printed, or stamped

My Commission Expires: _____



Witnesses:

Print Name: _____

Print Name: _____

**LANDLORD:
CITY OF GAINESVILLE**

By: _____
Name: Lee Feldman
Title: City Manager

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me by means of ___ physical presence or ___ online notarization, this ___ day of _____, by Lee Feldman, as the City Manager of the City of Gainesville, on behalf of the City. He/she is personally known to me or has produced _____ as identification.

Notary Public, State of Florida

Name typed, printed, or stamped

My Commission Expires: _____

The undersigned Guarantor acknowledges having received a complete copy of this Lease, and having had the opportunity to consult with legal counsel as Guarantor deemed appropriate, prior to executing this Lease and assuming the personal obligations described in Section 30.

Witnesses:

[Signature]
Print Name Rhonda Griffiths

[Signature]
Print Name Joe & Nancy

STATE OF Florida
COUNTY OF Alachua

GUARANTOR:

[Signature]
Name: Jose Peruyero, Jr

The foregoing instrument was acknowledged before me by means of X physical presence or online notarization, this 3rd day of September 2021, by Jose Peruyero, Jr., who is personally known to me or who has produced FL Drivers Lic as identification.

[Signature]
Notary Public, State of Florida

Rhonda Griffiths
Name typed, printed, or stamped

My Commission Expires: _____



Exhibit "A"

Commence at a found drill hole in concrete sidewalk marking the East right-of-way line for S.W. 3rd Street and the Southwest corner of that parcel as described in Official Record Book 1882, page 2143 of the Public Records of Alachua County, Florida and the point of beginning; thence along the South line of said parcel North 89°26'04" East a distance of 372.24 feet to a 5/8" rebar & cap (Brown) marking the intersection with the Westerly right-of-way line of S.W. 2nd Street; thence along said Westerly right-of-way line North 00 ° 54'22" West a distance of 204.00 feet to a point marking a line parallel with and 204 feet North from the South line of said parcel; thence along said parallel line South 89°26'04" West a distance of 372. 93 feet to a point marking the intersection with the Easterly right-of-way line of S.W. 3rd Street; thence along said Easterly right-of-way line South 01 °06'00" East a distance of 204.01 feet to the point of beginning. Containing 1.75 acres, more or less.

Exhibit "B"

RENT SCHEDULE

THIS RENT SCHEDULE is a material part of that certain Lease by and between The City of Gainesville, Florida, a municipal corporation, ("Landlord") and How Bazar Co., a Florida Profit Corporation ("Tenant") and Jose Peruyero, Jr. ("Guarantor") for the Premises located at 60 SW 2nd Street, Gainesville, Florida:

- A) Premises Refer to Exhibit "A" into Lease
- B) Escrows Security Deposit (due at signing of this Lease) \$N/A

- C) Monthly Rent

	Base Rent	Property Tax, including special assessments (estimated per Section 18 of the Lease)	Sales Tax (at current rate of 6.5%)	Total (Estimated)
Year 1 – Year 2	\$1,900.15	\$241.67 (Estimated)	\$123.51	\$2,265.33
Year 3 – Year 6	\$2,800.84 with a 2 % Annual Increase	TBD	TBD	TBD
Renewal Option:				
Year 7 – Year 11	\$3,800.29 with a 2 % Annual Increase	TBD	TBD	TBD

- D) Initial Term 6 Years
- E) Commencement Date September 3, 2021