

Lake Ashton II

Community Development District

Continued Meeting Agenda

Seat 4: Doug Robertson – C	
Seat 1: James Mecsecs – VC	
Seat 3: Bob Zelazny – AS	
Seat 2: Stanley Williams – AS	
Seat 5: Carla Wright – AS	

Thursday
December 5, 2019
9:30 a.m.

Lake Ashton II Health & Fitness Center
6052 Pebble Beach Boulevard
Winter Haven, FL 33884

1. Roll Call and Pledge of Allegiance
2. Approval of Meeting Agenda
3. Public Comments on Specific Items on the Agenda *(speakers will fill out a card and submit it to the District Manager prior to beginning of the meeting. Individuals providing speaker cards will also have an opportunity to speak prior to Board action)*
4. Update and Discussion of Golf Course Acquisition
 - A. Consideration of Storage and Maintenance Building Lease Agreement
 - B. Consideration of Interim Golf Club Management Agreement
 - C. Discussion and Review of Due Diligence Terms
 - i. Status Update and Discussion
 - D. Request for Authorization to Open Bank Account for Golf Course Operating Fund
 - E. Authorization to Develop Interim Golf Course Rates and Policies
5. Supervisor Requests and General Public Comments
6. Adjournment

STORAGE AND MAINTENANCE LEASE

This **STORAGE AND MAINTENANCE LEASE** ("Lease") is made as of the Effective Date (as more particularly defined in Section 26 hereinbelow), by and between **Ashton Golf-Storage, LLC**, a Florida limited liability company ("Landlord"), and the **Lake Ashton II Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes* ("Tenant").

W I T N E S S E T H:

SECTION 1. PREMISES:

Landlord is owner of certain real property situated in Polk County, Florida, described in *Exhibit "A"* attached hereto and incorporated herein by reference (the "Property"), upon which is located a building and appurtenant improvements. Landlord, for and in consideration of the covenants, conditions, agreements, and stipulations herein contained, hereby leases unto Tenant, and Tenant hereby takes and leases from Landlord such portion of the Property outlined in red on the survey attached hereto as *Exhibit "B"* and incorporated herein by reference (the "Leased Premises"). Notwithstanding anything contained herein to the contrary, Landlord shall possess the right to reconfigure or relocate the Leased Premises so long as the relocated or reconfigured space contains the same square footage as the original Leased Premises, the relocated or reconfigured space does not unreasonably diminish the functionality of the Tenant's use as provided in Section 4 hereof, and the relocated or reconfigured space is located within the jurisdictional boundaries of either the Lake Ashton Community Development District or Tenant, or both of them.

SECTION 2. TERM; SURRENDER:

Unless earlier canceled in accordance with the terms and conditions set forth herein, the initial term of this Lease shall commence on the Effective Date and terminate fifty (50) years after the Effective Date (the "Term"). Tenant shall deliver up and surrender to Landlord physical possession of the Leased Premises upon the expiration or termination of the term hereof, including any extension thereof, in good condition and repair (loss by fire and other casualty and ordinary wear and decay excepted). If Tenant or any person claiming under Tenant shall remain in possession of the Leased Premises or any part thereof after the expiration or termination of this Lease without the written consent of the Landlord, prior to acceptance of rent by the Landlord the person remaining in possession shall be deemed a tenant at sufferance and after acceptance of rent by Landlord shall be deemed a month-to-month tenant subject to all terms and conditions of this Lease. Acceptance of rent by Landlord in excess of one month's rental shall not be deemed to extend the term of this Lease beyond a month-to-month tenancy. Tenant shall indemnify and hold Landlord harmless against any and all liabilities arising out of such unauthorized possession of the Leased Premises.

SECTION 3. RENT:

A. Tenant shall pay to Landlord at 500 South Florida Avenue, Suite 700, Lakeland, Florida 33801, or at such other address as Landlord shall designate to Tenant in writing as provided in Section 20, annual fixed rental in the following amount during the initial term of this Lease: TEN AND NO/100 DOLLARS (\$10.00) per annum, plus the then applicable sales tax, due in advance without demand on the Effective Date and thereafter during the Term on or before each anniversary of the Effective Date, through and including the expiration or termination of the Term hereof. Payments due as additional rents described in this Lease, plus the then applicable sales tax, shall be payable as set forth elsewhere in this Lease.

B. Rent and payments due as additional rents described in this Lease shall commence to accrue hereunder on the Effective Date. All rentals and payments due as additional rents described in this Lease are subject to applicable sales tax, which Tenant hereby agrees to pay concurrently with such payments.

C. Tenant shall not be required to deposit a security deposit with Landlord, upon execution of this Lease. However, if Tenant is in default under this Lease more than two (2) times within any twelve-month period, irrespective of whether or not such default is cured, then, without limiting Landlord's other rights and remedies provided for in this Lease or at law or equity, then Tenant shall be required to deposit with Landlord the sum of Five Thousand AND 00/100 DOLLARS (\$5,000.00), which sum Landlord shall retain as security for the performance by Tenant of each of its obligations hereunder (the "Security Deposit"). The Security Deposit shall not bear interest. If, at any time, Tenant fails to perform its obligations under this Lease, then Landlord may, at its option, apply the Security Deposit, or any portion thereof required to cure Tenant's default; provided, however, if prior to the expiration date or any termination of this Lease, Landlord depletes the Security Deposit, in whole or in part, then immediately following such depletion, Tenant shall restore the amount so used by Landlord. Unless Landlord uses the Security Deposit to cure a default of Tenant, or to restore the Leased Premises to the condition to which Tenant is required to leave the Leased Premises upon the expiration date or any termination of the Lease, then Landlord shall, within thirty (30) days after the expiration date or any termination of this Lease, refund to Tenant any funds remaining in the Security Deposit. Tenant may not credit against or deduct the Security Deposit from any month's rent.

SECTION 4. USE OF LEASED PREMISES:

Tenant shall use and occupy the Leased Premises solely for storage and maintenance purposes directly related to the Tenant's ownership or operation of the Lake Ashton golf courses, and for no other purpose, consistent with current zoning, government regulations and this Lease.

SECTION 5. ASSIGNING AND SUBLETTING:

The Tenant shall not sublease any portion of the Leased Premises without the prior written consent of Landlord in each instance, which consent may be withheld in the sole and absolute discretion of Landlord. The Tenant shall not assign this Lease without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld, but which shall be expressly conditioned upon: (i) the Tenant's agreement to reduce the Lease Term to not less than ten (10) years from the date of such assignment and (ii) the assignee's agreement to pay the

then-current market-rate rent at the time of such assignment. Any assignment, sublease, transfer or other purported license to use the Leased Premises by the Tenant that is not in compliance with this Section 16 shall be void *ab initio*, and shall, at Landlord's option, terminate this Lease. If Tenant does so assign this Lease or sublease any portion the Leased Premises, Tenant shall remain liable and responsible under this Lease.

SECTION 6. CONDITION OF LEASED PREMISES:

TENANT EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE LEASED PREMISES, AND ALL BUILDING, STRUCTURES, FIXTURES, APPURTENANCES, OR IMPROVEMENTS THEREON, ARE TO BE CONVEYED BY LANDLORD, AND ACCEPTED BY TENANT IN "AS IS" CONDITION, AND THAT NEITHER LANDLORD, NOR ANY AGENT, REPRESENTATIVE, OR OTHER PERSON OR ENTITY WHATSOEVER, HAS MADE OR DOES MAKE HEREBY ANY WARRANTY, REPRESENTATION, STATEMENT, GUARANTEE, ASSERTION OR OPINION, WRITTEN OR ORAL, EXPRESS OR IMPLIED, ABOUT OR CONCERNING THE LEASED PREMISES AND ALL BUILDINGS, STRUCTURES, FIXTURES, APPURTENANCES OR IMPROVEMENTS THEREON OR THERETO, OR ABOUT OR CONCERNING THE PHYSICAL CONDITION OF THE LEASED PREMISES, THE SUITABILITY OF THE LEASED PREMISES FOR ANY USE OR PURPOSE, OR ANY SIMILAR MATTER. TENANT FURTHER ACKNOWLEDGES AND AGREES THAT TENANT HAS HAD COMPLETE ACCESS TO THE LEASED PREMISES FOR THE PURPOSE OF MAKING ANY AND ALL TESTS, INSPECTIONS, OR EVALUATIONS THEREOF AS TENANT DEEMED DESIRABLE, INCLUDING, BUT NOT LIMITED TO ANY ENVIRONMENTAL AUDIT DESIRED BY TENANT, AND THAT TENANT HAS INSPECTED OR PRIOR TO EXECUTION OF THIS LEASE WILL INSPECT THE LEASED PREMISES TO THE EXTENT DESIRED BY TENANT AND SHALL ACCEPT THE CONDITION OF THE LEASED PREMISES AS IS. TENANT COVENANTS AND AGREES THAT THE ACCEPTANCE BY TENANT OF THE LEASED PREMISES IN "AS IS" CONDITION, AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE WHATSOEVER WAS AND IS A MATERIAL PART OF THE CONSIDERATION BARGAINED FOR BY LANDLORD, AND THAT TENANT'S AGREEMENTS IN SUCH REGARD WERE AND ARE A MATERIAL INDUCEMENT FOR LANDLORD TO ENTER INTO AND PERFORM THIS LEASE. TENANT HEREBY COVENANTS AND AGREES THAT TENANT DOES AND SHALL ASSUME ANY AND ALL RISKS CONCERNING THE LEASED PREMISES, AND THE PHYSICAL CONDITION AND CHARACTERISTICS THEREOF, AND ANY DEFECTS OR PROBLEMS CONCERNING THE LEASED PREMISES, WHETHER PATENT OR LATENT, KNOWN OR UNKNOWN.

SECTION 7. ENVIRONMENTAL LAW COMPLIANCE:

A. To the extent permitted by law and subject to, and without waiving the effect of, the provisions of Section 768.28, Florida Statutes, Tenant shall comply with all federal, state, county, or local statutes, laws, regulations, rules, ordinances, codes, licenses and permits of all governmental authorities pertaining to environmental matters (collectively "Environmental Laws") relating to the Leased Premises. Tenant shall be responsible for the costs of compliance with the Environmental Laws and cleanup or other costs or expenses relating to the discharge of toxic or hazardous waste or substances at or about the Leased Premises arising out of the Tenant's use or occupancy of the Leased Premises. Tenant hereby covenants that Tenant shall not release or discharge any such toxic or hazardous wastes or substances at or about the Leased Premises.

B. Tenant hereby agrees to defend, indemnify and hold Landlord harmless from and against any and all claims, lawsuits, liabilities, losses, damages and expenses (including but not limited to reasonable attorneys' fees arising by reason of any of the aforesaid or any action against the Landlord under this indemnity and business interruption damages) arising directly or indirectly from, out of or by reason of: (i) Tenant's breach of this section; (ii) the discharge of toxic or hazardous waste or substances at or about the Leased Premises arising out of the Tenant's use or occupancy of the Leased Premises; or (iii) Tenant's failure to comply with Environmental Laws or to provide all information, make all submissions and take all actions required by the United States Environmental Protection Agency, any other federal, state or local governmental and quasi-governmental agencies and authorities having jurisdiction over Tenant's use and/or occupancy of the Leased Premises.

SECTION 8. SIGNS:

Tenant shall not be allowed to display any signage on the Leased Premises. The Landlord shall have the right to place a "For Sale" sign on the Leased Premises at any time. The Landlord shall have the right to place a "For Lease" sign on the Premises within ninety (90) days of the expiration of the Tenant's current Lease Term.

SECTION 9. UTILITIES:

Tenant shall pay for all utilities furnished to the Leased Premises for the term of this Lease, including, without limitation, water, gas, electricity, fuel, light, heat, power, sewer and other utility services, and all janitorial and trash disposal services caused or used by Tenant in connection with Tenant's use and occupancy of the Leased Premises.

SECTION 10. MAINTENANCE AND REPAIRS:

Tenant shall make and pay for all maintenance, replacement and repairs to the Leased Premises, including but not limited to:

- (i) the interior portions of the building;

(ii) routine maintenance of any heating, ventilating and air-conditioning ("HVAC") system exclusively serving the Leased Premises. Additionally, Tenant shall be responsible for replacement of HVAC equipment exclusively serving the Leased Premises in the event said equipment can no longer be satisfactorily repaired and requires replacement due to Tenant's failure to maintain such HVAC system in accordance with this section or due to damage caused by Tenant other than ordinary wear and tear and natural deterioration;

(iii) the exterior, plate glass windows, the roof, outer walls, and structural portions of the portion of the building included within the Leased Premises;

(iv) any water, gas or electrical lines or conduits leading to the Leased Premises or permanently embedded in the exterior walls or floor of the Leased Premises; and

(v) repair of any heating, ventilating and air-conditioning ("HVAC") system exclusively serving the Leased Premises, including replacement of HVAC equipment exclusively serving the Leased Premises in the event said equipment can no longer be satisfactorily repaired, due to ordinary wear and tear and natural deterioration, and requires replacement.

Landlord shall be responsible for, and shall pay, all costs associated with maintaining the common areas of the Property including common or shared components or systems of any building which is only partially included within the Leased Premises. In addition to the rent required to be paid to Tenant hereunder, and commencing on the Effective Date, Tenant shall pay to Landlord a share of Common Area Maintenance Expenses. "Common Area Maintenance Expenses" shall include, but not necessarily be limited to, charges for: utilities (electric, water, sewer, gas, telephone trash removal, solid waste, dumpster, etc.), lighting, lawn care, landscaping, tree/shrub trimming, mulch, plants, irrigation system, fences, lake/pond/retention/ditch treatments, cleaning, sweeping, fire sprinkler and fire alarm systems, pest control (preventative and monthly/annual), security/alarm and policing, repairs and maintenance for common areas and common or shared components or systems within building interior), parking lot including pole lights, plumbing, roof, pressure cleaning, exterminating (eradication, tenting, etc.), general overhead expense and administrative costs (not to constitute more than five percent (5%) of the other Common Area Maintenance Expenses annually during the Term), managing company, contractor and management fees, equipping, equipment, and capital expenses which (a) extend the useful life of an asset, (b) reduce the operational expense of an asset, or (c) are required by applicable laws, as well as any other expense related to the maintenance of the common areas of the Property. Provided however, in the event that any item of capital expense is for a new asset having an estimated economic life extending beyond the Term or which extends the economic life of an existing asset beyond the Term, then Tenant's responsibility for such item of capital expense shall be limited to that portion of the economic life of such new asset or extended economic life of such existing asset, as the case may be, which falls within the Term as may be reasonably determined. For purposes of clarification and the avoidance of doubt, Landlord and Tenant agree that for purposes of this Section 10 no expenses associated with the maintenance of that building which is commonly referred to as the "RV Storage Building" shall be included within the Common Area Maintenance Expenses. Subject to the provisions of this paragraph, Tenant shall pay forty percent (40%) as its share of the Common Area Maintenance Expenses, and the initial amount to be paid by Tenant for Common Area Maintenance Expenses for the first year of the Term is estimated to

be \$_____, \$6,000.00. For all subsequent years of the Term the Common Area Maintenance Expenses paid by Tenant shall increase by three percent (3%) per year on a non-compounding basis; provided, however, that this cap on annual increases shall not apply to capital expenses incurred by Landlord. Landlord agrees to exercise commercially reasonable efforts to identify and communicate to Tenant the need for anticipated capital expenditures during the Term in order to facilitate Tenant's budgeting of revenues for the payment thereof. At the conclusion of each year of the Term, Tenant shall be billed for its pro rata share of all Common Area Maintenance Expenses incurred during the previous year of the Term, subject to the annual increase, and shall be required to make payment within thirty (30) days after receipt of billing. Landlord shall include reasonable supporting documentation with any bill evidencing the Common Area Maintenance Expenses for which Landlord is seeking reimbursement.

SECTION 11. TENANT ALTERATIONS:

A. Tenant may not make any improvements to the Leased Premises without the prior written consent of the Landlord. Tenant shall submit all plans for improvements to Landlord for approval, ~~together with the name of the contractor that Tenant intends to use for construction of the improvements.~~ Landlord shall respond to the request for approval of the plans ~~and/or the contractor~~ within forty-five (45) days after delivery of the request to Landlord, and approval of Tenant's plans shall not be unreasonably withheld. Additionally, before Tenant may commence any improvements, Tenant shall provide Landlord with the name of the contractor that Tenant intends to use for construction of the improvements, a copy of a fully executed construction contract by and between Tenant and its contractor, and copies of the necessary building permits issued by the appropriate governmental authority. All improvements made by Tenant to the Leased Premises which are so attached to the Leased Premises so they cannot be removed without material injury to the Leased Premises, shall become the property of the Landlord upon installation. Tenant shall be solely responsible for any and all matters related to the construction of any improvements to the Leased Premises, including, but not necessarily limited to, design, construction, suitability for their intended purpose, and compliance with any and all applicable governmental ordinances. To the extent permitted by law and subject to, and without waiving the effect of, the provisions of Section 768.28, Florida Statutes, Tenant shall indemnify and hold Landlord harmless from any and all costs, claims and/or causes of action that may be related, either directly or indirectly, to Tenant's construction of any improvements to the Leased Premises, including, but not necessarily limited to, attorneys' fees and costs.

B. If Tenant is not in default of the terms of this Lease, all trade fixtures and equipment and other personal property owned by Tenant and installed or placed by Tenant upon the Leased Premises may be removed by Tenant at any time during the term or upon the expiration thereof. Tenant agrees to repair any damage to the building on the Leased Premises occasioned by such removal. Not later than the last day of the term of this Lease, Tenant shall, at Tenant's expense, remove all of Tenant's personal property and those improvements made by Tenant which have not become the property of the Landlord; repair all injury done by or in connection with the installation or removal of such property and improvements; and surrender the Leased Premises in as good condition as they were at the beginning of the term, reasonable wear and tear excepted. All property of Tenant remaining on the Leased Premises after the last day of the term of this Lease

shall be conclusively deemed abandoned and may be removed by Landlord and Tenant shall reimburse Landlord for the cost of such removal.

SECTION 12. DAMAGE TO PREMISES:

If the Leased Premises are partially damaged or totally destroyed by fire or disaster during the last two (2) years of the Term, Landlord shall have the right, but not the obligation, to terminate this Lease effective as of the date of such damage or destruction. In the event Tenant has paid any rent beyond the date of the termination as provided in this section, Tenant shall be entitled to a proportionate refund of such rent. If such fire or disaster occurs other than during the last two (2) years of the Term or if Landlord does not elect to terminate this Lease as provided in this section, Landlord, at Landlord's cost, shall promptly cause the Leased Premises to be substantially restored to the prior existing condition; provided, however, that due allowance shall be made for a reasonable time necessary for the Landlord to adjust the loss with insurance companies insuring the Leased Premises at the time of such damage or destruction, and due allowance shall be made for delay occasioned by strikes, lockouts, and conditions beyond the control of the Landlord. The rent paid by Tenant shall abate in proportion to the areas of the Leased Premises rendered untenantable from the date of such damage or destruction, up to the date of the restoration of the Leased Premises; provided, however, that no rent shall abate for any portion of the Leased Premises upon which Tenant is able to conduct its usual business.

SECTION 13. QUIET ENJOYMENT:

Landlord agrees that upon Tenant's payment of all rent due hereunder and performing and observing the agreements and conditions on its part to be performed and observed, Tenant shall and may peaceably and quietly have, hold and enjoy the Leased Premises and all rights of Tenant hereunder during the term of this Lease without any manner of hindrance.

SECTION 14. LIENS:

Tenant shall maintain the Leased Premises free and clear of all claims of liens by mechanics and materialmen for and on account of labor and materials furnished in and about said construction by Tenant. If any mechanics' or other liens or order for the payment of money arising through the fault of Tenant shall be filed against the Leased Premises or additions, alterations or extensions thereto, Tenant shall cause the same to be canceled and discharged of record, by bond or otherwise, and shall also defend and pay damages and reasonable attorneys' and legal assistants' fees, if any, for any action, suit or proceeding which may be brought thereon for the enforcement of such lien, liens or orders. Upon failure of Tenant to do so, Landlord may, after thirty (30) days' notice, do so on Tenant's behalf, and all sums thereby expended by Landlord shall be payable on demand to Tenant.

THE INTEREST OF THE LANDLORD SHALL NOT, UNDER ANY CIRCUMSTANCES, BE SUBJECT TO LIENS FOR IMPROVEMENTS MADE BY THE TENANT, AND ALL MATERIALMEN, CONTRACTORS, SUBCONTRACTORS, SUPPLIERS AND LABORERS AND OTHER PERSONS CONTRACTING WITH TENANT WITH RESPECT TO THE

LEASED PREMISES OR ANY PART THEREOF, ARE HEREBY CHARGED WITH NOTICE THAT THEY MUST LOOK TO TENANT TO ASSURE PAYMENT OF ANY BILL FOR WORK DONE OR MATERIAL FURNISHED ON BEHALF OF TENANT OR FOR ANY OTHER PERSON DURING THE TERM OF THE LEASE.

Tenant shall notify all contractors, subcontractors, mechanics, laborers, materialmen or others performing work for or supplying materials to Tenant of the foregoing. A notice concerning this provision of this Lease may be executed by Landlord and recorded in the public records of the County where the Leased Premises is located. Tenant agrees that said notice may be effectively discharged, released, and removed from said public records by Landlord alone executing and recording in the public records a notice that the Leased Premises are discharged and released from the terms of this paragraph, as well as all other provisions of this Lease.

SECTION 15. LAW, REGULATIONS:

Tenant agrees to comply with all laws, codes, ordinances, orders, rules, regulations and requirements of any governmental body relating to the manner of Tenant's use and occupancy of the Leased Premises, or alterations made by Tenant, and Tenant shall pay all costs and expenses incidental to such compliance and will to the extent permitted by law and subject to, and without waiving the effect of, the provisions of Section 768.28, Florida Statutes, indemnify and save harmless Landlord therefrom. Should Tenant fail to comply with any of the provisions contained in this section, Landlord may, after ten (10) days' notice to Tenant, comply therewith, and Landlord's cost and expense of so doing may be charged against Tenant, becoming due upon demand.

SECTION 16. INSURANCE:

A. Tenant, in its name and at its own expense, shall procure and continue in force general liability insurance against damages occurring in the Leased Premises during the term of this Lease. Such insurance shall: a) be in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and not less than Two Million Dollars (\$2,000,000.00) in the aggregate; b) name Landlord and Landlord's mortgagee, if any, as their interests shall appear, as additional insureds; and c) provide that such insurance shall not be modified or canceled without giving Landlord thirty (30) days' prior written notice. Tenant shall provide Landlord with copies of certificates of all insurance policies and renewals thereof.

B. Landlord, at its expense, shall insure the Leased Premises against loss by fire or disaster for the full replacement value thereof.

C. Tenant shall be solely responsible for insuring Tenant's property within the Leased Premises, and Landlord shall not be liable for damages to Tenant's property for any reason whatsoever.

D. Tenant shall pay, as additional rent, forty percent (40%) as its share of the casualty insurance to be maintained by the Landlord pursuant to Section 16.B above, and the initial

annual amount to be paid by Tenant for insurance is estimated to be \$_____, \$3,826.00. If there are additional insurance costs related to the Leased Premises that the Landlord is required to pay, Tenant shall be billed for its pro rata share and shall be required to make payment within thirty (30) days after receipt of billing accompanied by a copy of Landlord's insurance invoice. Provided however, Landlord shall appropriately prorate amounts to be reimbursed by Tenant under this sub-paragraph for the first and last years of the Term.

E. To the extent permitted by law and subject to, and without waiving the effect of, the provisions of Section 768.28, Florida Statutes, Tenant agrees to indemnify and save harmless Landlord from and against any and all claims and demands whether from injury to person or loss of life or damage to property occurring within the Leased Premises during the Term but excluding, however, claims and demands arising from Landlord's gross negligence or breach of the provisions of this Lease.

SECTION 17. WAIVER OF SUBROGATION:

Landlord and Tenant each hereby agree not to assign to any insurance company any right or cause of action for damage to the property of either Landlord or Tenant which either of them now has or may subsequently acquire against the other during the term of this Lease and each of them expressly waives all rights of recovery for such damage. Landlord and Tenant each agree that their respective insurance policies with regard to the Leased Premises shall contain a waiver of subrogation. It is specifically understood that the agreement set forth in this section shall only apply where such insurance as described herein allows the insured to enter into an agreement waiving recovery rights.

SECTION 18. DEFAULT:

A. If Tenant shall fail to pay any rents or other charges required to be paid by Tenant within thirty (30) days after the date such payment is due, or to observe any of the covenants on Tenant's part to be performed or if Tenant vacates or abandons the Leased Premises, such act or omission shall constitute a default under the Lease. ~~In no event shall Landlord be required to give notice to Tenant of a monetary default.~~ In the event of a default by Tenant, Landlord ~~may~~ shall give written notice to Tenant in the manner hereinafter provided for giving notices, and if Tenant thereafter fails to cure any such default involving the payment of money within ten (10) days after the date of such notice, or if the default includes some acts of omission other than the payment of money and shall not be cured within thirty (30) days after the date of such notice and the cure thereof is not undertaken promptly within such period and thereafter expeditiously completed, then in any such event Landlord shall have the following rights and remedies:

(i) Landlord shall have the right, at its election, to cancel and terminate the Lease and remove all persons and property therefrom by summary proceedings; provided, however, that any such termination of the Lease shall be at the option or election of Landlord only, and such termination shall not take effect unless Landlord so elects.

(ii) In the event of the termination of the Lease by Landlord because of Tenant's default and Lake Ashton II Community Development District has assigned this Lease as

permitted by Section 5 above, Landlord shall, notwithstanding any other provisions of the Lease, be entitled to recover from Tenant, as liquidated damages and not as a penalty, an amount equal to the then fair and reasonable rental value of the Leased Premises for the unexpired portion of the term. For the purposes of clarification and the avoidance of doubt, Landlord acknowledges that for so long as Lake Ashton II Community Development District is the tenant under this Lease, Landlord shall have no right to seek liquidated damages under this provision.

(iii) In the event of the termination of the Lease by Landlord because of Tenant's default, Landlord shall, notwithstanding any other provisions of the Lease, be entitled to recover from Tenant any costs incurred by Landlord as a result of Tenant's use or occupancy of the Leased Premises or in regaining possession of the Leased Premises and reletting same.

(iv) In addition to Landlord's right to enforce the collection of rentals and other charges to the end of the term, or to collect liquidated damage for breach of the Lease (subject, however, to the limitations of the foregoing item (ii)), Landlord shall have the right to collect from Tenant reasonable attorneys' fees incurred by Landlord in enforcing its rights, plus court costs in the event a suit or action is brought to enforce the Lease.

(v) In the event of abandonment or eviction of Tenant, the monthly rent to be paid by Tenant to Landlord shall be deemed to be (only for the purpose of this section) a sum which shall be equal to the average annual rental paid by Tenant for the immediately preceding lease year, or in the event Tenant has been in possession of the Leased Premises for a lesser period, then the monthly rental shall be deemed to be a sum equal to the average of monthly rental which has been paid by Tenant or that became due from Tenant for the period commencing on the commencement date of this Lease and ending on the date that Tenant shall abandon or be evicted from the Leased Premises.

B. Without limiting anything contained in this section, should either Landlord or Tenant fail to comply with any of the terms of this Lease, each may, after thirty (30) days' notice to the other (or such other period for cure after written notice as expressly provided herein), cause the compliance thereof on the nonperforming party's behalf, but each shall not be obligated to do so. The cost of such compliance, together with interest at the rate of eighteen percent (18%), shall be payable upon demand.

SECTION 19. ENTRY OF LANDLORD:

Landlord shall have the right to enter the Leased Premises: (a) in case of emergency; (b) upon reasonable notice, which in any event shall be not less than one (1) business day prior to the requested date of entry, and provided that Landlord will use commercially reasonable efforts not to materially interfere with Tenant's use or enjoyment of the Leased Premises, to make necessary or agreed repairs, decorations, alterations, improvements, supply necessary or agreed services, show the Leased Premises to mortgagees, tenants, workmen or contractors; (c) or when the Tenant has abandoned or surrendered the Leased Premises.

SECTION 20. NOTICES:

Any notice pursuant to this Lease shall be given in writing by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) via e-mail, each of which shall be sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided; provided however that email delivery shall be effective as of the date and time the delivering party sends the email to the proper address and does not receive an "undeliverable" notification, and only if delivery by one of the other methods is initiated on the same day as the email is sent. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Contract shall be as follows:

If to Tenant:

Lake Ashton II Community Development
District
5385 N. Nob Hill Road
Sunrise, Florida 33351
Attention: District Manager
Telephone: (954) 721-8681
Email: jburns@gmscfl.com

And:

135 West Central Boulevard, Suite 320
Orlando, Florida 32801
Attention: District Manager
Telephone: (407) 841-5524
Email: jburns@gmscfl.com

with a copy to:

Hopping Green & Sams, P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301
Attention: Michael Eckert
Telephone: (850) 222-7500
Email: MichaelE@hgslaw.com

If to Landlord:

Ashton Golf-Storage, LLC
500 South Florida Avenue, Suite 700
Lakeland, Florida 33801
Attention: Jim D. Lee
Telephone: (863) 647-1581
Email: jlee@leeandcompany.com

with a copy to:

Clark, Campbell, Lancaster & Munson, P.A.
500 Florida Avenue, Suite 800
Lakeland, Florida 33801
Attention: Michael E. Workman
Telephone: (863) 647-5337
E-mail: mworkman@cclmlaw.com

SECTION 21. LEASE SUBORDINATION; ESTOPPELS:

A. The Lease and Tenant's interest hereunder, subject to the provisions of this paragraph, shall be subordinate to the lien of any present or future mortgage or mortgages upon the Leased Premises, irrespective of the time of execution or the time of recording of any such mortgage or mortgages, and to each advance made or to be made thereunder and to all renewals, modifications, consolidations, and extensions thereof, and all substitutions thereof. In the event of any entry, foreclosure, acquisition or other action by such holder, Tenant shall recognize the holder of the mortgage with respect to which such action is taken against Landlord under this Lease, subject to a requirement that any such holder of the mortgage shall acknowledge the rights of the Tenant under this Lease and shall not disturb the Tenant's quiet enjoyment of its rights under the Lease. As used in this paragraph, the word "holder" shall include any person claiming through or under any such mortgage, including any purchaser at a foreclosure sale, and the word "Tenant" shall include Tenant's successors and assigns. The word "mortgage" as used in this paragraph shall mean mortgages, deeds of trust, and other similar instruments held by a lender and all modifications, extensions, renewals and replacements thereof. This paragraph is self-operative, and no further instrument of subordination shall be required. Notwithstanding the self-operative effect of this paragraph, Tenant agrees to execute such further documents in recordable form as Landlord or any lender may reasonably require, consistent with the terms of this paragraph.

B. Landlord and Tenant each agree at any time from time to time, upon not less than ten (10) days prior written notice, to execute, acknowledge and deliver to the other, a statement in writing, certifying to the extent possible that this Lease is unmodified and in full force and effect, or if there have been modifications, that the same is in full force and effect as modified and stating such modifications and otherwise certifying if there exists any default under the terms of this Lease and other such information as may be reasonable requested concerning this Lease by the other party or any other third party with a bona fide interest. Should either party fail to deliver to the other party any such statement within ten (10) days of receipt of a written notice requesting any such statement, then such party shall be deemed to have received such statement as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied therein.

SECTION 22. EMINENT DOMAIN:

A. In the event all of the Leased Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate

and expire as of the date of such taking and Tenant shall thereupon be released from any further liability hereunder.

B. In the event of the appropriation or taking under the power of eminent domain of any of the following: (i) more than twenty percent (20%) of the Leased Premises; or (ii) any of the access routes of the Leased Premises to adjoining thoroughfares so that such accessibility is eliminated or substantially impaired, Tenant shall have the right to terminate and be entirely released from this Lease as of the date of such taking upon giving to Landlord notice in writing of such election within ninety (90) days after the receipt by Tenant from Landlord of written notice that said premises have been so appropriated or taken.

C. If this Lease is terminated as provided in this section, the rent for the remainder of the year of the Term within which the termination occurs shall be prorated, and Landlord agrees to refund to Tenant any rent paid in advance.

D. If this Lease shall not be terminated as in this section provided, but shall continue as to that portion of the Leased Premises which shall not have been appropriated or taken, all rent shall be abated pro rata in the ratio that the usable ground floor area of the part of the building taken bears to the ground floor area of the building which was included with the Leased Premises before such taking.

E. Tenant shall have no right to any proceeds or award received by Landlord in connection with the taking of the all or part of Leased Premises by eminent domain.

SECTION 23. OBLIGATION OF SUCCESSORS:

All of the provisions hereof shall bind and inure to the benefit of the parties hereto, their respective successors and assigns. Landlord specifically acknowledges that the provisions of this Lease shall survive any sale or transfer of the Property by Landlord.

SECTION 24. TAXES:

Tenant shall pay, as additional rent, forty percent (40%) as its share of the ad valorem taxes and non-ad valorem assessments payable each year with regard to the Property, and the ~~initial~~ annual amount of taxes and assessments associated with the Property for 2019 (exclusive of applicable discounts) ~~to be paid by Tenant for such taxes is estimated to be~~ \$38,720.70. If there are additional property tax expenses with regard to the Property that the Landlord is required to pay, Tenant shall be billed for its pro rata share at calendar year end and shall be required to make payment within thirty (30) days after receipt of billing. The foregoing amounts shall be determined based upon the tax bills received by Landlord from the Polk County Tax Collector's office each year during the Term and shall be reimbursed by Tenant to Landlord within thirty (30) days of receipt of an invoice therefor accompanied by a copy of Landlord's annual property tax bill. Provided however, Tenant's reimbursement obligations under this paragraph shall be computed using the maximum discount permissible under applicable law, regardless of whether Landlord avails itself of such discount.

Tenant shall also pay all sales taxes on the rentals levied by law on leases and all taxes and assessments levied or assessed against Tenant's personal property, including, without limitation, Tenant's trade fixtures and inventory, located upon the Leased Premises. Tenant shall be responsible only for its pro rata share of such tax for fractional years occurring at the beginning and expiration of the term of this Lease. Tenant shall have the right from time to time, but not the obligation, to review, protest, or contest any increase in ad valorem real estate taxes on the Leased Premises, or any part thereof, or to seek a reduction in the valuation of the Leased Premises, or any part thereof, assessed for tax purposes and to prosecute any action or proceeding in connection therewith; provided such contest shall not relieve Tenant of its obligations to timely pay all taxes and assessments on the Leased Premises in accordance with this section. Landlord agrees to execute any and all petitions and documents in connection with such protest or contest and agrees Tenant can bring suit in Landlord's name in connection with contesting taxes at Tenant's sole expense. Except otherwise provided in the Lease, Tenant shall be entitled to its proportionate share of any refund of any taxes received by Landlord less such expenses incurred by Landlord in connection with obtaining such tax refund, which taxes have been paid by Tenant.

SECTION 25. 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 unit.

SECTION 26. EFFECTIVE DATE:

When used herein, the term "Effective Date" or the phrase "the date hereof" or "the date of this Lease" shall mean December _____, 2019.

SECTION 27. FORCE MAJEURE:

Subject to the express limitations provided herein, Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from so doing by cause or causes beyond Landlord's absolute control which shall include, without limitation, all labor disputes, civil commotion, civil disorder, riot, civil disturbance, war, war-like operations, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations, orders, moratoriums or controls, fire or other casualty, inability to obtain any material or services or through Acts of God. The terms of this section shall be applicable to Tenant solely with regard to non-monetary issues. For all monetary issues, there shall be no events of force majeure and no excuse for delay permitted in connection with the obligation of Tenant to pay any sums required hereunder unless rent shall be otherwise expressly abated according to the terms and conditions of this Lease.

SECTION 28. RELATIONSHIP OF PARTIES:

Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method or computation of rent, nor any other provision contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

SECTION 29. REPRESENTATION OF AUTHORITY:

The individuals executing this Lease on behalf of Tenant hereby represent, warrant and certify to Landlord that they have all legal power, right and actual authority to bind Tenant to the terms and conditions contained in this Lease. The individual executing this Lease on behalf of Landlord hereby represents, warrants and certifies to Tenant that he has all legal power, right and actual authority to bind Landlord to the terms and conditions contained in this Lease.

SECTION 30. ATTORNEY'S FEES:

In the event of any dispute hereunder or of any action to interpret or enforce this Lease, any provision hereof or any matter arising from this Lease, the prevailing party shall be entitled to recover its reasonable costs, fees and expenses including, but not limited to, witness fees, expert fees, consultant fees, attorney, paralegal and legal assistant fees, costs and expenses and other professional fees, costs and expenses whether suit be brought or not, and whether in settlement, in any declaratory action, before, during or after trial or on appeal.

SECTION 31. LIMITATION ON LANDLORD'S LIABILITIES:

The obligations and liabilities of the Landlord hereunder shall be binding upon the Landlord only during its ownership of the Leased Premises. In the event of the sale or other transfer of Landlord's right, title and interest in the Leased Premises, Landlord shall be released from all liability and obligations under this Lease provided, however, the provisions hereof shall continue to bind Landlord's successor. Notwithstanding anything to the contrary provided in this Lease, it is specifically understood and agreed, such agreement being a primary consideration for the execution of this Lease by Landlord, that in the event of any default by Landlord under this Lease, for which Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of a sale received upon execution of such judgment and levy thereon against the right, title, and interest of Landlord in the Property, as the same may then be encumbered, and Landlord shall not be liable for any deficiency. It is understood that in no event shall Tenant have any right to levy execution against any property of Landlord other than its interest in the Property as hereinbefore expressly provided.

SECTION 32. GENERAL:

The captions in this Lease are for convenience only and are not part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease. Unless otherwise expressly provided herein, whenever the consent or approval of either party is required, such consent or approval shall not be unreasonably withheld or delayed. This Lease shall be construed in accordance with applicable Florida law. Landlord and Tenant hereby agree that any legal action

authorized hereunder shall be brought in any court of competent jurisdiction located in Polk County, Florida. This Lease is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Lease or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Lease and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law. Landlord and Tenant agree that neither party has made any statement, promise or agreement, or taken upon itself an agreement whatsoever, verbally or in writing, in conflict with the terms of this Lease, of which in any way modifies, varies, alters, enlarges or invalidates any of its provisions. This Lease sets forth the entire understanding between Landlord and Tenant, and shall not be changed, modified or amended except by an instrument in writing signed by the party against whom the enforcement of any such change, modification, or amendment is sought. Failure of either party to insist upon or enforce any of its rights shall not constitute a waiver thereof, and nothing shall constitute a waiver of such party's right to insist upon strict compliance with the provisions hereof. Any express waiver of any covenant, agreement, term or condition shall not constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition.

SECTION 33. MEMORANDUM OF LEASE:

Tenant may, at Tenant's election, record a memorandum or short form of this Lease in the public records of Polk County, Florida for purposes of putting third parties on notice of the existence of this Lease. Landlord agrees to join in the execution of such memorandum or short form of Lease upon Tenant's request.

SECTION 34. RIGHT OF FIRST REFUSAL:

If Landlord shall desire to sell or convey all or any portion of the Leased Premises during the Term and if Landlord shall obtain from a third party a bona fide written offer (the "Offer") acceptable to Landlord to purchase that portion of the Leased Premises which Landlord desires to sell or convey, Landlord shall submit a written copy of such Offer to Tenant and shall give Tenant thirty (30) days within which to elect to meet the Offer and purchase that portion of the Leased Premises which is the subject of the Offer. If Tenant elects to meet the Offer, Tenant shall give to Landlord written notice thereof ("Acceptance Notice") and closing shall be held within ninety (90) days after the date of the Acceptance Notice, whereupon Landlord shall convey to Tenant that portion of the Leased Premises which is the subject of the Offer. In the event Tenant shall elect not to meet any Offer, Landlord may thereafter sell the portion of the Leased Premises which is the subject of the Offer only to the party making the Offer and only strictly in accordance with the terms thereof. The provisions of this section shall not apply to any conveyance between Landlord any affiliate of Landlord; provided however, this section shall apply to any Offer which may subsequently be received by any such successor to Landlord.

[SIGNATURES FOLLOW ON SEPARATE PAGES]

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective names by their respective offices, the day and year first above written.

WITNESSES:

"LANDLORD"

**ASHTON GOLF-STORAGE, LLC, a
Florida limited liability company**

**By: Century Properties-RES, LLC
As its: Manager**

Print Name: _____
Witness #1

By: _____
Print: _____
Title: _____

Print Name: _____
Witness #2

WITNESSES:

"TENANT"

**LAKE ASHTON II COMMUNITY
DEVELOPMENT DISTRICT, a local unit
of special-purpose government established
pursuant to Chapter 190, Florida Statutes**

Print Name: _____
Witness #1

By: _____
Print: _____
Title: _____

Print Name: _____
Witness #2

EXHIBIT "A"

Property

TRACT "GC-16" (GOLF COURSE), of LAKE ASHTON GOLF CLUB PHASE V, recorded in Plat Book 143, Pages 22 through 24, Public Records of Polk County, Florida

LESS AND EXCEPT:

A portion of TRACT "GC-16" (GOLF COURSE), of LAKE ASHTON GOLF CLUB PHASE V, recorded in Plat Book 143, Pages 22 through 24, Public Records of Polk County, Florida, described as follows:

BEGIN at the southwest corner of said TRACT "GC-16"; thence North $89^{\circ}29'39''$ East, along the south line of said plat of LAKE ASHTON GOLF CLUB PHASE V, 1319.41 feet; thence North $49^{\circ}15'56''$ West, 33.52 feet; thence North $62^{\circ}23'09''$ West, 32.48 feet; thence North $89^{\circ}26'26''$ West, along a building, 900.40 feet; thence South $70^{\circ}50'25''$ West, 38.27 feet; thence North $89^{\circ}00'51''$ West, 35.27 feet; thence South $66^{\circ}39'43''$ West, 63.77 feet; thence North $81^{\circ}10'41''$ West, 20.73 feet; thence South $89^{\circ}49'23''$ West, 90.80 feet; thence North $84^{\circ}03'45''$ West, 31.42 feet; thence North $75^{\circ}05'29''$ West, 87.86 feet; thence South $89^{\circ}41'54''$ West, 7.66 feet to the west line of said TRACT "GC-16"; thence South $00^{\circ}17'21''$ East, along said west line, 48.86 feet to the POINT OF BEGINNING.

EXHIBIT "B"

Leased Premises

(See Attachment)

NOTICE OF RULEMAKING FOR GOLF CLUB RULES AND RATES BY LAKE ASHTON II COMMUNITY DEVELOPMENT DISTRICT

A public hearing will be conducted by the Board of Supervisors of the Lake Ashton II Community Development District on [], 2020, at [] a/p.m., at the [], Winter Haven, Florida [].

In accordance with Chapters 190 and 120, *Florida Statutes*, the Lake Ashton II Community Development District (“**District**”) hereby gives the public notice of its intent to adopt proposed rules related to the use of the District’s Lake Ashton Golf Club. The public hearing will provide an opportunity for the public to address proposed rules that: (1) address the requirements for the use of the District’s Lake Ashton Golf Club facilities; and (2) establish the user fees for the use of such facilities. The proposed ranges of fees are as follows:

Golf Club Passes & Fees			
Pass Type	Initiation Fee	Patron	Non-Resident
Annual Golf Pass	[]/Individual []/Family	\$4,200 - \$4,700/Individual \$5,400 - \$5,800/Family	[]/Individual []/Family
Season Golf Pass	[]/Individual []/Family	\$3,900 - \$4,200/Individual \$4,800 - \$5,200/Family	[]/Individual []/Family
Super	[]/Individual []/Family	\$3,300 - \$3,600/Individual \$4,400 - \$4,700/Family	[]/Individual []/Family

Other Charges	
Driving Range	\$[] – \$[]
Handicap Card Fees	\$[] – \$[]
Rental Clubs	\$[] – \$[]
Promotional	\$[] – \$[]
Employees	\$[] – \$[]

The proposed fee may be adjusted at the public hearing pursuant to discussion by the Board of Supervisors and public comment. The purpose and effect of the Suspension and Termination Rule is to provide for efficient District operations as provided for in Section 190.035, *Florida Statutes* (2015). Specific legal authority for the rule includes Sections 190.035(2), 190.011(5) and 120.54, *Florida Statutes*. Prior Notice of Rule Development was published in the [] on [].

Any person who wishes to provide the District with a proposal for a lower cost regulatory alternative as provided by Section 120.541(1), *Florida Statutes*, must do so in writing within twenty-one (21) days after publication of this notice.

The public hearing may be continued to a date, time, and place to be specified on the record at the hearing. If anyone chooses to appeal any decision of the Board with respect to any matter

considered at the public hearing, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which such appeal is to be based. At the hearing, one or more Supervisors may participate in the public hearing by speaker telephone.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this hearing is asked to advise the District Office at least forty-eight (48) hours before the hearing by contacting the District Manager at (____) _____. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770, who can aid you in contacting the District Office.

A copy of the proposed rule may be obtained by contacting the District Manager, [ADDRESS], or [PHONE].