

AMENDMENT NO. 1 TO HEXAPORT LEASE

THIS AGREEMENT is entered into effective August 27, 2010
 between: City of Ocala, a Florida municipal corporation ("City" or "Landlord"); and Ocala Hex-
 A-Port, Inc. (Tenant").

WITNESSETH

WHEREAS:

- A. City and Tenant are parties to an Airport Land Lease (the "Original Lease") dated November 7, 1995.
- B. Pursuant to paragraph 10 of the Original Lease, the rent increased to \$992.64 per month in January 2009.
- C. Tenant has requested that the premises that are the subject of the Original Lease be reduced in size, and that the Original Lease be otherwise amended as set forth herein.
- D. City has agreed to such matters pursuant to the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing, and the exchange of the mutual covenants set forth herein, City and Tenant agree as follows:

- 1. **Recitals.** The recitals contained above are true, correct, and are incorporated herein by reference.
- 2. **Leased Premises.** The Original Lease is amended to provide that Exhibit A thereto is replaced with the attached Exhibit A. Therefore, the attached Exhibit A now describes the premises that are subject to the Lease.
- 3. **Deletion of Option to Renew.** Paragraph 9 entitled "OPTION TO RENEW" is deleted in its entirety and the following language is hereby substituted therefor:

9. TERM OF LEASE. *The term of this Lease shall expire November 6, 2025.*

- 4. **Rent.** Paragraph 10 entitled "FIXED RENT" is deleted in its entirety and the following language is hereby substituted therefor..

10. **RENT.**

10.1. *During the remaining term of this Lease, Tenant shall pay rent as stated in Exhibit B. Such rent is calculated as follows:*

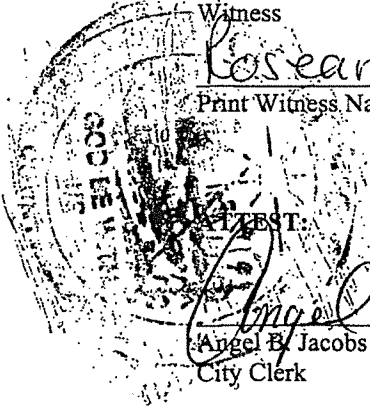
10.1.1. *Commencing on August 1, 2010, and continuing through December 1, 2010, Tenant shall pay monthly rent of Eight Hundred Twenty-Three and 50/100 Dollars (\$823.50) per month (based on the per acre rental value of the premises at \$12,200.35); and*

- 10.1.2. *Commencing on January 1, 2011, and on each January 1 thereafter, the total monthly rent shall be increased by an amount equal to three (3%) percent of the prior year's monthly rent.*
- 10.2. *The rent is payable without Landlord's demand on the first day of each calendar month during the Lease term. If rent payments commence on a day other than the first day of a calendar month, or terminate on a day other than the last day of a calendar month, the rent will be prorated on a daily basis.*
- 10.3. *All rent payable under this Lease shall be paid to Landlord without set-off or withholding for any reason and shall be mailed or delivered to Landlord at Landlord's address as set forth elsewhere in this Lease, or such other address of which Landlord shall notify Tenant, so that it is received prior to the date it is due.*
- 10.4. *In addition to the rent under this paragraph 10, all other payments that the Tenant is obligated to make under this Lease are considered additional rent, regardless of whether the payments are so designated. All additional payments are due and payable at the time the Landlord demands payment or at the time the next succeeding rent installment is due, whichever occurs first. Landlord shall have the same remedies for Tenant's failure to pay additional rent as it does for Tenant's failure to pay monthly installments of rent. All further references to "rent" shall include both monthly installments of rent and additional rent.*
- 10.5. *At the time rent payments are made, the Tenant agrees to pay to the Landlord all sales and use taxes that arise because of payment of rent to the Landlord.*
5. **Effect on Original Lease.** Except as expressly set forth herein, the Original Lease is not amended or modified. All references in the Original Lease or herein to "this Lease" or "this Agreement" shall be deemed to refer to the Original Lease as amended hereby.

IN WITNESS WHEREOF, the parties have executed this Agreement this 27 day of August, 2010.

[Signature]
Witness
REGINA CASSUTO
Print Witness Name

[Signature]
Witness
Roseann J. Fusco
Print Witness Name



[Signature]
Witness
Angel B. Jacobs
City Clerk

Approved as to form and legality

[Signature]
Patrick G. Gilligan
City Attorney

[Signature]
Witness
REGINA CASSUTO
Print Witness Name
[Signature]
Witness
Roseann J. Fusco
Print Witness Name

CITY

City of Ocala, a Florida municipal corporation

[Signature]
Reuben Kent Guinn
President, Ocala City Council

Address for notices:

City of Ocala
Attention: Airport Director
750 S.W. 60th Avenue
Ocala, Florida 34474
Fax: (352) 861-2227

TENANT

Hex-A-Port, Inc

By: [Signature]
STEVEN T POWELL as

Address for notices:

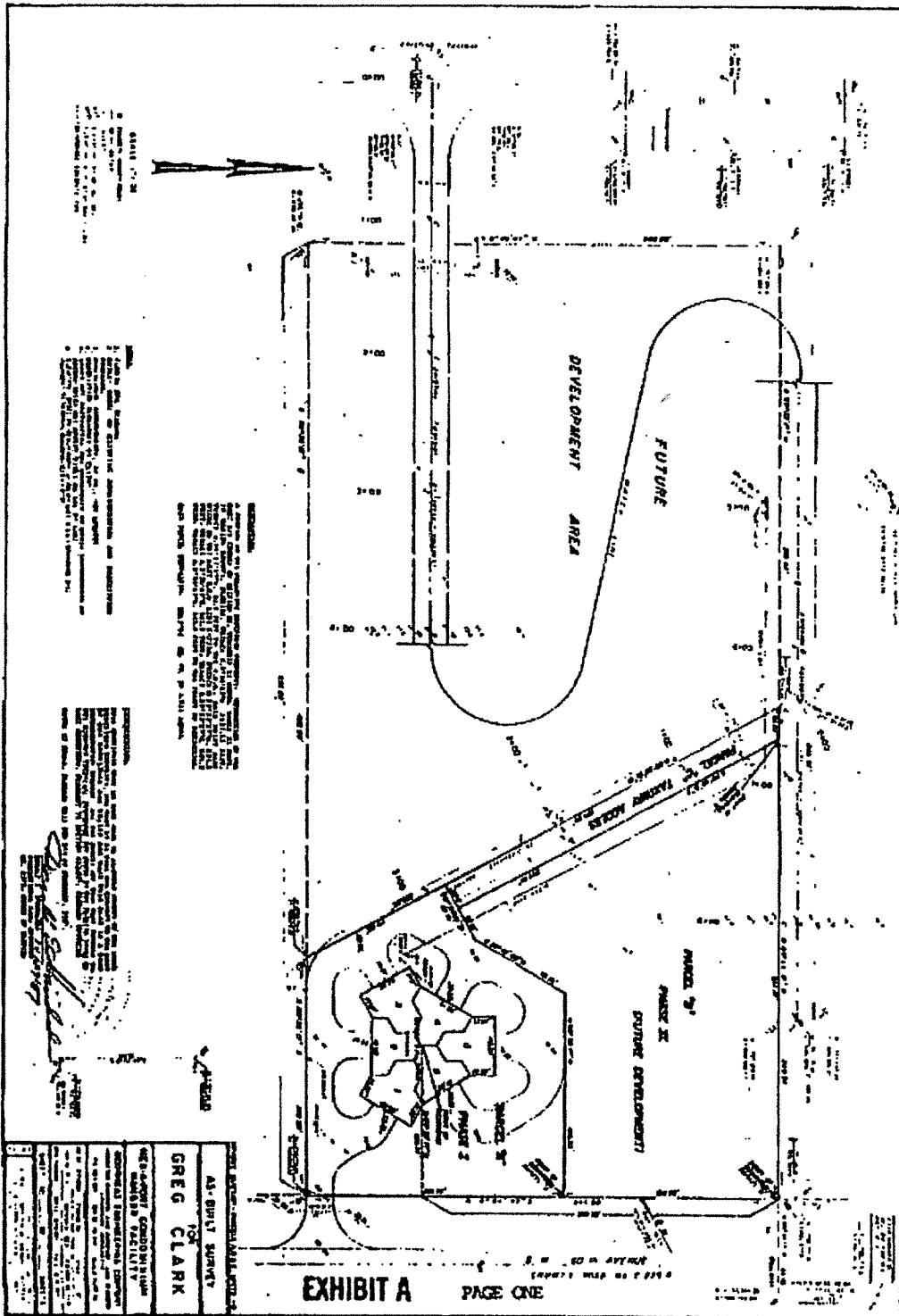
2910 SE 3RD CT
OCALA FL 34471
Fax: 352 732 3715

ACCEPTED BY CITY COUNCIL

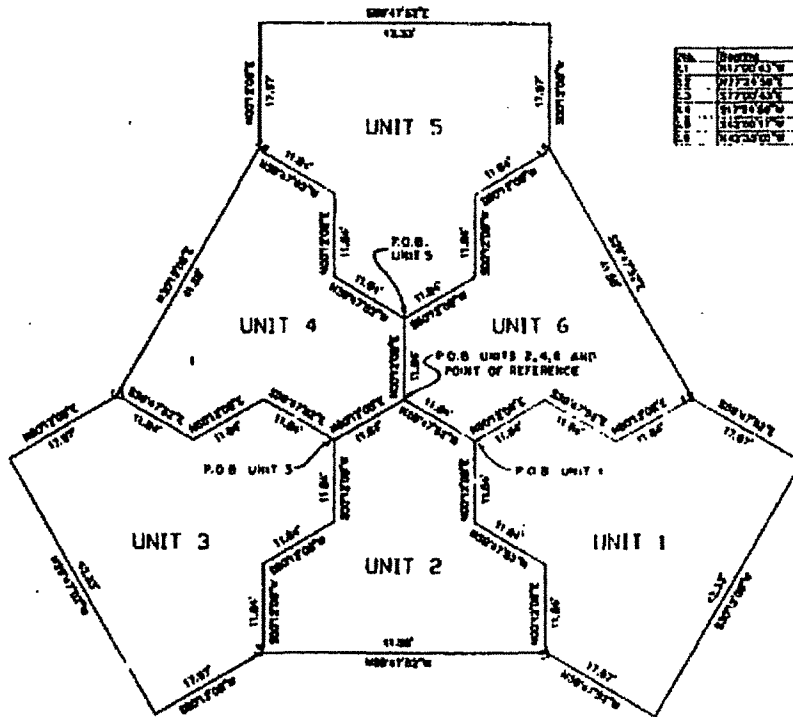
August 17, 2010
DATE

OFFICE OF THE CITY CLERK

EN1501 P01 808



HEX-A-PORT CONDOMINIUM HANGAR FACILITY
PHASE I

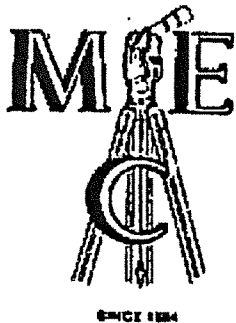


21501 PG 3 97

SCALE - 1" = 20'

EXHIBIT A
PAGE TWO

HOORHEAD ENGINEERING COMPANY		
CONSULTING ENGINEERS LAND SURVEYORS		
P.O. BOX 988 305 W. 207. ST. GULF BLDG. FLORIDA		
JOB NO. 87-332	DATE	SCALE 1" = 20'
DRAWN BY J.L.M.	APPROVED BY D.E.B.	PLANNING PERMITS
Data obtained from: <u>EDUCATION</u> <u>FLORIDA</u>		
SHEET NO. 07	SHEETS	



**MOORHEAD
ENGINEERING
COMPANY**

P.O. BOX 898
305 S.E. FIRST AVENUE
OCALA, FLORIDA 32678-0898
PHONE: (904) 732-4406

CONSULTING ENGINEERS • LAND PLANNERS • LAND SURVEYORS • LANDSCAPE ARCHITECTS

October 21, 1987

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

UNIT ONE

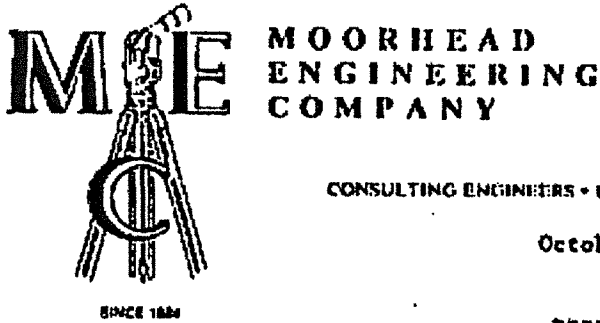
COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60th AVENUE (COUNTY ROAD C-225-A); THENCE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 260.52 FEET; THENCE DEPARTING SAID WEST RIGHT-OF-WAY LINE N.89°33'17"W. 106.87 FEET TO A POINT OF REFERENCE, SAID POINT HAVING AN X-COORDINATE OF 429976.0091 AND A Y-COORDINATE OF 1756802.2022; THENCE S.59°47'52"E. 11.84 FEET TO THE POINT OF BEGINNING;

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- 2) THENCE S.59°47'52"E. 11.84 FEET;
- 3) THENCE N.60°12'08"E. 11.84 FEET;
- 4) THENCE N.77°24'59"E. 0.98 FEET;
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CONTAINING 1276.04 SQUARE FEET, MORE OR LESS.

EXHIBIT A
PAGE THREE

EX 1501
PG 338



P.O. BOX 988
305 S.E. FIRST AVENUE
OCALA, FLORIDA 32678-0988
PHONE: (804) 732-4406

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October 21, 1987

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

UNIT TWO

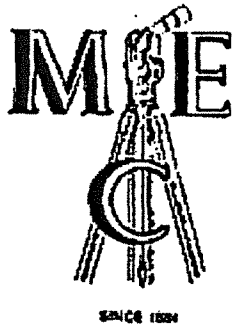
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CONTAINING 1009.24 SQUARE FEET, MORE OR LESS.

EXHIBIT A
PAGE FOUR

EX 150 : PG 399



MOORHEAD
ENGINEERING
COMPANY

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OCALA, FLORIDA 32678-0938
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October 21, 1987

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

UNIT THREE

COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60th AVENUE (COUNTY ROAD C-225-A); THENCE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 260.52 FEET; THENCE DEPARTING SAID WEST RIGHT-OF-WAY LINE N.89°33'17"W. 106.87 FEET TO A POINT OF REFERENCE, SAID POINT HAVING AN X-COORDINATE OF 429976.0091 AND A Y-COORDINATE OF 1756802.2022; THENCE S.60°12'08"W. 11.84 FEET TO THE POINT OF BEGINNING;

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CONTAINING 1276.04 SQUARE FEET, MORE OR LESS.

EXHIBIT A
PAGE FIVE

EX-17-001
007000



**MOORHEAD
ENGINEERING
COMPANY**

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305 S.E. FIRST AVENUE
OCALA, FLORIDA 32678 0398
PHONE: (304) 732-4405

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October 21, 1987

SINCE 1884

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

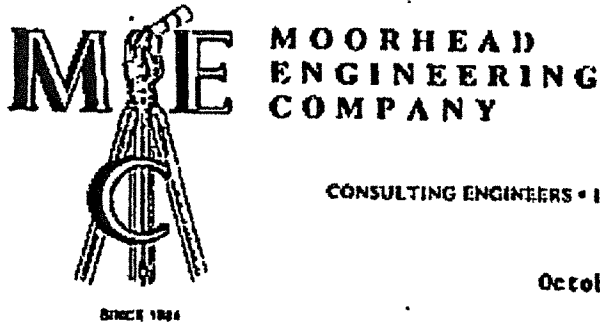
UNIT FOUR

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CONTAINING 1009.24 SQUARE FEET, MORE OR LESS.

EXHIBIT A
PAGE SIX



P.O. BOX 898
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OCALA, FLORIDA 32678-0998
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October 21, 1987

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

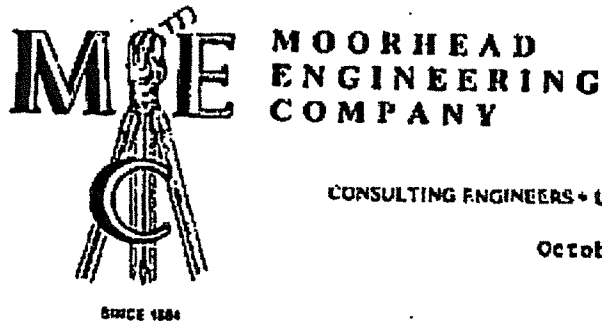
UNIT FIVE

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CONTAINING 1276.04 SQUARE FEET, MORE OR LESS.

EXHIBIT A
PAGE SEVEN



P.O. BOX 199
305 S.E. FIRST AVENUE
OCALA, FLORIDA 32678 0998
PHONE: (804) 732-4400

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October 21, 1987

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGER FACILITY

UNIT SIX

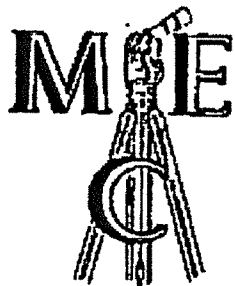
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CONTAINING 1009.24 SQUARE FEET, MORE OR LESS.

EXHIBIT A

PAGE EIGHT



**MOORHEAD
ENGINEERING
COMPANY**

P.O. BOX 098
305 S.E. FIRST AVENUE
OCALA, FLORIDA 32676 0998
PHONE: (904) 732-4406

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October 21, 1987

SINCE 1884

DESCRIPTION FOR
HEX-A-PORT AIRCRAFT HANGAR FACILITY

PHASE I, IDENTIFIED AS PARCEL "A"

COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60th AVENUE (COUNTY ROAD C-225-A); THENCE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 156.23 FEET TO THE POINT OF BEGINNING;

- 1) THENCE CONTINUE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 188.77 FEET;
- 2) THENCE N.89°33'17"W. 170.00 FEET;
- 3) THENCE N.28°23'51"W. 115.00 FEET;
- 4) THENCE N.61°36'09"E. 47.19 FEET;
- 5) THENCE N.30°12'08"E. 75.19 FEET;
- 6) THENCE S.89°33'17"E. 146.83 FEET TO THE POINT OF BEGINNING.

CONTAINING 35382.62 SQUARE FEET OR 0.81 ACRES, MORE OR LESS.

EXHIBIT A

PAGE NINE

**HEX-A-PORT
EXHIBIT B**

Year	Acres	Annual Rate/ Acre	Annual Payment	Monthly Payment (plus tax)
2010	0.81	\$ 12,200.35	\$ 9,882.28	\$ 823.52
2011	0.81	\$ 12,566.36	\$ 10,178.75	\$ 848.23
2012	0.81	\$ 12,943.35	\$ 10,484.11	\$ 873.68
2013	0.81	\$ 13,331.65	\$ 10,798.64	\$ 899.89
2014	0.81	\$ 13,731.60	\$ 11,122.60	\$ 926.88
2015	0.81	\$ 14,143.55	\$ 11,456.28	\$ 954.69
2016	0.81	\$ 14,567.86	\$ 11,799.96	\$ 983.33
2017	0.81	\$ 15,004.89	\$ 12,153.96	\$ 1,012.83
2018	0.81	\$ 15,455.04	\$ 12,518.58	\$ 1,043.22
2019	0.81	\$ 15,918.69	\$ 12,894.14	\$ 1,074.51
2020	0.81	\$ 16,396.25	\$ 13,280.96	\$ 1,106.75
2021	0.81	\$ 16,888.14	\$ 13,679.39	\$ 1,139.95
2022	0.81	\$ 17,394.78	\$ 14,089.77	\$ 1,174.15
2023	0.81	\$ 17,916.63	\$ 14,512.47	\$ 1,209.37
2024	0.81	\$ 18,454.12	\$ 14,947.84	\$ 1,245.65
2025	0.81	\$ 19,007.75	\$ 15,396.28	\$ 1,283.02

RECEIVED

OCT 19 1995

CITY MGR. OFF.

AIRPORT LAND LEASE

THIS LEASE is entered into this 7th day of November, 1995, between the City of Ocala, herein called "OCALA" and Ocala Hexaport, Inc., herein called "TENANT".

W I T N E S S E T H:

IN CONSIDERATION of the mutual covenants herein contained the parties agree:

1. AREA AND TERM OF LEASE. The property leased is a tract of land owned by OCALA which is a part of Ocala Regional Airport, as shown on the legal description attached as "Exhibit A". The term of the lease is thirty (30) years from the above date, subject to the revision extension provisions contained herein. All previous airport land leases are hereby revoked by agreement of OCALA and TENANT.
2. USES AND PURPOSES. TENANT shall have the right to use the premises for the following and for no other purpose:
 - a. Storage of aircraft which are either owned or leased by the TENANT in said airport hangar. No storage of anything other than aircraft shall be allowed. The TENANT shall be required to keep accurate records concerning ownership of the premises. Such information shall be made available to OCALA immediately upon request.
 - b. Loading and unloading of personal property on the leased premises by motor vehicles or aircraft.
 - c. Right to construct driveways, taxiways, aprons, paved area, and other improvements on the leased premises and taxiways from the leased premises to the existing taxiways, subject to prior written approval of plans not specifically leased to other tenants under private lease.
 - d. Nonexclusive use of all airport facilities which are not specifically leased to other tenants under private leases.
 - e. No commercial business may be operated from this leased premises.
 - f. Performance of preventive maintenance by TENANT as allowed by the Federal Aviation Regulations. No other maintenance or commercial operations shall be allowed.
3. IMPROVEMENTS AND CONSTRUCTION ON THE PREMISES. Any improvements and construction on the premises must be approved in writing by the Ocala Airport Manager and all buildings and improvements constructed by the TENANT shall be in accordance with the building code of OCALA and all other laws and ordinances applicable.

4. MAINTENANCE. The premises and all improvements shall, at all times, be maintained in good and safe condition and shall present an attractive appearance, all at the sole cost of the TENANT. If, in the opinion of the Airport Manager, and after notice, the subject leased premises are not maintained, OCALA may maintain the premises and bill the TENANT. Payment shall be due upon TENANT'S receipt of invoice, and delinquent thirty (30) days thereafter. No outside storage shall be allowed except for parking of aircraft. All areas not paved or covered by the t-hangar facility shall be grassed and landscaped as approved on site plan. An underground water sprinkler system is required.
5. MECHANIC'S AND MATERIALMEN'S LIENS. No materialman or laborer shall have the right to any lien against the interest of OCALA in the leased premises for any unpaid material or labor. TENANT shall pay for all material, labor and fees necessary for said improvements within thirty (30) days from completion thereof, and shall indemnify and hold OCALA harmless from any claim for labor or materials.
6. OPERATION OF AIRPORT. OCALA shall maintain the Airport in accordance with the rules and regulations of Federal Aviation Administration and TENANT shall likewise comply with such rules.
7. UTILITIES. TENANT shall pay for all utilities used on the leased premises and shall promptly pay all charges therefore when due. Appropriate connection charges to Ocala's water and sewer system will be paid when available.
8. COMPLIANCE WITH LAWS. TENANT shall at all times promptly comply with all present and future laws of Federal Government, State of Florida, and any political subdivision thereof and shall not use the premises or permit the use of the premises for any unlawful or immoral purpose or any activity thereon which may create a public or private nuisance.
9. OPTION TO RENEW. This lease shall be revisited every five (5) years provided that during the term of the lease TENANT shall have fully complied with all of the provisions contained herein. At the end of thirty (30) years, TENANT, at its option, may elect not to extend the lease provided TENANT notifies OCALA at its intent not to extend at lease thirty (30) days before the expiration of the term. TENANT and OCALA have both the option to renew this lease for another thirty (30) year term, should both parties desire and agree to do so.

10. FIXED RENT. All rent shall be due upon the first day of each month and delinquent ten (10) days thereafter. The monthly rental amount for the initial five (5) year period shall be \$318.35, plus tax, and all extensions hereof shall be one percent (1%) of the "per acre value of the land" as defined herein, multiplied by the number of acres shown in Exhibit A. For the initial five (5) year period, the "per acre value of the land" shall be \$31,835 (based on cumulative 8.6 CPI increase over the last 3 years). Rent shall begin at the time of approval hereof. The "per acre value of the land" as set forth above shall be adjusted every five (5) years pursuant to Paragraph 9, for any net increase in the purchasing power of the dollar as reflected in the Cost of Living Index ("CPI") as hereinafter defined. For the purposes hereof the CPI shall be the "Consumer Price Index" for all urban consumers (CPI-U) (1967 equals 100), all items as published for north Florida area or the area most closely related to the north Florida as reasonably determined by OCALA, and as published by the United States Department of Labor, Bureau of Labor, Bureau of Labor Statistics. Such adjustment shall be made by increasing the "per acre value of the land" by the product obtained when multiplying the "per acre value of the land" for the previous five (5) year period by the sum of the increases in the CPI for each of the five (5) preceding years. In the alternative, OCALA may, at its discretion, perform a bona fide appraisal on or about the date of review (every 5 year term), of the leased property (excluding any improvements added by TENANT) and establish the appraised value as the "per acre value of the land" for the next five year period. In no event, however, shall the "per acre value of the land", regardless of the method by which it is established, exceed one hundred sixty percent (160%) of the "per acre value of the land" for the previous five year period nor shall it be less than that said amount.
11. TERMINATION BY TENANT. If at any time during the term of this lease or any extended term hereof OCALA discontinues the operation of the Ocala Regional Airport, Jim Taylor Field, or in the event of the closing thereof by order of State or Federal authorities by reason of the action or failure of action by OCALA, or in the event of any other action or inaction on the part of OCALA which renders the leased premises unusable for the uses and purposes for which leased or if OCALA breaches any of the agreements contained herein and fails to remedy said breach for a period of thirty (30) days after written notice from TENANT of such breach, this agreement may be terminated by the TENANT and OCALA shall pay to TENANT the then fair market value of any improvements to the leased property made by TENANT less the net value (value of costs of removal) of any portions of such improvements removable by TENANT.

12. ABATEMENT OF RENT. If for any of the causes stated in Paragraph 11 above, the Airport or improvements on the premises shall become completely unusable by the TENANT for a period of more than forty-eight (48) hours, the rent shall be abated during the time such Airport or premises shall remain unusable.
13. NONWAIVER OF DEFAULT. No waiver of default by either party of any of the terms of this lease shall be construed as a waiver of any subsequent default.
14. INTEREST ON RENT ARREARAGE. Any installment of rent accruing under the provisions of this lease that is not paid when due shall bear interest at the rate of ten percent (10%) per annum from the date when the same was payable by the terms hereof, until the same is paid lessee.
15. TERMINATION BY OCALA. If TENANT shall default in the payment of rent or if TENANT shall default in any other term of this lease, or if TENANT files a voluntary petition in bankruptcy or is adjudicated bankrupt in an involuntary proceeding or if a receiver or trustee of the property of TENANT is appointed, or if any levy is made against the leasehold interest of the TENANT which remains unsatisfied for twenty (20) or more days, OCALA shall have the right to terminate this lease and take possession of the leased property and all improvements thereon at no cost to OCALA, provided that TENANT shall have thirty (30) days after written notice by OCALA to cure any default, except that in the case of default in the payment of rent, TENANT shall have ten (10) days after written notice to cure said default.
16. RESPONSIBILITY OF TENANT FOR INDEMNIFICATION OF OCALA. TENANT shall indemnify and hold OCALA harmless from any claim, demand, loss or damage to person or property on the leased premises or arising from TENANT'S improvement and operation thereof, and, to secure such indemnity, shall purchase and maintain liability insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) with OCALA, as Landlord, as a named insured.
17. RIGHT OF OCALA TO INSPECT PREMISES. OCALA shall have the right to enter the leased premises at any reasonable hour for inspection of for any other lawful purpose.
18. PAYMENT OF TAXES. TENANT shall pay all taxes which may be imposed against the improvements on the leased premises or upon any personal property therein before such taxes become delinquent and before any interest attaches. TENANT, upon demand by OCALA, shall give to OCALA adequate security against loss by reason of such contest.
19. NONEXCLUSIVE PROVISION. Notwithstanding anything herein contained that may be or appear to be to the contrary, it is expressly understood and agreed that the rights granted under this agreement, as such rights relate to any landing area as referred to in Section 303 of the Civil Aeronautics Act (C. 601,

Title III, Sec. 303, 52 Stat, 986; 49 U.S.C.A. Sec. 453), are nonexclusive, and OCALA herein reserves the right to grant similar privileges to others.

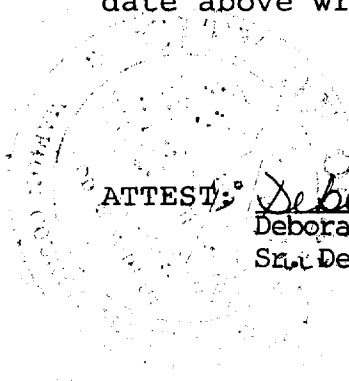
20. RESTRICTIONS AGAINST DISCRIMINATION. TENANT hereby agrees that it will not discriminate against an person or persons because of race, creed, sex, color or national origin in furnishing, or refusing to furnish to such person or persons the use of any facility, services, privileges, or accommodations offered or operated on the leased premises. It is agreed that the TENANT'S noncompliance with the provisions of this clause shall constitute a material breach of this agreement. In the event of such noncompliance OCALA may take appropriate action to enforce compliance, may terminate this agreement, or may pursue such other remedies as may be provided by law at total cost of TENANT.
21. AFFIRMATIVE ACTION PLAN. The TENANT assures that it will undertake an affirmative action program if required by 14 CRF Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities in connection with any operation of the leased premises covered by 14 CRF Part 152, Subpart E.
22. COVENANTS OF OCALA. OCALA represents that it has authority to enter into this lease agreement subject to all requirements as have been and may from time to time be imposed by the United States through its Department and agencies upon OCALA as owner and operator of OCALA REGIONAL AIRPORT.
23. NOTICES. Notices to OCALA shall be sufficient if sent by certified mail to the Airport Manager, City Hall, Post Office Box 1270, Ocala, Florida 34478-1270, and to TENANT if sent by certified mail to George R. McCoy, 1920 SW 37th Avenue, Ocala, Florida 34474 or such other address as the parties may designate in writing.
24. TIME OF THE ESSENCE. Time is declared to be of the essence of each provision contained herein. This agreement shall be binding upon the parties hereto, their successors, personal representatives and assigns.
25. ASSIGNMENT BY TENANT. TENANT may not assign this lease or premises or transfer a controlling interest of TENANT without prior written consent of OCALA, which consent shall not unreasonably withheld.
26. OWNERSHIP OF MOVABLE STRUCTURES AFTER EXPIRATION. Upon termination of the Airport Hangar Lease for any reason, all improvements and construction on the premises, together with the movable structures situated on the premises shall, at the option of OCALA, become the sole and exclusive property of OCALA. Within thirty (30) days of the termination of the Airport Hangar

Lease. OCALA shall provide written notice to the TENANT of its intent to exercise this option.

27. SUBLETTING AND COMMERCIAL UNDERTAKING. TENANT shall not at any time sublet all or any portion of the leased premises on the facility without the prior written consent of OCALA, which such consent may be conditioned upon such additional terms and conditions as OCALA may seek to impose on the sublease. TENANT shall not enter into a commercial business without prior written consent of OCALA, which such consent may be conditioned upon such additional terms and conditions as OCALA may seek to impose.

28. ENVIRONMENTAL COMPLIANCE. Attached hereto as Exhibit "B" is an addendum setting forth "Environmental Compliance Matters" which shall be binding upon the parties to this agreement.

IN WITNESS WHEREOF, the parties have executed this lease the date above written.



ATTEST: Deborah C. Bullock
Deborah C. Bullock
Sr. Deputy City Clerk

CITY OF OCALA

BY: Gerald K. Ergle
Gerald K. Ergle
City Council President

OCALA HEXAPORT, INC.

George R. McCoy
George R. McCoy
Secretary/ Treasurer

Approved as to form and legality:

Patrick G. Gilligan
Patrick G. Gilligan
City Attorney

ACCEPTED BY CITY COUNCIL
on 14th day of November, 1995
By: Valerie Foster
~~Senior~~ Deputy City Clerk

EXHIBIT "A"

A) COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60TH AVENUE (COUNTY ROAD C-225-A); THENCE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 156.23 FEET TO THE POINT OF BEGINNING;

- 1) THENCE CONTINUE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 188.77 FEET;
- 2) THENCE N.89°33'17"W. 170.00 FEET;
- 3) THENCE N.28°23'51"W. 115.00 FEET;
- 4) THENCE N.61°36'09"E. 47.19 FEET;
- 5) THENCE N.30°12'08"E. 75.19 FEET;
- 6) THENCE S.89°33'17"E. 146.83 FEET TO THE POINT OF BEGINNING.

CONTAINING 35382.62 SQUARE FEET OR 0.81 ACRES, MORE OR LESS.

B) TOGETHER WITH A NON-EXCLUSIVE LEASEHOLD EASEMENT FOR INGRESS AND EGRESS OVER A TAXIWAY DESCRIBED AS:

COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60TH AVENUE (COUNTY ROAD C-225-A); THENCE CONTINUE N.89°33'17"W. 337.17 FEET TO THE POINT OF BEGINNING;

- 1) THENCE S.28°23'51"E. 267.85 FEET;
- 2) THENCE S. 61°36'09"W. 20.00 FEET;
- 3) THENCE N.28°23'51"W. 278.86 FEET;
- 4) THENCE S.89°33'17"E. 22.83 FEET TO THE POINT OF BEGINNING.

CONTAINING 5467.04 SQUARE FEET OR 0.13 ACRES, MORE OR LESS.

C) TOGETHER WITH A NON-EXCLUSIVE LEASEHOLD WATER LINE EASEMENT TWO (2) FEET EITHER SIDE OF THE CENTERLINE DESCRIBED AS:

COMMENCE AT THE N.E. CORNER OF THE S.E. 1/4 OF SECTION 20, TOWNSHIP 15 SOUTH, RANGE 21 EAST, MARION COUNTY, FLORIDA; THENCE S.00°26'43"W. ALONG THE EAST BOUNDARY OF SAID SECTION 20 A DISTANCE OF 1657.52 FEET; THENCE N.89°33'17"W. 85.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF S.W. 60TH AVENUE (COUNTY ROAD C-225-A); THENCE S.00°26'43"W. ALONG SAID WEST RIGHT-OF-WAY LINE 260.52 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY LINE N.89°33'17"W. 106.87 FEET TO A POINT OF REFERENCE, SAID POINT HAVING AN X-COORDINATE OF 429976.0091 AND A Y-COORDINATE OF 1756802.2022; THENCE S.79°14'10"W. 66.54 FEET TO A WATER VALVE, SAID POINT BEING THE POINT OF BEGINNING OF THIS CENTERLINE DESCRIPTION;

- 1) THENCE N.28°57'34"W. ALONG THE CENTERLINE OF AN UNDERGROUND WATER LINE 301.75 FEET;

- 2) THENCE CONTINUING ALONG THE CENTERLINE OF SAID WATER LINE N.89°33'17"W. 33.88 FEET TO THE POINT OF TERMINUS OF THIS CENTERLINE DESCRIPTION, SAID POINT BEING ON THE WESTERLY BOUNDARY OF PARCEL "C" AND BEING S.28°23'51"E. 12.08 FEET FROM THE N.W. CORNER OF SAID PARCEL "C".

EXHIBIT "B"

ENVIRONMENTAL COMPLIANCE MATTERS

(A) OCALA and TENANT expressly agree that there are no third party beneficiaries to this Article or any portion of this Lease.

(B) For the purposes of this part, the following terms shall be defined as follows:

1. "Hazardous Material" means any radioactive, hazardous, or toxic substance, material, waste or similar term, the presence of which on the Premises, or the discharge or emission of which from the premises, is prohibited by Governmental Requirements (hereafter defined) or which require special handling in collection, storage, treatment, or disposal by any Governmental Requirements. The term Hazardous Material includes, but is not limited to, any material, substance, waste or similar term which is:

(i) Defined as a hazardous material under the laws of the State of Florida as they are amended from time to time;

(ii) Defined as a hazardous substance under Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317) as amended from time to time;

(iii) Defined as a hazardous waste under Section 1004 of the Federal Resource Conservation and Recovery Act (RCRA) (42 U.S.C. Section 6901, et seq.) as amended from time to time;

(iv) Defined as a hazardous waste substance under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, (CERCLA) and (SARA) (42 U.S.C. Section 9601, et seq.), as amended from time to time;

(v) Defined as a radioactive, hazardous, or toxic substance, waste, material or similar term in any rules and regulations, as amended from time to time, which are adopted by any administrative agency; including, but not limited to the Environmental Protection Agency, the Occupational Safety and Health Administration, and any such similar state or local agency having jurisdiction over the Premises, whether or not such rules and regulations have the force of law;

(vi) Determined to contain asbestos or polychlorinated biphenyls;

(vii) Defined as a radioactive, hazardous, or toxic waste, substance, material or similar term in any other statute, regulation, rule or law presently in effect, or enacted or adopted as any time after the date of this Lease, by local authorities, the State of Florida, and/or the federal government or

(viii) Subject to regulation under the Toxic Substances Control Act (TSCA) 15 USC, Section 2601, et seq.)

2. "Governmental Requirements" shall mean all laws, ordinances, statutes, codes, regulations, orders, and decrees of the United State, the State of Florida, and all local or governmental or regulatory authorities exercising jurisdiction over OCALA or the Premises.

(a) The "Termination Date" shall be the date on which the term and all extended terms of this Lease shall have expired.

(b) "Hazardous Material Contamination" shall mean the contamination (whether presently existing or hereafter occurring) of the Demised premises, or the contamination of the buildings, facilities, soil, ground water, air or other elements on, or of, as a result of Hazardous Material at any time emanating from the Demised Premises.

(c) To the best of OCALA'S knowledge, as of the date the TENANT'S obligation to pay rent begins, there will not be any Hazardous Material on or in the Demised Premises, or being released or discharged therefrom (the term "Demised Premises" expressly including for the purposes of this Section, all buildings and other improvements located thereon, all of OCALA'S personal property, the soil and the ground water thereof, including the streams crossing or abutting the Demised Premises and the aquifer underlying the Demised Premises), whether such Hazardous Material be located or placed on or within the Demised Premises by spill, release, discharge, disposal, storage, or otherwise.

To the best of OCALA'S knowledge after due and diligent inquiry: (1) no part of the Demised Premises has ever been used as a manufacturing, storage, or dump site for Hazardous Material, nor is any part of the Demised Premises affected by any Hazardous Material Contamination; (2) no property adjoining the Demised Premises has ever been used as a manufacturing, storage, or dump site for Hazardous Material; and (3) no property adjoining the Demised Premises is affected by Hazardous Material Contamination. As soon as practicable, after the TENANT'S obligation to pay begins, OCALA may, at its expense, deliver to TENANT an environmental audit of the property. If such audit reveals the presence of any hazardous waste, OCALA shall, at its sole expense, remove and dispose of the same.

TENANT covenants and agrees that from the date its obligation to pay rent begins through the Termination Date, TENANT and TENANT'S agents, contractors, authorized representatives, lisencces, permites, and employees (collectively "Tenants's Agents") shall not engage in any of the following prohibited activities, and OCALA shall use its best and diligent efforts to see that OCALA'S invitees and tenants, and such tenants' employees, agents and invitees shall not, except in accordance with applicable governmental laws and regulations:

(1) Cause or permit any release or discharge of Hazardous Material from the Demised Premises; or

(2) Cause or permit any manufacturing, holding, handling, retaining, transporting, spilling, leaking, or dumping of Hazardous Material in or on any portion of the Demised Premises; or

(3) Otherwise place, keep, or maintain, or allow to be placed, kept, or maintained, any Hazardous Material on any portion of the Demised Premises.

(D) From the date TENANT'S obligation to pay rent begins through the Termination Date, OPERATOR shall comply, and cause TENANT'S agents and the Demised Premises to comply, with all laws, ordinances, rules, and regulations of all authorities having jurisdiction over the TENANT, TENANT'S agent, the Demised Premises, or the use of the Demised Premises, and pertaining to any Hazardous Material (herein called "Hazardous Material Laws").

(E) If Hazardous Material is shown to have been discharged onto the Demised Premises by TENANT, its agents, licensees, permittees, or employees in violation of Hazardous Materials Laws, TENANT shall pay immediately when due the cost of removal of any such Hazardous Material from the Demised Premises in compliance with all Governmental Requirements, and keep the entire Demised Premises free of any lien imposed pursuant to any laws, regulations, or orders of any governmental or regulatory authority having to do with the removal of such Hazardous Material. If the United States Environmental Protection Agency (EPA) determines that the source of the hazardous waste was outside of the lands described on Exhibit A, and if the TENANT or TENANT'S agents, invitees, tenants, and the agents of invitees and tenants have not contributed to the presence of such hazardous waste, removal may not be at his expense. In the instances where the removal and disposal of the hazardous waste is the TENANT'S obligation, it shall within thirty (30) days after demand by OCALA obtain and deliver to OCALA a bond, letter of credit, or similar financial assurance for the benefit of OCALA evidencing to OCALA'S satisfaction, that the necessary funds are available to pay the cost of removing, treating, and disposing of all Hazardous Material or Hazardous Material Contamination on the Demised Premises and discharging any assessments or liens which may be established on the Demised Premises as a result thereof.

(F) To the best of OCALA'S knowledge, no report, analysis, study, or other document asserting that Hazardous Material Contamination exists on the Demised Premises or identifying any Hazardous Material as being located upon released or discharged from the Demised Premises has been issued.

TENANT shall:

(1) Give notice to OCALA immediately upon OPERATOR'S acquiring knowledge of the presence of any Hazardous Material on the

Demised Premises in violation of applicable Hazardous Materials Laws or of any Hazardous Material Contamination thereof, with a full description thereof.

(2) Immediately advise OCALA in writing of any notices received by TENANT or TENANT'S agents alleging that the Demised Premises contains Hazardous Material in violation of applicable Hazardous Material Laws or Hazardous Material Contamination or that a violation or potential violation of any Hazardous Material Laws by TENANT, TENANT'S agents, or the Demised Premises exists (whether such notices are received from the Environmental Protection Agency, the Occupational Safety and Health Agency, or any other federal, state or local governmental agency or regional office thereof);

(3) Immediately advise OCALA in writing of any and all enforcements, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened with respect to the Demised Premises or any property adjoining the Demised Premises pursuant to any Hazardous Material Laws;

(4) Immediately advise OCALA in writing of all claims made or threatened by any third party against TENANT, TENANT'S agent, or the Demised Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Material or Hazardous Material Contamination pertaining to the Premises; and

(5) Immediately advise OCALA in writing upon TENANT'S discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Demised Premises which does, or could, cause the Demised Premises, or any part thereof, to contain Hazardous Material or Hazardous Material Contamination or other be in violation of any Hazardous Material Laws.

(G) Without OCALA'S prior written consent, which shall not be unreasonably withheld, TENANT shall not take any remedial action in response to the presence of any Hazardous Material or Hazardous Material Contamination upon or about the Demised Premises, nor enter into any settlement agreement, consent degree, or other compromise in respect to any violation or alleged violation of any Hazardous Material Laws, which remedial action, settlement, consent or compromise might, in Ocala's judgment, impair the value of the Demised Premises, provided, however, that OCALA'S prior written consent shall not be necessary in the event that the Presence of Hazardous Material or Hazardous Material Contamination on or about the Demised Premises either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature than an immediate remedial response is necessary. In such event, TENANT shall notify OCALA as soon as practicable of any action so taken. OCALA shall not withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) TENANT establishes to the reasonable satisfaction of the OCALA

that there is no reasonable alternative to such remedial action which would result in less impairment to the value of the Demised Premises.

(H) In addition to the other remedies provided to OCALA, OCALA shall have the right, but not the obligation to cause all Hazardous Materials or Hazardous Material Contamination found on or in the Demised Premises to be removed therefrom, and in such event, the cost of the removal, including all expenses, charges, and fees incurred by OCALA in connection therewith, including attorneys, engineers, and consultants fees, shall be payable by TENANT on demand for Hazardous Materials shown to have been discharged into the Demised Property by TENANT, its agents, licensees, permittees, or employees in violation of Hazardous Material Laws, and shall bear interest at Citibank of New York prime rate plus three percent (3%) per annum from the date advanced until paid. OPERATOR shall give to OCALA and its agents and employees access to the Demised Premises for such purposes. TENANT hereby grants to OCALA, its agents and employees, full right and authority to remove any such Hazardous Material on the premises in violation of applicable Hazardous Material Laws or Hazardous Material Contamination from the Demised premises.

(I) OCALA, at any time and from time to time during the term of the Lease and all extensions thereof, if it has reasonable cause to suspect that any provision of this Article is not being complied with, may notify TENANT in writing that it desires a site assessment or environmental audit (such assessment or audit being herein called the "Audit") of the Demised Premises to be made, and at any time thereafter cause such site assessment or environmental audit to be made of the Demised Premises. If a violation of this Exhibit "B" is found, then the audit shall be at TENANT'S sole expense. If no violation is found, OCALA shall pay for subject audit. Such Audit(s) shall be performed in a manner reasonably calculated to confirm and verify compliance with the provisions of this Article. Such results shall be kept confidential by both OCALA and TENANT unless either party is legally compelled or required to disclose such results, or disclosure is reasonably required in order to pursue rights or remedies provided herein or at law.

TENANT covenants to reasonably cooperate with the persons conducting the Audit (the "Auditors") to allow entry and reasonable access to all portions of the Demised Premises for the purpose of the Audit, to supply the Auditors with all available historical and operations information regarding the Demised Premises as may reasonably be requested by the Auditors, and to make available for meetings with the Auditors appropriate personnel having knowledge of matters relevant to the Audit. For any Hazardous Material Contamination shown to have been discharged on to the Demised Premises by TENANT, its agents, licensees, permittees, or employees, in violation of Hazardous Material Laws, TENANT covenants to comply, at its sole cost and expense, with all recommendations contained in the Audit, including any recommendation for additional testing and studies to detect the

presence of Hazardous Material or Hazardous Material Contamination, or to otherwise confirm and verify TENANT'S compliance with the provisions of this Article.

(J) TENANT warrants that during the initial term, all extended terms of this lease, and upon surrender of the premises to OCALA that the property described on Exhibit "A" and all improvements thereon will be free of all hazardous waste in violation of applicable Hazardous Materials Laws to the extent required above. The TENANT shall be solely responsible for, and hereby agrees to indemnify and hold OCALA (including the respective employees, agents, and officials of OCALA) harmless from, any and all actions, loss, liability, damage, cost or expense occasioned by, resulting from, or consequent to any Hazardous Material held or used in violation of applicable Hazardous Material Laws or Hazardous Material Contamination shown to have been discharged onto the Demised Premises by TENANT its agents, licensees, permittees, or employees in violation of Hazardous Materials Laws; any releases or discharges of Hazardous Material from the Demised Premises; any manufacturing, maintaining, holding, handling, transporting, spilling, leaking or dumping of Hazardous Material on or at the Demised Premises, any other violation of Hazardous Material Laws; any claim or assertion that any such Hazardous Material or Hazardous Material Contamination is so located on the Demised Premises or that any such activities or violations have been, or are being, engaged in on the Demised Premises; or any other failure or alleged failure of TENANT, TENANT'S agents, or the Demised Premises to comply with the provision of this Article notwithstanding any and all attempts by TENANT to exercise due diligence in ascertaining whether or not any of the events outlined above affect the Demised Premises. Such Loss, liability, damage, cost, or expenses hereby indemnified against shall include without limitation:

- (1) All foreseeable consequential damages;
- (2) The costs for any required or necessary repair, cleanup or detoxification of the Demised Premises, including the soil and ground water thereof, and the preparation and implementation of any closure, remedial or other required plans;
- (3) Damage to any natural resources; and
- (4) All reasonable costs and expenses incurred by OCALA in connection with clauses (1), (2), and (3), including but not limited reasonable attorneys' and consultants' fees.

The obligation of both parties to hold the other harmless and to indemnify shall survive the expiration or termination of this lease. All costs and expenses incurred by OCALA for which TENANT has indemnified OCALA shall be paid by TENANT to OCALA within fifteen (15) days of demand therefore.